



EL PASO  **COUNTY**
COLORADO

2022

**POPULAR ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED DECEMBER 31, 2022



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BRET WATERS
COUNTY ADMINISTRATOR



NIKKI SIMMONS
CHIEF FINANCIAL OFFICER

Residents of El Paso County,

It is our honor to provide essential public services to the Pikes Peak Region in support of our residents, businesses, and communities, enhancing the freedom for all to thrive. This County belongs to you, the residents, and we welcome our charge to uphold your vision and values for the region. We present this report in the spirit of transparency and accountability. All figures presented in this report were audited by an independent firm, RubinBrown, and certified by your Board of County Commissioners.

Together, we worked on updating the El Paso County Strategic Plan with a flexible framework that adapts to community drivers. Our strategic plan is the primary filter for consistent decision-making. The strategic plan is available to offices of countywide elected officials and will connect to annual budgets and performance plans. Our progress determines our success, and we look forward to working together toward that goal.

Our response to the coronavirus continued into 2022, and as a County, we focused on vital areas, investing in high-impact road infrastructure, stormwater improvements, and fire mitigation in County parks. We also completed a comprehensive salary analysis to address the rapidly changing workforce environment.

El Paso County will continually focus on cost-saving practices and policies to provide high-impact services. As a standard, we employ conservative budgeting practices to align with the community's values and remain within TABOR spending limits. As a result, county residents enjoy the lowest cost per citizen among Colorado's ten largest counties.

We remain committed to collaborating with state, municipal, and local partners to lead through innovation and enhance our residents' experience with their government.

Thank you,

A white ink signature of Bret Waters, consisting of stylized, flowing letters.

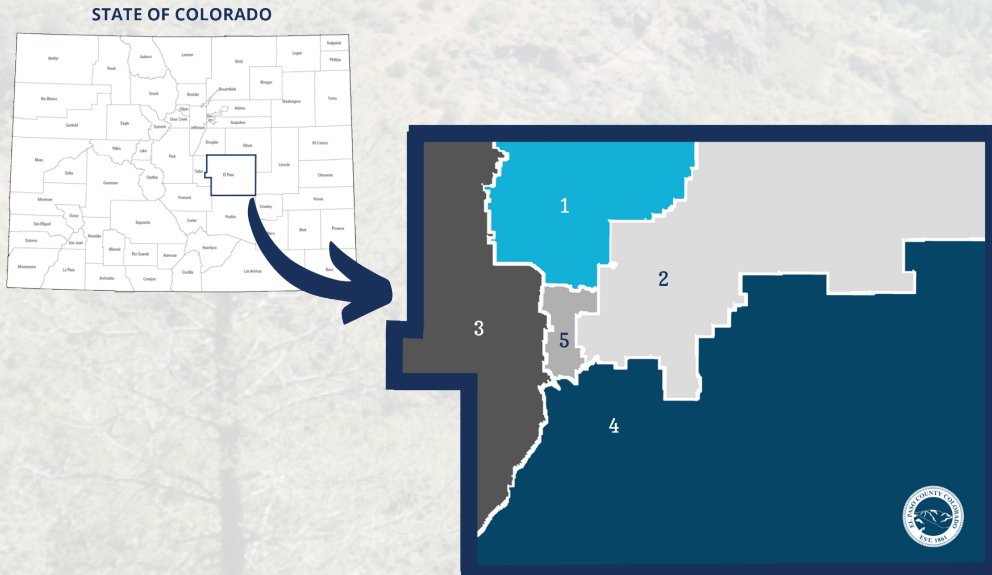
A white ink signature of Nikki Simmons, consisting of stylized, flowing letters.

EL PASO COUNTY

El Paso County is nestled below Pikes Peak, nature’s crown jewel of the Rocky Mountains. The county lies in east-central Colorado and encompasses more than 2,158 square miles – slightly more than twice the land area of Rhode Island. The altitude ranges from about 5,095 feet (1,569 m) on the southern border at Black Squirrel Creek to 14,110 feet (4,301 m) on the summit of Pikes Peak, near the western boundary. The county seat is located in Colorado Springs.

El Paso County is home to eight municipalities, each contributing to the community’s geographic, economic, and social diversity. With an estimated population of 756,951 residents, El Paso County provides citizens with a thriving downtown, family-friendly suburbs, and vast rural expanses. The county is also home to five vital military installations, from the prestigious United States Air Force Academy to Fort Carson. Each base supports a crucial strategic mission for our nation’s defense. In addition, over 100,000 active or retired military personnel call El Paso County home.

