

Financial statements and report of independent certified public accountants

El Paso County, Colorado

December 31, 2002

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Report of Independent Certified Public Accountants

Board of County Commissioners
El Paso County, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County, Colorado, as of and for the year ended December 31, 2002, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the El Paso County Sheriff Special Investigation Fund, which represent 4 percent and 5 percent, respectively, of the assets and revenues of the aggregate nonmajor governmental funds, the financial statements of the El Paso County Retirement Plan, which is reported as the pension trust fund and the financial statements of the discretely presented component units, the El Paso County Department of Health and Environment and the El Paso County Housing Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for the El Paso County Sheriff Special Investigation Fund, the El Paso County Retirement Plan, the El Paso County Department of Health and Environment, and the El Paso County Housing Authority, is based solely on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County, Colorado as of December 31, 2002, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in note D.6., the County has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as of January 1, 2002.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2003, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 8 through 18 and budgetary comparison information on pages 60 through 63 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise El Paso County's basic financial statements taken as a whole. The combining statements and schedules, schedules of revenues, expenditures, and changes in fund balances – budget and actual, and miscellaneous information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Grant Thornton LLP". The signature is written in a cursive, flowing style.

Colorado Springs, Colorado
March 28, 2003

MANAGEMENT'S DISCUSSION AND ANALYSIS

El Paso County's (the "County") discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Our discussion and analysis of El Paso County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2002. Please read it in conjunction with the County's financial statements, which begin on page 20.

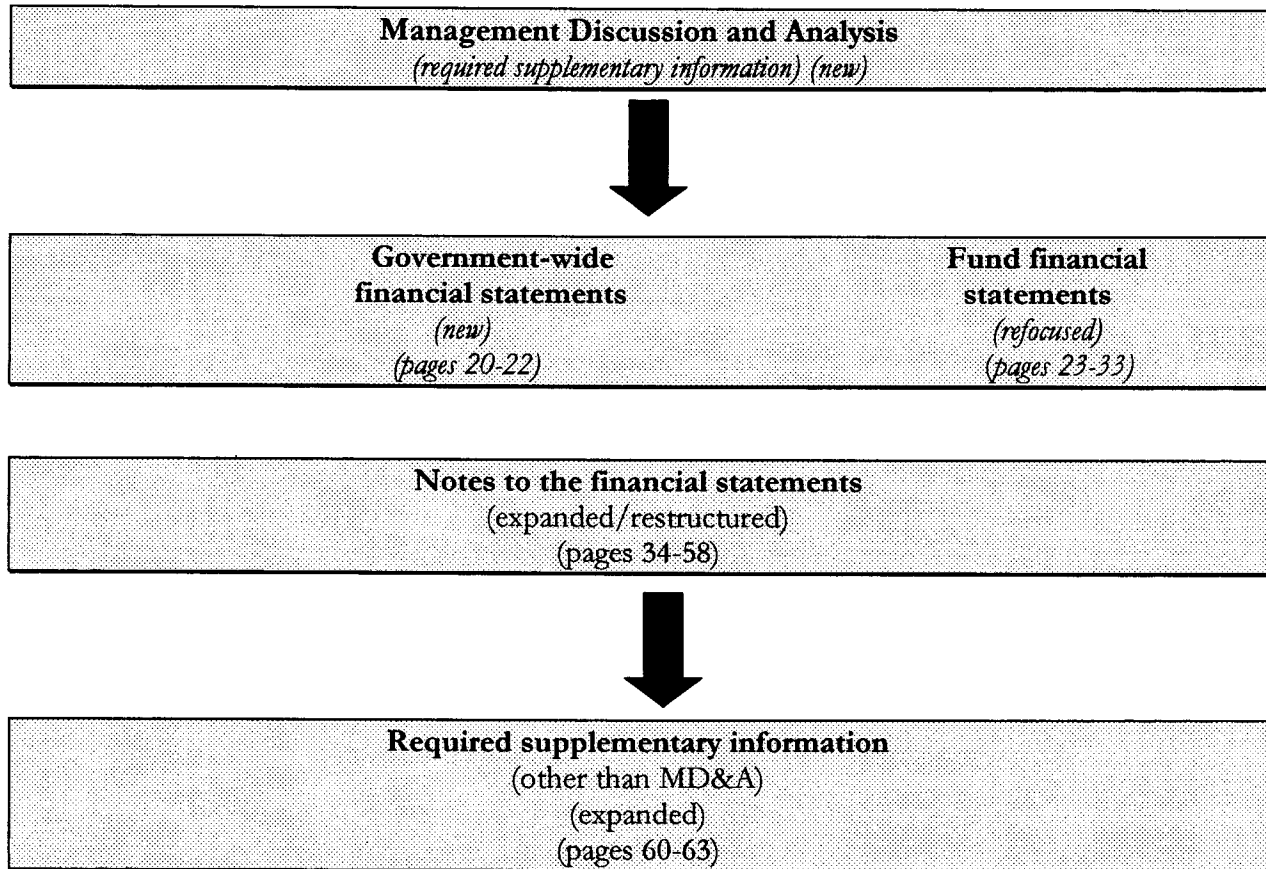
This is the first year implementing the new GASB 34 financial statements, thus the Management's Discussion and Analysis for 2002 only contains 2002 information. In subsequent years, the Management's Discussion and Analysis will contain comparative information.

FINANCIAL HIGHLIGHTS

- The County's net assets as of December 31, 2002 were \$170 million.
- During the year, the County had expenses that were \$90.1 million more than the \$86.0 million revenues for governmental programs.
- For the year ended December 31, 2002, the Road and Bridge fund recorded a net decrease in fund balance of \$1.1 million on revenues of \$20 million. At December 31, 2002, this fund had an unreserved fund balance of approximately \$4.5 million.
- For the year ended December 31, 2002, the Social Services fund recorded a net decrease in fund balance of \$2.0 million on revenues of \$41.1 million. At December 31, 2002, this fund had an unreserved fund balance of approximately \$5.6 million.
- At December 31, 2002, the Self-Insurance fund had an unrestricted net assets balance of approximately \$10.9 million. This is the balance remaining after expensing and setting up reserves for all known claims at year-end. Management believes that adequate resources are available to pay all claims during 2003.

USING THIS ANNUAL REPORT

In light of the fact that this is a very different presentation of the County's previous general purpose financial statements, the following graphic is provided for your review.



This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 20 through 22) provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 23. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

These two government-wide statements report the County's net assets and how they have changed. You can think of the County's net assets, the difference between assets and liabilities, as one way to measure the County's financial health, or financial position.

- Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, you will need to consider additional nonfinancial factors, such as changes in the County's property tax base and the condition of the County's roads.

The government-wide financial statements of the County are divided into three categories:

- ***Governmental activities*** - Most of the County's basic services are included here, such as sheriff, public works, health and welfare, auxiliary services and general administration. Taxes and intergovernmental revenues finance most of these activities.
- ***Business-type activities*** - The County charges fees to customers to help it cover the costs of certain services it provides. The County's Penrose Equestrian Center, County Fair, Pikes Peak Center, Solid Waste Management, and Land Development Review are included here.
- ***Component units*** - The County includes six other entities in its report-
 - The El Paso County Sheriff Special Investigation Fund is a fund governed by the El Paso County Sheriff's department and was established to account for money received from public nuisance seizures. This fund is legally separate from the County.
 - The District Attorney Offices of the Fourth Judicial District is a legally separate entity.
 - The El Paso County Retirement Plan exists for the purpose of being a cost-sharing, multiple-employer benefit plan for all full-time employees.
 - The El Paso County Facilities Corporation exists as a nonprofit corporation under the laws of the State of Colorado which was organized to acquire real estate, property and improvements for lease to the County and, upon the prior approval of a majority of the memberships of the Board of County Commissioners of the County, to borrow money and to become indebted and to execute and deliver bonds, notes, and debentures to evidence such indebtedness, for the purpose of acquiring such real personal property, constructing or installing such improvements, and for such other purposes as may be necessary to accomplish the objectives of the Corporation.
 - The El Paso County Department of Health and Environment is a quasi-municipal organization organized by authority of State Statutes and Resolution of the County Commissioners.
 - The El Paso County Housing Authority was established by the Commissioners and exists in order to help promote availability of decent, safe, and sanitary dwelling accommodations in the County to low-income families.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds-not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of County Commissioners establishes other funds to control and manage money for particular purposes or to show that it's properly using certain taxes and grants.

The County has three types of funds:

- ***Governmental funds*** - Most of the County's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.
- ***Proprietary funds*** - Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - Enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
 - Internal service funds are used to report activities that provide supplies and services for the County's other programs and activities.
- ***Fiduciary funds*** - The County is the trustee, or fiduciary for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net assets. The County's combined net assets were \$170 million in 2002. Looking at the net assets and net expenses of governmental and business-type activities separately, however, two very different stories emerge. The following focuses on the net assets (Table 1) and changes in net assets (Table 2) of the County's governmental and business-type activities.

Table 1
Net Assets of Governmental Activities
(in millions)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Current and other assets	\$ 188.6	\$ 2.8	\$ 191.4
Capital assets	<u>111.9</u>	<u>18.3</u>	<u>130.2</u>
Total assets	300.5	21.1	321.6
Long-term debt outstanding	107.3	.2	107.5
Other liabilities	<u>44.1</u>	<u>-</u>	<u>44.1</u>
Total liabilities	151.4	.2	151.6
Net assets:			
Invested in capital assets, net of related debt	92.8	18.3	111.1
Restricted	12.2	-	12.2
Unrestricted	<u>44.1</u>	<u>2.6</u>	<u>46.7</u>
Total net assets	<u>\$ 149.1</u>	<u>\$ 20.9</u>	<u>\$ 170.0</u>

For more detailed information see page 20 for the Statement of Net Assets.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation to the fund financial statements .

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of related debt.

Spending of Non-Borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of related debt.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of related debt.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and invested in capital assets, net of related debt.

Net assets of the County's governmental activities were \$149.1 million. However, most of those net assets either are restricted as to the purposes they can be used for or are in capital assets (buildings, roads, bridges, and so on). Unrestricted net assets is the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net assets showed a \$44.0 million surplus at the end of this year. However, the unrestricted funds are designated for specific purposes within the County's funds. The designations are disclosed in the fund financial statements. This surplus is the result of having current available resources greater than the long-term commitments. The County is required to maintain an "emergency reserve" in the amount of 3% of "fiscal year spending less debt service". This "reserve" can be used to meet any emergency except those caused by economic conditions, revenue shortfalls and salary or fringe benefits increases. Accordingly, the amount of this emergency reserve" at December 31, 2002 is \$3.9 million.

Changes in net assets. The County's total revenues were \$184.8 million for 2002. Virtually 12% of the County's revenues come from charges for services. The total cost of all programs and services was \$179.4 million.

Table 2
Changes in El Paso County's Net Assets
(in millions)

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u> <u>Primary Government</u>
Revenues			
Program revenues			
Charges for services	\$ 19.2	\$ 3.0	\$ 22.2
Operating grants	52.3	-	52.3
Capital grants	14.5	-	14.5
General revenues			
Property taxes	24.8	-	24.8
Sales tax	60.2	-	60.2
Other taxes	10.4	-	10.4
Other revenue	.4	-	.4
Total revenue	<u>181.8</u>	<u>3.0</u>	<u>184.8</u>
Expenses			
General government	56.1	-	56.1
Public safety	45.4	-	45.4
Public works	16.1	-	16.1
Health and welfare	54.2	.6	54.8
Culture and recreation	2.9	2.6	5.5
Auxiliary services	.5	.1	.6
Interest on long term debt	.9	-	.9
Total expenses	<u>176.1</u>	<u>3.3</u>	<u>179.4</u>
Increase (decrease) in net assets before transfers	5.7	(.3)	5.4
Transfers	<u>(21.2)</u>	<u>21.2</u>	<u>-</u>
Increase (decrease) in net assets	<u>\$ (15.5)</u>	<u>\$ 20.9</u>	<u>\$ 5.4</u>

Governmental Activities

There are eight basic impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition - which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Board approved fees - the County Commissioners have significant authority to impose and periodically increase/decrease fees.

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) - certain recurring revenues (state revenue sharing, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparison.

Market Impacts on Investment Income - the County's investment portfolio is managed using a variety of maturities and the market condition may cause investment income to fluctuate as a result.

Expenses:

Introduction of New Programs - within the functional expense categories, individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - changes in services demand may cause the Commissioners to increase/decrease authorized staffing.

Salary increases (cost of living, merit and market place adjustment) - the ability to attract and retain trained and educated resources requires the County to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest, the County is a major consumer of certain commodities such as chemicals and supplies, fuels, and parts. Some functions may experience unusual commodity specific increases.

Table 3 presents the cost of each of the County's four largest programs-public safety, public works, health and welfare and culture and recreation - as well as each program's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

Some of the cost was paid by those who directly benefited from the programs, or other governments and organizations that subsidized certain programs with grants and contributions.

Table 3
Net Cost of El Paso County's Governmental Activities
(in millions)

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Public safety	\$ 45.4	\$ 36.2
Public works	16.1	.1
Health and welfare	54.2	12.7
Culture and recreation	<u>2.9</u>	<u>1.6</u>
Total	<u>\$ 118.6</u>	<u>\$ 50.6</u>

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As the County completed the year, the governmental funds reported a combined fund balance of \$130.2 million. However, included in this year's total change in fund balance was a \$2.0 million decrease in the Social Services fund and a \$2.3 million decrease in other special revenue funds.

General Fund Budgetary Highlights

Over the course of the year, the County Commissioners revised the County's budget several times. The ten largest budget amendments are as follows:

- Resolution 02-78 was approved by the County Commissioners to reappropriate \$1,244,007 of 2002 projects in process but not yet completed and to approve Additional Funding Requests totaling \$11,247,247. This resolution also increased the General Fund Full Time Equivalent (FTE) position count by 12.
- Resolution 02-57 was approved by the County Commissioners to reappropriate \$2,936,881 of 2002 projects in process but not yet completed. These projects should be completed during 2003.
- Resolution 02-188 was approved by the County Commissioners to purchase real estate from the reserves set aside for this purpose. The General Fund portion of this purchase was \$583,130.
- Resolution 02-288 was approved by the County Commissioners to spend \$419,288 for a Records Management System for the Sheriff's Office through revenues received from the State Criminal Alien Assistance Program.
- Resolution 02-84 was approved by the County Commissioners for a one-time increase to the funding for the Department of Health and Environment by \$385,544 to cover the retirement employer contribution for their employees and reduce their budget for the reduction of support services by \$35,933.
- Resolution 02-53 was approved by the County Commissioners to increase expenditures for the mandated service of providing medical care for inmates by \$296,299.

- Resolution 02-190 was approved by the County Commissioners to reduce the appropriations to Justice Services by \$286,855. The State reduced the contract for Inmate Housing during 2002.
- Resolution 02-54 was approved by the County Commissioners to use funds received from the State Criminal Alien Assistance Program to pay JBI Incorporated \$218,086 and purchase an additional 32 beds at ComCor for \$61,512.
- Resolution 02-416 was approved by the County Commissioners to use \$213,000 of State Detention Rental funds to cover unanticipated costs for additional inmates housed in the County Jail facilities.
- Resolution 02-417 was approved by the County Commissioners to reduce the appropriation to Justice Services by \$197,227. The State reduced the contract for several Community Correction services during 2002.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2002, the County had invested \$158.7 million in a broad range of capital assets, including land, buildings, equipment, infrastructure, park facilities, etc. (See Table 4.)

Table 4
El Paso County Capital Assets
(in millions)

	Governmental Activities
Land	\$ 13.4
Construction in progress	0.1
Buildings & improvements	84.9
Equipment	40.6
Infrastructure	17.1
Furniture & fixtures	<u>2.6</u>
Total	<u>\$ 158.7</u>

El Paso County's investments in capital assets for its governmental and business-type activities as of December 31, 2002 amounts to \$130.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvement, machinery and equipment, park facilities, roads, highways, and bridges.

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

- Voting equipment totaling \$802,383 was purchased for the Clerk and Recorder's Department to enable them to comply with the current voting requirements for the 2002 local election.

- Property located right next to the El Paso County Administration Building consisting of a parcel of land and an existing building was purchased at a total of \$1,015,093 for future use and possible expansion of El Paso County office space.
- Design services for the new Criminal Justice Services Addition were completed and paid for in 2002 at a cost of \$826,280.
- Remodeling of the east basement of the Judicial Building located at 20 East Vermijo was completed at a cost of \$456,709.
- Construction of a new building for Solid Waste Management operations was completed in 2002, with a cost in the current year of \$741,655.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, traffic signals, underground pipes [unless associated with a utility], etc.) have not been reported nor depreciated in governmental financial statements. GASB 34 requires that these assets be valued and reported within the Governmental section of the Government-wide Statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The information about the condition and maintenance of the condition of the government infrastructure assets should assist financial statement users in evaluating a local government and its performance over time. El Paso County has elected to depreciate these assets over their estimated useful lives.

Long-term Debt

During 2002, El Paso County issued two additional Certificates of Participation totaling \$84,975,000.

- The first Certificate of Participation is Series 2002A. This Certificate of Participation was issued for \$44,865,000 for the construction of the new Judicial Building and a parking garage. Construction for the new judicial building will commence in January 2004 following a year of design and permitting. At the current time, it anticipated that the Judicial Building will be completed by July 2005.
- The second Certificate of Participation is Series 2002B. This Certificate of Participation was issued for \$40,110,000 for the construction of the Detention Facility Addition (or Criminal Justice Center). The Criminal Justice Center Addition will be a new six story minimum/medium security, direct supervising facility. Construction on the Criminal Justice Center commenced in February 2003. At the current time, it is anticipated that the Criminal Justice Center will be completed in January 2004.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Financial Services Office, at El Paso County, 27 E. Vermijo, Fifth Floor, Colorado Springs, Colorado 80903.

