



ARAPAHOE COUNTY



Annual Comprehensive Financial Report

Year Ended December 31, 2025

Department of Finance

5334 South Prince Street | Littleton, Colorado 80120-1136 | arapahoeco.gov

Reasonable Accommodation Policy

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ACKNOWLEDGEMENTS

BOARD OF COUNTY COMMISSIONERS

- Carrie Warren-Gully.....District 1
- Jessica Campbell District 2
- Jeff Baker..... District 3
- Leslie Summey..... District 4
- Rhonda Fields District 5

ELECTED OFFICIALS

- PK Kaiser Assessor
- Joan Lopez..... Clerk and Recorder
- Dr. Kelly Lear Coroner
- Amy Padden.....District Attorney
- Tyler S. Brown..... Sheriff
- Michael R. Westerberg Treasurer

FINANCE DEPARTMENT

- Todd Weaver Finance Director
- Heather Lin, CPA Accounting Division Manager
- Loren Kohler Senior Accountant
- Loretta Adams, CPA Accountant III
- Gustavo Guzman..... Accountant III
- Tom Loreno, CPA..... Accountant III
- Benita Miller..... Accountant III
- Su Myung..... Accountant III
- Kevin Nienhaus Accountant II
- Jon RajewichSAP Business Operations Manager
- Andrew Barranco, CPA SAP Functional Analyst
- Debbie McCarty SAP Functional Analyst
- Sugam Thapa..... SAP Functional Analyst
- Dan Stoicof Associate SAP Functional Analyst
- Stephen Krusoe Technical Writer
- Jennifer Leake SAP Trainer

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Year Ended December 31, 2025

Department of Finance

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**ARAPAHOE COUNTY, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025**

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Administration Building
5334 South Prince Street
Littleton, Colorado 80120-1136
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June 23, 2026

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

Colorado state law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published and hereby submitted to fulfill that requirement for the year ended December 31, 2025.

This report includes information on the financial activities of Arapahoe County (hereafter referred to as the County). Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position of the County as a whole and its various funds. All required disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County Financial Statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County present fairly, in all material respects, the financial position of the County. The independent auditors have issued an unmodified ("clean") opinion on the County's financial statements for the year ended December 31, 2025. The independent auditors' report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follow the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Arapahoe County

Arapahoe County, incorporated in 1902, is located in the north central part of the State. The County is located in the southeastern portion of the Denver metropolitan area and covers approximately 850 square miles. Arapahoe County, with the county seat located in the City of Littleton, is the third largest county in the State of Colorado with a population of about 666,557. A majority of residents live in the urbanized western part of the County, while other residents live in the rural, rolling farmlands to the east. The County contains all or part of the following cities and towns: Aurora, Bennett, Bow-Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Foxfield, Glendale, Greenwood Village, Littleton and Sheridan. There are also nine school districts and approximately 485 local improvement and service districts within the County.

MISSION

Enhancing your quality of life through exceptional delivery of services and efficient use of public funds.

Annual Comprehensive Financial Report Transmittal

A five-member Board of County Commissioners (BOCC) serves as the legislative, policy-making and administrative body governing the unincorporated area of the County. The Commissioners serve four-year terms and are considered full-time employees. The County does not have a County Manager or Administrator. The Commissioners are elected from individual districts within the County. The Board currently includes:

Carrie Warren-Gully.....	District 1
Jessica Campbell	District 2
Jeff Baker, Chair Pro Tem.....	District 3
Leslie Summey, Chair.....	District 4
Rhonda Fields	District 5

Departments overseen by the Board of County Commissioners include Commissioners' Office, Community Resources, County Attorney, Facilities and Fleet Management, Finance, Human Resources, Human Services, Information Technology, Public Works and Development, and Open Spaces.

In addition to the BOCC there are six elected officials that serve the County in specific areas. These positions are independent of the BOCC in their duties. The BOCC does have budgetary oversight for these departments.

PK Kaiser.....	Assessor
Michael Westerberg.....	Treasurer
Dr. Kelly Lear.....	Coroner
Joan Lopez	Clerk and Recorder
Amy Padden.....	District Attorney
Tyler S. Brown.....	Sheriff

Budget Process

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

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

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

In addition, neither the BOCC nor any County official can expend money for any of the purposes set out in the appropriation resolution in excess of the amount appropriated. In the case of an emergency or a contingency that was not reasonably foreseeable, the BOCC may authorize the expenditure of funds in excess of the budget by a resolution adopted by a majority vote.

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Local Economy

Arapahoe County is located in the southeast portion of a major metropolitan area. Its economy is greatly influenced by the economy of the state and the entire Denver metro area. The local economy does generally follow national economic trends. The County has a diversified economic base with numerous city and other local governments, a large general aviation airport, a large military base, many schools, shopping centers, health care facilities and high-tech businesses contributing to the activity. Trends in residential and commercial construction, the real estate market, employment, consumer spending, and inflation all play a role in the local economy.

The U.S. and Colorado economies decelerated in 2025 to its lowest rate since the pandemic recession. Economic indicators are increasingly bifurcated: job gains have slowed to a crawl, yet consumer spending continues to advance in the face of low sentiment, and investment in AI is surging. The economy will be supported by consumer perseverance and robust AI-related investment, but weighed down by the weak labor market, above-target inflation, and deteriorating household finances. Relative to the U.S. economy, Colorado's economy grew slightly faster than the U.S. in 2025 with faster recent job growth but weaker retail spending. It is anticipated the U.S. and Colorado economy will continue to expand at a slow-to-moderate rate. The U.S. Gross domestic product (GDP) growth rose 2.1 percent in 2025, down from 2.8 percent growth in 2024. Colorado's GDP grew at an annual rate slightly above the U.S. rate in 2025.

In 2025, the U.S. unemployment rate averaged 4.3 percent, up from an average of 4.0 percent in 2024. Colorado's unemployment rate declined to 3.8 percent in December 2025 after reaching 4.8 percent in May. Colorado ranked in the top half of the nation with the 21st-lowest unemployment rate in December 2025.

Inflation in the Denver-Aurora-Lakewood area remained flat at 2.3 percent from 2024 to the middle of 2025, reached 3.0 percent in September 2025 and ticked down to 2.4 percent in early 2026. It is projected to rise to 2.8 percent before returning to 2.3 percent in 2027. The decline in multifamily and single-family home construction along with the still recovering home prices has led to housing being the largest impact on local inflation.

Colorado's personal income growth is slowing. Total personal income in Colorado grew by 0.5 percent quarter-over-quarter. Wages and salaries are the largest component of personal income, making up about half of the total. Historically, wage and salary growth in Colorado has exceeded the nation, but growth in Colorado has slowed over the past two years, and down to just 0.9 per cent quarterly growth, or 4.0 percent year-over-year. Personal income growth in Colorado is projected to increase 3.9 percent in 2026. Slowing wage growth is likely due to slower employment and population growth in Colorado amidst a weakening labor market.

Consumer spending remains the main driver of the economy. Growth in U.S. consumer spending slowed in 2025 on weakening wage growth and persistent inflation, which outsized impacts on lower-income consumers. In 2025, spending on goods and services rose 2.6 percent, slightly below the 2.9 percent increase in 2024. Growth rates for both U.S. and Colorado consumer spending are expected to slow further in 2026 as employment and personal income growth weakens.

Long-term Financial Planning

The County currently projects revenues, expenditures and available fund balances for 5-year periods to help determine its financial position and plan for the future. It is the County's intent each year to structurally balance the General Fund operating budget, meaning that budgeted ongoing expenditures do not exceed budgeted ongoing revenues. The available fund balance at the end of one year (in excess of policy reserves) can then be used to budget for capital projects and other one-time uses in the following year.

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

Annual Comprehensive Financial Report Transmittal

- Maintaining a structurally balanced General Fund operating budget while setting aside a portion of 1A funds for spending in future years
- Make major investments in key areas of essential service delivery such as infrastructure and road maintenance, public safety, and housing and protective services
- Plan thoughtfully for the future through increased reserves and long-term commitments to capital improvements

In planning for 2026, the General Fund budget was structurally balanced with a \$7.0 million surplus and includes one-time uses such as equipment purchases, professional services, and other similar items including a \$13.0 million transfer to the Capital Expenditure Fund for the 2026 CIP plan. The EBC recommended raising the County's policy reserve from 11.0 percent to 15.0 percent of operating expenditures, an increase of approximately \$10.0 million above its natural growth from the budget expansion.

The 2026 budget also continues the county's total compensation philosophy and funds a 4.0 percent annual salary increase which includes 1.0% market increase and 3.0% merit pool for employees not on the law enforcement step program or covered by collective bargaining who received increases per those agreements.

The County has budgeted \$39.5 million in capital improvements for 2026 which includes work on Roadway Infrastructure (\$13.9 million), Parks and Open Spaces (\$12.9 million), various facilities projects (\$8.8 million) and various Technology projects (\$4.1 million).

Preparing for the Future

Property tax is the largest source of revenue to the County, comprising 48.0% of overall County revenues. Per State regulations, property assessments are conducted only every other year with the impact on property tax collections occurring only in even-numbered years. Economic conditions have long influenced the amount of property tax revenue the County can collect and retain through local growth in new construction and inflation as a result of the Taxpayer's Bill of Rights, or TABOR, and other statutory limitations. Under TABOR, property tax growth was restricted to a formula based on inflation in the Denver metropolitan area plus new construction growth. Historically, the major impact of TABOR on the budget has been that the County was not able to retain all of the property tax revenue that it could collect based upon the growth in taxable value. The passage of ballot measure 1A in November 2024 released the County from revenue and spending limits imposed by TABOR allowing it to collect and retain property tax revenue at the full 15.821 mill levy which equates to \$66.5 million more in property tax revenue for 2025. The county is permitted to extend a levy to recover property taxes refunded and abated in prior years to adjust for errors in property assessments and, in 2026, this levy is estimated at 0.138 mills for about \$1.0 million and is included in the County total levy of 15.959. The 2026 budget includes the property tax revenue increasing from \$244.9 million in 2025 to \$260.0 million. This change also requires careful planning for "intervening years" when assessed values level off or decline in future years.

Over the past few years, there have been several legislative actions to help provide property tax relief to taxpayers. The bills have included various exemptions and reductions to assessment rates. The most recent legislation resulting from a special session creates separate assessed values for school districts and all other taxing districts. By 2026, the residential assessment rate will be 6.25 percent and the first 10 percent or \$70,000 in actual value will be exempt from the assessed value calculation and the assessment rate for non-residential property will be 25 percent. These legislative actions will further limit property tax revenue for the County via property assessments rather than revenue limitations.

The County will deliberately and thoughtfully consider how to spend the additional funding from ballot measure 1A and continue to make more effective use of its revenues through its strategic plan Arapahoe Forward, Align Arapahoe performance management program, business process improvement efforts, stricter budgeting practices, technological advances, cost-sharing partnerships and creative service delivery methods. To strengthen the Capital Expenditure Fund (CEF) to address alleviating the growing backlog of projects in the CIP, the EBC and BOCC have approved increasing the mill levy to 0.821 mills,

Annual Comprehensive Financial Report Transmittal

generating approximately \$13.4 million in property tax revenue in comparison to the \$5.8 million prior to the passage of ballot measure 1A and bringing total CEF revenues to \$13.9 million. Additionally, the EBC and BOCC have adopted an annual transfer from the General Fund to the CEF based on the commitment the EBC recommended to transfer \$15.0 million per year each year through 2030.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Arapahoe County Government for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. The Annual Comprehensive Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Arapahoe County has received a Certificate of Achievement for the last 38 consecutive years (fiscal years ended 1987 – 2024). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

I would like to express my appreciation to the Accounting Division Manager, Heather Lin, and the department accountants: Loren Kohler, Loretta Adams, Tom Loreno, Benita Miller, Kevin Nienhaus, Gustavo Guzman, and Su Myung, who contributed greatly to the audit and the preparation of the Annual Comprehensive Financial Report. Their professionalism, dedication, and efficiency made the preparation of this report possible. Jon Rajewich, Debbie McCarty, Andrew Barranco, Stephen Krusoe, Jennifer Leake, Sugam Thapa, and Dan Stoicof also deserve recognition for their outstanding work in managing the County's financial system (SAP). I would also like to thank each of the Department Directors, Elected Officials and their staff for their cooperation allowing our staff to successfully account for, monitor, and report on the financial activity of Arapahoe County.

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

Respectfully,



Todd Weaver
Director of Finance
Arapahoe County, Colorado



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Arapahoe County
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

ARAPAHOE COUNTY, COLORADO

LIST OF PRINCIPAL OFFICERS

Board of County Commissioners (BOCC)

Carrie Warren-Gully.....	District 1
Jessica Campbell	District 2
Jeff Baker	Chair Pro Tem, District 3
Leslie Summey.....	Chair, District 4
Rhonda Fields	District 5