The natural physical beauty of the area, situated at the base of Pikes Peak and with an uninterrupted view of the Front Range, inspired Katharine Lee Bates to write the poem “America the Beautiful” after her visit here. With a mild climate, nearly 300 days of blue skies, sunshine, and low humidity levels, El Paso County is a place to live, work, and play!





Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**El Paso County
Colorado**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO



2022 EL PASO COUNTY BOARD OF COMMISSIONERS
HOLLY WILLIAMS - DISTRICT 1, CARRIE GEITNER - DISTRICT 2,
STAN VANDERWERF - DISTRICT 3, LONGINOS GONZALEZ, JR. - DISTRICT 4, AND CAMI BREMER - DISTRICT 5

COMMISSIONERS

El Paso County is a statutory county, meaning that it is a service arm of the State. Its elected official structure, controls, and responsibilities come from State laws. The State grants the County the powers required for our residents' health, welfare, and safety. The County must provide many mandated services, which the State and Federal Governments direct.

El Paso County is governed by five County Commissioners representing the five geographic commissioner districts that are equal in population. El Paso County Commissioners are elected by the citizens within their respective districts and serve staggered four-year terms. Commissioners are term-limited, serving a maximum of two consecutive four-year terms.

The Board of County Commissioners elects officers and assigns community liaison responsibilities annually. In addition, Commissioner district boundaries are revised every two years to ensure equal citizen representation for all five districts.

The Board of County Commissioners serves as a policy-making and administrative body for the County. Accordingly, as a legal entity, all powers of the County are exercised by the Board of County Commissioners and not by its individual members.

CITIZENS

ELECTED OFFICIALS

OFFICE OF THE
ASSESSOR

OFFICE OF THE
DISTRICT ATTORNEY

OFFICE OF THE
CORONER

OFFICE OF THE
CLERK & RECORDER

OFFICE OF THE
SHERIFF

OFFICE OF THE
SURVEYOR

OFFICE OF THE
TREASURER
& PUBLIC TRUSTEE

BOARD OF COUNTY
COMMISSIONERS

EL PASO COUNTY
PUBLIC HEALTH

EL PASO & TELLER
WORKFORCE
DEVELOPMENT
CONSORTIUM

EL PASO COUNTY
ADMINISTRATOR

EL PASO COUNTY
ATTORNEY

ASSISTANT COUNTY
ADMINISTRATOR

COMMUNITY SERVICES
ECONOMIC DEVELOPMENT
FACILITIES &
STRATEGIC INFRASTRUCTURE
MANAGEMENT
JUSTICE SERVICES
PIKES PEAK REGIONAL OFFICE
OF EMERGENCY MANAGEMENT
PIKES PEAK
WORKFORCE CENTER

COMMUNICATIONS
DIGITAL STRATEGY
& TECHNOLOGY
ECONOMIC DEVELOPMENT
FINANCIAL SERVICES
HUMAN RESOURCES
HUMAN SERVICES
GOVERNMENT AFFAIRS
PLANNING &
COMMUNITY DEVELOPMENT
PUBLIC WORKS



756,951
TOTAL COUNTY
POPULATION

.....



TOP TEN
EMPLOYERS

- FORT CARSON**
ARMY BASE
 - PETERSON**
SPACE FORCE BASE
 - SCHRIEVER**
SPACE FORCE BASE
 - UNITED STATES AIR**
FORCE ACADEMY
 - UC HEALTH**
 - THE CHARTER**
SPECTRUM WEST
REGION
 - AMAZON**
 - PENROSE-ST. FRANCIS**
HEALTH SERVICES
 - COLORADO SPRINGS**
SCHOOL DISTRICT 11
 - ACADEMY SCHOOL**
DISTRICT 20
-



33 **36**
MEDIAN AGE

.....



\$58,627
PER CAPITA INCOME

\$71,517
MEDIAN HOUSEHOLD
INCOME

.....



\$331,400
MEDIAN HOUSING VALUE

COUNTY METRICS

FACILITY MAINTENANCE

120 Buildings Maintained
Over 3 Million Square Feet

ROADS & TRANSPORTATION

1,150 Miles of Paved Road
1,052 Miles of Gravel/Natural Surface Road
2,202 Total Miles of Road
283 County Maintained Bridges

PARKS & RECREATION

7,876 Acres of Park Land/Open Space
2,496 Acres of Conservation Easements
145 Miles of Trails
2 Nature Centers and 1 Fair & Events Center
21,295 Volunteer Hours

HUMAN SERVICES

16,313 Reports of Child Abuse/Neglect
3,388 Reports to Adult Protective Services

VETERAN SERVICES

\$1.05B Benefits Paid by the VA to Citizens in 2022
11% Increase in El Paso County VA claims
9% Increase in Veteran Representation