BASIC FINANCIAL STATEMENTS

El Paso County, Colorado
STATEMENT OF NET ASSETS
December 31, 2002

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	El Paso County Department of Health and Environment	The El Paso County Housing Authority
ASSETS					
Cash and investments	\$ 132,542,223	\$ 2,632,948	\$ 135,175,171	\$ 920	\$ 3,132,545
Receivables					
Property taxes	34,272,550	-	34,272,550	-	-
Accounts	549,142	267,724	816,866	82,329	-
Intergovernmental	17,522,095	17,298	17,539,393	6,280,228	-
Interest	33,741	-	33,741	-	5,610
Notes	-	-	-	-	1,628,744
Internal balances	97,512	(97,512)	-	-	-
Inventories	1,828,487	-	1,828,487	35,133	-
Prepaid items	78,538	-	78,538	7,829	-
Unamortized issuance costs	1,652,925	-	1,652,925	-	-
Capital assets, net of accumulated depreciation	111,928,703	18,315,956	130,244,659	780,177	-
Total assets	<u>\$ 300,505,916</u>	<u>\$ 21,136,414</u>	<u>\$ 321,642,330</u>	<u>\$ 7,186,616</u>	<u>\$ 4,766,899</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts payable	\$ 6,870,116	\$ 38,409	\$ 6,908,525	\$ 261,366	\$ 8,972
Interest payable	384,251	-	384,251	-	-
Accrued liabilities	2,452,092	-	2,452,092	1,360,851	5,127
Deferred revenue	34,431,457	-	34,431,457	94,667	1,628,745
Noncurrent liabilities					
Due within one year	2,470,249	14,989	2,485,238	-	-
Due in more than one year	104,837,308	160,267	104,997,575	-	-
Total liabilities	<u>151,445,473</u>	<u>213,665</u>	<u>151,659,138</u>	<u>1,716,884</u>	<u>1,642,844</u>
NET ASSETS					
Invested in capital assets, net of related debt	92,778,558	18,315,956	111,094,514	780,177	-
Restricted for:					
Declared emergencies	3,887,842	-	3,887,842	505,496	-
Debt service	8,358,242	-	8,358,242	-	-
Unrestricted	44,035,801	2,606,793	46,642,594	4,184,059	3,124,055
Total net assets	<u>149,060,443</u>	<u>20,922,749</u>	<u>169,983,192</u>	<u>5,469,732</u>	<u>3,124,055</u>
Total liabilities and net assets	<u>\$ 300,505,916</u>	<u>\$ 21,136,414</u>	<u>\$ 321,642,330</u>	<u>\$ 7,186,616</u>	<u>\$ 4,766,899</u>

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 STATEMENT OF ACTIVITIES
 For the year ended December 31, 2002

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government				
Governmental activities				
General government	\$ 56,128,401	\$14,987,717	\$ 2,951,944	\$ -
Public safety	45,394,457	1,246,706	7,969,465	-
Public works	16,071,908	2,626,170	161,140	13,214,593
Health and welfare	54,144,080	168,662	41,109,646	202,739
Culture and recreation	2,874,399	186,400	86,774	1,049,122
Auxiliary services	539,819	-	44,298	-
Outside agencies	-	-	-	-
Interest on long-term debt	915,096	-	-	-
Total governmental activities	<u>176,068,160</u>	<u>19,215,655</u>	<u>52,323,267</u>	<u>14,466,454</u>
Business-type activities				
Equestrian center	838,587	599,689	-	-
County fair	396,922	235,844	-	-
Arts facility	1,390,300	899,988	-	-
Waste management	636,248	681,185	-	27,000
Land development	82,870	551,976	-	-
Total business-type activities	<u>3,344,927</u>	<u>2,968,682</u>	<u>-</u>	<u>27,000</u>
Total primary government	<u>\$179,413,087</u>	<u>\$22,184,337</u>	<u>\$ 52,323,267</u>	<u>\$14,493,454</u>
Component units				
Health Department	\$ 23,515,239	\$ 2,907,600	\$ 19,901,051	\$ -
Housing Authority	967,990	896,824	613,561	-
Total component units	<u>\$ 24,483,229</u>	<u>\$ 3,804,424</u>	<u>\$ 20,514,612</u>	<u>\$ -</u>

General revenues:

- Property taxes
- Sales taxes
- Other taxes
- Investment earnings
- Miscellaneous
- Loss on sale of capital assets

Transfers

Total general revenues and transfers

Change in net assets

Net assets - January 1

Net assets - December 31

The accompanying notes are an integral part of this statement.

Net (expense) revenue and changes in net assets

Primary government			El Paso County	The El Paso
Governmental	Business-type	Total	Department of	County
Activities	Activities		Health and	Housing
			Environment	Authority
\$ (38,188,740)	\$ -	\$ (38,188,740)	\$ -	\$ -
(36,178,286)	-	(36,178,286)	-	-
(70,005)	-	(70,005)	-	-
(12,663,033)	-	(12,663,033)	-	-
(1,552,103)	-	(1,552,103)	-	-
(495,521)	-	(495,521)	-	-
-	-	-	-	-
(915,096)	-	(915,096)	-	-
<u>(90,062,784)</u>	<u>-</u>	<u>(90,062,784)</u>	<u>-</u>	<u>-</u>
-	(238,898)	(238,898)	-	-
-	(161,078)	(161,078)	-	-
-	(490,312)	(490,312)	-	-
-	71,937	71,937	-	-
-	469,106	469,106	-	-
<u>-</u>	<u>(349,245)</u>	<u>(349,245)</u>	<u>-</u>	<u>-</u>
<u>(90,062,784)</u>	<u>(349,245)</u>	<u>(90,412,029)</u>	<u>-</u>	<u>-</u>
-	-	-	(706,588)	-
-	-	-	-	542,395
-	-	-	<u>(706,588)</u>	<u>542,395</u>
24,764,323	-	24,764,323	-	-
60,214,529	-	60,214,529	-	-
10,435,135	-	10,435,135	-	-
1,359,040	34,215	1,393,255	91,194	119,297
-	-	-	-	-
(1,040,334)	-	(1,040,334)	-	-
<u>(21,237,779)</u>	<u>21,237,779</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>74,494,914</u>	<u>21,271,994</u>	<u>95,766,908</u>	<u>91,194</u>	<u>119,297</u>
(15,567,870)	20,922,749	5,354,879	(615,394)	661,692
164,628,313	-	164,628,313	6,085,126	2,462,363
<u>\$ 149,060,443</u>	<u>\$ 20,922,749</u>	<u>\$ 169,983,192</u>	<u>\$ 5,469,732</u>	<u>\$ 3,124,055</u>

El Paso County, Colorado
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2002

ASSETS	General	Capital Projects	Road and Bridge	Social Services
Cash and investments	\$11,235,784	\$87,570,945	\$ 6,828,775	\$ 4,315,339
Taxes receivable	12,519,209	6,180,369	7,298,216	5,156,732
Accounts receivable	103,482	-	-	1,262
Intergovernmental receivable	11,229,456	-	2,601,427	2,869,147
Due from other funds	1,314,217	-	349	37,302
Inventories	135,554	-	1,008,156	-
Prepaid items	78,538	-	-	-
Total assets	<u>\$36,616,240</u>	<u>\$93,751,314</u>	<u>\$17,736,923</u>	<u>\$12,379,782</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 3,354,665	\$ 557,551	\$ 523,375	\$ 925,674
Due to other funds	70,655	-	79,701	656,013
Deferred revenue	12,678,116	6,180,369	7,298,216	5,156,732
Total liabilities	<u>16,103,436</u>	<u>6,737,920</u>	<u>7,901,292</u>	<u>6,738,419</u>
FUND BALANCES				
Reserved for:				
Declared emergencies	-	-	-	-
Encumbrances	2,774,745	869,521	4,351,049	-
Inventories	135,554	-	1,008,156	-
Prepaid items	78,538	-	-	-
Debt service	-	8,358,242	-	-
Construction	-	76,572,336	-	-
Unreserved				
General fund				
Designated for board projects	5,063,232	-	-	-
Designated for subsequent year's expenditures/ cash flows	12,460,735	-	-	-
Capital projects fund				
Designated for subsequent year's expenditures Undesignated		772,549 440,746	-	-
Special revenue funds				
Designated for board projects	-	-	334,920	171,962
Designated for subsequent year's expenditures/ cash flows	-	-	4,141,506	1,919,167
Undesignated	-	-	-	3,550,234
Total fund balances	<u>20,512,804</u>	<u>87,013,394</u>	<u>9,835,631</u>	<u>5,641,363</u>
Total liabilities and fund balances	<u>\$36,616,240</u>	<u>\$93,751,314</u>	<u>\$17,736,923</u>	<u>\$12,379,782</u>

The accompanying notes are an integral part of this statement.

Other Governmental Funds	Total Governmental Funds
\$ 7,402,048	\$ 117,352,891
3,118,024	34,272,550
213,701	318,445
821,626	17,521,656
71,770	1,423,638
-	1,143,710
-	78,538
<u>\$11,627,169</u>	<u>\$172,111,428</u>

\$ 621,081	\$ 5,982,346
645,896	1,452,265
<u>3,118,024</u>	<u>34,431,457</u>
<u>4,385,001</u>	<u>41,866,068</u>

3,887,842	3,887,842
234,953	8,230,268
-	1,143,710
-	78,538
-	8,358,242
-	76,572,336
-	5,063,232
-	12,460,735
-	772,549
-	440,746
-	506,882
454,437	6,515,110
<u>2,664,936</u>	<u>6,215,170</u>
<u>7,242,168</u>	<u>130,245,360</u>
<u>\$11,627,169</u>	<u>\$172,111,428</u>

El Paso County, Colorado
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
December 31, 2002

Fund balances - total governmental funds (page 24)	\$130,245,360
Amounts reported for governmental activities in the statement of net assets (page 20) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	104,035,655
Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	20,591,891
Interest receivable that is not available to pay for current period expenditures and, therefore, is not reported in the funds.	33,741
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. The details of this difference are as follows:	
Accrued interest payable	(384,251)
Capital leases payable	(612,481)
Compensated absences payable	(9,784,984)
Certificates of participation payable	(95,110,000)
Unamortized premium (to be amortized as interest expense)	(1,607,413)
Unamortized issuance costs (to be amortized over life of debt)	<u>1,652,925</u>
Net assets - governmental activities (page 20)	<u><u>\$149,060,443</u></u>

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
For the year ended December 31, 2002

	General	Capital Projects	Road and Bridge	Social Services	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 5,522,987	\$ 2,711,375	\$ 8,101,634	\$ 5,437,524	\$ 2,990,803	\$ 24,764,323
Sales taxes	60,214,529	-	-	-	-	60,214,529
Other taxes	1,183,865	-	9,054,878	123,665	72,727	10,435,135
Intergovernmental	9,453,783	-	2,645,986	35,516,518	7,464,224	55,080,511
Fees and fines	436,219	-	-	-	396,190	832,409
Licenses and permits	121,301	-	-	-	-	121,301
Charges for services	14,226,615	-	11,667	-	45,413	14,283,695
Investment earnings	1,155,693	35,371	128,971	-	5,264	1,325,299
Miscellaneous	2,011,679	-	17,736	39,497	917,712	2,986,624
Total revenues	94,326,671	2,746,746	19,960,872	41,117,204	11,892,333	170,043,826
Expenditures						
Current						
General government	39,011,651	1,040,943	-	-	13,874,024	53,926,618
Public safety	43,017,880	-	-	-	546,237	43,564,117
Public works	-	-	14,982,192	-	-	14,982,192
Health and welfare	6,342,012	-	-	42,280,665	5,527,042	54,149,719
Culture and recreation	2,639,787	-	-	-	98,962	2,738,749
Auxiliary services	528,567	-	-	-	-	528,567
Debt service						
Principal	585,000	994,099	-	38,839	-	1,617,938
Interest and other charges	119,905	445,083	-	17,999	-	582,987
Issuance costs	-	1,652,925	-	-	-	1,652,925
Capital outlay	5,088,733	3,285,358	5,941,059	37,025	620,721	14,972,896
Total expenditures	97,333,535	7,418,408	20,923,251	42,374,528	20,666,986	188,716,708
Excess (deficiency) of revenues over (under) expenditures	(3,006,864)	(4,671,662)	(962,379)	(1,257,324)	(8,774,653)	(18,672,882)
Other financing sources (uses)						
Certificates of participation issued	-	84,975,000	-	-	-	84,975,000
Premium on certificates of participation	-	1,607,413	-	-	-	1,607,413
Capital lease financing	-	395,719	-	-	-	395,719
Proceeds from sale of capital assets	38,101	-	-	-	-	38,101
Transfers in	429,000	296,803	345,734	148,238	9,271,365	10,491,140
Transfers out	(10,107,777)	-	(480,886)	(925,092)	(2,777,124)	(14,290,879)
Total other financing sources (uses)	(9,640,676)	87,274,935	(135,152)	(776,854)	6,494,241	83,216,494
NET CHANGE IN FUND BALANCES	(12,647,540)	82,603,273	(1,097,531)	(2,034,178)	(2,280,412)	64,543,612
Fund balances - January 1	33,160,344	4,410,121	10,933,162	7,675,541	9,522,580	65,701,748
Fund balances - December 31	\$20,512,804	\$87,013,394	\$ 9,835,631	\$ 5,641,363	\$ 7,242,168	\$130,245,360

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the year ended December 31, 2002

Net change in fund balances - total governmental funds (page 26)	\$ 64,543,612
Amounts reported for governmental activities in the statement of activities (pages 21 and 22) 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. The details of this difference are as follows:	
Capital outlay	14,972,896
Depreciation	(5,975,569)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets. The details of this difference are as follows:	
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	12,700,836
In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	(1,402,702)
Transfers of capital assets to proprietary funds from governmental activities are not reported in the governmental funds because they are not transfers of financial resources.	(18,014,354)
Transfers of compensated absences to proprietary funds from governmental activities are not reported in the governmental funds because they are not transfers of financial resources.	153,817
The issuance of long-term debt (e.g., leases, certificates of participation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums and discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:	
Debt issued or incurred:	
Capital lease financing	(395,719)
Issuance of certificates of participation	(84,975,000)
Premiums on issuance of certificates of participation	(1,607,413)
Principal repayments	1,617,938
Issuance costs	1,652,925
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The detail of those expenses follow:	
Compensated absences	(913,154)
Accrued interest	(332,109)
Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	2,372,385
Interest receivable that is not available to pay for current period expenditures and, therefore, is not reported in the funds.	33,741
Change in net assets - governmental activities (page 22)	<u><u>\$ (15,567,870)</u></u>

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 December 31, 2002

	Business-type Activities- Enterprise Funds	Governmental Activities- Internal Service Funds	Totals
ASSETS			
Current assets			
Cash and investments	\$ 2,632,948	\$ 15,189,332	\$ 17,822,280
Accounts receivable	267,724	230,697	498,421
Intergovernmental receivable	17,298	439	17,737
Due from other funds	-	238,095	238,095
Inventories	-	684,777	684,777
Total current assets	2,917,970	16,343,340	19,261,310
Noncurrent assets			
Capital assets, net of accumulated depreciation	18,315,956	7,893,048	26,209,004
Total assets	<u>\$ 21,233,926</u>	<u>\$ 24,236,388</u>	<u>\$ 45,470,314</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 38,409	\$ 887,770	\$ 926,179
Accrued liabilities	-	2,452,092	2,452,092
Compensated absences	14,989	15,781	30,770
Due to other funds	114,557	94,911	209,468
Total current liabilities	167,955	3,450,554	3,618,509
Noncurrent liabilities			
Compensated absences	160,267	176,898	337,165
Total liabilities	328,222	3,627,452	3,955,674
NET ASSETS			
Invested in capital assets, net of related debt	18,315,956	7,893,048	26,209,004
Unrestricted	2,589,748	12,715,888	15,305,636
Total net assets	20,905,704	20,608,936	41,514,640
Total liabilities and net assets	<u>\$ 21,233,926</u>	<u>\$ 24,236,388</u>	<u>\$ 45,470,314</u>
Total net assets	\$ 20,905,704		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	17,045		
Net assets of business-type activities	<u>\$ 20,922,749</u>		

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET ASSETS
 For the year ended December 31, 2002

	Business-type Activities- Enterprise Funds	Governmental Activities- Internal Service Funds	Totals
Operating revenues			
Charges for services	<u>\$ 2,957,742</u>	<u>\$12,614,454</u>	<u>\$15,572,196</u>
Operating expenses			
Insurance premiums	-	722,746	722,746
Claim settlements	-	9,540,180	9,540,180
Depreciation	529,577	1,479,230	2,008,807
Administration and operations	<u>2,832,395</u>	<u>4,114,248</u>	<u>6,946,643</u>
Total operating expenses	<u>3,361,972</u>	<u>15,856,404</u>	<u>19,218,376</u>
Operating loss	<u>(404,230)</u>	<u>(3,241,950)</u>	<u>(3,646,180)</u>
Nonoperating revenues			
Taxes	-	4,710,786	4,710,786
Gain on sale of capital assets	-	324,267	324,267
Miscellaneous	<u>45,155</u>	<u>173,829</u>	<u>218,984</u>
Total nonoperating revenues	<u>45,155</u>	<u>5,208,882</u>	<u>5,254,037</u>
Income (loss) before contributions and transfers	(359,075)	1,966,932	1,607,857
Capital contributions	27,000	-	27,000
Transfers in	21,237,779	751,211	21,988,990
Transfers out	<u>-</u>	<u>(328,713)</u>	<u>(328,713)</u>
Change in net assets	20,905,704	2,389,430	23,295,134
Net assets - January 1	<u>-</u>	<u>18,219,506</u>	<u>18,219,506</u>
Net assets - December 31	<u>\$ 20,905,704</u>	<u>\$20,608,936</u>	<u>\$41,514,640</u>
Change in net assets	\$ 20,905,704		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.	17,045		
Change in net assets of business-type activities	<u>\$ 20,922,749</u>		