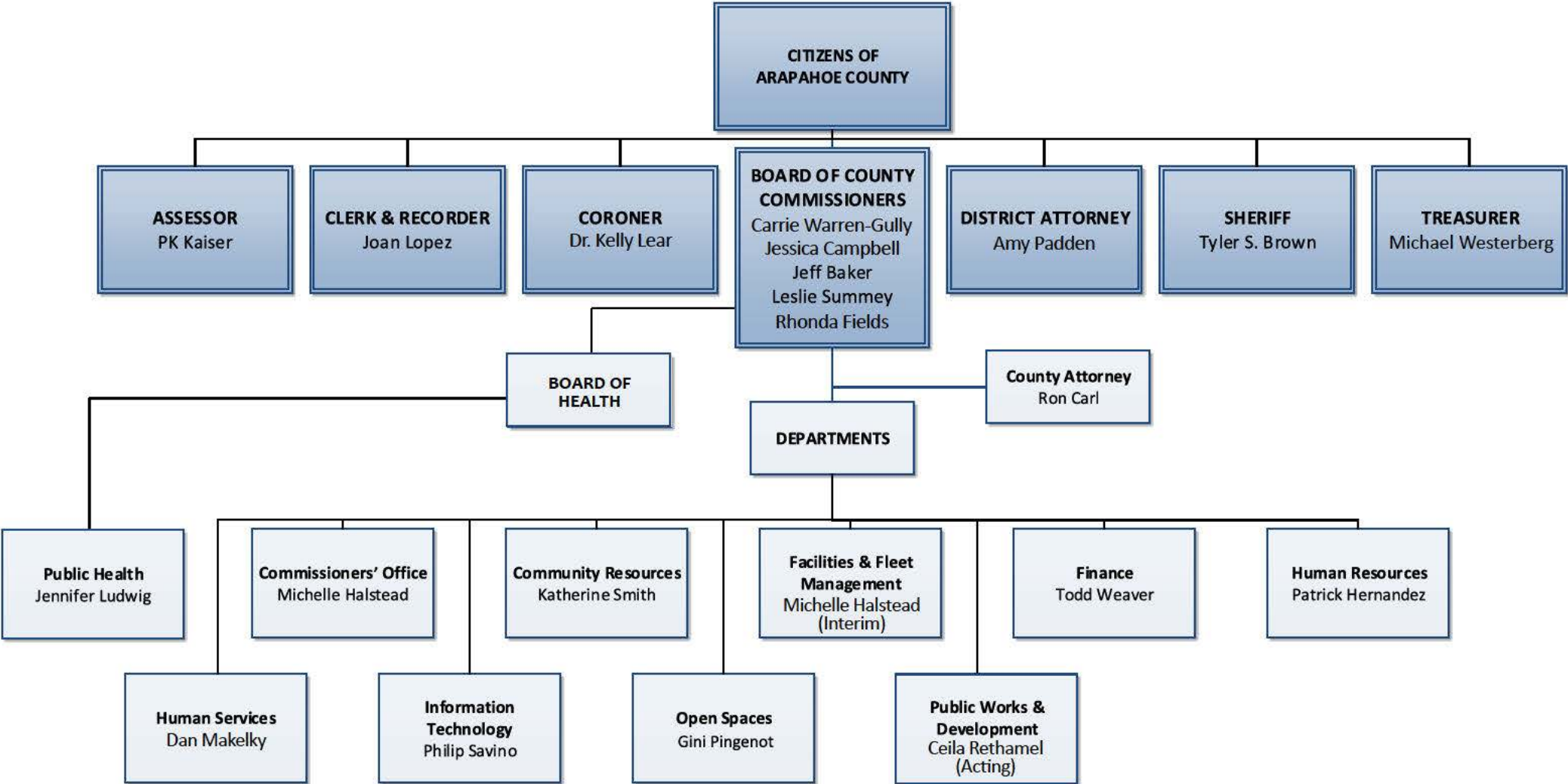
Elected Officials Other Than BOCC

PK Kaiser	Assessor
Joan Lopez.....	Clerk and Recorder
Dr. Kelly Lear.....	Coroner
Amy Padden.....	District Attorney
Tyler S. Brown.....	Sheriff
Michael Westerberg.....	Treasurer

Department Directors

Michelle Halstead	Commissioners' Office
Katherine Smith.....	Community Resources
Ron Carl.....	County Attorney
Michelle Halstead, Interim.....	Facilities and Fleet Management
Todd Weaver.....	Finance
Patrick Hernandez.....	Human Resources
Dan Makelky.....	Human Services
Philip Savino.....	Information Technology
Gini Pingnot.....	Open Spaces
Bryan Weimer.....	Public Works & Development

ARAPAHOE COUNTY GOVERNMENT ORGANIZATIONAL CHART





INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Arapahoe County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado (the County), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund, the Social Services Fund, the Grants Fund, and the Open Spaces Sales Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Arapahoe County Airport Authority or Arapahoe County Water and Wastewater Authority, which represent 87.4 percent, 95.8 percent, and 68.3 percent, respectively, of the assets, net position, and revenues of the discretely presented component units as of December 31, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Arapahoe County Airport Authority and Arapahoe County Water and Wastewater Authority, is based solely on the reports of the other auditors. The financial statements of the Arapahoe County Water and Wastewater Authority were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, and schedule of pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining and Individual Financial Statements and Schedules, the Arapahoe County 911 Authority Financial Statements and Arapahoe County Public Health Financial Statements, and Other Supplementary Information as listed in the table of contents (collectively, the Supplementary Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2026, 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Denver, Colorado
June 23, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

ARAPAHOE COUNTY, COLORADO

December 31, 2025

In the Management's Discussion and Analysis section of the Annual Comprehensive Financial Report (ACFR), we provide readers with a narrative overview and analysis of the financial activities of Arapahoe County, Colorado (the County) for the fiscal year ended December 31, 2025. When analyzing the financial activities of the current fiscal year, it is useful to compare current fiscal year information with comparable information from the previous fiscal year. This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. We encourage readers to consider the information presented here in conjunction with the information presented in the letter of transmittal and basic financial statements to enhance their understanding of the County's financial activity and performance.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$902,440,861 (net position). Of this amount, \$778,013,619 relates to net investment in capital assets. The unrestricted portion is \$31,191,710.
- Total Net Position increased by \$88.8 million during fiscal year 2025.
- Total Net Pension Liability decreased by \$4.0 million during fiscal year 2025.
- At the end of the current fiscal year, the County's governmental funds reported a combined fund balance of \$320.2 million, an increase of \$69.1 million from 2024.
- Beginning net position increased by \$2.8 million and beginning fund balance increased by \$2.9 million due to the implementation of House Bills 20-1026, as of January 2025, the Eighteenth Judicial District consists solely of Arapahoe County, with the new 23rd Judicial District consisting of Douglas, Elbert and Lincoln Counties. This results in a change in reporting entity. See Note 21 beginning on page C-75 for more information.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements, this annual report also contains required supplementary information, other supplementary schedules and information, a statistical section, and a compliance section.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a long-term and broad overview of the County's finances in a manner like that of a private sector business. The government-wide financial statements use an economic resource measurement focus and the full accrual basis of accounting to present this overview in the Statement of Net Position and the Statement of Activities. Therefore, certain expenditures that are recorded in the governmental fund financial statements are either deferred or capitalized with amortization or depreciation in the government-wide financial statements. Long-term liabilities, deferred inflows of resources, revenues and related assets, and deferred outflows of resources not reported in fund financial statements are recorded in the government-wide financial statements independent of the cash flows related to these items. Fiduciary fund assets held by the County for other parties either as trustee or as custodian are not included in the government-wide financial statements because they cannot be used to finance the County's own operating programs.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

The Statement of Net Position shows the financial condition of the County at the end of the fiscal year by presenting information on all the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between these components is reported as net position. Over time, increases or decreases in net position serve as a useful indicator of whether the County's financial condition is improving or deteriorating. If the County's net position has increased, the financial condition of the County has improved. If the County's net position has decreased, the financial condition of the County has deteriorated.

The Statement of Activities shows how the financial condition of the County has changed since the beginning of the fiscal year. In the Statement of Activities, all changes in net position are reported as soon as the underlying economic event giving rise to the change occurs, regardless of the timing of related cash flows.

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

Component units are reported in the financial statements as either blended or discretely presented component units. The financial activity of blended component units can be objectively viewed as an extension of the general-purpose government because their governing bodies are substantively the same and there is a financial benefit or burden relationship between the primary government and the component unit. Additional criteria for blending include whether the component unit provides services entirely or almost entirely to the primary government, or otherwise exclusively or almost exclusively benefits the primary government even though it does not provide services directly to it. When the component unit's financial activities are blended into the County's financial statements, the activities are presented as if they were executed by the general local government. The balances of the blended component unit's financial statements are merged with the similar balances of the general-purpose local government in a manner that prevents the balances of the blended component unit and the local primary government from being separately identified. The merged financial statements of the general-purpose government and the blended component units are identified in the government-wide financial statements as the primary government. The following component units have been blended into the County's primary government in the government-wide financial statements:

- Arapahoe County Building Finance Corporation
- Arapahoe County Law Enforcement Authority
- Arapahoe County District Attorney, Crime Victim Compensation Fund
- Arapahoe County Housing Authority
- Arapahoe County Recreation District
- Arapahoe County Water and Wastewater Public Improvement District
- Arapahoe County Retirement Trust Fund

The financial information for component units that should not be blended into the financial statements of the primary government are presented separately from the financial information presented for the primary government as discrete component units of the County in the government-wide financial statements. The following component units have been presented as discrete component units in the County's government-wide financial statements:

- Arapahoe County Public Health
- Arapahoe County 911 Authority
- Arapahoe County Airport Authority
- Arapahoe County Water and Wastewater Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Addresses and other additional information about the County's component units are presented in Note 1 – Summary of Significant Accounting Policies on page C-23.

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

The government-wide financial statements can be found on pages C-2 to C-5 of this annual report.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts used to record financial resources with related liabilities and residual equities segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The County, like other states and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related regulations, requirements, restrictions, or limitations.

All funds of the County can be divided into three categories:

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, because the measurement focus of governmental fund financial statements is on near-term inflows and outflows of current financial resources, as well as on balances of current financial resources available at the end of the fiscal year, these financial statements provide information about the ability of the fund to finance current activities and operate within the planned appropriations and budgets. Such information may be useful in evaluating a government's ability to meet its near-term financing and appropriation related requirements.

All current financial resources contained in a governmental fund, other than the General Fund, are available only for carrying on the specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations related to the purpose for which these funds were created. Therefore, all the current financial resources contained in these governmental funds are assigned to the purpose for which the fund was created. The General Fund is used to account for all governmental fund activities that are not specifically accounted for in the other governmental funds. Therefore, the General Fund is one of the governmental funds that contains positive unassigned funds in addition to assigned funds in its fund balance.

Current financial resources, the measurement focus of the governmental fund financial statements, are cash and near-cash assets reduced by short-term debt (spendable/appropriable resources) that are available during the fiscal year and 60 days after the end of the fiscal year. These funds financially support the purpose of carrying on specific activities or attaining certain objectives in the current fiscal year in accordance with the special regulations, restrictions or limitations that define the fund.

Governmental fund accounting uses the modified accrual basis of accounting. This basis of accounting records and reports the inflows and outflows of current financial resources (spendable/appropriable

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

resources) under the special regulations, restrictions or limitations that define the fund. By focusing on current financial resources, modified accrual accounting provides additional information related to the regulations, restrictions, or limitations that define the fund and emphasize the need for short-term financing and the generation of spendable resources.

Because the focus of the fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds in the fund financial statements with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the total Governmental Fund Balances in the fund financial statements balance sheets to the Net Position of Governmental Activities in the government-wide financial statements is provided following the Balance Sheet of Government Funds in the fund financial statements. A reconciliation of the Net Change in Fund Balances — Total Governmental Funds in the fund financial statements to the Change in Net Position of governmental activities in the government-wide financial statements is provided following the Statement of Revenues, Expenditures and Changes in Fund Balances in the fund financial statements. These reconciliations provide explanations of differences between these balances and facilitate an understanding of the differences between the measurement focuses and the basis of accounting used for preparing the fund financial statements and the government-wide financial statements.

In this annual report, the County reports on twenty-five individual governmental funds. Information is presented separately in the fund financial statements for the General Fund, Social Services Fund, Grant Fund, and Open Spaces Sales Tax Fund, all of which are considered major funds. Individual fund balance sheets for these major funds are presented in the Balance Sheet Governmental Funds and individual fund income statements in the Statement of Revenues, Expenditures and Changes in Fund Balance. The remaining twenty-one governmental funds are combined into a single, aggregated presentation as Other Governmental in the fund financial statements in the Basic Financial Statements section of this annual report.

The basic governmental fund financial statements can be found on pages C-6 to C-17 of this annual report. Financial information related to the individual non-major funds is provided on pages D-1 to D-49 and D-72 in the Combining and Individual Fund Financial Statements and Schedules Section of this annual report.

Proprietary Funds – The fund financial statements contain two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. The County does not have any enterprise funds.

Internal service funds are used to report any activity that provides goods and services to other funds of the primary government or component units on a cost reimbursement basis. The County uses five internal service funds to account for the following activities: the accumulation and allocation of equipment and materials costs; employee benefits; and self-insurance activities. The measurement focus for internal service funds is economic resources, and the basis of accounting used is full accrual accounting. The revenue and expenses of the internal service funds have been eliminated in the government-wide Statement of Activities. The balance sheets of the internal service funds have been merged with the government-wide Statement of Net Position.

The five internal service funds are combined into a single, aggregated presentation as Governmental Activities – Internal Service Funds in the fund financial statements within the Basic Financial Statements section. These statements can be found on pages C-18 to C-20 of this annual report. Financial information

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

related to the individual internal service funds is provided on pages D-51 to D-58 in the Combining Financial Statements and Schedules section of this annual report.

Fiduciary Funds – Fiduciary funds are used to report resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's programs or operations. The County uses five fiduciary funds: one trust fund and four custodial funds.

The activity of the Arapahoe County Retirement Trust is presented in the Basic Financial Statements section of this annual report.

The total amount of the four custodial funds is combined into a single, aggregated presentation as Fiduciary Funds – Total in the fund financial statements within the Basic Financial Statements section of this annual report. The basis of accounting for the fiduciary funds is full accrual accounting. Financial information related to the individual custodial funds is provided on pages D-59 to D-61 in the Combining Financial Statements and Schedules section of this annual report.

A Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position is presented in the fund financial statements for both the Arapahoe County Retirement Trust and the Custodial Funds. The fiduciary fund financial statements can be found on pages C-21 and C-22 of this annual report.

Notes to the Financial Statements

Notes to the Basic Financial Statements provide a more detailed explanation of some of the information contained in the financial statements, which is essential to gaining a better understanding of the data provided in the government-wide and fund financial statements. Notes to the Basic Financial statements can be found on pages C-23 through C-75 of this annual report.

Budgetary Comparisons

The County adopts an annual appropriation budget for all its governmental funds. A budgetary comparison statement has been provided for the General Fund and all major special revenue funds on pages C-14 to C-17 of this annual report. Budget-to-actual comparisons for each of the remaining governmental funds are provided on pages D-28 to D-49 and D-72 in the Combining Financial Statements and Schedules and Other Supplementary Information Sections of this annual report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative Summary of Net Position

The following table provides a condensed comparative presentation of the County's government-wide Statement of Net Position for the primary government for 2025 and 2024:

	Governmental Activities	
	2025	2024
Assets		
Current and other assets	\$ 733,915,546	\$ 661,091,459
Capital assets	902,596,984	885,118,048
Total assets	<u>1,636,512,530</u>	<u>1,546,209,507</u>
Deferred outflows of resources	<u>33,972,781</u>	<u>41,816,268</u>
Liabilities		
Current and other liabilities	63,482,982	70,104,725
Long-term liabilities	<u>394,713,075</u>	<u>395,188,951</u>
Total liabilities	<u>458,196,057</u>	<u>465,293,676</u>
Deferred inflows of resources	<u>309,848,393</u>	<u>309,135,406</u>
Net position		
Net investment in capital assets	778,013,619	761,732,492
Restricted	93,235,532	86,749,199
Unrestricted	<u>31,191,710</u>	<u>(34,884,998)</u>
Net position, restated	<u>\$ 902,440,861</u>	<u>\$ 813,596,693</u>

Analysis of Government-Wide Financial Position

As of December 31, 2025, the County's primary government assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$902.4 million. This is an increase of \$88.8 million over the restated net position on December 31, 2024, of \$813.6 million.