DISTRICT ATTORNEY

30,934 Total Cases Handled
96 Volunteers
13,697 Volunteer Hours
\$5,469,806 Restitution for Victims
\$1,162,065.97 Victim Compensation

CLERK & RECORDER

682,858 Motor Vehicle Transactions
64,963 Driver's Licenses Issued
288,058 Election Ballots cast - November 2022
154,687 Recorded Documents
7,067 Marriage License/Civil Unions Applications

EL PASO COUNTY JAIL

1,321 Daily Population
31.7 Days Jail Stay, on Average
\$88.72/Day per Inmate
74.56% Recidivism June 1, 2021 - June 1, 2022

PLANNING & DEVELOPMENT

917 Major Development Applications
7,485 Minor Development Applications
1,415 Single-Family Dwelling Applications
1,337 Code Enforcement Cases

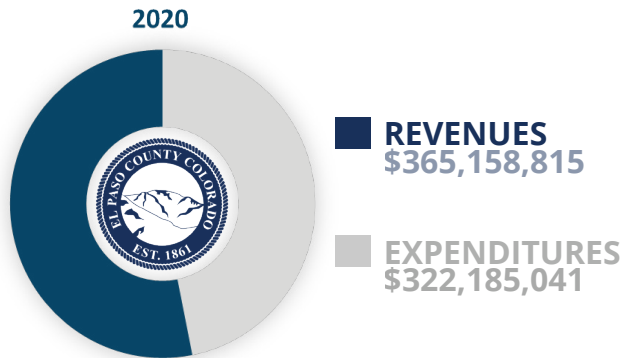
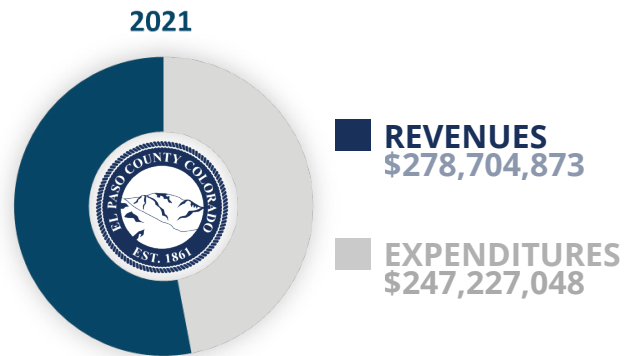
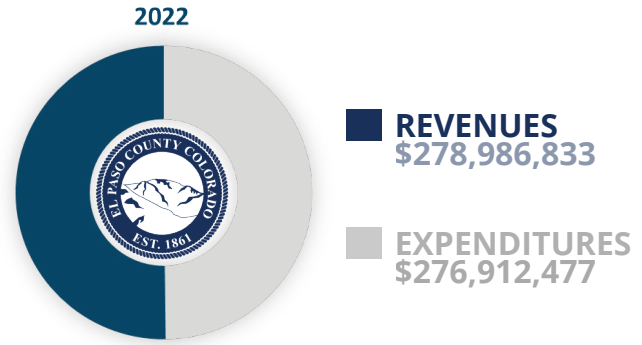


GENERAL FUND SUMMARY

The General Fund is the County's primary operating fund, accounting for all financial resources of the general government, except those required to be accounted for in other funds. The Statement of Revenue and Expenditures provides an account of revenue and expenditures for the County's General Fund operations. Revenues represent dollars received and expenditures can be thought of as the costs of providing services to citizens.

Total revenues decreased 24% in the amount of \$86.2 million from 2020 to 2022. The change in total revenue was impacted by a couple of different factors. The main decrease was a 53% decrease in Intergovernmental revenues in the amount of \$77.1 million. El Paso County received \$140 million in ARPA funding, half of which was received in 2021 with the second half received in 2022 compared to the \$125 million in CARES funding received in 2020 to fight COVID-19. The reduced funding in 2021 and 2022 resulted in a large swing in intergovernmental revenue.

The County also saw a corresponding decrease in expenses across all categories from 2020 as COVID-19 work decreased. General Fund saw a 14% decrease in total expenditures in the amount of \$45 million. The most notable decrease in expenditures was under General Government expense. General Government saw a 27% decrease in expenditures in the amount of \$39 million. In 2020, COVID-19 resulted in increased operating expenses. As the COVID-19 workload and grant funding has steadily decreased since 2020, overall expenditures have also decreased.