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the year ended December 31, 2002

	Business-type Activities- Enterprise Funds	Governmental Activities- Internal Service Funds	Totals
Cash flows from operating activities			
Receipts from customers	\$ 2,683,660	\$ 2,792,244	\$ 5,475,904
Receipts from interfund services provided	-	9,721,107	9,721,107
Payments to suppliers	(863,813)	(11,667,114)	(12,530,927)
Payments to employees	(1,539,103)	(1,532,393)	(3,071,496)
Payments for interfund services used	(255,074)	(240,774)	(495,848)
Net cash provided by (used in) operating activities	<u>25,670</u>	<u>(926,930)</u>	<u>(901,260)</u>
Cash flows from noncapital financing activities			
Taxes received	-	4,710,786	4,710,786
Transfers in	3,318,853	-	3,318,853
Transfers out	-	(328,713)	(328,713)
Net cash provided by noncapital financing activities	<u>3,318,853</u>	<u>4,382,073</u>	<u>7,700,926</u>
Cash flows from capital and related financing activities			
Capital contributions	27,000	-	27,000
Proceeds from sales of capital assets	-	573,628	573,628
Capital expenditures	(772,790)	(971,442)	(1,744,232)
Net cash used in capital and related financing activities	<u>(745,790)</u>	<u>(397,814)</u>	<u>(1,143,604)</u>
Cash flows from investing activities			
Interest received	34,215	-	34,215
Net increase in cash and cash equivalents	2,632,948	3,057,329	5,690,277
Cash and cash equivalents - January 1	<u>-</u>	<u>12,132,003</u>	<u>12,132,003</u>
Cash and cash equivalents - December 31	<u>\$ 2,632,948</u>	<u>\$ 15,189,332</u>	<u>\$17,822,280</u>

(Continued)

El Paso County, Colorado
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS - CONTINUED
 For the year ended December 31, 2002

	Business-type Activities- Enterprise Funds	Governmental Activities- Internal Service Fund	<u>Totals</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating loss	\$ (404,230)	\$ (3,241,950)	\$ (3,646,180)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities			
Miscellaneous revenue	10,940	173,829	184,769
Depreciation expense	529,577	1,479,230	2,008,807
(Increase) decrease in assets			
Accounts receivable	(267,724)	(67,976)	(335,700)
Intergovernmental receivable	(17,298)	(412)	(17,710)
Due from other funds	-	(237,845)	(237,845)
Inventories	-	(203,891)	(203,891)
Increase (decrease) in liabilities			
Accounts payable	38,409	632,744	671,153
Accrued liabilities	-	251,824	251,824
Compensated absences	21,439	192,679	214,118
Due to other funds	114,557	94,838	209,395
Net cash provided by (used in) operating activities	<u>\$ 25,670</u>	<u>\$ (926,930)</u>	<u>\$ (901,260)</u>
 Noncash investing, capital and financing activities:			
Transfers of capital assets from governmental funds	\$ 18,072,743	\$ 270,325	\$18,343,068
Transfers of inventory from governmental funds	-	480,886	480,886
Transfers of long-term compensated absences from governmental funds	(153,817)	-	(153,817)

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 December 31, 2002

	Pension Trust - El Paso County Retirement Plan	Private- Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	\$173,301,097	\$ 2,497,311	\$ 35,028,279
Accounts receivable	401,594	58,191	-
Interest receivable	712,390	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>174,415,081</u>	<u>2,555,502</u>	<u>35,028,279</u>
LIABILITIES			
Accounts payable	656,746	140,494	-
Due to other governments	-	-	23,920,223
Escrow deposits held by trustee	-	-	702,550
Funds due to bondholders	-	-	230,581
Other	13,391,997	-	10,174,925
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>14,048,743</u>	<u>140,494</u>	<u>35,028,279</u>
NET ASSETS			
Held in trust for pension benefits and other purposes	<u>\$160,366,338</u>	<u>\$ 2,415,008</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 For the year ended December 31, 2002

	<u>Pension Trust - El Paso County Retirement Plan</u>	<u>Private- Purpose Trust Funds</u>
Additions		
Contributions		
Employers	\$ 5,303,266	\$ -
Employees	<u>5,538,724</u>	<u>-</u>
Total contributions	<u>10,841,990</u>	<u>-</u>
Fees	<u>-</u>	<u>930,712</u>
Other income	<u>21,988</u>	<u>-</u>
Net investment income		
Net depreciation in fair value of investments	(17,689,825)	-
Interest and dividend income	4,850,821	26,105
Rental income	<u>232,043</u>	<u>-</u>
Less investment expenses	<u>(12,606,961)</u>	<u>26,105</u>
Net investment income (loss)	<u>(13,859,405)</u>	<u>26,105</u>
Total additions, net	<u>(2,995,427)</u>	<u>956,817</u>
Deductions		
Outside agencies	-	715,549
Benefits	6,928,159	-
Refunds	998,709	-
Administrative expenses	<u>363,030</u>	<u>-</u>
Total deductions	<u>8,289,898</u>	<u>715,549</u>
Change in net assets	(11,285,325)	241,268
Net assets - January 1	<u>171,651,663</u>	<u>2,173,740</u>
Net assets - December 31	<u><u>\$160,366,338</u></u>	<u><u>\$2,415,008</u></u>

The accompanying notes are an integral part of this statement.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Reporting entity*

El Paso County, Colorado (County) is governed by an elected five-member commission. As required by accounting principles generally accepted in the United States of America (US GAAP), these financial statements present the County and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in the aggregate in the combined financial statements with combining statements included in the basic financial statements. Each blended and discretely presented component unit has a December 31 year end.

Blended component units

El Paso County Sheriff Special Investigation Fund

This fund was established by the El Paso County Sheriff's Department, the Teller County Sheriff's Department, the Colorado Springs Police Department, and the District Attorney's Office for the Fourth Judicial District of Colorado to account for money received from public nuisance seizures and is legally separate from the County. The funds are used for special investigations of organized crime, white collar crime and other illegal activity. The fund is governed by the El Paso County Sheriff's Department which is governed by the El Paso County Board of County Commissioners.

District Attorney Offices of the Fourth Judicial District

The District Attorney is the prosecutor for the 4th Judicial District of Colorado and is legally separate from the County. This district is made up of and governed by two counties, El Paso and Teller. El Paso is the larger of the two counties and its Board of County Commissioners appropriates approximately 90 percent of the funding for this department's expenditures.

El Paso County Retirement Plan

This is a cost-sharing, multiple-employer defined benefit plan for all full-time employees of the County. The Commissioners appoint two of the five members of the governing board, two members are employees of participating employers elected by participants, and the fifth member is the County Treasurer. The County and the employees of the County contribute over 90% of the funds in the plan.

El Paso County Facilities Corporation

This is a nonprofit corporation under the laws of the State of Colorado which was organized to acquire real estate, property and improvements for lease to the County and, upon the prior approval of a majority of the membership of the Board of County Commissioners of the County, to borrow money and to become indebted and to execute

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. *Reporting entity - continued*

Blended component units - continued

El Paso County Facilities Corporation - continued

and deliver bonds, notes or debentures to evidence such indebtedness, for the purpose of acquiring such real or personal property, constructing or installing such improvements, and for such other purposes as may be necessary to accomplish the objectives of the Corporation. Members of the Board of County Commissioners of the County are deemed members of the Corporation for the purpose of appointing and removing members of the Corporation's Board of Directors.

Discretely presented component units

El Paso County Department of Health and Environment

This is a quasi-municipal organization organized by authority of State Statutes and Resolution of the County Commissioners. According to State Statutes, the Commissioners appoint the governing board. Additionally, the County appropriates significant funds to the Department's operations. The El Paso County Department of Health and Environment administers public health services for El Paso County residents.

The El Paso County Housing Authority

The El Paso County Housing Authority was established by the Commissioners in order to help promote availability of decent, safe, and sanitary dwelling accommodations in the County to low-income families. The Commissioners appoint the five-member governing board and can impose its will on the Authority through its ability to appoint, hire, reassign, or dismiss those persons responsible for the day-to-day operations of the Authority. The Authority administers El Paso County's low-income housing program.

Financial statements of the County's component units may be obtained from the County's Finance Department.

2. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *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. Likewise, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Government-wide and fund financial statements - continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

3. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the liability is incurred. However, debt service expenditures as well as expenditures related to compensated absences are recorded only when payment is due.

Property taxes, sales taxes, and interest are susceptible to accrual. Accruals are reported net of allowances for uncollectibles. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

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

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. *Measurement focus, basis of accounting and financial statement presentation - continued*

The *capital expenditures fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

The *road and bridge fund* accounts for construction and maintenance of County roads and bridges financed by property taxes, highway users fees, and other revenues restricted to use on roads and bridges.

The *social services fund* accounts for the federal and state public welfare programs administered by the County and financed by grants, intergovernmental reimbursements, and property taxes.

The County does not report any major proprietary funds.

Additionally, the County reports the following fund types:

Enterprise funds account for activities for which a fee is charged to external users for goods or services.

Internal service funds account for operations that provide services to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

The *private-purpose trust funds* are used to account for resources collected from developers of new subdivisions to provide for the purchase and development of additional parks and for distribution to school districts.

The *pension trust fund* is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The pension trust fund accounts for the assets of the El Paso County Retirement Plan.

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

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

The effect of interfund activity has been eliminated from the government-wide financial statements.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. *Measurement focus, basis of accounting and financial statement presentation - continued*

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales or services. 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.

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

4. *Assets, liabilities and net assets or equity*

A. Deposits and investments

Deposits consist of cash equivalent accounts and interest-bearing bank accounts.

The County's investments are authorized by Colorado Statutes which provide for the following:

- Bonds and other interest-bearing obligations of the United States government or which are guaranteed by the United States government.
- Bonds which are direct obligations of the State of Colorado, or any city, county or school district therein.
- Notes and bonds issued pursuant to the "National Housing Act".
- Repurchase agreements.
- Local government investment pools.

Additionally, the El Paso County Retirement Plan's (a component unit) investments authorized by Colorado statutes also include the following:

- Corporate notes, bonds, and debentures.
- Railroad equipment trust certificates.
- Real property.
- Loans secured by first mortgages or deeds of trust on real property.
- Participating agreements with life insurance companies.
- Equity securities subject to certain limitations.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Assets, liabilities and net assets or equity - continued*

A. Deposits and investments - continued

The pension trust cash and investments consist of cash and cash equivalent accounts, U.S. government securities, corporate bonds and debentures, common stocks, real estate, mortgages and loans, open-end equity mutual funds, international bonds, and securities lending collateral.

Investments are stated at fair value.

For purposes of the statement of cash flows, the County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Original maturity is the original maturity to the County.

Except for nominal petty cash funds, all of the cash and investments for the County funds are in the custody of the County Treasurer. Except when otherwise required by trust agreements, the operating cash of all funds is pooled into various bank accounts. Interest income is allocated to funds on the basis of each fund's participation in the pool. Cash in excess of operating requirements is invested in U.S. government securities, local government investment pools and interest-bearing bank accounts.

B. Receivables and payables

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".

Property taxes are levied on November 20 and attach as an enforceable lien on property as of January 1 of the tax year. They are payable in two installments on February 28 and June 15, or in one installment due April 30 in the year following the tax year. The El Paso County Treasurer bills and collects property taxes for itself and the other taxing authorities within the County. Collections for other districts are accounted for in the County's agency funds.

C. Inventories and prepaid items

Inventories are valued at cost using the first-in, first-out method. Inventories of the general fund consist primarily of supplies held for consumption and are considered expenditures when used. Inventories of the Road and Bridge Fund consist of expendable parts and supplies held for consumption and are considered expenditures when used.

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

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE A -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Assets, liabilities and net assets or equity- continued*

D. Restricted assets

Certain proceeds from the County's capital expenditures fund certificates of participation, as well as certain resources set aside for their repayment, are restricted because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The construction fund accounts are used to report those proceeds of certificates of participation issuances that are restricted for use in construction. The total of those accounts as of December 31, 2002 was \$76,572,336. The certificate fund accounts are used to segregate resources accumulated for debt service payments over the next twelve months. The total of those accounts as of December 31, 2002 was \$8,358,242.

E. Capital assets

Capital assets, which include property, plant, and equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The County meets the requirements of Phase I implementation of GASB Statement No. 34. For the period beginning after June 15, 2005, GASB 34 requires infrastructure to be capitalized retroactively to 1980. As of December 31, 2002, the County has not retroactively capitalized its infrastructure.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements other than buildings	25
Infrastructure	1-50
Vehicles	4-8
Furniture & fixtures	5
Equipment	8-15

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. *Assets, liabilities and net assets or equity- continued*

F. Compensated absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from County service. All compensated absences liabilities are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

G. 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. Certificate of participation premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the certificates of participation using the effective interest method. Certificates of participation are reported net of the applicable premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

H. Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not appropriable or are legally segregated for specific purposes. Designations of fund balance represent tentative management plans that are subject to change.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. *Budgetary information*

Budgets are adopted on a basis consistent with US GAAP for all government funds. Proprietary funds and the Struther's Road Agency Fund adopt budgets using the modified accrual basis of accounting, which is not US GAAP for those fund types. Annual appropriated budgets are adopted for all governmental funds, proprietary funds, and the Struther's Road Agency Fund. All annual appropriations lapse at fiscal year end.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

1. *Budgetary information - continued*

Appropriations in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse as of the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the reappropriation of year-end encumbrances. Encumbrances outstanding as of December 31, 2002, are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The County's managers may make transfers of appropriations within a fund. Transfers of appropriations between funds require the approval of the Board of County Commissioners. The legal level of budgetary control is the fund level.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Budgets are required by state law for all funds except fiduciary fund types and the El Paso County Sheriff Special Investigation Fund which is a special revenue fund. In September, the Budget Department submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted by the County to obtain taxpayer comments.
- C. Prior to December 31, the budget is legally enacted through passage of an appropriation resolution.
- D. Any revisions that alter the total expenditures of any fund must be approved by the County Commissioners by passage of a resolution.
- E. The El Paso County Sheriff Special Investigation Fund does not and is not required by state law to adopt an annual budget.

2. *Excess of expenditures over appropriations*

No funds had excesses of expenditures over appropriations for the year ended December 31, 2002.

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS

1. *Deposits and investments*

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Deposits are categorized to give an indication of risk assumed by the government at the end of the year. Category 1 includes deposits that are insured or collateralized with securities held by the County or by its agent in the County's name, Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, including deposits required to be collateralized in single institution pool(s), and Category 3 includes uncollateralized deposits, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the County's name. As of December 31, 2002, the County's deposits are categorized as follows:

	<u>Bank balance</u>	<u>Carrying balance</u>
Cash on hand	\$ -	\$ 242,520
Categorized deposits		
Deposits covered by Federal insurance - Category 1	800,000	700,000
Deposits required to be collateralized in single institution pool(s) - Category 2	<u>42,404,843</u>	<u>39,729,429</u>
	<u>\$ 43,204,843</u>	<u>\$ 40,671,949</u>

Investments - Unrestricted

Investments and deposits are summarized below. Investments that are represented by specific identifiable investment securities are classified by the three categories described below:

- Category 1 - Insured or registered, or securities held by the County or its agent in the County's name.

- Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

1. *Deposits and investments - continued*

Investments – Unrestricted - continued

Category 3 - Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the County's name.

The following table includes deposits for disclosure of the amounts recorded in the basic financial statement for cash and investments and for equity in pooled cash and investments. The categories for deposits are disclosed above in the Deposits section of note C1.

	December 31, 2002				
	Category			Carrying balance	Bank balance
	1	2	3		
Cash and investments					
<u>Investments:</u>					
Repurchase agreements	\$ -	\$ -	\$ 2,689,657	\$ 2,689,657	\$ -
U.S. Government					
Securities	5,299,633	-	-	5,299,633	-
Corporate bonds					
and debentures	30,738,417	-	-	30,738,417	-
Common stock	27,212,215	-	-	27,212,215	-
Money market mutual funds	84,930,578	-	-	84,930,578	-
Not subject to categorization					
Colorado Government					
Liquid Asset Trust (COLOTRUST)	-	-	-	50,739,073	-
Open-ended domestic equity mutual funds	-	-	-	39,621,118	-
Open-ended foreign equity mutual funds	-	-	-	21,627,901	-
Securities lending short-term collateral investment pool	-	-	-	13,391,997	-
Investments held by broker-dealers under securities loans with cash collateral					
Common stocks	-	-	-	9,867,884	-
Corporate bonds and debentures	-	-	-	2,357,105	-
U.S. Government Securities	-	-	-	646,838	-
Fixed income mutual funds	-	-	-	19,340,958	-

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

1. *Deposits and investments - continued*

Investments – Unrestricted – continued

	December 31, 2002			Carrying balance	Bank balance
	Category				
	1	2	3		
<u>Deposits and cash on hand:</u>					
Cash on hand	-	-	-	242,520	-
Deposits insured by federal deposit insurance	-	-	-	700,000	800,000
Deposits required to be collateralized in single institution pools	-	-	-	39,729,429	42,404,843
 Total cash and investments	<u>\$ 148,180,843</u>	<u>\$ -</u>	<u>\$ 2,689,657</u>	<u>\$ 349,135,323</u>	<u>\$ 43,204,843</u>

Repurchase agreements of \$2,689,657 included in Category 3 above are backed by U.S. Treasury Bills.