The County's net investment in capital assets, \$778.0 million (86.2% of net position) in 2025 and \$761.7 million (93.6% of restated net position) in 2024, is the largest portion of the County's primary government net position. Capital assets include land, land improvements, bridges, water and sewer lines, roads, building improvements, leasehold improvements, vehicles, furniture, software, and equipment. These capital assets are used to provide services or utilities to citizens. Consequently, these resources are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$93.2 million (10.3% of net position) in 2025 and \$86.7 million (10.7% of restated net position) in 2024 represents restricted net position. These resources are subject to external restrictions on how they may be used. Included in this category are statutory reserves required by the State of Colorado, debt service reserves, and accumulated revenues that may only be used for specific voter-approved projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

The remainder of the County's primary government net position, \$31.2 million (3.5% of net position) in 2025 and (\$34.9 million) (4.3% of the restated net position) in 2024 represent unrestricted net position that could otherwise be used to meet ongoing obligations to citizens and creditors when positive. The balance of unrestricted net position at the end of 2025 increased by \$66.1 million 189.4% from the restated balance at the end of 2024.

Deferred outflows of resources represent a decrease of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future period. In 2025, the County has two items that qualify for reporting in this category. The first results from the loss on refunding of bonds reported in the government-wide Statement of Net Position. This amount, \$0.26 million, resulted from the difference in the carrying value of refunded debt and the reacquisition price of the refunding debt. The second is pension outflows totaling \$33.71 million, which is comprised of \$19.1 million of contributions made subsequent to the measurement date, \$0.24 million in changes in assumptions, \$7.9 million in changes in experience and \$6.5 million in differences between projected and actual earnings.

Deferred inflows of resources represent an increase of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category during 2025. The first is property tax revenue, \$299.1 million, which is deferred in the year the taxes are levied, 2025, and measurable and recognized as an inflow of resources in the period they are collected, 2026. The second item that qualifies for reporting is pension inflows totaling \$10.7 million, which is comprised of \$0.01 million in changes in assumptions, \$0.13 million in changes in experience and \$10.6 million in changes in proportionate share.

Governmental activities saw an overall increase of \$90.3 million in total assets. This includes an increase of \$67.5 million in Cash & Investment and an increase of \$8.9 million in property tax receivable, primarily due to that in November of 2024, voters of Arapahoe County passed ballot measure 1A which released the County from revenue and spending limits imposed by the Taxpayer's Bill of Rights.

Liabilities had an overall decrease of \$7.1 million compared to the prior year primarily due to a decrease of \$4.0 million in net pension liability, a decrease of \$0.95 million in unearned revenue due to the winding down of ARPA funds, and \$1.8 million liability from the Office of the District Attorney, Eighteenth Judicial District added to 2024 liability ending balance due to the implementation of House Bills 20-1026.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

Condensed Statement of Activities

The following table provides a condensed comparative presentation of the County's government-wide Statement of Activities for the primary government for 2025 and 2024:

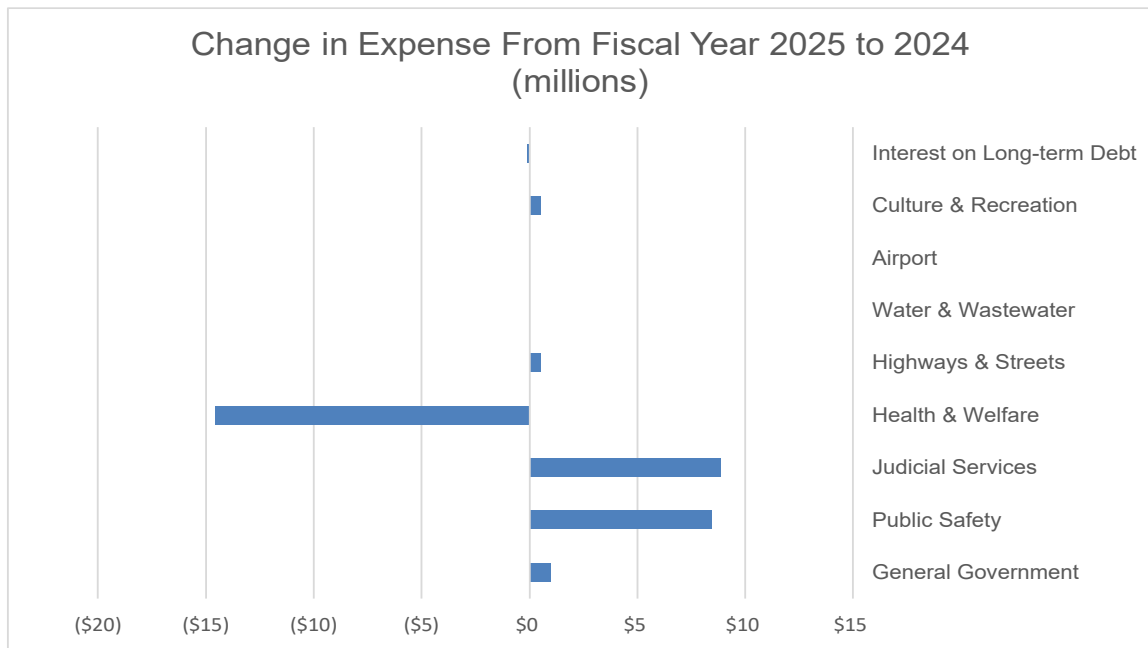
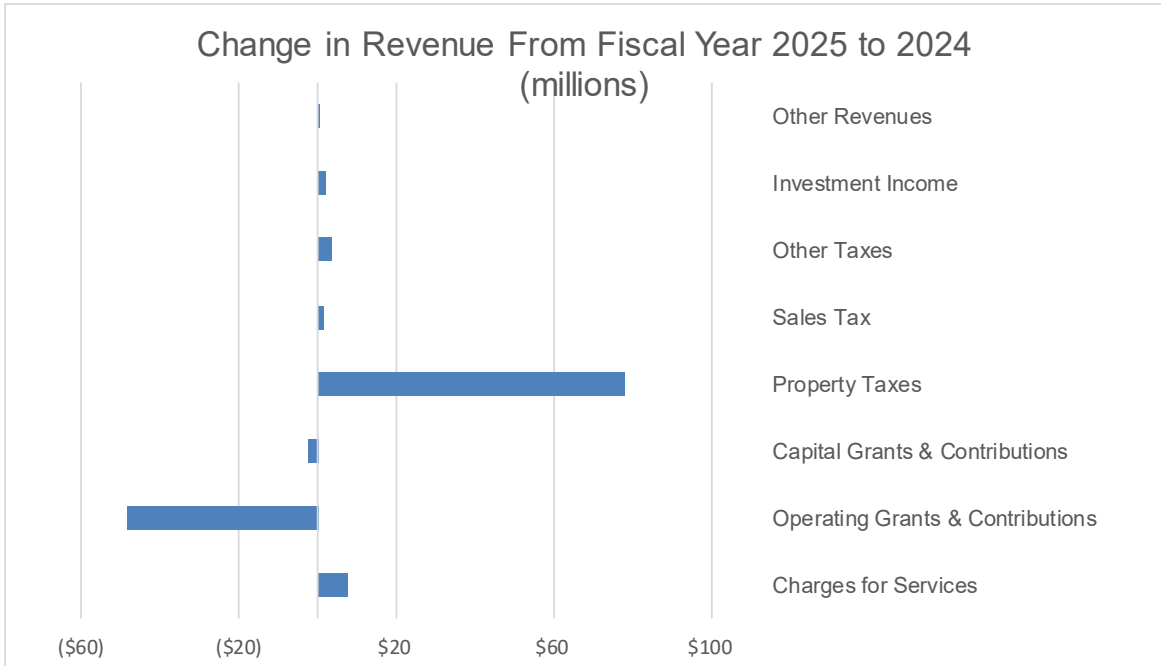
	Governmental Activities	
	2025	2024
Revenues		
Program revenues		
Charges for services	\$ 94,507,383	\$ 87,110,514
Operating grants and contributions	129,493,145	177,841,270
Capital grants and contributions	3,447,134	5,890,531
General revenues		
Property taxes	291,568,341	213,832,573
Sales tax	41,876,455	40,442,416
Other taxes	15,232,704	11,874,213
Investment income	23,543,062	21,403,631
Other revenues	7,431,791	7,192,068
Total revenues	<u>607,100,015</u>	<u>565,587,216</u>
Expenses		
General government	105,380,777	104,390,755
Public safety	146,350,296	137,912,545
Judicial services	28,752,732	19,841,518
Health & welfare	155,211,527	169,751,861
Highways & streets	34,167,286	33,632,670
Water & wastewater	3,569,761	3,566,730
Culture and recreation	41,280,757	40,737,842
Interest on long-term debt	3,542,711	3,625,720
Total expenses	<u>518,255,847</u>	<u>513,459,641</u>
Change in net position	88,844,168	52,127,575
Net position - January 1, restated	813,596,693	758,661,026
Net position - December 31	<u>\$ 902,440,861</u>	<u>\$ 810,788,601</u>

Analysis of Government-Wide Results of Operations

Government-wide revenues for the County were greater than expenses by \$88.8 million during fiscal year 2025, while government-wide revenues for fiscal year 2024 were greater than expenses by \$52.1 million. Revenues in the government-wide Statement of Activities for 2025 increased by \$41.5 million (7.34%) from 2024. In program revenues, operating grants and contributions decreased \$48.3 million primarily due to the winding down of American Rescue Plan Act (ARPA) relief funds in 2025 and Emergency Rental Assistance (ERA) funds were fully spent in 2024. Capital grants & contributions decreased by \$2.4 million due to the decrease in donation of infrastructure, road and sidewalks from 2024. In general revenues, property taxes increased \$77.7 million primarily due to that in November of 2024, voters of Arapahoe County passed ballot measure 1A which released the County from revenue and spending limits imposed by the Taxpayer's Bill of Rights.

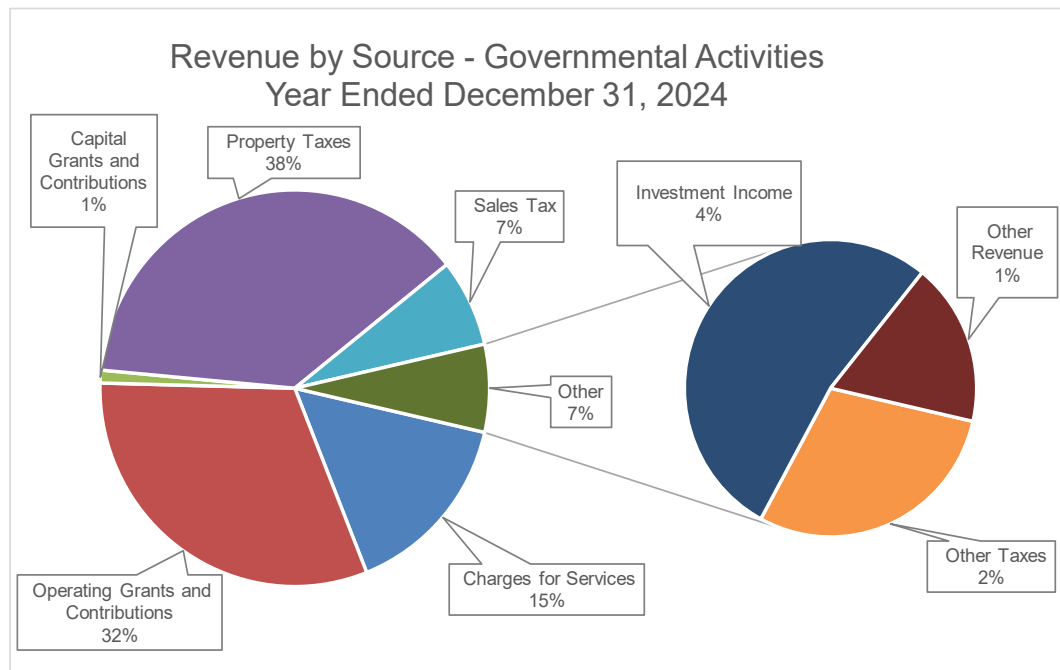
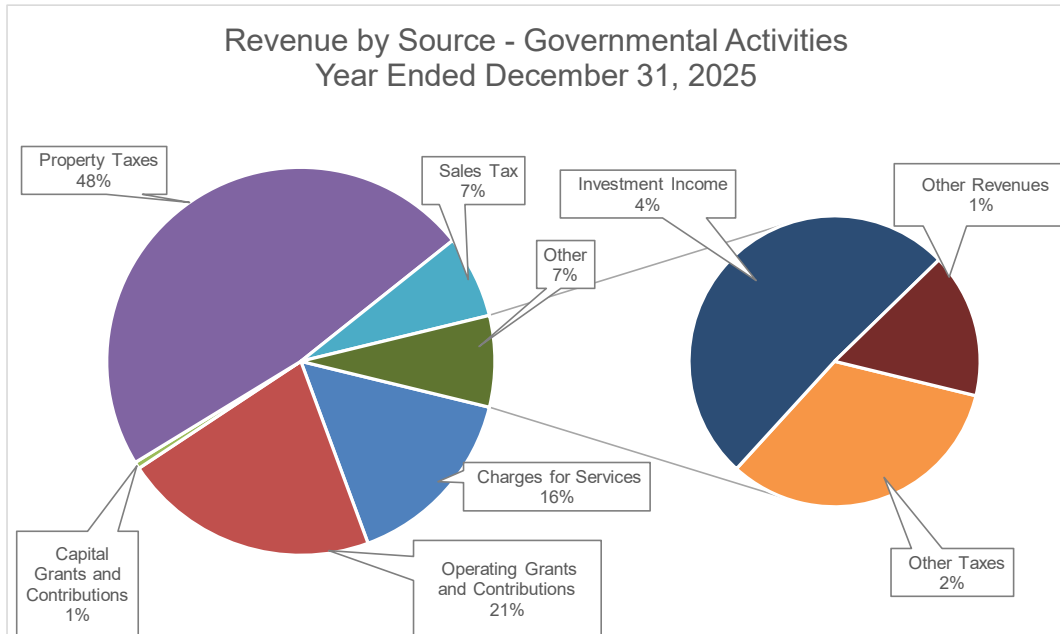
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

The changes from fiscal year 2025 to 2024 in the revenue and expense categories in the condensed comparative government-wide Statement of Activities:



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

The comparison of the component sources of revenue used in the condensed comparative government-wide Statement of Activities for 2025 and 2024:



Expenses in the government-wide Statement of Activities for 2025 increased by \$4.8 million (.94%) from 2024. This is mainly the result of an increase of \$35.3 million in salaries and benefits from annual raises and positions from the District Attorney's Office due to the implementation of HB 20-1026, \$33.5 million decrease in grant-funded expenditures due to the winding down of ARPA funds, and an increase of \$6.2 million in pension expense due to changes in actuarial assumptions.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$320.2 million, an increase of \$69.1 million over the prior year's fund balance. Of the total balance, \$151.4 million (47.3%) represents unassigned fund balance. \$25.7 million (8.02%) is classified as assigned by the Board of County Commissioners for the purposes of the fund. \$49.6 million (15.48%) is classified as committed by a Board of County Commissioners Resolution. \$93.2 million (29.12%) is classified as restricted by an outside party for a specific purpose. The remaining fund balance, \$0.29 million (0.09%), is classified as non-spendable (inventory and prepaid amounts).