TABOR

In November 1992, the people of the State of Colorado passed an amendment to the State's Constitution known as the Taxpayer's Bill of Rights (TABOR). TABOR's intended purpose was to reasonably restrain most of the growth of government by imposing spending and revenue limits on state and local governments.

The TABOR calculation has two parts, determining a TABOR reserve amount and calculating if there is an excess of the TABOR revenue limits. In 2022, El Paso County's TABOR reserve amount was \$10,038,537 and the County exceeded its fiscal year spending limit by \$31,551,234. The overage is held in reserve for a possible TABOR refund.

SUMMARY STATEMENT

This chart summarizes the data found in the El Paso County Annual Comprehensive Financial Report, Statement of Revenues, Expenditures, and Changes in fund balances for the General Fund.

| REVENUES | 2022 | 2021 | 2020 |
|------------------------------|----------------|----------------|----------------|
| Property Taxes | \$ 59,920,093 | \$ 58,230,785 | \$ 52,012,410 |
| Sales Taxes* | \$ 101,557,566 | \$ 107,522,016 | \$ 109,854,783 |
| Intergovernmental | \$ 67,659,111 | \$ 62,142,011 | \$ 144,737,148 |
| Fees & Fines | \$ 428,102 | \$ 600,519 | \$ 748,294 |
| Licenses & Permits | \$ 1,784,161 | \$ 1,659,706 | \$ 1,937,380 |
| Charges for Services | \$ 29,668,094 | \$ 34,247,292 | \$ 31,807,135 |
| Investment Earnings (Losses) | \$ 3,384,539 | \$ (73,473) | \$ 2,527,617 |
| Contributions | \$ 11,832,359 | \$ 11,047,960 | \$ 12,154,778 |
| Miscellaneous | \$ 2,180,077 | \$ 2,453,931 | \$ 2,548,205 |
| Issuance of Leases | \$ 237,395 | \$ - | \$ - |
| Sale of Capital Assets | \$ 335,336 | \$ 874,126 | \$ 6,831,065 |

TOTAL REVENUE | \$ **278,986,833** | \$ **278,704,873** | \$ **365,158,815**

| EXPENDITURES | 2022 | 2021 | 2020 |
|----------------------------|----------------|----------------|----------------|
| General Government | \$ 105,004,002 | \$ 83,067,115 | \$ 144,022,422 |
| Public Safety | \$ 129,636,685 | \$ 132,734,786 | \$ 122,992,296 |
| Public Works | \$ 7,431,081 | \$ - | \$ 2,115,872 |
| Health & Welfare | \$ 16,638,212 | \$ 15,227,676 | \$ 19,674,566 |
| Culture & Recreation | \$ 3,213,276 | \$ 2,857,203 | \$ 2,751,464 |
| Auxiliary Services | \$ 862,638 | \$ 778,712 | \$ 770,099 |
| Principal | \$ 310,042 | \$ - | \$ - |
| Interest and Other Charges | \$ 78,156 | \$ - | \$ - |
| Capital Outlay | \$ 13,738,385 | \$ 12,561,556 | \$ 29,858,322 |

TOTAL EXPENDITURES | \$ **276,912,477** | \$ **247,227,048** | \$ **322,185,041**

NET CHANGE IN FUND BALANCE | \$ **2,074,356** | \$ **31,477,825** | \$ **42,973,774**

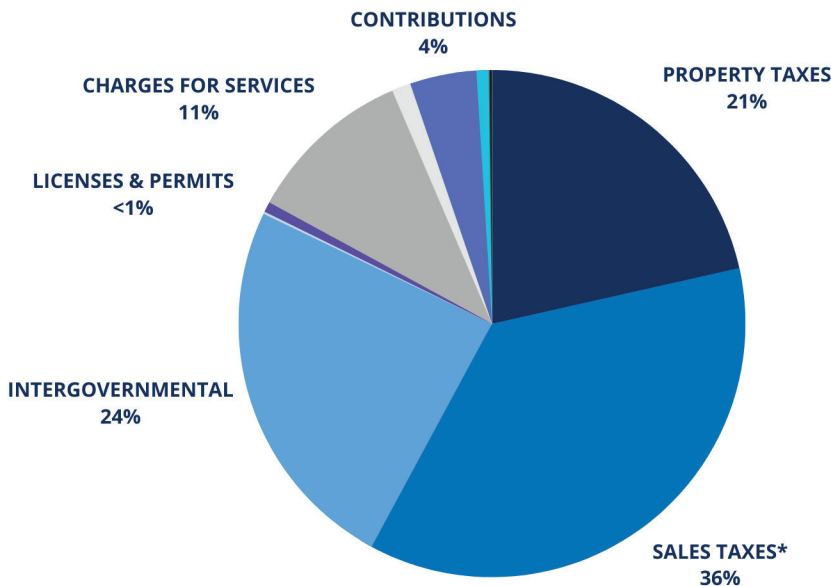
*2022 sales tax is net of the \$31,551,234 TABOR limitation and 2021 sales tax is net of the \$30,674,596 TABOR limitation.