The County invests in the Colorado Government Liquid Asset Trust (COLOTRUST) local government investment pool which is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes to pool surplus funds for investment purposes. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool 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 the pool. Investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes.

A total of \$250,000 is maintained as a compensating balance in a bank account as of December 31, 2002.

During the year ended December 31, 2002, the El Paso County Retirement Plan's (Plan) investments (including investments bought, sold and held during the year) depreciated in value by \$17,689,825. The Plan's investments at market value as of December 31, 2002, are as follows:

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

1. *Deposits and investments - continued*

Investments - Unrestricted - continued

U.S. Government securities	\$ 3,187,730
Corporate bonds and debentures	33,095,522
Common stocks	37,080,099
Open-ended domestic equity mutual funds	39,621,118
Open-ended foreign equity mutual funds	21,627,901
Securities lending short term collateral investment pool	13,391,997
Open-ended fixed income mutual fund	<u>19,340,958</u>
	<u>\$ 167,345,325</u>
 Total Plan investments	 \$ 167,345,325
Plan cash and cash equivalents	<u>5,955,772</u>
 Total Plan cash and investments	 <u>\$ 173,301,097</u>

Securities Lending

The Plan's Board policies permit the Plan to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Plan's custodian, Wells Fargo Bank (the Bank), lends securities for collateral in the form of cash, U.S. Government Securities, or letters of credit issued by a bank with a Thompson Bank Watch rating of "B" or higher. Securities lent at year-end for cash collateral are presented as investments not subject to categorization in the schedule of credit risk above. There are no securities lent for securities collateral as of December 31, 2002.

Cash received from all loans is commingled for investment purposes. Such cash is invested in repurchase agreements, master notes, U.S. treasuries or agencies, U.S. or Euro dollar certificates of deposit and time deposits, bankers acceptances, commercial paper and other short-term money market instruments, and mutual funds holding any of the previously mentioned securities and subject to policy and standard guidelines established from time to time by the Bank. The prime considerations for the investment portfolio shall be safety of principal and liquidity requirements. The weighted average maturities of these funds as of December 31, 2002, is eight days.

The Bank may negotiate loans directly or through a finder for a minimum of one day but with no fixed maximum term, retaining the power to terminate the loan at any time unless otherwise agreed to by the Plan. The Plan reserves the right to pre-approve new borrowers. There are no restrictions on the amount of securities that may be lent at one time.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

1. *Deposits and investments - continued*

Securities Lending - continued

Each loan is required to be collateralized in the amount of 102% of the market value of the loaned security and accrued interest. Collateral is marked to market daily. If the market value of the given collateral falls to 100% or less of the loaned security market value, the Bank immediately procures additional collateral to bring the collateralization back to 102%. Collateral in excess of 102% is returned to the Borrower if requested.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower and the Bank has failed to live up to its contractual responsibilities relating to the lending of those securities. The Bank's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending. The Bank indemnifies the Plan if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay income distributions to them. As of December 31, 2002, the Plan had no credit risk exposure to borrowers because the amounts the Plan owes the borrowers exceed the amounts the borrowers owe the Plan. The Plan had no losses on securities lending transactions resulting from the default of a borrower or the lending agent for the year ended December 31, 2002.

All securities loans can be terminated on demand by either the Plan or the borrower. The Plan is entitled to all cash dividends, stock dividends, stock splits, rights of distribution, conversion privileges, tender and exchange offers, and similar corporate actions with respect to any loaned securities as if the securities had not been loaned. However, during any period when securities are loaned, the Plan waives its right to vote such securities.

As of December 31, 2002, the fair value of lent securities was \$12,871,827. The fair value of associated cash collateral was \$13,391,997. The Plan's income, net of expenses from securities lending, was \$29,028 for the year ended December 31, 2002.

2. *Property taxes*

The County is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The combined tax rate to finance general governmental services for the year ended December 31, 2002, was 7.880 mills. The County's assessed valuation for 2002 was \$5,064,749,140. Therefore, the County could have collected \$39,910,223 for 2002 taxes. Instead, the Board of County Commissioners eliminated all of the County's portion of business personal property tax. The property taxes collectible in 2003 total \$34,272,550, net of tax credits and refunds.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

3. *Capital assets*

Capital asset activity for the year ended December 31, 2002 was as follows:

	Balance January 1, <u>2002</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2002</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 12,653,859	\$ 1,194,454	\$ (484,430)	\$ 13,363,883
Construction in progress	<u>-</u>	<u>82,025</u>	<u>-</u>	<u>82,025</u>
Total capital assets, not being depreciated	<u>12,653,859</u>	<u>1,276,479</u>	<u>(484,430)</u>	<u>13,445,908</u>
Capital assets, being depreciated:				
Buildings	98,603,599	-	(19,680,954)	78,922,645
Improvements other than buildings	2,649,344	3,811,703	(491,202)	5,969,845
Machinery and equipment	41,608,645	6,496,825	(4,881,388)	43,224,082
Infrastructure	<u>-</u>	<u>17,096,267</u>	<u>-</u>	<u>17,096,267</u>
Total capital assets, being depreciated	<u>142,861,588</u>	<u>27,404,795</u>	<u>(25,053,544)</u>	<u>145,212,839</u>
Less accumulated depreciation for:				
Buildings	(26,210,362)	(1,874,316)	3,042,441	(25,042,237)
Improvements other than buildings	(156,167)	(167,802)	29,000	(294,969)
Machinery and equipment	(18,992,937)	(4,445,574)	3,012,780	(20,425,731)
Infrastructure	<u>-</u>	<u>(967,107)</u>	<u>-</u>	<u>(967,107)</u>
Total accumulated depreciation	<u>(45,359,466)</u>	<u>(7,454,799)</u>	<u>6,084,221</u>	<u>(46,730,044)</u>
Total capital assets, being depreciated, net	<u>97,502,122</u>	<u>19,949,996</u>	<u>(18,969,323)</u>	<u>98,482,795</u>
Governmental activities capital assets, net	<u>\$ 110,155,981</u>	<u>\$ 21,226,475</u>	<u>\$ (19,453,753)</u>	<u>\$ 111,928,703</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ -	\$ 734,430	\$ -	\$ 734,430
Capital assets, being depreciated:				
Buildings	-	20,422,608	-	20,422,608
Improvements other than buildings	-	698,599	-	698,599
Machinery and equipment	<u>-</u>	<u>347,356</u>	<u>-</u>	<u>347,356</u>
Total capital assets, being depreciated	<u>-</u>	<u>21,468,563</u>	<u>-</u>	<u>21,468,563</u>
Less accumulated depreciation for:				
Buildings	-	(3,543,854)	-	(3,543,854)
Improvements other than buildings	-	(52,994)	-	(52,994)
Machinery and equipment	<u>-</u>	<u>(290,189)</u>	<u>-</u>	<u>(290,189)</u>
Total capital assets, being depreciated	<u>-</u>	<u>(3,887,037)</u>	<u>-</u>	<u>(3,887,037)</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>17,581,526</u>	<u>-</u>	<u>17,581,526</u>
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ 18,315,956</u>	<u>\$ -</u>	<u>\$ 18,315,956</u>

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

3. *Capital assets-continued*

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

Governmental activities:	
General government	\$ 2,517,816
Public safety	1,605,686
Public works	1,446,029
Health and welfare	247,051
Culture and recreation	158,987
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,479,230</u>
Total depreciation expense - governmental activities:	<u>\$ 7,454,799</u>
Business-type activities:	
Equestrian center	\$ 145,439
County fair	20,659
Arts facility	347,658
Waste management	<u>15,821</u>
Total depreciation expense - business-type activities:	<u>\$ 529,577</u>

4. *Interfund receivables, payables and transfers*

The composition of interfund balances as of December 31, 2002, is as follows:

Due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Road and bridge	\$ 57,249
	Social services	656,013
	Nonmajor governmental funds	452,027
	Nonmajor enterprise funds	114,374
	Nonmajor internal service funds	34,554
Road and bridge	General	349
Social services	Nonmajor governmental funds	37,302
Nonmajor governmental	General	15,567
	Nonmajor internal service funds	56,203
Nonmajor internal service	General	54,739
	Road and bridge	22,452
	Nonmajor governmental funds	156,567
	Nonmajor enterprise funds	183
	Nonmajor internal service funds	<u>4,154</u>
Total		<u>\$ 1,661,733</u>

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

4. *Interfund receivables, payables and transfers - continued*

Interfund transfers:

	Transfers in							
	General fund	Capital expenditure fund	Road and bridge fund	Social services fund	Nonmajor governmental funds	Nonmajor enterprise funds	Nonmajor service funds	Total
Transfers out:								
General fund	\$ -	\$ 296,803	\$ 345,734	\$ 148,238	\$ 8,731,273	\$ 585,729	\$ -	\$ 10,107,777
Road and bridge fund	-	-	-	-	-	-	480,886	480,886
Social services fund	385,000	-	-	-	540,092	-	-	925,092
Nonmajor governmental funds	<u>44,000</u>	-	-	-	-	<u>2,733,124</u>	-	<u>2,777,124</u>
Total transfers out	<u>\$ 429,000</u>	<u>\$ 296,803</u>	<u>\$ 345,734</u>	<u>\$ 148,238</u>	<u>\$ 9,271,365</u>	<u>\$ 3,318,853</u>	<u>\$ 480,886</u>	<u>\$ 14,290,879</u>
Transfer out of general capital assets – internal service fund								(328,713)
Transfer in of general capital assets – enterprise funds								18,072,743
Transfer in of general capital assets – internal service funds								270,325
Transfer in of general compensated absences								<u>(153,817)</u>
								<u>\$32,151,417</u>

In the fund financial statements, total transfers of \$32,151,417 are greater than total transfers out of \$14,290,879 because of the treatment of transfers of capital assets and compensated absences liabilities to the proprietary funds. During the year, existing capital assets and compensated absences related to governmental funds, with a book value of \$18,343,068 and \$(153,817), respectively, were transferred to proprietary funds. Also, existing capital assets related to an internal service fund with a book value of \$328,713 were transferred to governmental funds. No amounts were reported in the governmental funds as the amounts did not involve a transfer of financial resources. However, the proprietary funds did report transfers for the resources received and disbursed.

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

6. *Long-term debt*

A. Changes in long-term liabilities

The following is a summary of changes in long-term liabilities of the County for the year ended December 31, 2002.

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
Certificates of participation	\$11,695,000	\$ 84,975,000	\$ (1,560,000)	\$ 95,110,000	\$ 1,630,000
Plus issuance premium	-	1,607,413	-	1,607,413	-
Total certificates of participation	11,695,000	86,582,413	(1,560,000)	96,717,413	1,630,000
Capital leases	274,700	395,719	(57,938)	612,481	113,693
Compensated absences	9,025,647	1,105,833	(153,817)	9,977,663	726,556
Governmental activities long-term liabilities	<u>\$20,995,347</u>	<u>\$ 88,083,965</u>	<u>\$ (1,771,755)</u>	<u>\$107,307,557</u>	<u>\$ 2,470,249</u>
Business-type activities:					
Compensated absences	<u>\$ -</u>	<u>\$ 175,256</u>	<u>\$ -</u>	<u>\$ 175,256</u>	<u>\$ 14,989</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$192,679 of internal service funds compensated absences are included in the above amounts. Also, for governmental activities, compensated absences are generally liquidated by the general fund.

B. Certificates of participation

During 1995 the County, through the El Paso County Facilities Corporation, issued \$4,655,000 Certificates of Participation, Series 1995A which were dated November 1, 1995. The 1995A certificates carry interest rates ranging from 4.20% to 5.00% and mature December 1, 1997 through December 1, 2005.

During 1999 the County, through the El Paso County Facilities Corporation, issued \$10,460,000 Certificates of Participation, Series 1999 which were dated October 15, 1999. The 1999 certificates carry interest rates ranging from 3.90% to 5.10% and mature December 1, 2000 through December 1, 2009.

During 2002 the County, through the El Paso County Facilities Corporation, issued \$44,865,000 Certificates of Participation, Series 2002A which were dated December 1, 2002. The 2002A certificates carry interest rates ranging from 3.00% to 5.50% and mature December 1, 2006 through December 1, 2020.

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

6. *Long-term debt – continued*

B. Certificates of participation - continued

During 2002 the County, through the El Paso County Facilities Corporation, issued \$40,110,000 Certificates of Participation, Series 2002B which were dated December 1, 2002. The 2002B certificates carry interest rates ranging from 2.20% to 5.375% and mature December 1, 2005 through December 1, 2020.

C. Capital lease obligations

The County entered into lease agreements as lessee for financing high speed copiers during the years ended December 31, 2002 and 2001. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. The assets acquired through capital leases are as follows:

Asset:	<u>Governmental activities</u>
Machinery and equipment	\$ 675,156
Less: Accumulated depreciation	<u>(103,617)</u>
Total	<u>\$ 571,539</u>

Amortization charges on the assets recorded under capital leases are included with depreciation expense.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2002 are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2003	\$ 146,079
2004	146,079
2005	146,078
2006	146,078
2007	<u>119,032</u>
Total minimum lease payments	703,346
Less: Amount representing interest	<u>(90,865)</u>
Present value of minimum lease payments	<u>\$ 612,481</u>

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE C - DETAILED NOTES ON ALL FUNDS - Continued

6. *Long-term debt – continued*

D. Summary of Debt Service Requirements

The following schedule reflects debt service requirements to maturity for certificates of participation as of December 31, 2002:

Year ending December 31,	Governmental activities	
	Certificates	
	of participation	
	Principal	Interest
2003	\$ 1,630,000	\$ 4,563,634
2004	1,705,000	4,488,149
2005	2,850,000	4,406,946
2006	3,090,000	4,297,181
2007	3,175,000	4,189,212
2008-2012	15,195,000	19,105,465
2013-2017	17,085,000	15,605,456
2018-2022	22,095,000	10,612,225
2023-2027	28,285,000	4,381,000
	<u>\$95,110,000</u>	<u>\$71,649,268</u>

E. Legal debt margin

The County's general obligation bonded debt is limited by law to one and one-half percent of its assessed valuation. As of December 31, 2002, the limit was \$75,971,237, providing a debt margin of \$75,971,237.

F. Conduit debt obligations

From time to time, the County has issued special assessment bonds for infrastructure improvements; mortgage bonds and mortgage revenue refunding bonds to assist low-to-middle-income residents in purchasing single family residences; industrial revenue bonds to provide financial assistance to private-sector entities to promote industry and develop trade or other economic activity; exempt facility bonds for a solid waste disposal facility; and qualified 501(c)(3) bonds to provide financial assistance to non-profits for the acquisition and construction of eligible facilities. The various bonds are secured by investments under Indentures of Trust, loans that finance the projects, property, loan guarantees, and letters of credit. The various bonds are payable solely from annual property assessments, certain revenues and receipts pledged under the Indentures of Trust, payments received on underlying mortgage loans, and payments received pursuant to loan agreements. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2002, the bonds outstanding had an aggregate principal amount payable of \$147.1 million.

El Paso County, Colorado
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2002

NOTE D - OTHER INFORMATION

1. *Risk management*

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County established the Self-Insurance Fund (internal service fund) to account for and finance its uninsured risks of loss. Under this program, the fund provides coverage for up to a maximum of \$300,000 and \$250,000 for each worker's compensation claim and for each general liability claim, respectively. The limit of coverage on the general liability claims is \$3,000,000 which is a decrease in coverage from \$6,000,000 in 2001. The County purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the County participate in the program and make payments to the funds based on estimates of the amounts needed to pay prior- and current-year claims. Claims liabilities of \$2,452,092 that are reported in the Self-Insurance Fund at December 31, 2002, are based on the requirements of Governmental Accounting Standards Board Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, 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. The liabilities are actuarially determined and are carried at the present value of the unpaid claims using a discount rate of 3.5 percent.

Changes in the claims liability amounts in 2002 and 2001 were:

	Balance January 1, <u>2002</u>	Claims and Changes in <u>Estimates</u>	Claim Payments	Balance December 31, <u>2002</u>	
Self-Insurance Fund	\$2,200,268	\$1,599,298	\$1,347,474	\$ 2,452,092	
	Balance January 1, <u>2001</u>	Claims and Changes in <u>Estimates</u>	Claim Payments	Balance <u>Transfers</u>	Balance December 31, <u>2001</u>
Self-Insurance Fund	\$ 673,584	\$ 367,056	\$ 460,094	\$ 1,619,722	\$ 2,200,268
Worker's Compen- sation fund	\$ 1,065,914	\$ 1,543,767	\$ 989,959	\$(1,619,722)	\$ -

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE D - OTHER INFORMATION - Continued

2. *Contingencies*

A. Litigation

There are several lawsuits pending in which the County is involved. It is the opinion of management that the potential outcome of such matters would not have a significant effect on the financial position of the County if disposed of unfavorably.