At the end of fiscal year 2025, the County had four major governmental funds: the General Fund, the Social Services Fund, the Grant Fund, and the Open Spaces Sales Tax Fund. These major funds are reported separately in the County's basic financial statements.

General Fund

This fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$151.4 million, while total fund balance was \$170.3 million.

As a measure of the General Fund's liquidity, it is useful to compare the total of the assigned and unassigned fund balance at the end of fiscal year 2025 to the budgeted total program revenues, transfers in, expenditures, and transfers out for the following fiscal year, 2026. The total of the assigned and unassigned fund balance of the General Fund at the end of fiscal year 2025 is \$157.3 million, less the budgeted use of this fund balance in 2026, \$2.1 million, totaling \$155.2 million. This represents 48.5% of the adopted budget for General Fund total program revenues and transfers-in for 2026 of \$320.3 million, or 49.5% of the adopted budget for General Fund total program expenditures, and transfers-out of \$313.2 million. This indicates that an approximate 48.5% combination of budgeted revenue shortfalls and/or expenditures over budget could be sustained during 2026 before the liquidity of the General Fund is compromised.

The County's budget is prepared according to State of Colorado statutes. The most significant budgeted fund for the County is the General Fund. Notable differences between the original budget and the final amended budget are summarized as follows:

- \$10.6 million increase in Administrative Services, mainly due to \$7.4 million in reappropriated funds for remaining balances on former ARPA projects, \$2.6 million reappropriated funds for District Attorney's Office transition, and \$600,000 for additional rental assistance program funding.
- \$1.9 million increase in Information Technology, mainly due to \$750,000 for Aumentum upgrades, \$500,000 for increase in annual subscriptions, \$307,000 in reappropriated fund for carryforward purchase orders, and \$212,000 for HSConnects modernization projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

- \$615,000 increase in Public Works & Development, mainly due to reappropriated funds for various projects not completed during 2024 including Accela projects and various capital project work
- \$1.6 million in Public Safety, mainly due to \$480,000 for 2025 Opioid Response program awarded, \$405,000 additional funding for mid-year salary increases, \$522,000 reappropriated primarily from booking fees and the RISE program, \$184,000 for two additional FTE related to the domestic violence case transition from the City of Aurora and \$140,000 related to transferring Animal Services from the Public Works & Development.
- \$1.9 million in Judicial Services for DA's office, mainly due to \$488,000 for salary equity and market adjustments, \$698,000 additional funding for line items that didn't have sufficient budget, \$328,000 for 10 additional FTE related to the domestic violence cases transition, and \$96,000 for mid-year salary increases.
- \$13.5 million in Capital – General Government, mainly due to \$11.0 million for the GASB 96 Capital expenditures, \$300,000 for GASB 87 Capital Expenditures, and \$507,000 reappropriated funds for Public Works & Development for the fiber connectivity project and fiber master plan that were not completed in 2024.
- \$4 million increase in Transfers-out, mainly due to \$3.0 million for the additional courtroom for additional judge and transition of domestic cases, \$390,000 for additional Worker Comp claims.

Actual General Fund revenues and other financing sources of \$359.2 million were more than the General Fund final appropriated revenues and other financing sources of \$333.2 million by \$25.9 million (7.8%). This was primarily due to the increase of \$12.0 million for Investment earnings, \$7.8 million increase in Property taxes due to an amended certification of valuation from the Assessor's Office, \$3.2 million increased in Specific Ownership taxes, and \$1.2 million increased in tax collection fees due to the higher tax collections following the passage of Ballot measure 1A in 2024.

Actual General Fund expenditures and other financing uses of \$290.2 million were less than the General Fund final appropriated expenditures and other financing uses of \$301.8 million by \$11.6 million (3.8%). This difference was mainly due to \$5.6 million in Administrative Services which includes \$2.3 million remaining balances on former ARPA projects, \$1.5 million remaining balances of the District Attorney transitions funds, \$1.3 million variance due to GASB 87 and GASB 96 addition in 2025, and \$0.3 million remaining balance of Stadium District Youth funds, \$1.8 million in Information Technology reappropriated for PC software maintenance and annual subscriptions including Aumentum upgrades and HSConnects modernization projects, and \$1.6 million in Public Safety reappropriated for operating supplies for various programs including RISE program and Animal Services.

The total revenue and other financing sources in the General Fund increased by \$58.6 million, from \$300.6 million in fiscal year 2024 to \$359.2 million in fiscal year 2025 (19.5%). This was primarily due to \$75.0 million increase in property taxes due to the passage of ballot measure 1A in November 2024, \$11.3 million in the Other Financing Sources - Capital Lease Insurances from the GASB 87 and GASB 96 leases additions in 2025, \$3.5 million increase in specific ownership taxes, \$2.3 million increase in investment earnings, and \$1.7 million increase for the Sheriff's Office's charge for service agreement with the City of Centennial agreement, offset by an decrease of \$29.1 million transfer-ins primarily due to the \$16.9 million transfers from the Board Designated Fund and \$11.4 million transfers from the ARPA-related Grant Fund for revenue loss covering payroll expenditures in 2024. The total expenditure and other financing use in the General Fund increased by \$25.7 million, from \$264.5 million in fiscal year 2024 to \$290.2 million in fiscal year 2025 (9.7%). This increase was a result of higher salaries and benefits, Capital Lease issuance for the new additions of

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

GASB 87 and GASB 96 leases, and the addition of the Eighteenth Judicial District's personnel and operating costs due to the implementation of HB20-1026.

Social Services Fund

This fund is mandated by the State of Colorado and is used to account for participation by the County in Federal and State public welfare programs. The fund balance increased by \$0.2 million from \$11.24 million in 2024 to \$11.48 million in 2025. Nearly all of the fund balance is either committed or assigned.

Revenues (excluding transfers) increased by \$2.7 million (3.1%) from \$89.4 million in 2024 to \$92.1 million in 2025. During 2025, 73.9% of the Social Services fund was funded by State and Federal grant monies, and 24.3% by property and other taxes. The largest portion of the revenue increase, \$1.8 million, came from State and Federal grant monies.

Expenditures (excluding transfers) increased by \$3.55 million (4.0%), from \$88.4 million in 2024 to \$91.9 million in 2025.

Open Spaces Sales Tax Fund

This fund was established in 2003 to collect sales and use tax for the preservation and maintenance of open space areas within the County. The total fund balance increased by \$4.2 million, from \$56.9 million in 2024 to \$61.1 million in 2025. The entire \$61.1 million fund balance is fully restricted for use on Open Space projects and maintenance.

Revenues (excluding transfers) decreased by \$2.7 million (5.6%), from \$48.5 million in 2024 to \$45.8 million in 2025. The fund received approximately \$41.9 million in sales and use tax revenue, and \$2.3 million in investment earnings.

Expenditures (excluding transfers) decreased by \$2.53 million (5.8%), from \$43.9 million in 2024 to \$41.4 million in 2025, mainly from \$1.55 million decrease in grants awarded in 2025 compared to 2024 and a decrease of \$2.45 million in County parks projects including Dove Valley Regional Park Expansion. In total, the fund expended \$28.4 million in grants and share-back payments to incorporated municipalities and other governmental entities in 2025, a decrease of \$0.94 million (3.2%) compared to 2024.

Grant Fund

This fund was established to record grant activities from Federal, State, and local sources external to the County.

Revenues (including transfers) decreased by \$33.2 million (61.5%), from \$54.0 million in 2024 to \$20.8 million in 2025, primarily due to the decreased spending of the ARPA as the ARPA funds are close to being fully spent and ERA funds was fully spent in 2024.

Expenditures (including transfers) decreased by \$21.32 million (51.2%) from \$41.6 million in 2024 to \$20.3 million in 2025, primarily due to the decreased spending of the ARPA as the ARPA funds are close to being fully spent and ERA funds was fully spent in 2024.

Non-Major Governmental Funds

The total fund balance of the combined non-major governmental funds decreased by \$6.1 million (7.4%), from \$82.8 million in 2024 to \$76.7 million in 2025. Revenues (excluding transfers) increased by \$2.8

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

million, from \$97.5 million in 2024 to \$100.3 million in 2025. This was mainly due to \$3.5 million in intergovernmental fundings and an increase of \$2.0 million in miscellaneous revenue due to vendor refunds from prior year.

Expenditures (excluding transfers) decreased by \$8.41 million (6.8%), from \$123.2 million in 2024 to \$114.8 million in 2025. This was mainly due to a decrease of \$11.1 million in Capital expenditure – General Government primarily due to the decreased expenditures in Detention Medical Expansion from 2024.

Proprietary Funds

The net position for the County's internal service funds increased by \$8.3 million (15.6%), from \$53.0 million in 2024 to \$61.3 million in 2025. Of the \$61.3 million of the total net position of the proprietary funds in 2025, \$50.25 million (82.0%) was the net position of the Central Service Fund. The Central Service Fund is used primarily to allocate the cost of movable assets (furniture and equipment, computers, and vehicles) to the departments of the County to fund the replacement of the assets. It is also used to distribute the costs of central services (postage, fleet maintenance, parts, and fuel charges) to departments of the County. Of the \$50.25 million net position in the Central Services Fund at the end of 2025, \$13.32 million was invested in capital assets, net of accumulated depreciation, and approximately \$36.9 million were available to replace expiring movable assets in the future.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's programs or operations. Therefore, they are not discussed in the Management's Discussion & Analysis.

ANALYSIS OF CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

Arapahoe County's investment in capital assets (net of accumulated depreciation) for its governmental activities was \$902.6 million as of 2025 and \$885.1 million as of 2024. This investment in capital assets includes land and land improvements, buildings, furniture and equipment, infrastructure, and construction in progress. The County's investment in capital assets (net of accumulated depreciation) increased by \$17.5 million (1.97%) during fiscal year 2025, mainly due to increases in Buildings and Improvements, GASB 96 Information Technology Subscriptions, and land improvements. A summary of the County's capital assets (net of depreciation) is as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

Arapahoe County Government's Capital Assets		
(Net of Accumulated Depreciation)		
	Governmental Activities	
	2025	2024
Land	\$ 46,782,915	45,963,553
Lease Assets - Land	2,600,000	2,600,000
Easements	4,322,860	4,322,860
Right of Ways	318,073,633	318,073,633
Water Rights	51,616,042	51,616,042
Construction in Progress	37,404,215	43,565,639
Capital Assets Not Being Depreciated:	460,799,665	466,141,727
Land Improvements	45,483,448	41,950,799
Buildings and Improvements	148,490,883	128,540,502
Furniture and Equipment	18,758,945	19,377,628
Infrastructure	210,074,488	218,631,052
Lease Assets - Building	8,980,526	9,699,403
Lease Assets - Equipment	197,865	523,529
Information Technology Subscriptions	9,811,164	253,408
Capital Assets Being Depreciated:	441,797,319	418,976,321
Total	\$ 902,596,984	\$ 885,118,048

Construction in progress decreased by \$6.2 million (14.14%), from \$43.6 million in 2024 to \$37.4 million in 2025, primarily due to the completion of the Detention Medical Expansion project and the Dove Valley Regional Park expansion completed in 2024. The amount of \$37.4 million is composed of the following capital project categories:

Capital Project	CIP Amount
Software Development	\$ 1,688,482
Roads	4,594,917
Parks & Trails	7,348,767
Building Improvement	23,772,049
	\$ 37,404,215

Additional information on Arapahoe County capital assets can be found in the Notes to the Financial Statements located on page C-30 and C-42 to C-45 of this annual report.

Outstanding Long-Term Debt

At the end of fiscal year 2025, the County had three bond issues, and lease agreements outstanding. A summary of the County's long-term liabilities is as follows:

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2025

Arapahoe County Government Summary of Outstanding Debt		
	Governmental Activities	
	2025	2024
Bonds	\$ 106,735,206	\$ 112,345,202
Lease Agreements/SBITAs	16,042,210	7,066,745
Total Outstanding Debt	\$ 122,777,416	\$ 119,411,947

The County’s total long-term debt increased by \$3.4 million in 2025 due to the GASB 87 and GASB 96 leases entered in 2025.

Additional information about the County’s long-term debt can be found in notes to the Financial Statements on page C-31 and C-47 to C-55 of this annual report.

ECONOMIC FACTORS AFFECTING THE COUNTY

Property tax is the largest source of revenue for the County. The passage of ballot measure 1A in November 2024 released the County from revenue and spending limits imposed by TABOR allowing it to collect and retain property tax revenue at the full 15.821 mill levy. The mill levy of the County was 15.885 mills in 2024 (collected in 2025) and 15.959 mills in 2025 (collected in 2026). Property tax to be collected in 2026 is projected to be \$260.1 million, an increase of \$15.1 million over the 2025 projected number of \$244.90 million. The County base mill levy was maintained at 15.821 mills, with an additional levy of 0.138 mills for refunds and abatements.

The residential assessment rate, which determines the amount of residential assessed value the mill levy is applied to, decreased to 6.25% for the 2025 reassessment period for collection in 2026. It is forecasted to remain steady in 2026 for the 2027 tax collection period. The assessment rate will be reviewed in 2026, which is the next residential reassessment period.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Arapahoe County’s finances for those with an interest in the government’s financial activities. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Todd Weaver, Director of Finance, 5334 South Prince Street, Littleton, CO 80120-1136, (303) 795-4620.