This Chart is presented on non-GAAP basis. A more detailed GAAP basis financial detail can be found in the El Paso County Annual Comprehensive Financial Report in its entirety, available online at: <https://assets-admin.elpasoco.com/wp-content/uploads/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

REVENUES

Multiple factors impacted the reduction in revenue from 2020 to 2022. There were offsetting changes in multiple categories. Property taxes increased \$7.9 million or 15% due to the strong real estate market. Sales tax net of the TABOR limitation decreased \$8.3 million or 8%. Sales tax collected from auto sales and regional building were lower when comparing 2022 to 2020. Intergovernmental revenue decreased \$77 million or 53% due to the decrease in COVID-19 related grants.

GENERAL FUND REVENUES



ADDITIONAL REVENUE SOURCES

Charges for Services – These are fees charged to County customers. The largest collector of this type of revenue is the County Clerk for the recording of documents, the issuance of motor vehicle registrations/titles, (for which the State of Colorado pays the County a set rate), in addition to others. The County Treasurer also collects a portion of this revenue through fees charged to other governments for the collection and subsequent distribution of their property taxes.

Intergovernmental – These are funds received from other governments for financing the day-to-day costs of a specific program.

Contributions – Donations and contributions to the County for special projects and Sheriff Office programs.

Licenses and Permits – Revenues collected for the issuance of various licenses and permits such as Cable TV franchise fees, etc.

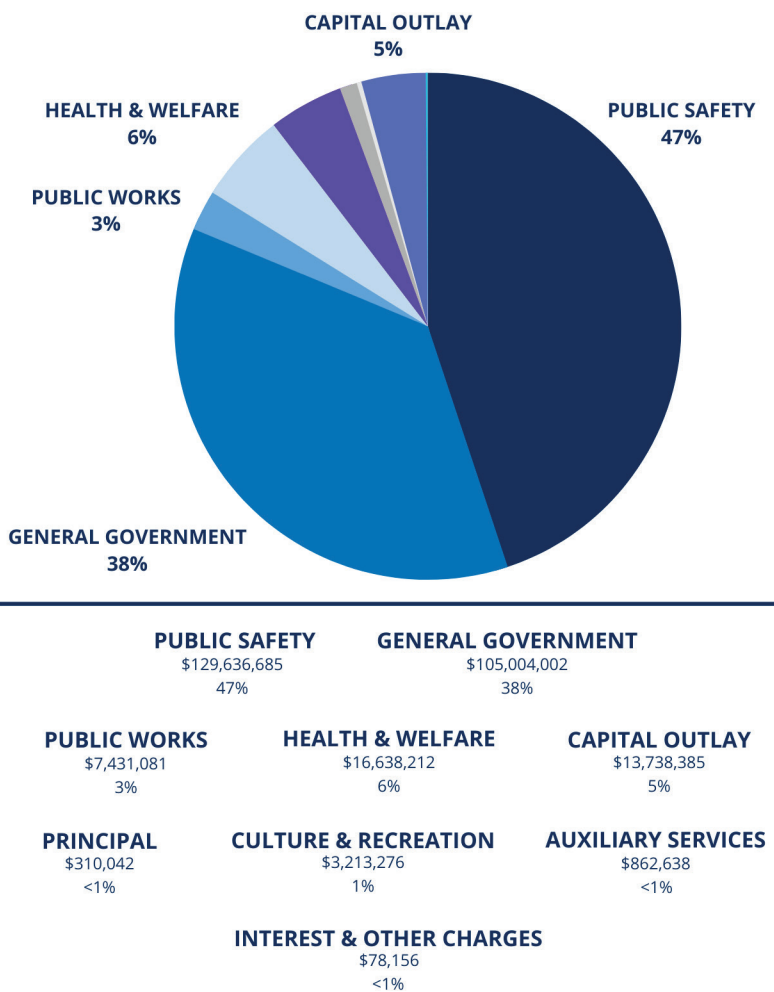
| | | |
|---|--|--|
| SALES TAXES* \$101,557,566 36% | INTERGOVERNMENTAL \$67,659,111 24% | PROPERTY TAXES \$59,920,093 21% |
| CHARGES FOR SERVICES \$29,668,094 11% | CONTRIBUTIONS \$11,832,359 4% | MISCELLANEOUS \$2,180,077 <1% |
| LICENSES & PERMITS \$1,784,161 <1% | ISSUANCE OF LEASES \$237,395 <1% | FEES & FINES \$428,102 <1% |
| SALE OF CAPITAL ASSETS \$335,336 <1% | INVESTMENT EARNINGS (LOSSES) \$3,384,539 1% | |

*2022 sales tax is net of the \$31,551,234 TABOR limitation.