B. Grants

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the County management believes such disallowances, if any, will be immaterial.

C. TABOR

In November 1992, the people of the State of Colorado passed an amendment to the state's constitution (Article X, Section 20) known as the Taxpayer's Bill of Rights (TABOR) which was effective December 31, 1992. TABOR's intended purpose was to reasonably restrain most the growth of government by imposing spending and revenue limits on the state and any local government, excluding enterprises. Provisions of TABOR require, among other things, that:

- Each district shall reserve for use in declared emergencies 3% or more of its fiscal year spending (as defined by TABOR) excluding bonded debt service.
- If revenue from sources not excluded from fiscal year spending exceeds the limits prescribed by TABOR in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset.
- Revenue collected, kept, or spent illegally since four full fiscal years before an individual or class action enforcement suit is filed shall be refunded with 10% annual simple interest from the initial conduct.
- With minor exceptions, advance voter approval is required for any new tax, tax rate increase, mill levy above that for the prior year or creation of any multiple - fiscal year direct or indirect district debt or other financial obligation without certain cash reserve amounts.

The County believes it is in compliance with the provisions of TABOR. However, many of its provisions will most likely be interpreted by the judicial system and those interpretations could differ from those of the County.

Based upon the County's interpretation of TABOR, for 2002 the County's TABOR calculations indicate it did not exceed the fiscal year spending limit. Accordingly, no refund or other similar measures are required.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE D - OTHER INFORMATION - Continued

3. *Commitments*

Through a December 15, 1991, amendment to existing inter-governmental agreements by and between METEX Metropolitan District (METEX), the Board of County Commissioners of El Paso County, Colorado (County) and the City of Colorado Springs, Colorado (City), the County and City agreed to assist METEX financially as follows:

- County agreed to increase, by up to .5 mill, the El Paso County Road and Bridge Mill Levy effective with the property taxes to be received in 1992.
- Subject to annual appropriations and budgets, and subject to a similar appropriation by the City, the County may appropriate its share of revenue discussed above for use by METEX in making semi-annual payments to bondholders.
- The additional County Road and Bridge Mill Levy may continue subject to annual appropriation and budgeting until either the METEX bonds are retired or until the METEX assessed valuation has grown to a level at which the METEX tax levy is sufficient to meet its annual debt service and operating expenses, whichever occurs first.

The amount of financial assistance provided for in this agreement is subject to annual appropriation and budgets of both the County and the City and is subject to future growth levels of METEX, the County and the City. Accordingly the extent of future financial assistance cannot be reasonably predicted. During 2002, the County did not pay any amount to METEX under this agreement.

4. *Deferred compensation plans*

The Internal Revenue Code prior to August 20, 1996, required that all amounts of compensation deferred under the plan, all property rights purchased with those amounts, and all income attributable to those amounts, property, or rights be (until paid or made available for the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of benefits under the plan), subject only to the claims of the County's general creditors. Plan assets and income held by the plan on or after August 20, 1996 must be held in trust for the exclusive benefit of participants and their beneficiaries, thereby, removing the assets and income from being considered property of the County subject to the claims of the County's general creditors. As of December 31, 2002, the funds held for employees were approximately \$15 million.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE D - OTHER INFORMATION - Continued

5. *El Paso County Retirement Plan*

A. Plan description

All permanent, full-time employees of El Paso County are eligible to participate in the El Paso County Retirement Plan (the Plan), a cost-sharing multiple-employer defined benefit plan. The Plan has five participating employers. The Plan provides benefits to members at retirement or disability, or to their beneficiaries in the event of death. The El Paso County Board of Retirement is the administrator and has the authority to establish and amend benefit provisions of the Plan. The Plan issues a publicly available financial report that includes financial statements and required supplementary information, including the required six-year trend information, for the Plan. That report may be obtained by writing to the El Paso County Retirement Plan, 411 South Tejon, Colorado Springs, Colorado 80903, or by calling (719) 471-2395.

B. Summary of significant accounting policies

Basis of accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which employee services are performed. The employers' contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method used to value investments

Marketable securities are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year; investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask price.

C. Funding policy

The County and covered employees are each required by County Resolution to contribute 6 percent of the employees' salary to the Plan. The current County contribution rate is 6 percent of annual covered payroll. The contribution requirements of Plan members and the County are established and may be amended by the El Paso County Board of Retirement. The County's contributions to the Plan for the years ended December 31, 2002, 2001, and 2000, were \$4,485,706, \$4,581,896, and \$4,331,142, respectively, equal to the required contributions each year.

El Paso County, Colorado
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

NOTE D - OTHER INFORMATION - Continued

6. *Adoption of GASB 34*

During the year ended December 31, 2002, the County adopted Statement No. 34 of the Governmental Accounting Standards Boards (GASB). GASB 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Implementation of GASB 34 had no effect on fund financial statement fund balances as of January 1, 2002.

REQUIRED SUPPLEMENTARY INFORMATION

El Paso County, Colorado
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 5,559,833	\$ 5,559,833	\$ 5,522,987	\$ (36,846)
Sales taxes	61,309,735	61,309,735	60,214,529	(1,095,206)
Other taxes	1,169,952	1,169,952	1,183,865	13,913
Intergovernmental	7,434,913	8,483,396	9,453,783	970,387
Fees and fines	220,400	220,400	436,219	215,819
Licenses and permits	128,200	128,200	121,301	(6,899)
Charges for services	10,479,847	10,715,938	14,226,615	3,510,677
Investment earnings	3,380,857	3,380,857	1,155,693	(2,225,164)
Miscellaneous	1,586,535	2,015,772	2,011,679	(4,093)
Total revenues	91,270,272	92,984,083	94,326,671	1,342,588
Expenditures				
General government				
Administration	2,307,046	2,860,622	2,067,932	792,690
Finance	1,869,973	6,599,254	5,601,618	997,636
Security	1,114,489	1,204,570	1,170,357	34,213
Facilities management	6,911,530	8,138,507	7,297,608	840,899
Environmental services	952,748	1,075,170	984,667	90,503
Procurement	322,309	340,121	313,150	26,971
Human resources	570,654	584,574	527,798	56,776
Economic development	400,837	410,661	272,967	137,694
Planning	1,050,587	1,116,487	1,108,590	7,897
Information technology	5,972,099	6,914,852	6,167,698	747,154
County attorney	656,042	803,445	761,212	42,233
Risk management	267,575	281,512	272,206	9,306
County Clerk and Recorder	6,331,201	6,590,936	6,475,498	115,438
County Treasurer	912,625	959,877	900,026	59,851
County Assessor	2,970,811	3,223,099	3,022,985	200,114
County Surveyor	7,500	7,500	2,640	4,860
Public Trustee	463,123	634,721	580,639	54,082
Engineering	1,449,289	1,515,875	1,484,060	31,815
Total general government	34,530,438	43,261,783	39,011,651	4,250,132
Public safety				
Community Corrections	6,050,090	6,022,375	5,661,814	360,561
County Sheriff	34,256,722	38,140,111	37,356,066	784,045
Total public safety	40,306,812	44,162,486	43,017,880	1,144,606

(Continued)

El Paso County, Colorado
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - CONTINUED
For the year ended December 31, 2002

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Health and welfare				
Forestry and noxious weeds	143,148	148,602	139,417	9,185
Senior services	246,301	254,839	250,218	4,621
Coroner	842,553	881,323	877,275	4,048
Health administration	4,580,762	5,075,102	5,075,102	-
Total health and welfare	<u>5,812,764</u>	<u>6,359,866</u>	<u>6,342,012</u>	<u>17,854</u>
Culture and recreation				
Parks	2,427,890	2,642,676	2,639,787	2,889
Auxiliary services				
Veterans services	222,964	234,315	194,854	39,461
CSU Extension Service	294,606	336,406	333,713	2,693
Total auxiliary services	<u>517,570</u>	<u>570,721</u>	<u>528,567</u>	<u>42,154</u>
Debt service	715,945	706,945	704,905	2,040
Capital outlay	743,829	7,592,797	5,088,733	2,504,064
Total expenditures	<u>85,055,248</u>	<u>105,297,274</u>	<u>97,333,535</u>	<u>7,963,739</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,215,024</u>	<u>(12,313,191)</u>	<u>(3,006,864)</u>	<u>9,306,327</u>
Other financing sources (uses)				
Proceeds from sale of fixed assets	75,000	103,499	38,101	(65,398)
Transfers in	44,000	44,000	429,000	385,000
Transfers out	(13,643,889)	(10,816,103)	(10,107,777)	708,326
Total other financing sources (uses)	<u>(13,524,889)</u>	<u>(10,668,604)</u>	<u>(9,640,676)</u>	<u>1,027,928</u>
NET CHANGE IN FUND BALANCES	<u>\$ (7,309,865)</u>	<u>\$ (22,981,795)</u>	<u>(12,647,540)</u>	<u>\$10,334,255</u>
Fund balances - January 1			<u>33,160,344</u>	
Fund balances - December 31			<u>\$20,512,804</u>	

El Paso County, Colorado
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 8,180,749	\$ 8,180,749	\$ 8,101,634	\$ (79,115)
Intergovernmental				
Payment in lieu of taxes	70,000	70,000	59,251	(10,749)
U.S. Forest Service/Mineral Leasing	11,950	11,950	14,566	2,616
Highway users tax	8,799,223	8,799,223	9,054,878	255,655
Additional motor vehicle registration	470,000	470,000	528,988	58,988
Federal reimbursements	-	2,528,287	716,496	(1,811,791)
Local revenue	13,500	1,793,388	1,312,580	(480,808)
Taylor Grazing Act	50	50	14,105	14,055
Miscellaneous	606,000	-	-	-
Total intergovernmental	<u>9,970,723</u>	<u>13,672,898</u>	<u>11,700,864</u>	<u>(1,972,034)</u>
Charges for services	<u>15,000</u>	<u>26,827</u>	<u>11,667</u>	<u>(15,160)</u>
Investment earnings	<u>145,948</u>	<u>145,948</u>	<u>128,971</u>	<u>(16,977)</u>
Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>17,736</u>	<u>15,236</u>
Total revenues	<u>18,314,920</u>	<u>22,028,922</u>	<u>19,960,872</u>	<u>(2,068,050)</u>
Expenditures				
Public works				
Salaries and benefits	6,982,148	7,267,960	6,714,042	553,918
Operations and contracts	4,702,164	15,216,319	3,946,920	11,269,399
Administration	817,191	883,409	723,303	160,106
Capital outlay	416,102	3,093,479	5,941,059	(2,847,580)
Payments to other governments	3,447,088	3,579,498	3,561,699	17,799
Treasurer's fees	52,494	52,494	36,228	16,266
Total expenditures	<u>16,417,187</u>	<u>30,093,159</u>	<u>20,923,251</u>	<u>9,169,908</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,897,733</u>	<u>(8,064,237)</u>	<u>(962,379)</u>	<u>7,101,858</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	55,000	55,000	-	(55,000)
Transfers in	-	345,734	345,734	-
Transfers out	-	-	(480,886)	(480,886)
Total other financing sources (uses)	<u>55,000</u>	<u>400,734</u>	<u>(135,152)</u>	<u>(535,886)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 1,952,733</u>	<u>\$ (7,663,503)</u>	<u>(1,097,531)</u>	<u>\$ 6,565,972</u>
Fund balances - January 1			<u>10,933,162</u>	
Fund balances - December 31			<u>\$ 9,835,631</u>	

El Paso County, Colorado
SOCIAL SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues				
Taxes	\$ 5,608,079	\$ 5,608,079	\$ 5,561,189	\$ (46,890)
Intergovernmental - welfare	36,771,900	36,771,900	35,516,518	(1,255,382)
Charges for services	90,900	90,900	-	(90,900)
Miscellaneous	45,000	45,000	39,497	(5,503)
Total revenues	<u>42,515,879</u>	<u>42,515,879</u>	<u>41,117,204</u>	<u>(1,398,675)</u>
Expenditures				
Health and welfare				
County administration	12,737,042	17,209,776	13,151,353	4,058,423
Temporary aid to needy families	9,000,985	8,354,428	8,308,259	46,169
Child welfare	20,026,953	17,267,181	19,585,973	(2,318,792)
Child care	1,798,707	1,448,085	1,235,080	213,005
Total health and welfare expenditures	<u>43,563,687</u>	<u>44,279,470</u>	<u>42,280,665</u>	<u>1,998,805</u>
Debt service	-	56,838	56,838	-
Capital outlay	134,200	90,460	37,025	53,435
Total expenditures	<u>43,697,887</u>	<u>44,426,768</u>	<u>42,374,528</u>	<u>2,052,240</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,182,008)</u>	<u>(1,910,889)</u>	<u>(1,257,324)</u>	<u>653,565</u>
Other financing sources (uses)				
Transfers in	-	148,238	148,238	-
Transfers out	(745,600)	(938,600)	(925,092)	13,508
Total other financing sources (uses)	<u>(745,600)</u>	<u>(790,362)</u>	<u>(776,854)</u>	<u>13,508</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,927,608)</u>	<u>\$ (2,701,251)</u>	(2,034,178)	<u>\$ 667,073</u>
Fund balances - January 1			<u>7,675,541</u>	
Fund balances - December 31			<u>\$ 5,641,363</u>	

COMBINING STATEMENTS AND SCHEDULES

El Paso County, Colorado
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2002

	Special Revenue				
	Contingency	El Paso County Sheriff Special Investigation Fund	Retirement Contribution	Conserv- ation Trust	
ASSETS					
Cash and investments	\$ 3,887,842	\$ 441,066	\$ 769,214	\$ 1,191,084	\$ 1,110,916
Taxes receivable	-	-	3,118,024	-	-
Accounts receivable	-	10,000	-	270	152,038
Intergovernmental receivable	-	-	-	108,441	-
Due from other funds	-	-	71,770	-	-
Total assets	<u>\$ 3,887,842</u>	<u>\$ 451,066</u>	<u>\$ 3,959,008</u>	<u>\$ 1,299,795</u>	<u>\$ 1,262,954</u>
LIABILITIES					
Accounts payable	\$ -	\$ 67,389	\$ -	\$ 272,991	\$ 145,022
Due to other funds	-	-	-	7,884	7,187
Deferred revenue	-	-	3,118,024	-	-
Total liabilities	<u>-</u>	<u>67,389</u>	<u>3,118,024</u>	<u>280,875</u>	<u>152,209</u>
FUND BALANCES					
Reserved					
Declared emergencies	3,887,842	-	-	-	-
Encumbrances	-	212,572	-	22,381	-
Unreserved					
Designated for subsequent year's expenditures	-	56,524	397,913	-	-
Undesignated	-	114,581	443,071	996,539	1,110,745
Total fund balances	<u>3,887,842</u>	<u>383,677</u>	<u>840,984</u>	<u>1,018,920</u>	<u>1,110,745</u>
Total liabilities and fund balances	<u>\$ 3,887,842</u>	<u>\$ 451,066</u>	<u>\$ 3,959,008</u>	<u>\$ 1,299,795</u>	<u>\$ 1,262,954</u>

<u>One Stop Job Center</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,926	\$ 7,402,048
-	3,118,024
51,393	213,701
713,185	821,626
-	71,770
<u>\$ 766,504</u>	<u>\$ 11,627,169</u>
\$ 135,679	\$ 621,081
630,825	645,896
-	3,118,024
<u>766,504</u>	<u>4,385,001</u>
-	3,887,842
-	234,953
-	454,437
-	2,664,936
<u>-</u>	<u>7,242,168</u>
<u>\$ 766,504</u>	<u>\$ 11,627,169</u>

El Paso County, Colorado
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
For the year ended December 31, 2002

	Contingency	Penrose Equestrian Center	El Paso County Sheriff Special Investigation Fund	Retirement Contribution	Pikes Peak Center	Conservation Trust
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ 2,990,803	\$ -	\$ -
Other taxes	-	-	-	72,727	-	-
Intergovernmental	-	-	335,116	202,481	-	1,049,122
Fees and fines	-	-	300,703	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	5,264	-	-	-
Miscellaneous	-	-	2,598	-	-	27,850
Total revenues	-	-	643,681	3,266,011	-	1,076,972
Expenditures						
Current						
General government	-	-	-	4,522,411	-	-
Public safety	-	-	546,237	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	98,962
Capital outlay	-	-	75,000	-	-	505,398
Total expenditures	-	-	621,237	4,522,411	-	604,360
Excess (deficiency) of revenues over (under) expenditures	-	-	22,444	(1,256,400)	-	472,612
Other financing sources (uses)						
Transfers in	-	-	-	1,222,967	-	-
Transfers out	-	(558,309)	-	-	(511,308)	-
Total other financing sources (uses)	-	(558,309)	-	1,222,967	(511,308)	-
NET CHANGE IN FUND BALANCES	-	(558,309)	22,444	(33,433)	(511,308)	472,612
Fund balances - January 1	3,887,842	558,309	361,233	874,417	511,308	546,308
Fund balances - December 31	<u>\$ 3,887,842</u>	<u>\$ -</u>	<u>\$ 383,677</u>	<u>\$ 840,984</u>	<u>\$ -</u>	<u>\$ 1,018,920</u>