Arapahoe County, Colorado
Statement of Net Position
December 31, 2025

	Primary Government	Component Units		
	Governmental Activities	Arapahoe County Public Health	Arapahoe County 911 Authority	Arapahoe County Airport Authority
Assets				
Cash and investments	\$ 327,795,251	\$ 3,141,235	\$ 11,498,893	\$ 14,915,146
Accounts receivable	22,696,860	1,183,695	505,929	7,848,511
Property tax receivable, net	299,146,432	-	-	-
Accrued interest receivable	1,830,711	-	-	-
Note receivable	-	-	-	204,582
Lease receivable	-	-	-	11,806,274
Due from other governments	5,665,994	2,053,389	-	277,970
Inventories	560,068	-	-	-
Prepaid and other items	351,975	-	-	809,442
Restricted cash and investments	75,868,255	-	-	-
Total non-capital assets	733,915,546	6,378,319	12,004,822	35,861,925
Non-depreciable capital assets	460,799,665	-	-	43,253,526
Depreciable capital assets	441,797,319	539,511	3,515,721	43,919,250
Total capital assets	902,596,984	539,511	3,515,721	87,172,776
Total assets	1,636,512,530	6,917,830	15,520,543	123,034,701
Deferred outflows of resources				
Refunding of bonds	260,455	-	-	-
Pension outflows	33,712,326	12,941,836	-	-
Total deferred outflows of resources	33,972,781	12,941,836	-	-
Liabilities				
Accounts payable and other current liabilities	55,476,711	1,514,251	316,236	5,000,268
Accrued interest payable	450,218	1,726	3,493	40,879
Due to other governments	2,531,889	-	-	-
Unearned revenue	3,905,164	841,631	-	4,006
Noncurrent liabilities:				
Long term debt due within one year	11,027,736	257,796	42,663	925,258
Long term debt due in more than one year	144,892,363	1,543,290	44,660	2,055,255
Net pension liability due in more than one year	236,362,976	16,999,099	-	-
Estimated claims payable within one year	1,119,000	-	-	-
Estimated claims payable greater than one year	2,430,000	-	-	266,136
Total liabilities	458,196,057	21,157,793	407,052	8,291,802
Deferred inflows of resources				
Property tax revenue	299,146,432	-	-	-
Pension inflows	10,701,961	9,080	-	-
Leases	-	-	-	11,806,274
Total deferred inflows of resources	309,848,393	9,080	-	11,806,274
Net position				
Net investment in capital assets	778,013,619	96,988	3,428,398	80,208,184
Restricted for:				
TABOR reserve	13,575,433	-	-	-
Transportation projects	3,510,709	-	-	-
Capital projects	-	-	-	-
Park development	848,357	-	-	-
Parks, recreation and open space	3,644,344	-	-	-
Open space, parks and trails	61,066,611	-	-	-
Law enforcement	10,572,632	-	-	-
Electronic filing technology	17,446	-	-	-
Unrestricted	31,191,710	(1,404,195)	11,685,093	22,728,441
Total net position	\$ 902,440,861	\$ (1,307,207)	\$ 15,113,491	\$ 102,936,625

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

**Arapahoe County, Colorado
Statement of Net Position
December 31, 2025**

Arapahoe County
Water and Wastewater
Authority

	\$		
		71,448,756	
		2,177,513	
		-	
		-	
		-	
		-	
		-	
		396,892	
		17,956,783	
		<u>91,979,944</u>	
		114,118,513	
		105,322,162	
		<u>219,440,675</u>	
		<u>311,420,619</u>	
		999,527	
		-	
		<u>999,527</u>	
		4,539,702	
		328,548	
		-	
		-	
		4,866,068	
		88,246,593	
		-	
		-	
		-	
		<u>97,980,911</u>	
		-	
		-	
		-	
		-	
		127,645,776	
		-	
		-	
		11,576,108	
		-	
		-	
		-	
		-	
		-	
		75,217,351	
		<u>\$ 214,439,235</u>	

Assets

Cash and investments
Accounts receivable
Property tax receivable, net
Accrued interest receivable
Note receivable
Lease receivable
Due from other governments
Inventories
Prepaid and other items
Restricted cash and investments

Total non-capital assets

Non-depreciable capital assets
Depreciable capital assets

Total capital assets

Total assets

Deferred outflows of resources

Refunding of bonds
Pension outflows

Total deferred outflows of resources

Liabilities

Accounts payable and other
current liabilities
Accrued interest payable
Due to other governments
Unearned revenue
Noncurrent liabilities:
Long term debt due within one year
Long term debt due in more than one year
Net pension liability due in more than one year
Estimated claims payable within one year
Estimated claims payable greater than one year

Total liabilities

Deferred inflows of resources

Property tax revenue
Pension inflows
Leases

Total deferred inflows of resources

Net position

Net investment in capital assets

Restricted for:

TABOR reserve
Transportation projects
Capital projects
Park development
Parks, recreation and open space
Open space, parks and trails
Law enforcement
Electronic filing technology
Unrestricted

Total net position

Arapahoe County, Colorado
Statement of Activities
For the Year Ended December 31, 2025

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
General government	\$ 105,380,777	\$ 39,057,932	\$ 1,285,538	\$ -
Public safety	146,350,296	49,118,738	4,623,889	81,244
Judicial services	28,752,732	1,051,219	2,468,861	-
Health and welfare	155,211,527	2,377,533	102,277,589	1,837
Highways and streets	34,167,286	1,084,942	18,032,058	2,501,443
Water and wastewater	3,569,761	-	-	-
Culture and recreation	41,280,757	1,817,019	805,210	862,610
Interest on long-term debt	3,542,711	-	-	-
Total governmental activities	518,255,847	94,507,383	129,493,145	3,447,134
Component Units				
Arapahoe County Public Health	27,315,963	2,321,391	22,112,029	-
Arapahoe County 911 Authority	5,051,262	5,212,625	457,174	-
Arapahoe County Airport Authority	13,730,391	11,518,496	8,559,513	-
Arapahoe County Water and Wastewater Authority	23,981,460	27,862,368	-	13,549,979
Total component units:	70,079,076	46,914,880	31,128,716	13,549,979

General revenues

Property taxes
Sales tax
Other taxes
Investment income
Miscellaneous

Total general revenue

Change in net position

Net position - beginning, prior period
Change in financial reporting entity

Net position - beginning, as restated

Net position - ending

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

Arapahoe County, Colorado
Statement of Activities
For the Year Ended December 31, 2025

Net (Expense) Revenue and Changes in Net Position

Component Units					Functions/Programs
Primary Government Total	Arapahoe County Public Health	Arapahoe County 911 Authority	Arapahoe County Airport Authority	Arapahoe County Water & Wastewater Authority	
\$ (65,037,307)	\$ -	\$ -	\$ -	\$ -	Primary Government
(92,526,425)	-	-	-	-	General government
(25,232,652)	-	-	-	-	Public safety
(50,554,568)	-	-	-	-	Judicial services
(12,548,843)	-	-	-	-	Health and welfare
(3,569,761)	-	-	-	-	Highways and streets
(37,795,918)	-	-	-	-	Water and wastewater
(3,542,711)	-	-	-	-	Culture and recreation
(290,808,185)	-	-	-	-	Interest on long-term debt
					Total governmental activities
-	(2,882,543)	-	-	-	Component Units
-	-	618,537	-	-	Arapahoe County Public Health
-	-	-	6,347,618	-	Arapahoe County 911 Authority
-	-	-	-	17,430,887	Arapahoe County Airport Authority
-	-	-	-	-	Arapahoe County Water and Wastewater Authority
-	(2,882,543)	618,537	6,347,618	17,430,887	Total component units:
291,568,341	-	-	-	-	General revenues
41,876,455	-	-	-	-	Property taxes
15,232,704	-	-	-	-	Sales tax
23,543,062	138,464	373,182	694,727	3,413,305	Other taxes
7,431,791	12,817	1,127	296,577	-	Investment income
379,652,353	151,281	374,309	991,304	3,413,305	Miscellaneous
88,844,168	(2,731,262)	992,846	7,338,922	20,844,192	Total general revenue
810,788,601	1,424,055	14,120,645	95,597,703	193,595,043	Change in net position
2,808,092	-	-	-	-	Net position - beginning, prior period
813,596,693	1,424,055	14,120,645	95,597,703	193,595,043	Change in financial reporting entity
\$ 902,440,861	\$ (1,307,207)	\$ 15,113,491	\$ 102,936,625	\$ 214,439,235	Net position - beginning, as restated
					Net position - ending

**Arapahoe County, Colorado
Balance Sheet
Governmental Funds
December 31, 2025**

	General	Social Services	Grants	Open Spaces Sales Tax
Assets				
Cash and investments	\$ 179,081,233	\$ 12,750,708	\$ 3,028,068	\$ -
Restricted cash and investments	630,915	-	-	75,237,340
Accounts receivable	8,986,571	6,057,602	2,311,727	6,597,806
Taxes receivable, net	217,247,082	23,625,549	-	-
Due from other funds	1,357,062	-	-	-
Prepaid items	90,537	61,438	-	-
Inventories	-	-	139,862	-
Total assets	\$ 407,393,400	\$ 42,495,297	\$ 5,479,657	\$ 81,835,146
Liabilities				
Accounts payable	\$ 4,077,543	\$ 1,678,023	\$ 2,399,996	\$ 20,395,776
Accrued expenditures	13,326,484	4,526,253	200,084	268,679
Due to other governments	1,973,182	79,963	-	-
Due to other funds	-	-	-	-
Unearned revenue - other	221,957	1,102,091	2,155,607	104,080
Total liabilities	19,599,166	7,386,330	4,755,687	20,768,535
Deferred inflows of resources				
Deferred property tax revenue	217,247,082	23,625,549	-	-
Unavailable revenue-delinquent property taxes	21,513	-	-	-
Unavailable revenue-grants	61,453	-	17,987	-
Unavailable revenue-other	198,687	-	-	-
Total deferred inflows of resources	217,528,735	23,625,549	17,987	-
Fund balances (deficits)				
Nonspendable	90,537	61,438	139,862	-
Restricted	12,876,050	-	-	61,066,611
Committed	-	261,059	-	-
Assigned	5,850,085	11,160,921	566,121	-
Unassigned	151,448,827	-	-	-
Total fund balances (deficits)	170,265,499	11,483,418	705,983	61,066,611
Total liabilities, deferred inflows of resources and fund balance	\$ 407,393,400	\$ 42,495,297	\$ 5,479,657	\$ 81,835,146

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

**Arapahoe County, Colorado
Balance Sheet
Governmental Funds
December 31, 2025**

Other Governmental	Total Governmental																																				
<table border="0" style="width: 100%;"> <tr><td style="width: 50%;">\$ 81,447,901</td><td style="width: 50%;">\$ 276,307,910</td></tr> <tr><td style="text-align: right;">-</td><td style="text-align: right;">75,868,255</td></tr> <tr><td style="text-align: right;">6,196,015</td><td style="text-align: right;">30,149,721</td></tr> <tr><td style="text-align: right;">58,273,801</td><td style="text-align: right;">299,146,432</td></tr> <tr><td style="text-align: right;">-</td><td style="text-align: right;">1,357,062</td></tr> <tr><td style="text-align: right;">-</td><td style="text-align: right;">151,975</td></tr> <tr><td style="text-align: right;">-</td><td style="text-align: right;">139,862</td></tr> <tr><td colspan="2"><hr/></td></tr> <tr><td style="text-align: right;">\$ 145,917,717</td><td style="text-align: right;">\$ 683,121,217</td></tr> <tr><td colspan="2"><hr/></td></tr> </table>	\$ 81,447,901	\$ 276,307,910	-	75,868,255	6,196,015	30,149,721	58,273,801	299,146,432	-	1,357,062	-	151,975	-	139,862	<hr/>		\$ 145,917,717	\$ 683,121,217	<hr/>		<table border="0" style="width: 100%;"> <tr><td style="width: 50%;">\$ 6,101,673</td><td style="width: 50%;">\$ 34,653,011</td></tr> <tr><td style="text-align: right;">1,767,236</td><td style="text-align: right;">20,088,736</td></tr> <tr><td style="text-align: right;">-</td><td style="text-align: right;">2,053,145</td></tr> <tr><td style="text-align: right;">1,357,062</td><td style="text-align: right;">1,357,062</td></tr> <tr><td style="text-align: right;">321,430</td><td style="text-align: right;">3,905,165</td></tr> <tr><td colspan="2"><hr/></td></tr> <tr><td style="text-align: right;">9,547,401</td><td style="text-align: right;">62,057,119</td></tr> <tr><td colspan="2"><hr/></td></tr> </table>	\$ 6,101,673	\$ 34,653,011	1,767,236	20,088,736	-	2,053,145	1,357,062	1,357,062	321,430	3,905,165	<hr/>		9,547,401	62,057,119	<hr/>	
\$ 81,447,901	\$ 276,307,910																																				
-	75,868,255																																				
6,196,015	30,149,721																																				
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Assets

- Cash and investments
- Restricted cash and investments
- Accounts receivable
- Taxes receivable, net
- Due from other funds
- Prepaid items
- Inventories

Total assets

Liabilities

- Accounts payable
- Accrued expenditures
- Due to other governments
- Due to other funds
- Unearned revenue - other

Total liabilities

Deferred inflows of resources

- Deferred property tax revenue
- Unavailable revenue-delinquent property taxes
- Unavailable revenue-grants
- Unavailable revenue-other

Total deferred inflows of resources

Fund balances (deficits)

- Nonspendable
- Restricted
- Committed
- Assigned
- Unassigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2025

Amounts reported for governmental activities in the Statement of Net Position (page C-2) are different because:

Total fund balances - governmental funds (page C-7)	\$	320,212,653
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		889,277,316
The deferred charge on refunding of bonds is not an available resource and, therefore, is not reported in the funds.		260,455
The deferred pension outflow is not an available resources and, therefore, is not reported in the funds.		33,712,326
The deferred pension inflow is applicable to future periods and is not reported in the funds.		(10,701,961)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		1,705,013
Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		61,268,615
Long-term liabilities, including bonds payable, certificates of participation, notes payable, leases, landfill post closure cost payable, compensated absences, net pension liability and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(393,293,556)</u>
Net position of governmental activities	\$	<u><u>902,440,861</u></u>