EXPENDITURES

The County General Fund provides a wide range of services that include law enforcement and public safety, planning and zoning, parks and open space, culture and recreation, and other general governmental administrative services. Multiple factors impacted the reduction in expenditures from 2020 to 2022. One significant item was a \$39 million or 27% decrease in general government expenditures. Another significant decrease was a \$16 million or 54% change in capital outlay. The decrease in both categories directly correlates to the decrease in COVID-19 expenditures from 2020 to 2022.

GENERAL FUND EXPENDITURES



SPECIFIC EXPENDITURE SOURCES

Public Safety – Expenditures for the Sheriff’s department administration, patrol, investigations and detentions, and the Coroner’s office.

General Government – Expenditures incurred by administrative departments such as the Board of County Commissioners, Elections, Assessor, Treasurer, Finance, County Attorney, Information Technology, Facilities, etc.

Health and Welfare – Expenditures for the Pikes Peak Workforce Center and Environmental Services.

Capital Outlay – Expenditures used to acquire or upgrade capital assets. Capital assets include property, buildings, equipment and infrastructure with a cost of \$5,000 or more and a useful life of more than one year.

Culture and Recreation – Expenditures used for the maintenance and administrative functions of the County’s open space, parks, fairground facilities and the County Fair.

AMERICAN RESCUE PLAN ACT

The El Paso County American Rescue Plan Act Report of 2021 made several commitments. One commitment was that federal funds would be used to help those that need it most recover from the COVID-19 pandemic. Another was that projects would complement the efforts of area governments that also received funds so that no group went unserved. The County also committed to follow all applicable federal guidelines, promote equitable outcomes, and plan for unforeseen circumstances.

The County is pleased to report it kept every commitment. Over the past year, the County has invested heavily in programs that address mental health resiliency, behavioral health, substance abuse, suicide prevention, employment assistance, and food instability. The County also supported tourism and hospitality projects delayed due to the pandemic, as well as chambers and other organizations that keep small businesses open.

The County is moving ahead with stormwater and transportation projects authorized by federal guidance and is actively identifying high-impact water infrastructure projects to support. All of that is in addition to the consistent support for testing sites, responsible vaccine distribution, Public Health, and the hundreds of small businesses that received direct assistance in 2021.

The County also regularly updated the public through website updates, media releases, social media updates, stakeholder communication, and open meetings. Expenditures are posted online and reports are generated and disseminated regularly.