<u>Economic Development</u>	<u>Solid Waste Management</u>	<u>One Stop Job Center</u>	<u>District Attorney Offices of the Fourth Judicial District</u>	<u>Land Development Review</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,990,803
-	-	-	-	-	72,727
-	-	5,552,456	325,049	-	7,464,224
45,413	-	-	95,487	-	396,190
-	-	-	-	-	45,413
872,355	-	14,909	-	-	5,264
<u>917,768</u>	<u>-</u>	<u>5,567,365</u>	<u>420,536</u>	<u>-</u>	<u>917,712</u>
882,679	-	-	8,468,934	-	13,874,024
-	-	-	-	-	546,237
-	-	5,527,042	-	-	5,527,042
-	-	-	-	-	98,962
-	-	40,323	-	-	620,721
<u>882,679</u>	<u>-</u>	<u>5,567,365</u>	<u>8,468,934</u>	<u>-</u>	<u>20,666,986</u>
35,089	-	-	(8,048,398)	-	(8,774,653)
-	-	-	8,048,398	-	9,271,365
<u>(44,000)</u>	<u>(1,395,223)</u>	<u>-</u>	<u>-</u>	<u>(268,284)</u>	<u>(2,777,124)</u>
<u>(44,000)</u>	<u>(1,395,223)</u>	<u>-</u>	<u>8,048,398</u>	<u>(268,284)</u>	<u>6,494,241</u>
(8,911)	(1,395,223)	-	-	(268,284)	(2,280,412)
<u>1,119,656</u>	<u>1,395,223</u>	<u>-</u>	<u>-</u>	<u>268,284</u>	<u>9,522,580</u>
<u>\$ 1,110,745</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,242,168</u>

El Paso County, Colorado
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
December 31, 2002

ASSETS	Penrose Equestrian Center	County Fair	Pikes Peak Center	Solid Waste Management	Land Development Review	Totals
ASSETS						
Current assets						
Cash and investments	\$ 618,838	\$159,234	\$ 526,141	\$ 608,201	\$720,534	\$ 2,632,948
Accounts receivable	11,779	1,684	162	165,910	88,189	267,724
Intergovernmental receivable	-	-	-	-	17,298	17,298
Total current assets	630,617	160,918	526,303	774,111	826,021	2,917,970
Noncurrent assets						
Capital assets, net of accumulated depreciation	3,682,331	692,662	12,970,437	970,526	-	18,315,956
Total assets	<u>\$4,312,948</u>	<u>\$853,580</u>	<u>\$13,496,740</u>	<u>\$1,744,637</u>	<u>\$826,021</u>	<u>\$21,233,926</u>
LIABILITIES AND NET ASSETS						
LIABILITIES						
Current liabilities						
Accounts payable	\$ 13,875	\$ 1,023	\$ 693	\$ 20,907	\$ 1,911	\$ 38,409
Compensated absences	1,142	1,495	193	12,159	-	14,989
Due to other funds	9,339	2,259	21,757	512	80,690	114,557
Total current liabilities	24,356	4,777	22,643	33,578	82,601	167,955
Noncurrent liabilities						
Compensated absences	22,601	6,449	100,190	31,027	-	160,267
Total liabilities	46,957	11,226	122,833	64,605	82,601	328,222
NET ASSETS						
Invested in capital assets, net of related debt	3,682,331	692,662	12,970,437	970,526	-	18,315,956
Unrestricted	583,660	149,692	403,470	709,506	743,420	2,589,748
Total net assets	4,265,991	842,354	13,373,907	1,680,032	743,420	20,905,704
Total liabilities and net assets	<u>\$4,312,948</u>	<u>\$853,580</u>	<u>\$13,496,740</u>	<u>\$1,744,637</u>	<u>\$826,021</u>	<u>\$21,233,926</u>

El Paso County, Colorado
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
For the year ended December 31, 2002

	Penrose Equestrian Center	County Fair	Pikes Peak Center	Solid Waste Management	Land Development Review	Totals
Operating revenues						
Charges for services	\$ 588,749	\$ 235,844	\$ 899,988	\$ 681,185	\$551,976	\$ 2,957,742
Operating expenses						
Personal services	443,459	148,554	818,846	161,598	-	1,572,457
Operating expenses	149,892	221,455	220,684	414,561	82,870	1,089,462
Depreciation	145,439	20,659	347,658	15,821	-	529,577
Administration	107,205	7,860	8,589	46,822	-	170,476
Total operating expenses	845,995	398,528	1,395,777	638,802	82,870	3,361,972
Operating income (loss)	(257,246)	(162,684)	(495,789)	42,383	469,106	(404,230)
Nonoperating revenues						
Investment earnings	8,839	-	7,932	11,414	6,030	34,215
Miscellaneous	10,940	-	-	-	-	10,940
Total nonoperating revenues	19,779	-	7,932	11,414	6,030	45,155
Income (loss) before contributions and transfers	(237,467)	(162,684)	(487,857)	53,797	475,136	(359,075)
Capital contributions	-	-	-	27,000	-	27,000
Transfers in	4,503,458	1,005,038	13,861,764	1,599,235	268,284	21,237,779
Change in net assets	4,265,991	842,354	13,373,907	1,680,032	743,420	20,905,704
Net assets - January 1	-	-	-	-	-	-
Net assets - December 31	<u>\$4,265,991</u>	<u>\$ 842,354</u>	<u>\$13,373,907</u>	<u>\$1,680,032</u>	<u>\$743,420</u>	<u>\$20,905,704</u>

El Paso County, Colorado
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2002

	Penrose Equestrian Center	County Fair	Pikes Peak Center	Solid Waste Management	Land Development Review	Totals
Cash flows from operating activities						
Receipts from customers	\$ 587,910	\$ 234,160	\$ 899,826	\$ 515,275	\$ 446,489	\$ 2,683,660
Payments to suppliers	(164,017)	(194,270)	(81,899)	(423,358)	(269)	(863,813)
Payments to employees	(439,396)	(136,225)	(807,020)	(156,462)	-	(1,539,103)
Payments for interfund services used	(72,688)	(36,148)	(127,002)	(19,236)	-	(255,074)
Net cash provided by (used in) operating activities	(88,191)	(132,483)	(116,095)	(83,781)	446,220	25,670
Cash flows from noncapital financing activities						
Transfers in	716,825	291,717	646,804	1,395,223	268,284	3,318,853
Cash flows from capital and related financing activities						
Capital contributions	-	-	-	27,000	-	27,000
Capital expenditures	(18,635)	-	(12,500)	(741,655)	-	(772,790)
Net cash used in capital and related financing activities	(18,635)	-	(12,500)	(714,655)	-	(745,790)
Cash flows from investing activities						
Interest received	8,839	-	7,932	11,414	6,030	34,215
Net increase in cash and cash equivalents	618,838	159,234	526,141	608,201	720,534	2,632,948
Cash and cash equivalents - January 1	-	-	-	-	-	-
Cash and cash equivalents - December 31	<u>\$ 618,838</u>	<u>\$ 159,234</u>	<u>\$ 526,141</u>	<u>\$ 608,201</u>	<u>\$ 720,534</u>	<u>\$ 2,632,948</u>

(Continued)

El Paso County, Colorado
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS - CONTINUED
For the year ended December 31, 2002

	Penrose Equestrian Center	County Fair	Pikes Peak Center	Solid Waste Management	Land Development Review	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (257,246)	\$(162,684)	\$ (495,789)	\$ 42,383	\$ 469,106	\$ (404,230)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Miscellaneous revenue	10,940	-	-	-	-	10,940
Depreciation expense	145,439	20,659	347,658	15,821	-	529,577
(Increase) decrease in assets						
Accounts receivable	(11,779)	(1,684)	(162)	(165,910)	(88,189)	(267,724)
Intergovernmental receivable	-	-	-	-	(17,298)	(17,298)
Increase (decrease) in liabilities						
Accounts payable	13,875	1,023	693	20,907	1,911	38,409
Compensated absences	1,241	7,944	9,748	2,506	-	21,439
Due to other funds	9,339	2,259	21,757	512	80,690	114,557
Net cash provided by (used in) operating activities	<u>\$ (88,191)</u>	<u>\$(132,483)</u>	<u>\$ (116,095)</u>	<u>\$ (83,781)</u>	<u>\$ 446,220</u>	<u>\$ 25,670</u>
Noncash investing, capital and financing activities:						
Transfers of capital assets from governmental funds	\$3,809,135	\$ 713,321	\$13,305,595	\$ 244,692	\$ -	\$18,072,743
Transfers of long-term compensated absences from governmental funds	(22,502)	-	(90,635)	(40,680)	-	(153,817)

El Paso County, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
December 31, 2002

	<u>Self- Insurance Fund</u>	<u>Fleet Services Fund</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash and investments	\$ 13,468,148	\$ 1,721,184	\$15,189,332
Accounts receivable	230,640	57	230,697
Intergovernmental receivable	-	439	439
Due from other funds	201,403	36,692	238,095
Inventories	-	684,777	684,777
Total current assets	<u>13,900,191</u>	<u>2,443,149</u>	<u>16,343,340</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>-</u>	<u>7,893,048</u>	<u>7,893,048</u>
Total assets	<u><u>\$ 13,900,191</u></u>	<u><u>\$ 10,336,197</u></u>	<u><u>\$24,236,388</u></u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 506,236	\$ 381,534	\$ 887,770
Accrued liabilities	2,452,092	-	2,452,092
Compensated absences	-	15,781	15,781
Due to other funds	<u>67,636</u>	<u>27,275</u>	<u>94,911</u>
Total current liabilities	3,025,964	424,590	3,450,554
Noncurrent liabilities			
Compensated absences	<u>-</u>	<u>176,898</u>	<u>176,898</u>
Total liabilities	<u>3,025,964</u>	<u>601,488</u>	<u>3,627,452</u>
NET ASSETS			
Invested in capital assets, net of related debt	-	7,893,048	7,893,048
Unrestricted	<u>10,874,227</u>	<u>1,841,661</u>	<u>12,715,888</u>
Total net assets	<u>10,874,227</u>	<u>9,734,709</u>	<u>20,608,936</u>
Total liabilities and net assets	<u><u>\$ 13,900,191</u></u>	<u><u>\$ 10,336,197</u></u>	<u><u>\$24,236,388</u></u>

El Paso County, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
For the year ended December 31, 2002

	<u>Self- Insurance Fund</u>	<u>Fleet Services Fund</u>	<u>Totals</u>
Operating revenues			
Charges for services	<u>\$ 11,902,929</u>	<u>\$ 711,525</u>	<u>\$12,614,454</u>
Operating expenses			
Insurance premiums	722,746	-	722,746
Claim settlements	9,540,180	-	9,540,180
Depreciation	-	1,479,230	1,479,230
Administration and operations	<u>506,024</u>	<u>3,608,224</u>	<u>4,114,248</u>
Total operating expenses	<u>10,768,950</u>	<u>5,087,454</u>	<u>15,856,404</u>
Operating income (loss)	<u>1,133,979</u>	<u>(4,375,929)</u>	<u>(3,241,950)</u>
Nonoperating revenues			
Taxes	-	4,710,786	4,710,786
Gain on sale of capital assets	-	324,267	324,267
Miscellaneous	<u>56,664</u>	<u>117,165</u>	<u>173,829</u>
Total nonoperating revenues	<u>56,664</u>	<u>5,152,218</u>	<u>5,208,882</u>
Income before transfers	1,190,643	776,289	1,966,932
Transfers in	-	751,211	751,211
Transfers out	<u>-</u>	<u>(328,713)</u>	<u>(328,713)</u>
Change in net assets	1,190,643	1,198,787	2,389,430
Net assets - January 1	<u>9,683,584</u>	<u>8,535,922</u>	<u>18,219,506</u>
Net assets - December 31	<u>\$ 10,874,227</u>	<u>\$ 9,734,709</u>	<u>\$20,608,936</u>

El Paso County, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2002

	Self- Insurance Fund	Fleet Services Fund	Totals
Cash flows from operating activities			
Receipts from customers	\$ 2,519,525	\$ 272,719	\$ 2,792,244
Receipts from interfund services provided	9,046,274	674,833	9,721,107
Payments to suppliers	(10,143,559)	(1,523,555)	(11,667,114)
Payments to employees	-	(1,532,393)	(1,532,393)
Payments for interfund services used	(86,095)	(154,679)	(240,774)
Net cash provided by (used in) operating activities	<u>1,336,145</u>	<u>(2,263,075)</u>	<u>(926,930)</u>
Cash flows from noncapital financing activities			
Taxes received	-	4,710,786	4,710,786
Transfers out	-	(328,713)	(328,713)
Net cash provided by noncapital financing activities	<u>-</u>	<u>4,382,073</u>	<u>4,382,073</u>
Cash flows from capital and related financing activities			
Proceeds from sales of capital assets	-	573,628	573,628
Capital expenditures	-	(971,442)	(971,442)
Net cash used in capital and related financing activities	<u>-</u>	<u>(397,814)</u>	<u>(397,814)</u>
Net increase in cash and cash equivalents	1,336,145	1,721,184	3,057,329
Cash and cash equivalents - January 1	<u>12,132,003</u>	<u>-</u>	<u>12,132,003</u>
Cash and cash equivalents - December 31	<u>\$13,468,148</u>	<u>\$ 1,721,184</u>	<u>\$15,189,332</u>

(Continued)

El Paso County, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS - CONTINUED
For the year ended December 31, 2002

	<u>Self- Insurance Fund</u>	<u>Fleet Services Fund</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 1,133,979	\$(4,375,929)	\$ (3,241,950)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Miscellaneous revenue	56,664	117,165	173,829
Depreciation expense	-	1,479,230	1,479,230
(Increase) decrease in assets			
Accounts receivable	(223,969)	155,993	(67,976)
Intergovernmental receivable	27	(439)	(412)
Due from other funds	(201,153)	(36,692)	(237,845)
Inventories	-	(203,891)	(203,891)
Increase (decrease) in liabilities			
Accounts payable	251,210	381,534	632,744
Accrued liabilities	251,824	-	251,824
Compensated absences	-	192,679	192,679
Due to other funds	67,563	27,275	94,838
Net cash provided by (used in) operating activities	<u>\$ 1,336,145</u>	<u>\$(2,263,075)</u>	<u>\$ (926,930)</u>
 Noncash investing, capital and financing activities:			
Transfers of capital assets from governmental funds	\$ -	\$ 270,325	\$ 270,325
Transfers of inventory from governmental funds	-	480,886	480,886

El Paso County, Colorado
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
December 31, 2002

	Park Fees	School's Trust	Urban Park	Totals
ASSETS				
Cash and investments	\$2,042,685	\$191,765	\$262,861	\$2,497,311
Accounts receivable	26,380	27,147	4,664	58,191
Total assets	2,069,065	218,912	267,525	2,555,502
LIABILITIES				
Accounts payable	140,494	-	-	140,494
NET ASSETS				
Held in trust	\$1,928,571	\$218,912	\$267,525	\$2,415,008

El Paso County, Colorado
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For the year ended December 31, 2002

	<u>Park Fees</u>	<u>School's Trust</u>	<u>Urban Park</u>	<u>Totals</u>
Additions				
Park fees	\$ 695,949	\$ -	\$ 15,851	\$ 711,800
School fees	-	218,912	-	218,912
Total fees	695,949	218,912	15,851	930,712
Investment earnings	22,640	-	3,465	26,105
Total additions	718,589	218,912	19,316	956,817
Deductions				
Outside agencies	492,203	223,346	-	715,549
Change in net assets	226,386	(4,434)	19,316	241,268
Net assets - January 1	1,702,185	223,346	248,209	2,173,740
Net assets - December 31	<u>\$1,928,571</u>	<u>\$218,912</u>	<u>\$267,525</u>	<u>\$2,415,008</u>

El Paso County, Colorado
 AGENCY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 December 31, 2002

	<u>Treasurer's</u>	<u>Public Trustee</u>	<u>Bradley Road 1986-1</u>	<u>Struther's Road</u>	<u>Total</u>
ASSETS					
Cash and investments	<u>\$33,402,176</u>	<u>\$1,395,522</u>	<u>\$5,030</u>	<u>\$225,551</u>	<u>\$35,028,279</u>
LIABILITIES					
Due to other governments	\$23,920,223	\$ -	\$ -	\$ -	\$23,920,223
Escrow deposits held by trustee	-	702,550	-	-	702,550
Funds due to bondholders	-	-	5,030	225,551	230,581
Other	<u>9,481,953</u>	<u>692,972</u>	<u>-</u>	<u>-</u>	<u>10,174,925</u>
Total liabilities	<u>\$33,402,176</u>	<u>\$1,395,522</u>	<u>\$5,030</u>	<u>\$225,551</u>	<u>\$35,028,279</u>

El Paso County, Colorado
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the year ended December 31, 2002

TREASURER'S AGENCY FUND				
	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
ASSETS				
Cash and investments	\$ 24,772,466	\$ 899,514,760	\$ 890,885,050	\$ 33,402,176
LIABILITIES				
Due to other governments	\$ 21,745,341	\$ 893,059,932	\$ 890,885,050	\$ 23,920,223
Other	3,027,125	6,454,828	-	9,481,953
Total liabilities	<u>\$ 24,772,466</u>	<u>\$ 899,514,760</u>	<u>\$ 890,885,050</u>	<u>\$ 33,402,176</u>

PUBLIC TRUSTEE AGENCY FUND				
	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
ASSETS				
Cash and investments	\$ 728,340	\$ 45,154,466	\$ 44,487,284	\$ 1,395,522
LIABILITIES				
Escrow deposits held by trustee	\$ 224,437	\$ 43,772,588	\$ 43,294,475	\$ 702,550
Other	503,903	1,381,878	1,192,809	692,972
Total liabilities	<u>\$ 728,340</u>	<u>\$ 45,154,466</u>	<u>\$ 44,487,284</u>	<u>\$ 1,395,522</u>