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



Arapahoe County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2025

	General	Social Services	Grants	Open Spaces Sales Tax
Revenues				
Taxes				
Property taxes	\$ 220,672,878	\$ 21,201,447	\$ -	\$ -
Sales tax	-	-	-	41,876,455
Other taxes	10,018,354	1,179,216	-	-
Licenses and permits	8,830,138	-	-	8,000
Intergovernmental	6,443,678	68,073,188	18,630,200	786,847
Charges for services	72,726,888	62,173	11,551	686,139
Fines and forfeitures	111,840	-	-	-
Investment earnings	19,997,227	-	-	2,316,687
Interfund revenues and rentals	3,355,173	-	-	-
Developer contributions	-	-	-	-
Miscellaneous	5,707,954	1,668,274	2,137,867	83,968
Total revenue	<u>347,864,130</u>	<u>92,184,298</u>	<u>20,779,618</u>	<u>45,758,096</u>
Expenditures				
Current				
General government	99,701,640	-	534,263	64,488
Public safety	124,190,201	-	1,920,537	-
Judicial services	23,559,193	-	874,723	-
Health and welfare	13,825,970	91,147,422	16,960,085	-
Highways and streets	-	-	-	-
Water and wastewater	-	-	-	-
Culture and recreation	569,744	-	-	36,432,351
Total current	<u>261,846,748</u>	<u>91,147,422</u>	<u>20,289,608</u>	<u>36,496,839</u>
Capital				
General government	12,166,512	-	-	-
Public safety	182,257	-	-	-
Judicial services	18,355	-	-	-
Health and welfare	-	790,821	144	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	4,919,344
Total capital	<u>12,367,124</u>	<u>790,821</u>	<u>144</u>	<u>4,919,344</u>
Debt				
Principal	1,239,001	-	-	-
Interest	23,408	-	-	-
Debt administration fees	-	-	-	-
Total debt service	<u>1,262,409</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>275,476,281</u>	<u>91,938,243</u>	<u>20,289,752</u>	<u>41,416,183</u>
Excess (deficiency) of revenues over (under) expenditures	<u>72,387,849</u>	<u>246,055</u>	<u>489,866</u>	<u>4,341,913</u>
Other financing sources (uses)				
Transfers in	-	50,198	-	-
Transfers out	(14,597,735)	(48,081)	(2,000)	(169,554)
Issuance of leases and sbitas	11,308,180	-	-	-
Total other financing sources (uses)	<u>(3,289,555)</u>	<u>2,117</u>	<u>(2,000)</u>	<u>(169,554)</u>
Net change in fund balance	69,098,294	248,172	487,866	4,172,359
Fund balance - beginning, as previously reported	99,923,698	11,235,246	218,117	56,894,252
Change in financial reporting entity (note 21)	1,243,507	-	-	-
Fund balance - beginning, as restated	<u>101,167,205</u>	<u>11,235,246</u>	<u>218,117</u>	<u>56,894,252</u>
Fund balance - ending	<u>\$ 170,265,499</u>	<u>\$ 11,483,418</u>	<u>\$ 705,983</u>	<u>\$ 61,066,611</u>

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

Arapahoe County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2025

Other Governmental	Total Governmental																																																																																																																																																																																																											
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Revenues

- Taxes
 - Property taxes
 - Sales tax
 - Other taxes
- Licenses and permits
- Intergovernmental
- Charges for services
- Fines and forfeitures
- Investment earnings
- Interfund revenues and rentals
- Developer contributions
- Miscellaneous

Total revenue

Expenditures

Current

- General government
- Public safety
- Judicial services
- Health and welfare
- Highways and streets
- Water and wastewater
- Culture and recreation

Total current

Capital

- General government
- Public safety
- Judicial services
- Health and welfare
- Highways and streets
- Culture and recreation

Total capital

Debt

- Principal
- Interest
- Debt administration fees

Total debt service

Total expenditures

Excess (deficiency) of
revenues over (under)
expenditures

Other financing sources (uses)

- Transfers in
- Transfers out
- Issuance of leases and sbitas

Total other financing sources (uses)

Net change in fund balance

Fund balance - beginning, as previously reported
Change in financial reporting entity (note 21)

Fund balance - beginning, as restated

Fund balance - ending

Arapahoe County, Colorado
Reconciliation of the Statement of Revenues
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2025

Amounts reported for governmental activities in the Statement of Activities (page C-5) are different because:

Net Change in Fund Balances - total governmental funds (page C-11)	\$ 66,209,104
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	15,360,258
The Statement of Activities reports losses arising from the sale of capital assets. Conversely, governmental funds do not report any losses on the sale of capital assets	(380,224)
The net effect of various miscellaneous transactions involving the valuation of donated assets is to increase net position.	1,854,538
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,705,013
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, however, there is no effect on net position.	7,644,938
Proceeds from borrowing increase the financial resources of the governmental funds but are not revenues to the government-wide financial statements.	(11,308,180)
Governmental funds report the effect of premiums, discounts, and deferred loss on refunding when debt is first issued, whereas these amounts are amortized in the Statement of Activities.	247,900
Some revenues reported in the governmental funds have been reported in the Statement of Activities in prior periods.	(2,384,653)
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 the governmental funds.	1,614,445
The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.	<u>8,281,029</u>
Change in net position of governmental activities	<u><u>\$ 88,844,168</u></u>

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



**Arapahoe County, Colorado
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 212,818,681	\$ 212,818,681	\$ 220,672,878	\$ 7,854,197
Other taxes	6,750,000	6,750,000	10,018,354	3,268,354
Licenses and permits	8,401,050	8,421,050	8,830,138	409,088
Intergovernmental	4,605,591	5,326,838	6,443,678	1,116,840
Charges for services	68,119,137	69,975,987	72,726,888	2,750,901
Fines and forfeitures	110,500	95,500	111,840	16,340
Investment earnings	8,050,000	8,050,000	19,997,227	11,947,227
Interfund revenues and rentals	3,555,013	3,555,013	3,355,173	(199,840)
Miscellaneous	5,180,421	5,232,187	5,707,874	475,687
Total revenue	317,590,393	320,225,256	347,864,050	27,638,794
Expenditures				
Current				
General government				
Administrative services	7,676,776	18,268,841	12,638,332	5,630,509
Assessor's Office	6,653,833	6,682,077	6,546,591	135,486
Board of County Commissioners	1,391,487	1,391,487	1,337,724	53,763
Clerk and Recorder's Office	13,473,529	13,717,376	13,658,432	58,944
Communication Services Department	4,432,593	4,461,228	4,238,951	222,277
County Attorney	4,043,731	4,098,689	4,085,099	13,590
Facilities and Fleet Management	10,539,620	10,679,338	10,632,058	47,280
Finance	4,656,919	4,889,469	4,761,711	127,758
Human Resources	4,224,562	4,434,531	4,357,294	77,237
Information Technology	20,627,695	22,524,263	20,735,570	1,788,693
Public Works and Development	12,125,552	12,740,733	12,065,039	675,694
Treasurer's Office	2,757,073	2,767,804	2,736,758	31,046
Total general government	92,603,370	106,655,836	97,793,559	8,862,277
Public safety	124,123,855	125,747,090	124,190,201	1,556,889
Judicial services	22,095,483	23,973,681	23,559,193	414,488
Health and welfare	14,009,623	14,100,639	13,825,970	274,669
Culture and recreation	623,465	755,288	569,744	185,544
Total current	253,455,796	271,232,534	259,938,667	11,293,867
Capital				
General government	-	13,506,995	12,123,097	1,383,898
Public safety	250	398,086	182,257	215,829
Judicial services	-	-	18,355	18,355
Total capital	250	13,905,081	12,323,709	1,581,372
Debt				
Principal	-	-	1,239,001	(1,239,001)
Interest	-	-	23,408	(23,408)
Total debt service	-	-	1,262,409	(1,262,409)
Total expenditures	253,456,046	285,137,615	273,524,785	11,612,830
Excess (deficiency) of revenues over (under) expenditures	64,134,347	35,087,641	74,339,265	39,251,624
Other financing sources (uses)				
Transfers out	(12,709,076)	(16,675,735)	(16,675,735)	-
Issuance of leases and sbitas	-	13,000,000	11,308,180	1,691,820
Total other financing sources (uses)	(12,709,076)	(3,675,735)	(5,367,555)	(1,691,820)
Net change in fund balance	51,425,271	31,411,906	68,971,710	37,559,804
Fund balance - beginning, restated	99,004,367	99,004,367	99,004,367	-
Fund balance - ending	\$ 150,429,638	\$ 130,416,273	\$ 167,976,077	\$ 37,559,804

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

Arapahoe County, Colorado
Social Services
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 20,469,754	\$ 20,469,754	\$ 21,201,447	\$ 731,693
Other taxes	1,230,000	1,230,000	1,179,216	(50,784)
Intergovernmental	66,865,920	69,267,976	68,073,188	(1,194,788)
Charges for services	30,000	30,000	62,173	32,173
Miscellaneous	1,071,016	1,630,058	1,668,274	38,216
Total revenue	<u>89,666,690</u>	<u>92,627,788</u>	<u>92,184,298</u>	<u>(443,490)</u>
Expenditures				
Current				
Health and welfare	92,221,641	95,089,761	91,147,422	3,942,339
Capital				
Health and welfare	130,177	1,066,091	790,821	275,270
Total expenditures	<u>92,351,818</u>	<u>96,155,852</u>	<u>91,938,243</u>	<u>4,217,609</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,685,128)</u>	<u>(3,528,064)</u>	<u>246,055</u>	<u>3,774,119</u>
Other financing sources (uses)				
Transfers in	-	50,198	50,198	-
Transfers out	(91,466)	(91,466)	(48,081)	43,385
Total other financing sources (uses)	<u>(91,466)</u>	<u>(41,268)</u>	<u>2,117</u>	<u>43,385</u>
Net change in fund balance	<u>(2,776,594)</u>	<u>(3,569,332)</u>	<u>248,172</u>	<u>3,817,504</u>
Fund balance - beginning	11,235,246	11,235,246	11,235,246	-
Fund balance - ending	<u>\$ 8,458,652</u>	<u>\$ 7,665,914</u>	<u>\$ 11,483,418</u>	<u>\$ 3,817,504</u>

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

Arapahoe County, Colorado
Grants
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 20,177,889	\$ 24,054,661	\$ 18,630,200	\$ (5,424,461)
Charges for services	40,000	40,000	11,551	(28,449)
Miscellaneous	140,000	140,000	2,137,867	1,997,867
Total revenue	<u>20,357,889</u>	<u>24,234,661</u>	<u>20,779,618</u>	<u>(3,455,043)</u>
Expenditures				
Current				
General government	-	549,369	534,263	15,106
Public safety	3,396,233	3,468,978	1,920,537	1,548,441
Judicial services	500,000	1,220,112	874,723	345,389
Health and welfare	16,454,385	18,830,759	16,960,085	1,870,674
Capital				
General government	-	168,000	-	168,000
Health and welfare	-	-	144	(144)
Total expenditures	<u>20,350,618</u>	<u>24,237,218</u>	<u>20,289,752</u>	<u>3,947,466</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,271</u>	<u>(2,557)</u>	<u>489,866</u>	<u>492,423</u>
Other financing sources (uses)				
Transfers out	(7,271)	(7,271)	(2,000)	5,271
Total other financing sources (uses)	<u>(7,271)</u>	<u>(7,271)</u>	<u>(2,000)</u>	<u>5,271</u>
Net change in fund balance	-	(9,828)	487,866	497,694
Fund balance - beginning, restated	218,117	218,117	218,117	-
Fund balance - ending	<u>\$ 218,117</u>	<u>\$ 208,289</u>	<u>\$ 705,983</u>	<u>\$ 497,694</u>

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

Arapahoe County, Colorado
Open Spaces Sales Tax
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Sales tax	\$ 44,383,100	\$ 44,383,100	\$ 41,876,455	\$ (2,506,645)
Licenses and permits	-	-	8,000	8,000
Intergovernmental	-	237,141	786,847	549,706
Charges for services	505,000	505,000	686,139	181,139
Investment earnings	549,796	549,796	2,316,687	1,766,891
Miscellaneous	38,000	38,000	83,968	45,968
Total revenue	<u>45,475,896</u>	<u>45,713,037</u>	<u>45,758,096</u>	<u>45,059</u>
Expenditures				
Current				
General government	57,448	65,448	64,488	960
Culture and recreation	43,912,128	97,427,090	36,432,351	60,994,739
Capital				
Culture and recreation	1,500,925	4,708,054	4,919,344	(211,290)
Total expenditures	<u>45,470,501</u>	<u>102,200,592</u>	<u>41,416,183</u>	<u>60,784,409</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,395</u>	<u>(56,487,555)</u>	<u>4,341,913</u>	<u>60,829,468</u>
Other financing sources (uses)				
Transfers out	(5,395)	(169,555)	(169,554)	1
Total other financing sources (uses)	<u>(5,395)</u>	<u>(169,555)</u>	<u>(169,554)</u>	<u>1</u>
Net change in fund balance	<u>-</u>	<u>(56,657,110)</u>	<u>4,172,359</u>	<u>60,829,469</u>
Fund balance - beginning	56,894,252	56,894,252	56,894,252	-
Fund balance - ending	<u>\$ 56,894,252</u>	<u>\$ 237,142</u>	<u>\$ 61,066,611</u>	<u>\$ 60,829,469</u>

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

**Arapahoe County Government
Statement of Net Position
Proprietary Funds
December 31, 2025**

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and investments	\$ 51,487,341
Accounts receivable	43,843
Deposit	200,000
Inventory	420,207
Total current assets	52,151,391
Noncurrent assets	
Capital assets	
Buildings and improvements	17,628
Vehicles and equipment	55,431,106
Computer systems	7,666,739
Furniture and office equipment	108,300
Less: accumulated depreciation	(49,904,105)
Total noncurrent assets (net of accum. dep.)	13,319,668
Total assets	65,471,059
Liabilities	
Current liabilities	
Accounts payable	653,444
Estimated claims payable	1,119,000
Total current liabilities	1,772,444
Noncurrent claims payable	2,430,000
Total liabilities	4,202,444
Net position	
Investment in capital assets	13,319,668
Unrestricted	47,948,947
Total net position	\$ 61,268,615

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

Arapahoe County Government
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for sales and service	\$ 11,904,637
Total operating revenue	11,904,637
Operating expenses	
Cost of sales and services	7,444,171
Administration	163,487
Depreciation	4,560,260
Total operating expenses	12,167,918
Operating income (loss)	(263,281)
Nonoperating revenue (expenses)	
Insurance recoveries	114,481
Gain on sale of assets	339,435
Loss on sale of assets	(12,848)
Income before contributions and transfers	177,787
Transfers in	8,140,756
Transfers out	(37,514)
Change in net position	8,281,029
Total net position - beginning	52,987,586
Total net position - ending	\$ 61,268,615