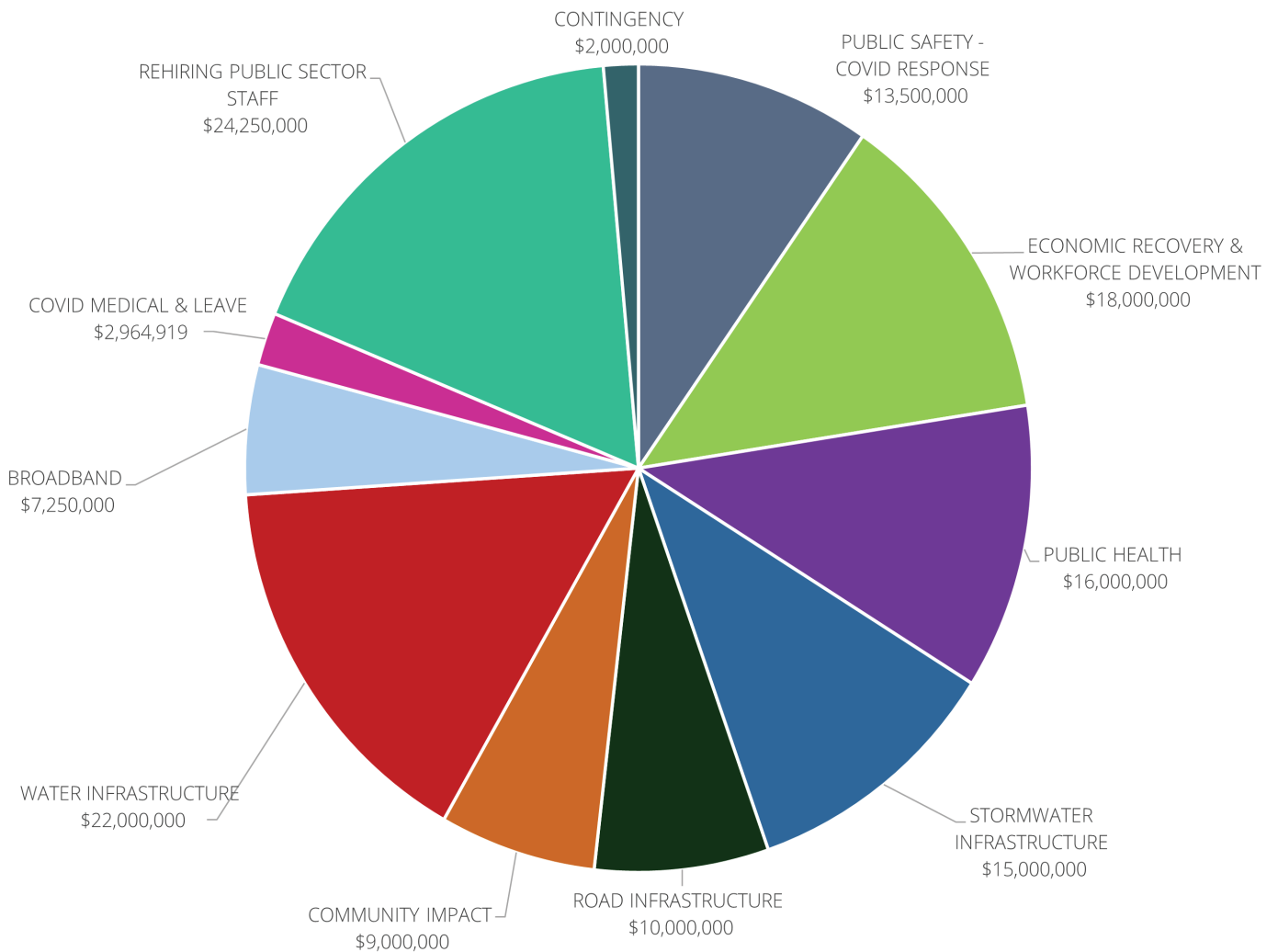
The 2022 report outlines all of these efforts, and more, in greater detail. Though much has changed throughout the last year, the County's commitment to the residents and taxpayers remains the same: we are fully dedicated to the response to, recovery from, and resiliency against the COVID-19 pandemic. The Board of County Commissioners will continue to combat the coronavirus, keep its residents safe, and mitigate the devastating human and economic impacts of this crisis. The County will continue its strategic focus and prepare for future challenges. And the County will continue to adhere to all federal guidelines outlined in the law and final Treasury Rule.

El Paso County 2022 American Rescue Plan Act Recovery Plan Performance Report is available online: https://issuu.com/elpasocounty/docs/recovery_plan_-_2022_final_



FULL ARPA ALLOCATION

| | | |
|---|----------------------|-------|
| PUBLIC SAFETY - COVID RESPONSE | \$13.5 MILLION | 9.6% |
| ECONOMIC RECOVERY & WORKFORCE DEVELOPMENT | \$18 MILLION | 12.9% |
| WATER INFRASTRUCTURE | \$22 MILLION | 15.7% |
| PUBLIC HEALTH..... | \$16 MILLION | 11.4% |
| STORMWATER INFRASTRUCTURE | \$15 MILLION | 10.7% |
| ROAD INFRASTRUCTURE (GOVERNMENT SERVICES)..... | \$10 MILLION | 7.1% |
| COMMUNITY IMPACT..... | \$9 MILLION | 6.4% |
| BROADBAND INFRASTRUCTURE | \$7.25 MILLION | 5.2% |
| COVID MEDICAL & LEAVE..... | \$2.9 MILLION | 2.1% |
| REHIRING PUBLIC SECTOR STAFF | \$24.2 MILLION | 17.3% |
| CONTINGENCY | \$2 MILLION | 1.4% |



**This Chart is accurate as of July 12, 2022.

2023 BUDGET

El Paso County used a proactive approach to its 2023 budget process, focusing on economic sustainability and strategic investments during unprecedented times. In 2023, our overall County revenue budget is \$438,727,846 with the most significant increases in revenue in the areas of Sales Tax and State revenue for programs within Human Services and Road & Bridge, as well as for revenue from various General Fund Fees and Charges.