BRADLEY ROAD 1986-1 AGENCY FUND				
	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
ASSETS				
Cash and investments	\$ 4,946	\$ 84	\$ -	\$ 5,030
LIABILITIES				
Funds due to bondholders	\$ 4,946	\$ 84	\$ -	\$ 5,030

(Continued)

El Paso County, Colorado
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 For the year ended December 31, 2002

STRUTHER'S ROAD AGENCY FUND				
	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
ASSETS				
Cash and investments	\$ 168,697	\$ 260,069	\$ 203,215	\$ 225,551
LIABILITIES				
Funds due to bondholders	\$ 168,697	\$ 260,069	\$ 203,215	\$ 225,551
TOTALS - ALL AGENCY FUNDS				
	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
ASSETS				
Cash and investments	\$ 25,674,449	\$ 944,929,379	\$ 935,575,549	\$ 35,028,279
LIABILITIES				
Due to other governments	\$ 21,745,341	\$ 893,059,932	\$ 890,885,050	\$ 23,920,223
Escrow deposits held by trustee	224,437	43,772,588	43,294,475	702,550
Funds due to bondholders	173,643	260,153	203,215	230,581
Other	3,531,028	7,836,706	1,192,809	10,174,925
Total liabilities	\$ 25,674,449	\$ 944,929,379	\$ 935,575,549	\$ 35,028,279

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL

El Paso County, Colorado
 RETIREMENT CONTRIBUTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$3,088,326	\$3,088,326	\$3,063,530	\$(24,796)
Intergovernmental	161,777	174,792	202,481	27,689
Total revenues	<u>3,250,103</u>	<u>3,263,118</u>	<u>3,266,011</u>	<u>2,893</u>
Expenditures				
General government				
Employer contributions	4,527,925	4,525,074	4,477,247	47,827
Treasurer fees	42,313	45,164	45,164	-
Total expenditures	<u>4,570,238</u>	<u>4,570,238</u>	<u>4,522,411</u>	<u>47,827</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,320,135)</u>	<u>(1,307,120)</u>	<u>(1,256,400)</u>	<u>50,720</u>
Other financing sources (uses)				
Transfers in	<u>1,320,135</u>	<u>1,307,120</u>	<u>1,222,967</u>	<u>(84,153)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>(33,433)</u>	<u>\$(33,433)</u>
Fund balances - January 1			<u>874,417</u>	
Fund balances - December 31			<u>\$ 840,984</u>	

El Paso County, Colorado
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$700,000	\$ 700,000	\$1,049,122	\$ 349,122
Miscellaneous	-	27,850	27,850	-
Total revenues	<u>700,000</u>	<u>727,850</u>	<u>1,076,972</u>	<u>349,122</u>
Expenditures				
Culture and recreation	50,000	335,000	98,962	236,038
Capital outlay	<u>650,000</u>	<u>702,939</u>	<u>505,398</u>	<u>197,541</u>
Total expenditures	<u>700,000</u>	<u>1,037,939</u>	<u>604,360</u>	<u>433,579</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$(310,089)</u>	472,612	<u>\$ 782,701</u>
Fund balances - January 1			<u>546,308</u>	
Fund balances - December 31			<u>\$1,018,920</u>	

El Paso County, Colorado
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 50,000	\$ 50,000	\$ 45,413	\$ (4,587)
Miscellaneous	<u>1,000,000</u>	<u>1,000,000</u>	<u>872,355</u>	<u>(127,645)</u>
Total revenues	<u>1,050,000</u>	<u>1,050,000</u>	<u>917,768</u>	<u>(132,232)</u>
Expenditures				
General government	<u>1,006,000</u>	<u>1,006,000</u>	<u>882,679</u>	<u>123,321</u>
Excess (deficiency) of revenues over (under) expenditures	44,000	44,000	35,089	(8,911)
Other financing sources (uses)				
Transfers out	<u>(44,000)</u>	<u>(44,000)</u>	<u>(44,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	(8,911)	<u>\$ (8,911)</u>
Fund balances - January 1			<u>1,119,656</u>	
Fund balances - December 31			<u>\$1,110,745</u>	

El Paso County, Colorado
ONE STOP JOB CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,717,046	\$6,417,046	\$5,552,456	\$(864,590)
Miscellaneous	-	-	14,909	14,909
Total revenues	<u>5,717,046</u>	<u>6,417,046</u>	<u>5,567,365</u>	<u>(849,681)</u>
Expenditures				
Health and welfare	5,637,046	6,337,046	5,527,042	810,004
Capital outlay	80,000	80,000	40,323	39,677
Total expenditures	<u>5,717,046</u>	<u>6,417,046</u>	<u>5,567,365</u>	<u>849,681</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - January 1			-	
Fund balances - December 31			<u>\$ -</u>	

El Paso County, Colorado
DISTRICT ATTORNEY OFFICES OF THE FOURTH JUDICIAL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 377,234	\$ 349,382	\$ 325,049	\$(24,333)
Fees and fines	104,452	95,487	95,487	-
Total revenues	<u>481,686</u>	<u>444,869</u>	<u>420,536</u>	<u>(24,333)</u>
Expenditures - General government	<u>8,463,627</u>	<u>9,201,593</u>	<u>8,468,934</u>	<u>732,659</u>
Excess (deficiency) of revenues over (under) expenditures	(7,981,941)	(8,756,724)	(8,048,398)	708,326
Other financing sources (uses)				
Transfers in	<u>7,981,941</u>	<u>8,756,724</u>	<u>8,048,398</u>	<u>(708,326)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - January 1			-	
Fund balances - December 31			<u>\$ -</u>	

El Paso County, Colorado
 CAPITAL EXPENDITURES FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$2,733,922	\$ 2,733,922	\$2,711,375	\$ (22,547)
Interest	95,692	95,692	35,371	(60,321)
Total revenues	<u>2,829,614</u>	<u>2,829,614</u>	<u>2,746,746</u>	<u>(82,868)</u>
Expenditures				
General government	134,000	1,134,000	1,040,943	93,057
Debt service	1,419,373	1,419,373	1,439,182	(19,809)
Capital outlay	1,834,875	4,448,146	3,285,358	1,162,788
Total expenditures	<u>3,388,248</u>	<u>7,001,519</u>	<u>5,765,483</u>	<u>1,236,036</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(558,634)</u>	<u>(4,171,905)</u>	<u>(3,018,737)</u>	<u>1,153,168</u>
Other financing sources (uses)				
Transfers in	296,803	296,803	296,803	-
Total other financing sources (uses)	<u>296,803</u>	<u>296,803</u>	<u>296,803</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (261,831)</u>	<u>\$ (3,875,102)</u>	<u>(2,721,934)</u>	<u>\$1,153,168</u>
Fund balances - January 1			<u>4,410,121</u>	
Fund balances - December 31			<u>\$1,688,187</u>	

El Paso County, Colorado
PENROSE EQUESTRIAN CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$605,700	\$605,700	\$588,749	\$ (16,951)
Interest	20,000	20,000	8,839	(11,161)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>10,940</u>	<u>5,940</u>
Total revenues	<u>630,700</u>	<u>630,700</u>	<u>608,528</u>	<u>(22,172)</u>
Expenditures				
Salaries and benefits	490,883	511,766	443,459	68,307
Operations and contracts	168,410	160,532	149,892	10,640
Administration	105,040	115,317	107,205	8,112
Capital outlay	<u>62,195</u>	<u>62,195</u>	<u>18,635</u>	<u>43,560</u>
Total expenditures	<u>826,528</u>	<u>849,810</u>	<u>719,191</u>	<u>130,619</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(195,828)</u>	<u>(219,110)</u>	<u>(110,663)</u>	<u>108,447</u>
Other financing sources (uses)				
Transfers in	<u>137,633</u>	<u>158,515</u>	<u>158,515</u>	<u>-</u>
Total other financing sources (uses)	<u>137,633</u>	<u>158,515</u>	<u>158,515</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u><u>\$(58,195)</u></u>	<u><u>\$(60,595)</u></u>	47,852	<u><u>\$108,447</u></u>
Fund balances - January 1			<u>558,309</u>	
Fund balances - December 31			<u><u>\$606,161</u></u>	

El Paso County, Colorado
COUNTY FAIR FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	<u>\$178,000</u>	<u>\$244,293</u>	<u>\$235,844</u>	<u>\$(8,449)</u>
Expenditures				
Salaries and benefits	106,208	143,387	148,554	(5,167)
Operations and contracts	175,015	232,460	221,455	11,005
Administration	<u>7,602</u>	<u>6,205</u>	<u>7,860</u>	<u>(1,655)</u>
Total expenditures	<u>288,825</u>	<u>382,052</u>	<u>377,869</u>	<u>4,183</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,825)</u>	<u>(137,759)</u>	<u>(142,025)</u>	<u>(4,266)</u>
Other financing sources (uses)				
Transfers in	<u>288,825</u>	<u>291,717</u>	<u>291,717</u>	<u>-</u>
Total other financing sources (uses)	<u>288,825</u>	<u>291,717</u>	<u>291,717</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$178,000</u>	<u>\$153,958</u>	149,692	<u>\$(4,266)</u>
Fund balances - January 1			<u>-</u>	
Fund balances - December 31			<u>\$149,692</u>	

El Paso County, Colorado
 PIKES PEAK CENTER FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 954,375	\$ 954,375	\$ 899,988	\$ (54,387)
Interest	8,000	8,000	7,932	(68)
	<u>962,375</u>	<u>962,375</u>	<u>907,920</u>	<u>(54,455)</u>
Expenditures				
Salaries and benefits	856,766	878,885	818,846	60,039
Operations and contracts	210,965	281,965	220,684	61,281
Administration	16,800	16,800	8,589	8,211
Capital outlay	100,000	29,000	12,500	16,500
	<u>1,184,531</u>	<u>1,206,650</u>	<u>1,060,619</u>	<u>146,031</u>
Excess (deficiency) of revenues over (under) expenditures	(222,156)	(244,275)	(152,699)	91,576
Other financing sources (uses)				
Transfers in	<u>113,377</u>	<u>135,496</u>	<u>135,496</u>	<u>-</u>
	<u>\$(108,779)</u>	<u>\$(108,779)</u>	(17,203)	<u>\$ 91,576</u>
Fund balances - January 1			<u>511,308</u>	
Fund balances - December 31			<u>\$ 494,105</u>	

El Paso County, Colorado
SOLID WASTE MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 27,000	\$ 27,000	\$ -
Charges for services	586,000	586,000	681,185	95,185
Interest	20,000	20,000	11,414	(8,586)
Total revenues	<u>606,000</u>	<u>633,000</u>	<u>719,599</u>	<u>86,599</u>
Expenditures				
Personal services	169,114	176,519	161,598	14,921
Operating expenses	389,240	456,240	414,561	41,679
Administration	30,800	33,665	46,822	(13,157)
Capital outlay	2,000	789,534	741,654	47,880
Total expenditures	<u>591,154</u>	<u>1,455,958</u>	<u>1,364,635</u>	<u>91,323</u>
NET CHANGE IN FUND BALANCES	<u>\$ 14,846</u>	<u>\$(822,958)</u>	(645,036)	<u>\$177,922</u>
Fund balances - January 1			<u>1,395,223</u>	
Fund balances - December 31			<u>\$ 750,187</u>	

El Paso County, Colorado
 LAND DEVELOPMENT REVIEW FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ -	\$611,840	\$551,976	\$(59,864)
Interest	-	-	6,030	6,030
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	611,840	558,006	(53,834)
Expenditures				
Operating expenses	-	98,485	82,870	15,615
	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$513,355</u>	475,136	<u>\$(38,219)</u>
Fund balances - January 1			<u>268,284</u>	
Fund balances - December 31			<u><u>\$743,420</u></u>	

El Paso County, Colorado
 SELF-INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 7,753,136	\$11,404,626	\$11,902,929	\$ 498,303
Miscellaneous	3,811,490	160,000	56,664	(103,336)
Total revenues	<u>11,564,626</u>	<u>11,564,626</u>	<u>11,959,593</u>	<u>394,967</u>
Expenditures				
Insurance premiums	660,711	797,711	722,746	74,965
Claim settlements	10,666,503	10,813,448	9,540,180	1,273,268
Administration and operations	836,000	697,055	506,024	191,031
Total expenditures	<u>12,163,214</u>	<u>12,308,214</u>	<u>10,768,950</u>	<u>1,539,264</u>
NET CHANGE IN FUND BALANCES	<u>\$ (598,588)</u>	<u>\$ (743,588)</u>	1,190,643	<u>\$1,934,231</u>
Fund balances - January 1			<u>9,683,584</u>	
Fund balances - December 31			<u>\$10,874,227</u>	

El Paso County, Colorado
FLEET SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues				
Taxes	\$4,712,750	\$4,712,750	\$4,710,786	\$ (1,964)
Charges for services	139,892	139,892	711,525	571,633
Miscellaneous	75,000	75,000	117,165	42,165
Total revenues	<u>4,927,642</u>	<u>4,927,642</u>	<u>5,539,476</u>	<u>611,834</u>
Expenditures				
Administration and operations	3,607,394	4,096,385	3,608,224	488,161
Capital outlay	1,951,000	1,951,000	1,300,156	650,844
Total expenditures	<u>5,558,394</u>	<u>6,047,385</u>	<u>4,908,380</u>	<u>1,139,005</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(630,752)</u>	<u>(1,119,743)</u>	<u>631,096</u>	<u>1,750,839</u>
Other financing sources (uses)				
Proceeds from sales of assets	144,052	558,852	573,628	14,776
Transfers in	486,700	560,891	480,886	(80,005)
Total other financing sources (uses)	<u>630,752</u>	<u>1,119,743</u>	<u>1,054,514</u>	<u>(65,229)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	1,685,610	<u>\$1,685,610</u>
Fund balances - January 1			<u>156,050</u>	
Fund balances - December 31			<u>\$1,841,660</u>	

El Paso County, Colorado
 PARK FEES FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ -	\$ -	\$ 695,949	\$ 695,949
Interest	-	-	22,640	22,640
	<u>-</u>	<u>-</u>	<u>718,589</u>	<u>718,589</u>
Total revenues				
Expenditures				
Outside agencies	<u>67,000</u>	<u>844,268</u>	<u>492,203</u>	<u>352,065</u>
NET CHANGE IN FUND BALANCES	<u>\$(67,000)</u>	<u>\$(844,268)</u>	226,386	<u>\$1,070,654</u>
Fund balances - January 1			<u>1,702,185</u>	
Fund balances - December 31			<u>\$1,928,571</u>	

El Paso County, Colorado
 SCHOOL'S TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ -	\$ -	\$218,912	\$218,912
Expenditures				
Outside agencies	-	223,346	223,346	-
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$(223,346)</u>	(4,434)	<u>\$218,912</u>
Fund balances - January 1			<u>223,346</u>	
Fund balances - December 31			<u>\$218,912</u>	

El Paso County, Colorado
 STRUTHER'S ROAD AGENCY FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2002

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special assessments	\$ -	\$ 203,308	\$ 256,426	\$ 53,118
Interest	-	-	3,643	3,643
	<u>-</u>	<u>203,308</u>	<u>260,069</u>	<u>56,761</u>
Total revenues				
Expenditures				
Debt service	-	203,308	203,215	93
	<u>-</u>	<u>203,308</u>	<u>203,215</u>	<u>93</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	56,854	<u>\$ 56,854</u>
Fund balances - January 1			<u>168,697</u>	
Fund balances - December 31			<u>\$ 225,551</u>	

El Paso County, Colorado
 BUDGETARY COMPARISON SCHEDULE
 BUDGET-TO-GAAP RECONCILIATION
 For the year ended December 31, 2002

Note A - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures.