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

Arapahoe County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash received for interfund services provided	\$ 11,877,388
Cash payments for services and supplies	(11,705,065)
Net cash provided by operating activities	172,323
Cash flows from noncapital financing activities	
Transfers in from other funds	8,140,756
Transfers out to other funds	(37,514)
Net cash provided by non capital financing activities	8,103,242
Cash flows from capital and related financing activities	
Acquisition of property and equipment	(5,364,637)
Proceeds from sale of capital assets	350,512
Insurance Proceeds	114,481
Net cash used for capital and related financing activities	(4,899,644)
Net increase in cash and investments	3,375,921
Cash and Investments, January 1, 2025	48,111,420
Cash and Investments, December 31, 2025	\$ 51,487,341
Reconciliation of operating loss to net cash provided by operating activities:	
Operating income (loss)	\$ (263,281)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	4,560,260
(Increase) decrease in current assets:	
Accounts receivable	(27,249)
Inventory	38,513
Increase (decrease) in current liabilities:	
Accounts payable	(446,920)
Claims payable	(3,689,000)
Total Adjustments	435,604
Net cash provided by operating activities	\$ 172,323

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

Arapahoe County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2025

	Arapahoe County Retirement Trust	Custodial Funds
Assets		
Cash and investments	\$ -	\$ 27,147,834
Restricted escrow	-	2,088,433
Investments:		
Money market funds	9,490,434	-
U.S. Equity securities	112,868,123	-
Real estate investments	51,491,886	-
Fixed income securities	103,744,808	-
International Equity	92,878,203	-
Private Equity	37,232,280	-
Private Credit	27,551,895	-
Senior Secured Loan	26,322,342	-
Total cash and investments	461,579,971	29,236,267
Receivables:		
Accounts receivable	-	561,892
Property taxes receivable	-	1,527,000,030
Total receivables	-	1,527,561,922
 Total assets	461,579,971	1,556,798,189
 Liabilities		
Accounts payable	245,840	-
Due to other governments and organizations	-	19,860,794
Total liabilities	245,840	19,860,794
 Deferred Inflows of Resources		
Property taxes	-	1,527,000,030
Total deferred inflows of resources	-	1,527,000,030
 Net Position		
Restricted for:		
Pensions	461,334,131	-
Individuals, organizations, and other governments	-	9,937,365
Total net position	\$ 461,334,131	\$ 9,937,365

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

Arapahoe County, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2025

	Arapahoe County Retirement Trust	Custodial Funds
Additions		
Contributions:		
Employer	\$ 20,439,177	\$ -
Plan Members	18,839,770	-
Inmate Deposits	-	6,000,838
Miscellaneous Collections	-	1,155,437
Total Contributions	39,278,947	7,156,275
Investment earnings:		
Net Appreciation in Fair Value of Investments	46,473,230	-
Interest and Dividends	6,394,075	-
Total Investment Income	52,867,305	-
Investment Expenses	(2,310,611)	-
Net Investment Income	50,556,694	-
Foreclosure escrow amounts received	-	21,488,282
Collection of taxes and fees for other governments	-	1,701,336,629
Opioid Funds received	-	1,138,017
Total Additions	89,835,641	1,731,119,203
Deductions		
Benefits to Plan Members	37,174,290	-
Refund of Contributions	5,519,317	-
Administrative Expenses	714,828	-
Foreclosure escrow amounts disbursed	-	20,559,428
Commissary - Sales and Services	-	6,124,615
Payments of Taxes and Fees to Other Governments and Organizations	-	1,702,547,813
Opioid Fund disbursed	-	1,915,653
Total Deductions	43,408,435	1,731,147,509
Net Increase (Decrease) in Fiduciary Net Position	46,427,206	(28,306)
Net Position - Beginning	414,906,925	9,965,671
Net Position - Ending	\$ 461,334,131	\$ 9,937,365

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

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Arapahoe County, Colorado (the County) is presented to assist in understanding the County's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) as applied to government units; and have been consistently applied in the preparation of the financial statements. The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. The following is a summary of the significant accounting policies of the County.

Financial Reporting Entity

Arapahoe County was incorporated under the laws of the State of Colorado in 1902. The County provides a wide range of services to its residents including public safety, highways and streets, parks and open space, conservation, health and social services, public improvements, and general administration. The County is governed by an elected five-member Board of County Commissioners. The Board of County Commissioners serves as the administrative and policy-making body of the County. The primary government of the County includes the activities of six other elected officials – the Assessor, Clerk and Recorder, Coroner, District Attorney, Treasurer, and the Sheriff.

The accompanying financial statements present the financial activities of the County and its component units. The Governmental Accounting Standards Board (GASB) has specified the criteria used in defining the financial reporting entity:

The financial reporting entity consists of the primary government and its component units.

A primary government is any state, general-purpose local or special-purpose government, which meets the following criteria: a) it has a separately elected governing body; b) it is legally separate; and c) it is fiscally independent of other state and local governments. A primary government consists of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (1) it is able to impose its will on that organization *or* (2) there is a financial benefit or burden relationship with the primary government. In addition, the primary government may choose to include an organization in the reporting entity that does not meet either of these criteria because the nature and significance of the component unit's relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended Component Units

These financial statements present the County (the primary government) and its component units as required by US GAAP. The component units included in the County's reporting entity are reported using the blended and the discretely presented methods as appropriate for each component unit. The blended method reports the financial data of the component unit as part of the primary government. This method is used when any of the following circumstances are met:

- 1) The component unit's governing body is substantively the same as the governing body of the primary government; *and* a) there is a financial benefit or burden relationship between the primary government and the component unit *or* b) management of the primary government has operational responsibility for the component unit.
- 2) The component unit provides services entirely or almost entirely to the primary government.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

3) The component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with resources of the primary government.

The following entities are included in the financial statements as blended component units based upon meeting the criteria for blending and/or their significant financial and operational relationships to the County:

Arapahoe County Law Enforcement Authority – The Arapahoe County Law Enforcement Authority (ALEA) is a special district that provides law enforcement services in the unincorporated areas of the County. The Board of County Commissioners serves as the Board of the ALEA. The County Sheriff is the Chief Operating Officer. The Arapahoe County Law Enforcement Authority is reported as a Special Revenue Fund.

Arapahoe County Housing Authority – The Arapahoe County Housing Authority (the Authority) supports the improvement of housing conditions and community facilities for low and moderate-income individuals. The Board of County Commissioners serves as the entire board for the Authority. The County has all of the operational responsibilities for the Authority. The Authority is referred to in this Annual Comprehensive Financial Report as the Community Development Fund and is reported as a Special Revenue Fund.

Arapahoe County Recreation District – The Arapahoe County Recreation District (the District) is a special district that provides parks and recreation services in the Southeast part of the urbanized area of the County. The Board of County Commissioners serves as the entire board for the District and therefore makes all decisions controlling the District's activities and finances. The Arapahoe County Recreation District is reported as a Capital Projects Fund.

Arapahoe County Water and Wastewater Public Improvement District - The Arapahoe County Water and Wastewater Public Improvement District (PID) was formed in 2001 to provide capital infrastructure funding for the service district located in the south-central part of the County. In November 2001, the taxpayers within the PID voted to authorize the issuance of \$165,000,000 in General Obligation Bonds to finance water and wastewater projects. The Board of County Commissioners maintains control over operations and fiscal matters since they serve as the *ex officio* Board of Directors for the PID. The Arapahoe County Water and Wastewater Public Improvement District is reported as a Capital Projects Fund.

Arapahoe County Building Finance Corporation – The Arapahoe County Building Finance Corporation (ACBFC) is a not-for-profit corporation that issues certificates of participation for funding the construction of facilities that are leased to the County through a lease purchase agreement. The Board of County Commissioners do not hold positions on the board for the ACBFC; however, the Board of County Commissioners appoints all members of the ACBFC board. The Arapahoe County Building Finance Corporation is reported as a Debt Service Fund.

Crime Victim Compensation Fund – The Crime Victim Compensation Fund was organized under Colorado Revised Statutes for the purpose of providing financial remedies to certain crime victims. Although a legally separate entity, the fund has been included because of the Office of District Attorney, Eighteenth Judicial District's oversight responsibilities. The District Attorney appoints the three-member board. This board is primarily responsible for the authorization of crime victim compensation payments. The District Attorney and her legal and administrative staff assist the board in the performance of its duties and are responsible for monitoring the performance of activities in accordance with applicable laws. The Crime Victim Compensation Fund is reported as a Special Revenue Fund.

Arapahoe County Retirement Trust Fund – The Arapahoe County Retirement Trust Fund manages the retirement benefits for County employees. The Arapahoe County Retirement Plan (the Plan) is a single employer defined benefit pension plan established by the County to provide pension benefits for its employees. The Plan is administered by a Retirement Board consisting of five members: the incumbent County Treasurer, two County employees elected by plan members, and two registered electors of the County appointed by the Board of County Commissioners. The five-member Retirement Board reviews information about the County's retirement fund and is responsible for assessing the fund's fiscal health. The Plan is considered part of the County's financial reporting entity and is included as a blended component unit. The Arapahoe County Retirement Trust Fund is reported as a Fiduciary Fund.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Discretely Presented Component Units

Discrete component units are reported in separate columns on the government-wide financial statements to emphasize the legal separation between these organizations and the primary government. The following entities are included in the financial statements as discretely presented component units:

Arapahoe County Public Health Department – Pursuant to C.R.S. § 25-1-506(1) counties are required to either have their own public health agency or participate in a multi-county district public health agency. For over 70 years Arapahoe County had participated as a member of the Tri-County Health Department (TCHD), which was a multi-county district public health agency most recently consisting of Arapahoe, Adams and Douglas Counties. In 2021 both Adams and Douglas Counties announced their planned withdrawals from the TCHD. Following these announcements and the provision in C.R.S § 25-1-506(1) defining a district public health agency to be made up of two or more contiguous counties, the Arapahoe County Board of County Commissioners determined that Arapahoe County would also need to withdraw from participation in the TCHD. Through the adoption of Arapahoe County Resolution No. 21-420 and pursuant to C.R.S. § 25-1-513(2), Arapahoe County provided to the TCHD the required one-year notice of withdrawal to make the county's withdrawal effective as of December 31, 2022. Pursuant to C.R.S. § 25-1-506(1) & (2)(c), a county that withdraws from a district public health agency must establish its own county health agency and local board of health. On June 14, 2022, through the adoption of Arapahoe County Resolution No. 22-136, the Arapahoe County Board of County Commissioners (BOCC) resolved to form its public health agency, to be known as the Arapahoe County Public Health Department (ACPHD), which took over all of the duties of a public health agency for the residents of Arapahoe County effective on January 1, 2023, and established a foundational Board of Health (BOH) for the new department.

ACPHD is governed by a five-member Board of Health. The board is comprised of two Arapahoe County Commissioners and three professionals in the public health field. Effective January 1, 2023, the ACPHD and its BOH assume all statutory and other powers, duties and responsibilities of a public health agency as set forth in C.R.S. § 25-1-506 to 520.

The interrelationship in certain financing arrangements between the County and the ACPHD has resulted in a financial benefit/burden relationship. The County is legally obligated to assume the responsibility for payment of these financial arrangements in the event of default by the ACPHD; therefore, the County is financially accountable for the ACPHD. The ACPHD is included as a discrete component unit within the County's financial reporting entity.

Arapahoe County Airport Authority – The Arapahoe County Public Airport Authority (the Authority) is governed pursuant to the provisions of the Colorado Public Airport Authority Act. The Authority was formed for the statutory purposes of acquiring and improving the airport, air navigational facilities, and related facilities and for financing the cost of such acquisitions and improvements. The Authority operates Centennial Airport, which is located in Arapahoe and Douglas Counties.

The Authority is governed by an eight-member board. The board is comprised of three Arapahoe County Commissioners and two additional members who are appointed by the Commissioners. These five members are the full voting board of the Authority. The Authority also includes three non-voting members who are appointed by the Douglas County Board of County Commissioners.

The interrelationship in certain financing arrangements between the County and the Authority has resulted in a financial benefit/burden relationship. The County is legally obligated to assume the responsibility for payment of these financial arrangements in the event of default by the Authority; therefore, the County is financially accountable for the Authority. The Arapahoe County Airport Authority is included as a discrete component unit within the County's financial reporting entity.

Arapahoe County Water and Wastewater Authority – The Arapahoe County Water and Wastewater Authority (ACWWA) is a political subdivision that was created in 1988 pursuant to an intergovernmental agreement between Arapahoe County and the Arapahoe Water and Sanitation District (the District). ACWWA encompasses approximately

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5,200 acres and provides water, wastewater, and storm water services to citizens and businesses within the service area to include Arapahoe County and parts of northern Douglas County. Other areas within ACWWA's service area include the Town of Foxfield and a residential subdivision in northwest Elbert County. In addition, ACWWA provides wholesale wastewater treatment services to the Cottonwood Water and Sanitation District in Douglas County.

On February 6, 2002, the County entered into an intergovernmental agreement with the Arapahoe County Water and Wastewater Public Improvement District (PID). The PID was organized in 2001 pursuant to the provisions of the Colorado Revised Statutes Title 30, Article 20, Part 5 for the purpose of constructing certain public improvements to serve customers within and without its jurisdictional boundaries. The Intergovernmental Agreement (IGA) was amended and restated, in part to have the PID replace the District as a party to the IGA. The PID retains ACWWA as its management agency pursuant to this management agreement. In consideration for ACWWA's commitment to provide management service, the PID agreed to issue general obligations bonds, and certify a mill levy on property within the PID at a level sufficient to make the annual debt service payments as identified in the PID's annual capital plan, thus creating a financial benefit/burden relationship between ACWWA and the PID. ACWWA has no statutory authority to levy any taxes to finance the issuance of general obligation debt or for general operations.

A nine-member Board of Directors appointed by the Arapahoe County Board of Commissioners governs ACWWA. Two of the nine members are Board of County Commissioners. These two Board of County Commissioners appoint seven additional members to the Board, creating the nine-member board.

The Arapahoe County Water and Wastewater Authority is presented as a discrete component unit within the County's financial reporting entity. This component unit is separate and distinct from the Arapahoe County Water and Wastewater Public Improvement District (PID).

Arapahoe County 911 Authority – The Arapahoe County 911 Authority Emergency Communications Service Authority was formed in 1987 by an Intergovernmental Agreement (IGA) between Arapahoe County and various cities, towns, and fire protection districts within Arapahoe County. The 911 Authority was formed as a separate legal entity to fund the purchase and maintenance of the 911 network for emergency communication service. The 911 Authority includes all of Arapahoe County, except for the City of Aurora. The 911 Authority covers approximately 712 square miles and serves over 288,000 citizens.