Due to the limitations of TABOR, however, our 2023 revenue budget resulted in a slight decrease of 0.6% over the ongoing 2022 budgeted revenues. Included in the 2023 budget is a refund to the taxpayers of Property Tax collections in the total amount of \$30,674,596, to be carried out through a temporary mill levy credit of 3.253 to property owners. In addition, the County issued another temporary mill levy reduction of 0.399 to adjust for the mill levy cap in 2023. This reduction will impact the amount of property tax collected by the County for 2023, which is already the lowest of the ten largest Colorado counties.

We anticipate that the County will be over its TABOR cap for the 2022 year, which was just completed, and again in 2023. Based on forecasted economic conditions, we anticipate that the County will no longer be over the cap in 2024. The County's budget and financial forecast anticipate these needs, focus on responsible development, and allow for continued additional expenditures for necessary infrastructure improvements, human capital investment, and increased investment in road infrastructure within these limitations.

For the 2023 budget, the County's primary focus was on critical infrastructure and road needs, investing in human capital, and addressing additional operational needs. The overall 2023 County expenditure budget is a total of \$471,207,937, which is a 6.4% increase over the ongoing 2022 budget. Throughout a transparent and collaborative process with all departments and offices, our 2023 budget addresses over \$49.4 million of our most critical needs, funded primarily through 2022 operational savings.



BUDGET DETAIL

GENERAL FUND

| | |
|--|----------------|
| PUBLIC SAFETY | \$89.1 MILLION |
| PUBLIC WORKS..... | \$17.0 MILLION |
| RETIREMENT | \$14.3 MILLION |
| COMMUNITY SERVICES | \$11.9 MILLION |
| CLERK & RECORDER..... | \$10.1 MILLION |
| HEALTH DEPARTMENT SUPPORT..... | \$6.2 MILLION |
| PLANNING & COMMUNITY DEVELOPMENT | \$4.2 MILLION |
| OTHER COUNTY DEPARTMENTS | \$2.0 MILLION |

ADMINISTRATION

| | |
|--------------------------------------|----------------|
| DIGITAL STRATEGY & TECHNOLOGY | \$20.1 MILLION |
| FACILITIES MANAGEMENT | \$9.8 MILLION |
| FINANCIAL SERVICES | \$6.7 MILLION |
| HUMAN RESOURCES | \$3.3 MILLION |
| UTILITIES | \$3.3 MILLION |
| BOARD OF COMMISSIONERS & ADMIN | \$1.2 MILLION |
| GOVERNMENT AFFAIRS | \$0.8 MILLION |
| COMMUNICATIONS | \$0.3 MILLION |
| BOARD OF EQUALIZATION | \$40 THOUSAND |





EL PASO COUNTY, COLORADO

WHAT WE STAND FOR



LOW TAXES - LOW COSTS

Our community prefers low taxes and limited government that focuses on providing essential and cost-effective public services.



QUALITY PUBLIC SERVICES

To consistently deliver high-quality services, we standardize, innovate, measure, remove waste, continually improve, collaborate, and tell our story.



TRUST THROUGH TRANSPARENCY

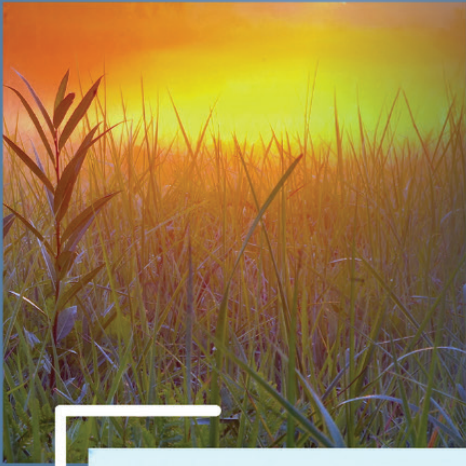
We build trust by transparently publishing data and analytics on our finances, the condition of our infrastructure, and our progress towards our strategic objectives.

VISION

El Paso County will be a trusted regional leader known for excellence in county service delivery.

PURPOSE

We provide essential public services to the Pikes Peak Region in support of our residents, businesses, and communities, enhancing the freedom for all to thrive.



EL PASO COUNTY, COLORADO

OUR CORE VALUES



SERVICE FOCUSED

We make a difference in our community by serving the residents of El Paso County.



ACCOUNTABLE

We are responsive to community needs. We are good stewards of County resources.



TRANSPARENT

We are open, honest, and respectful in our work and communication.



COLLABORATIVE

We foster a county government that works for all. We inspire employees to passionately give their best while leveraging community partnerships for the meaningful benefit of our residents.



TRUSTWORTHY

We listen to our community and act with honesty and respect in our interactions with co-workers and those we serve. We adhere to laws, policies, procedures, and professional standards.



EL PASO COUNTY

www.ElPasoCo.com

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