	Capital Projects	Penrose Equestrian Center
Sources/inflows of resources		
Total revenues and other financing sources - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances - budget and actual	\$ 3,043,549	\$ 767,043
Transfer in from special revenue fund to report a change in fund type is not an inflow for budgetary purposes but is included as a transfer for financial reporting purposes	-	558,309
Transfer in from governmental funds for capital assets and long-term liabilities is not an inflow for budgetary purposes but is included as a transfer for financial reporting purposes	-	3,786,634
Issuance of certificates of participation and entering into capital lease obligations are not outflows for budgetary purposes but are other financing sources for financial reporting purposes	86,978,132	-
Proceeds from sales of fixed assets are inflows for budgetary purposes but not for financial reporting purposes	-	-
Gains on sales of fixed assets are not inflows for budgetary purposes but are nonoperating revenues for financial reporting purposes	-	-
Revenues are inflows for budgetary purposes but are not reported in an agency fund for financial reporting purposes	-	-
	<u>\$90,021,681</u>	<u>\$5,111,986</u>
Uses/outflows of resources		
Total expenditures and other financing uses - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances - budget and actual	\$ 5,765,483	\$ 719,191
Capital outlays are outflows of budgetary resources but are not expenses for financial reporting purposes	-	(18,635)
Depreciation is not an outflow of budgetary resources but is an expense for financial reporting purposes	-	145,439
Transfer out to governmental funds for fixed assets is not an outflow for budgetary purposes but is included as a transfer for financial reporting purposes	-	-
Issuance costs are not outflows of budgetary resources but are expenditures for financial reporting purposes	1,652,925	-
Expenditures are outflows for budgetary purposes but are not reported in an agency fund for financial reporting purposes	-	-
	<u>\$ 7,418,408</u>	<u>\$ 845,995</u>
Total operating revenues, nonoperating revenues, capital contributions - GAAP basis from the combining statement of revenues, expenses and changes in fund net assets		
	<u>\$ 90,021,681</u>	<u>\$ 5,111,986</u>
	<u>\$ 7,418,408</u>	<u>\$ 845,995</u>

<u>County Fair</u>	<u>Pikes Peak Center</u>	<u>Solid Waste Management</u>	<u>Land Development Review</u>	<u>Self- Insurance Fund</u>	<u>Fleet Services Fund</u>	<u>Struther's Road</u>
\$ 527,561	\$ 1,043,416	\$ 719,599	\$558,006	\$11,959,593	\$6,593,990	\$260,069
-	511,308	1,395,223	268,284	-	-	-
713,321	13,214,960	204,012	-	-	270,325	-
-	-	-	-	-	-	-
-	-	-	-	-	(573,628)	-
-	-	-	-	-	324,267	-
-	-	-	-	-	-	(260,069)
<u>\$1,240,882</u>	<u>\$14,769,684</u>	<u>\$ 2,318,834</u>	<u>\$826,290</u>	<u>\$11,959,593</u>	<u>\$6,614,954</u>	<u>\$ -</u>
\$ 377,869	\$ 1,060,619	\$ 1,364,635	\$ 82,870	\$10,768,950	\$4,908,380	\$203,215
-	(12,500)	(741,654)	-	-	(1,300,156)	-
20,659	347,658	15,821	-	-	1,479,230	-
-	-	-	-	-	328,713	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(203,215)
<u>\$ 398,528</u>	<u>\$ 1,395,777</u>	<u>\$ 638,802</u>	<u>\$ 82,870</u>	<u>\$10,768,950</u>	<u>\$5,416,167</u>	<u>\$ -</u>

CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS

El Paso County, Colorado
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY SOURCE*
 December 31, 2002

Governmental funds capital assets:

Land	\$ 13,363,883
Buildings	78,922,645
Improvements other than buildings	5,969,845
Infrastructure	17,096,267
Machinery and equipment	14,859,990
Furniture and fixtures	2,831,010
Computer equipment	7,912,262
Construction in progress	<u>82,025</u>
Total governmental funds capital assets	<u><u>\$141,037,927</u></u>

Investments in governmental funds capital assets by source:

General fund	\$ 35,739,137
Special revenue fund	36,906,002
Capital projects fund	55,691,952
Donations	<u>12,700,836</u>
Total governmental funds capital assets	<u><u>\$141,037,927</u></u>

* This schedule presents only the capital balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets for the internal service funds are included as governmental activities in the statement of net assets.

El Paso County, Colorado
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY*
December 31, 2002

Function and activity	Land	Buildings	Improvements other than buildings	Infrastructure	Machinery and equipment
General government					
Office of the Board	\$ -	\$ -	\$ 6,387	\$ -	\$ -
Security	-	-	199,772	-	-
Facilities management	13,012,621	14,578,412	972,065	-	384,835
HR-personnel	-	-	-	-	-
Finance	-	-	88,433	-	-
Planning	-	-	-	-	-
Information services	-	6,333,089	19,698	-	7,144,885
County attorney	-	-	-	-	-
Clerk and recorder	-	-	-	-	124,019
Treasurer	-	-	-	-	13,000
Assessor	-	-	-	-	263,758
Public trustee	-	-	4,248	-	-
Parking	-	3,445,890	-	-	-
Total general government	<u>13,012,621</u>	<u>24,357,391</u>	<u>1,290,603</u>	<u>-</u>	<u>7,930,497</u>
Public safety					
Sheriff					
Sheriff operations	-	1,820,264	151,752	-	3,624,350
Commissary	-	-	-	-	420,122
Jail	-	5,817,506	-	-	-
District attorney	-	-	-	-	347,037
Judicial building	-	9,715,219	-	-	-
Criminal justice center	-	15,975,910	987,071	-	-
El Paso County Sheriff					
Special Investigation Fund	-	-	-	-	585,436
Total public safety	<u>-</u>	<u>33,328,899</u>	<u>1,138,823</u>	<u>-</u>	<u>4,976,945</u>
Public works					
Department of transportation	<u>123,517</u>	<u>8,224,265</u>	<u>1,197,316</u>	<u>17,096,267</u>	<u>1,796,627</u>
Health and welfare					
Department of human services	-	4,982,081	19,321	-	59,393
Coroner	-	851,620	100,900	-	58,443
Health department	-	4,065,600	-	-	-
One Stop Job Center	-	-	113,493	-	-
Total health and welfare	<u>-</u>	<u>9,899,301</u>	<u>233,714</u>	<u>-</u>	<u>117,836</u>
Culture and recreation					
Parks	<u>227,745</u>	<u>3,112,789</u>	<u>2,109,389</u>	<u>-</u>	<u>38,085</u>
Total governmental funds capital assets	<u><u>\$13,363,883</u></u>	<u><u>\$78,922,645</u></u>	<u><u>\$5,969,845</u></u>	<u><u>\$17,096,267</u></u>	<u><u>\$14,859,990</u></u>

* This schedule presents only the capital balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets for the internal service funds are included as governmental activities in the statement of net assets.

<u>Furniture and fixtures</u>	<u>Computer equipment</u>	<u>Construction in progress</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 6,387
-	8,843	-	208,615
91,305	32,892	-	29,072,130
6,676	-	-	6,676
20,002	379,673	-	488,108
7,049	8,852	-	15,901
468,542	4,965,406	82,025	19,013,645
-	23,684	-	23,684
784,998	1,077,021	-	1,986,038
108,927	20,585	-	142,512
71,550	87,047	-	422,355
-	131,997	-	136,245
-	-	-	3,445,890
<u>1,559,049</u>	<u>6,736,000</u>	<u>82,025</u>	<u>54,968,186</u>
417,351	310,503	-	6,324,220
-	-	-	420,122
-	-	-	5,817,506
-	71,330	-	418,367
-	-	-	9,715,219
-	-	-	16,962,981
-	-	-	585,436
<u>417,351</u>	<u>381,833</u>	<u>-</u>	<u>40,243,851</u>
264,950	209,293	-	28,912,235
350,495	260,644	-	5,671,934
216,772	263,283	-	1,491,018
-	-	-	4,065,600
9,244	40,323	-	163,060
<u>576,511</u>	<u>564,250</u>	<u>-</u>	<u>11,391,612</u>
13,149	20,886	-	5,522,043
<u>\$2,831,010</u>	<u>\$7,912,262</u>	<u>\$82,025</u>	<u>\$141,037,927</u>

El Paso County, Colorado
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY*
For the year ended December 31, 2002

Function and activity	Governmental Funds Capital Assets January 1, 2002	Additions	Deductions	Governmental Funds Capital Assets December 31, 2002
General government				
Office of the Board	\$ -	\$ 6,387	\$ -	\$ 6,387
Security	24,985	183,630	-	208,615
Facilities management	52,726,273	23,429,716	47,083,859	29,072,130
HR-personnel	6,676	-	-	6,676
Finance	231,019	257,089	-	488,108
Planning	40,297	-	24,396	15,901
Information services	11,209,488	7,804,157	-	19,013,645
County attorney	23,684	-	-	23,684
Clerk and recorder	1,062,458	923,580	-	1,986,038
Treasurer	142,512	-	-	142,512
Assessor	368,340	76,312	22,297	422,355
Public trustee	54,229	82,016	-	136,245
Parking	-	3,445,890	-	3,445,890
Total general government	<u>65,889,961</u>	<u>36,208,777</u>	<u>47,130,552</u>	<u>54,968,186</u>
Public safety				
Sheriff				
Sheriff operations	4,867,416	2,300,449	843,645	6,324,220
Commissary	344,484	75,638	-	420,122
Jail	-	5,817,506	-	5,817,506
District attorney	5,127,554	91,835	4,801,022	418,367
Judicial building	-	9,715,219	-	9,715,219
Criminal justice center	18,612,773	-	1,649,792	16,962,981
El Paso County Sheriff Special Investigation Fund	<u>971,398</u>	<u>75,000</u>	<u>460,962</u>	<u>585,436</u>
Total public safety	<u>29,923,625</u>	<u>18,075,647</u>	<u>7,755,421</u>	<u>40,243,851</u>
Public works				
Department of transportation	<u>9,666,727</u>	<u>21,087,172</u>	<u>1,841,664</u>	<u>28,912,235</u>
Health and welfare				
Department of human services	5,482,741	189,193	-	5,671,934
Coroner	1,390,119	100,899	-	1,491,018
Health department	-	4,065,600	-	4,065,600
One Stop Job Center	<u>1,080,985</u>	<u>50,572</u>	<u>968,497</u>	<u>163,060</u>
Total health and welfare	<u>7,953,845</u>	<u>4,406,264</u>	<u>968,497</u>	<u>11,391,612</u>
Culture and recreation				
Pikes Peak Center	14,105,825	-	14,105,825	-
Penrose equestrian	4,975,519	-	4,975,519	-
Parks	<u>4,304,283</u>	<u>1,224,731</u>	<u>6,971</u>	<u>5,522,043</u>
Total culture and recreation	<u>23,385,627</u>	<u>1,224,731</u>	<u>19,088,315</u>	<u>5,522,043</u>
Total governmental funds capital assets	<u>\$ 136,819,785</u>	<u>\$ 81,002,591</u>	<u>\$ 76,784,449</u>	<u>\$ 141,037,927</u>

* This schedule presents only the capital balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets for the internal service funds are included as governmental activities in the statement of net assets.

MISCELLANEOUS

LOCAL HIGHWAY FINANCE REPORT	City or County:
This Information From The Records Of (example - City of _ or County of X) Prepared By: Leslie C. Shaffer, Administrative Supervisor - Accountin El Paso County Department of Transportation (Road & Bridge Fund) Phone: (719) 520-6460	

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)	9,005,199
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,425,486
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	584,854
2. General fund appropriations	0	b. Snow and ice removal	655,312
3. Other local imposts (from page 2)	8,272,177	c. Other	3,620,517
4. Miscellaneous local receipts (from page 2)	1,210,458	d. Total (a. through c.)	4,860,682
5. Transfers from toll facilities	0	4. General administration & miscellaneous	869,202
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)	21,160,569
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)	9,482,635	b. Redemption	0
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	9,583,866	2. Notes:	
D. Receipts from Federal Government (from page 2)	1,233,279	a. Interest	0
E. Total receipts (A.7 + B + C + D)	20,299,780	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)	21,160,569

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	8,938,961	20,299,780	21,160,569	8,078,172	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2002

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments	8,143,749	a. Interest on investments	128,971
b. Other local imposts:		b. Other See Attachment Pgl	1,017,588
1. Sales Taxes	0	c. Transfers	0
2. Traffic Fines	0	d. Capital Credits	0
3. Specific Ownership Tax	53,301	e. Sale of Assets	0
		f. Fees/Licenses/Permits	2,107
5. From Cities/Counties	75,127	g. Service Performed	0
6. Total (1. through 5.)	128,428	h. Refunds of Expenditures	61,792
c. Total (a. + b.)	8,272,177	i. Total (a. through h.)	1,210,458
	(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	9,054,878	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	12,044
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registration	528,988	d. Mineral Leasing	3,082
d. (Specify)	0	e. Pay Lieu of Tax	59,251
e. (Specify)	0	f. Other Federal	1,158,902
f. Total (a. through e.)	528,988	g. Total (a. through f.)	1,233,279
4. Total (1. + 2. + 3.f)	9,583,866	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	1,911,834	1,911,834
b. Engineering Costs	0	1,044,430	1,044,430
c. Construction:			
(1). Capacity Improvements	0	0	0
(2). System Preservation	0	6,048,935	6,048,935
(3). Safety And Other	0	0	0
(4). Total Construction (1)+(2)+(3)	0	6,048,935	6,048,935
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	0	9,005,199	9,005,199
			(Carry forward to page 1)

Notes and Comments:

El Paso County Department of Transportation
 2002 Finance Report
 Attachment
 Page 1 of 3

Item II. Receipts for Road and Street Purposes - Detail

A.3. Other Local Imposts:

a. Property Taxes and Assessments

*Property Tax Collected by EPC Treasurer- R&B	\$	4,523,232
*Payments to Incorporated Towns/Cities	\$	3,620,517
Shareback of the El Paso County Road and Bridge Property Tax Mill Levy		
Total Property Taxes and Assessments	\$	8,143,749

b.5. From Cities/Counties

City of Colorado Springs	\$	20,496.13
City of Fountain	\$	3,564.19
Town of Green Mountain Falls	\$	9,584.45
Town of Monument	\$	40,452.96
Town of Palmer Lake	\$	664.25
Teller County	\$	365.43
Total Receipts from Cities/Counties	\$	75,127.41

A.4. Miscellaneous Local Receipts

b. Other:

Metex Metropolitan District Loan Repayment	\$	653,516
From General Fund for Waynoka Road Bridge	\$	345,734
Resident Participation	\$	11,827
Misc. Receipts:	\$	6,510
Sale of Used Scrap Metal	\$	4,603.00
Mountain View Electric (Previous Years Dividend)	\$	1,518
Proceeds from Auction (Sale of non-capital items)	\$	389
Total Misc. Receipts	\$	6,510
Total for Other Local Receipts:	\$	1,017,588

El Paso County Department of Transportation
2002 Finance Report
Attachment
Page 2 of 3

A.4. Miscellaneous Local Receipts

h. Refunds of Expenditures

Credits to Budget	\$	58,829	
Compensation of Loss	\$	2,963	
Total for Refunds of Expenditures			\$61,792

Item II.D. Receipts from Federal Government

2.f. Other Federal

Taylor Grazing Act			\$ 11
State of Colorado			
Federal Projects:			
Chipita Park Road Bridge	\$	223,818	
BRO C040-007			
CFDA #20-2050			
Defense Access Road	\$	37,225	
DAR C040.016			
CFDA #20-2050			
Woodmen Road	\$	897,848	
STU C040-020			
CFDA #20-2050			
	\$	1,158,890.23	
Total State of Colorado (Federal Projects)			\$ 1,158,890
Total for Other Federal:			\$ 1,158,902

El Paso County
Human Services Fund
Schedule of EBT Authorizations, Warrant Expenditures, and Total Expenditures
For Year ending December 31, 2002

Program	A EBT Authorizations	B County Share	C Expenditures by Warrant	D EBT plus Warrant Exp	E Total County Expenditures
Old Age Pension	\$ 3,613,291	\$ -	\$ 153,559	\$ 3,766,850	\$ 153,559
LEAP	\$ 2,256,550	\$ -	\$ 193,496	\$ 2,450,046	\$ 193,496
TANF	\$ 8,199,889	\$ 1,138,757	\$ 8,163,133	\$ 16,363,022	\$ 9,301,890
Administration	\$ -	\$ -	\$ 4,972,472	\$ 4,972,472	\$ 4,972,472
Child Welfare	\$ 25,598,628	\$ 4,347,447	\$ 9,293,608	\$ 34,892,236	\$ 13,641,055
Core Services	\$ -	\$ -	\$ 5,139,544	\$ 5,139,544	\$ 5,139,544
AND	\$ 1,817,918	\$ 363,584	\$ -	\$ 1,817,918	\$ 363,584
Aid to the Blind	\$ 270	\$ 13	\$ -	\$ 270	\$ 13
IV-D Administration	\$ -	\$ -	\$ 3,737,182	\$ 3,737,182	\$ 3,737,182
Child Care	\$ 12,504,026	\$ 795,004	\$ 566,423	\$ 13,070,449	\$ 1,361,427
Medical Trans.	\$ -		\$ 35,104	\$ 35,104	\$ 35,104
General Assistance	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 1,097,938	\$ 54,990	\$ 3,420,212	\$ 4,518,150	\$ 3,475,202
Sub-Total	\$ 55,088,510	\$ 6,699,795	\$ 35,674,733	\$ 90,763,243	\$ 42,374,528
Food Assistance	\$ 22,858,509	\$ -	\$ -	\$ 22,858,509	\$ -
Grand Total	\$ 77,947,019	\$ 6,699,795	\$ 35,674,733	\$ 113,621,752	\$ 42,374,528

- A. EBT Authorizations reflect Human Services payments authorized by El Paso County and paid by CDHS.
- B. County Share of EBT Transactions are reported as a reduction to State reimbursements
- C. Expenditures by warrant reflects cash disbursements from the County
- D. EBT Authorizations (A) plus Warrants (C) reflects the total State and County participation in Human Services programs
- E. Total County Expenditures reflects the net disbursements by warrant (D) plus County Share of EBTs (C)

Report of Independent Certified Public Accountants
on Compliance and on Internal Control Over Financial
Reporting Based on an Audit of Basic
Financial Statements Performed in Accordance With
Government Auditing Standards

Board of County Commissioners
El Paso County, Colorado

We have audited the basic financial statements of El Paso County, Colorado (the County), as of and for the year ended December 31, 2002, and have issued our report thereon dated March 28, 2003. We did not audit the financial statements of the El Paso County Sheriff Special Investigation Fund, which represents 4 percent and 5 percent, respectively, of the assets and revenues of the aggregate nonmajor governmental funds, the financial statements of the El Paso County Retirement Plan, which is reported as the pension trust fund and the financial statements of the discretely presented component units, the El Paso County Department of Health and Environment and the El Paso County Housing Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the County in a separate letter.

This report is intended solely for the information of the audit committee, management, the Board of County Commissioners, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Grant Thompson LLP". The signature is written in a cursive, flowing style.

Colorado Springs, Colorado
March 28, 2003