The 911 Authority is governed by Colorado statutes and the IGA. The Board of Directors for the 911 Authority are appointed to two-year terms by the Arapahoe County Board of County Commissioners pursuant to the IGA. The Board of Directors is comprised of five members: two representatives of the law enforcement community, two representatives from the fire rescue community and one at-large member.

The County provides accounting and treasury services for the 911 Authority although the 911 Authority publishes its own budget. The 911 Authority is included as a discretely presented component unit within the County's financial reporting entity.

Complete financial reports are prepared for these component units with the exception of 911 Authority and Arapahoe County Public Health Department. All financial information for these entities may be obtained at the following locations.

Arapahoe County Public Health Department
6162 S. Willow Dr., Suite 100
Greenwood Village, CO 80111
www.arapahoeco.gov

Arapahoe County Airport Authority
7800 S. Peoria St.
Englewood, CO 80112
www.centennialairport.com

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Arapahoe County Water and Wastewater Authority
13031 E. Caley Avenue
Centennial, CO 80111
www.acwwa.org

Arapahoe County 911 Authority
5334 S. Prince St.
Littleton, CO 80120-1136
ace911.colorado.gov

Government-wide and Fund Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances. These financial statements report information on all of the non-fiduciary activities of the primary government and its component units. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statements included in the government-wide financial statements are:

The **Statement of Net Position** – The Statement of Net Position presents information related to assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net of all four categories being reported as the County's net position.

The **Statement of Activities** – The Statement of Activities presents information demonstrating the change in net position during the current fiscal year. The Statement of Activities reflects both the direct expenses and net cost of each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the County.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are taxes and other charges between the functions of the government, which have not been eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Separate government-wide and fund financial statements are presented, however, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. 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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements 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. Grant awards and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are

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Notes to the Financial Statements (Continued)
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charges to the entity for services which include postage, oil and gas, vehicles and insurance, and funding for the replacement of movable capital assets. Operating expenses include administrative expenses, cost of sales and services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Funds – Governmental funds are used to account for the County’s governmental activities. Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are both measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers intergovernmental revenues to be available if they are collected within 90 days of the end of the current year, and other revenues to be available if they are collected within 60 days of the end of the current fiscal year. Most grant reimbursements, property taxes, franchise taxes, permits, licenses, and interest associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, unmatured interest on general long-term debt is recognized when due, and expenditures related to compensated absences and claims and judgments are recognized when the obligations have matured (i.e., expected to be liquidated with expendable available financial resources). Capital asset acquisitions are reported as expenditures in governmental funds.

The County reports the following major governmental funds:

The **General Fund** is the County’s primary operating fund. It accounts for all financial resources of the general government, except those that are properly accounted for in another fund.

The **Social Services Fund** is a special revenue fund that administers human services programs under state and federal regulations. This fund accounts for the financial and protective services provided to children, families, and elderly and disabled adults. The Social Services Fund is funded primarily with local property tax as well as funds from other state and federal sources.

The **Grants Fund** is a special revenue fund that is used to account for revenues and expenditures of programs funded by federal, state, and local grant awards.

The **Open Spaces Sales Tax Fund** is a special revenue fund which accounts for the revenues received from the 0.25% sales and use tax originally approved by the voters in 2003 for the acquisition, development, and maintenance of open space, trails, and parks. In 2021, the tax was extended indefinitely. Several grants have been obtained for specific purposes in addition to monies contributed on joint projects by other entities. These monies are restricted by grant documents and contracts to be used solely for these projects.

Additionally, the County reports the following fund types:

The **Internal Service Funds** account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds provide services for postage, oil and gas, vehicles, and funding for the replacement of movable capital assets. Self-insurance programs for employee benefits, property, and liability are also accounted for in these funds.

The **Fiduciary Funds** are used to account for resources held for the benefit of outside parties, including other governments. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County’s own programs. The fiduciary funds reported by the County include the Retirement Trust Fund and Custodial Funds.

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The **Retirement Trust Fund** (the Plan) is a sponsored, single employer defined benefit plan. All permanent, full-time employees of the County are required to become members of the plan.

The **Custodial Funds** are custodial in nature and are used to account for assets that the County holds for others in a fiduciary capacity (e.g., taxes collected by the Clerk and Recorder for the benefit of other governments). The Public Trustee's fund collects fees pertaining to foreclosures and deeds of trust. The Inmate Sentencing Fund holds Opioid funds on behalf of inmates. Opioid Abatement fund holds Opioid funds on behalf of Regional Council for Region 9 for receiving Opioid funds and making any such Opioid funds available to the Regional Council.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Net Position or Fund Balances

Cash

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

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

Investments

Investments primarily consist of U.S. Treasury and agency obligations, corporate debt securities, and approved money market funds, all recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the plan with the assistance of a valuation service.

Property Taxes

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

Property taxes are levied on or before December 15th of each year and attach as an enforceable lien on the property on January 1 of the subsequent year. Taxes are payable in full on April 30th or in two installments on February 28th and June 17th. The County bills and collects its own property taxes and the taxes for various other entities. Tax collection and distribution to the various taxing entities is done by the 10th of every month following the month of collection by the Treasurer.

Receivables/Payables

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

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

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Notes to the Financial Statements (Continued)
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Accounts payable are generally recorded when the obligation is incurred. Debt service and claims and judgments are recorded when they become due.

Inventories and Prepaid Items

Inventories of certain items are valued at cost using a weighted average method for the Grants Fund and Internal Service Funds. The costs of inventories in all other governmental funds are recorded as expenditures when purchased rather than when consumed.

In governmental funds, prepaid expenses are generally accounted for using the consumption method. Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, construction in progress, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities' columns in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the government as assets with an initial individual cost of \$5,000 or more. Such assets are recorded at historical cost. As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

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

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

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Bridges	75	Land Improvements	25
Storm Drains	75	Leasehold Improvements	20
Roads	40	Furniture and Equipment	20
Buildings and Improvements	40	Vehicles	3-5
Wells, Water and Sewer Mains	30	Leases	2-10
Treatment Plants	30	SBITAs	2-5
Traffic Signals	31		

Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that have been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The County has two items that qualify for reporting in this category. The first item that qualifies is the deferred charge on refunding of bonds reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its

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reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred pension outflows are the other item that is being presented as a deferred outflow of resources; see Note 13 and Note 14 for the deferred outflows of resources related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for the reporting in this category. One is for property tax revenue which is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected. Deferred pension inflows is the other item that is being presented as a deferred inflow of resources; see Note 13 and Note 14 for the deferred inflows of resources related to pensions.

Some items are considered deferred inflows of resources under the modified accrual basis of accounting and are only reported in the governmental funds. One item that qualifies for reporting in this category is the item *unavailable revenue*. The County reports unavailable revenue from several sources: grants and delinquent property taxes. These amounts are recognized as an inflow of resources in the period the revenue becomes available.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Long-term debt premiums and discounts are amortized over the term of the long-term debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts. Long-term debt issuance costs are reported as an expense when incurred.

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

Subscription-Based Information Technology Arrangements (SBITAs)

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and the capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

SBITA liabilities represent the County's obligation to make payments arising from the SBITA. SBITA liabilities are recognized at the commencement date based on the present value of the expected SBITA payments over the term of the agreement.

Leases

The County determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statements of net position.

Lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County recognizes payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the County has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

Fund Balance

In the fund financial statements, governmental funds report fund balance based on the extent to which the County is bound to honor constraints on the specific purpose for which funds can be spent. Fund balance classifications are based on the requirements of GASB Statement No. 54. Classifications are non-spendable, restricted, committed, assigned, and unassigned. Restricted amounts are not available for appropriation because they are legally restricted by an outside party for a specific purpose. Committed funds are funds reserved for a specific purpose by the Board of County Commissioners; funds cannot be committed or uncommitted without formal action – Board Resolution – by the Board. Assigned funds are assigned by the Board of County Commissioners for a specific purpose. Unassigned is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance. For further details on the various fund balance clarifications, refer to Note 19.

If both restricted and unrestricted amounts of fund balance are available for use when expenditure is incurred, it is County policy to use restricted amounts first and then unrestricted resources as they are needed. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

The Board of County Commissioners has a formal fund balance reserve policy. This policy is adopted through resolution each year for the purpose of maintaining a satisfactory level of unappropriated fund balance reserves in order to ensure a continued strong financial position within the County and to conform to the requirements of the Taxpayer's Bill of Rights (TABOR). For this financial report, the amount of the Board reserves that pertains to TABOR has been separated from the total and is considered Restricted as per the definition above. The remaining amount does not meet the GASB Statement No. 54 requirements of a stabilization agreement. Instead, it is considered to be a minimum fund balance policy. Per GASB Statement No. 54, these amounts are required to be reported as part of Unassigned Fund Balance in the General Fund and Assigned Fund Balance in any other funds. The amounts approved by the Board Policy, excluding the TABOR portion, and included in Fund Balance are as follows:

General Fund	\$	42,888,553
Social Services		3,224,008
Arapahoe Law Enforcement Authority		2,589,593
Road & Bridge		4,986,300

Net Position

The County reports restricted net position when constraints placed on resources are (a) externally imposed by creditors, grantors, contributors, laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

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Net investment in capital assets is a portion of net position that represents the County's net investment in its capital assets. The portion of net position that is categorized as unrestricted has not been classified as either net investment in capital assets or restricted net position.

Deficit Fund Balance

None of the funds had deficit fund balances on December 31, 2025.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Encumbrance Accounting

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

Adoption of New Accounting Standards

During the year ended December 31, 2025, the County adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosure*. This Statement provides guidance on the accounting and financial reporting requirements about significant vulnerabilities stemming from specific concentrations or constraints.

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

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position.

The governmental fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$393,293,556) are as follows:

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General Obligation Bonds Payable	\$ (105,668,924)
Less: Net Bond Discount/(Premium)	(2,267,629)
Lease Liability	(14,840,868)
Landfill - Post Closure Costs Payable	(7,870,111)
Compensated Absences	<u>(25,272,567)</u>
Total Long Term Debt	(155,920,099)
Accrued Interest Payable	(450,218)
Net Pension Liability	(236,362,976)
Social Services Advance from State	<u>(560,263)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u><u>\$ (393,293,556)</u></u>

Another element of that reconciliation states, "other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds." The details of this \$1,705,013 are as follows:

Receivables:	
Delinquent Property Taxes	\$ 21,513
Grants	1,220,168
Unavailable Revenue - Other	<u>463,332</u>
Net adjustment to increase total governmental funds to arrive at net position - governmental activities	<u><u>\$ 1,705,013</u></u>

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

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense". The details of this \$15,360,258 difference are as follows:

Capital Outlay	\$ 46,281,062
Depreciation Expense	<u>(30,920,804)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 15,360,258</u></u>

Another element of that reconciliation states that "revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds." The details of this \$1,705,013 difference are as follows:

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Earned but Unavailable Revenue:	
Grants	\$ 1,220,168
Delinquent Property Taxes	21,513
Unavailable revenue - other	463,332
	<u>463,332</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$ 1,705,013
	<u>1,705,013</u>

Another element of that reconciliation states that “some revenues reported in the governmental funds have been reported in the Statement of Activities in prior periods.” The details of this (\$2,384,653) difference are as follows:

Unavailable Revenue	\$ (2,384,653)
	<u>(2,384,653)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$ (2,384,653)
	<u>(2,384,653)</u>

Another element of that reconciliation states that “some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$1,614,445 difference are as follows:

Compensated Absences Expense	\$ (3,364,099)
Pension Expense	(14,096,694)
Employer Contributions	19,135,666
Accrued Interest	(116,374)
Landfill Expense	55,946
	<u>55,946</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$ 1,614,445
	<u>1,614,445</u>

NOTE 3: LEGAL COMPLIANCE – BUDGETS

Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP) except for the differences for the General Fund as described in Note 20.

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

Arapahoe County utilizes the encumbrance method of recording commitments related to unperformed contracts for goods and services during the year. Due to the County’s integrated accounting and budgetary control system, appropriations are considered to lapse at year-end. Related amounts are re-appropriated in the following year.

On or before August 15th of each year, elected officers, directors and department heads submit revenue estimates and expenditure requests to the Budget Manager, the official charged with organizing an overall County budget for

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

submission to the Board of County Commissioners. On or before August 25th of each year, the County Assessor submits the current total assessed valuations for all taxing entities in the County and the factors needed to compute the statutory property tax revenue limits. The Budget Manager then submits a balanced budget to the Board on or before October 15th.

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

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

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

A summary of Cash and Investments for the Primary Government and Fiduciary Funds (excluding the Retirement Trust Fund – see Note 13) and discretely presented component units are as follows:

	Primary Government	Discrete Component Units	Fiduciary Funds	Total Reporting Entity
Cash and Investments	\$ 327,795,251	\$ 101,004,030	\$ 27,147,834	\$ 455,947,115
Restricted Cash and Investments	75,868,255	17,956,783	2,088,433	95,913,471
Total Cash and Investments	\$ 403,663,506	\$ 118,960,813	\$ 29,236,267	\$ 551,860,586
Total Cash Deposits (including CD's)				\$ 40,622,386
Total Investments				511,238,200
Total Cash Deposits and Investments				\$ 551,860,586

Restricted Cash and Investments are recorded for the following purposes:

	Primary Government	Discrete Component Units	Fiduciary Funds	Total Reporting Entity
Capital Projects	-	11,576,108	-	11,576,108
Legal/Contractual Obligations	75,868,255	6,380,675	-	82,248,930
Public Trustee Statutory Reserve	-	-	2,088,433	2,088,433
Total Restricted Cash and Investments	\$ 75,868,255	\$ 17,956,783	\$ 2,088,433	\$ 95,913,471

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Notes to the Financial Statements (Continued)
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Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act (PDPA) of 1989, require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral for any amounts more than the required Federal Deposit Insurance Corporation (FDIC) amount, as promulgated by the Colorado Division of Banking, having a market value in excess of 102% of the aggregate uninsured public deposits. At December 31, 2025, the County's carrying amount of cash deposits was \$8,498,910. Of the County's bank balances totaling \$26,361,462, \$3,184,113 was covered by FDIC and \$23,177,349 was collateralized under PDPA. The component units' carrying amounts of deposits with banks was \$32,123,476 and the bank balance was \$31,602,018.

Investments

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

Authorized Investments

The County has adopted a formal investment policy that limits the County's investments to investments within the confines of the Colorado Revised Statutes, sections: 30-10-708, 11-10.5-101, 24-75-601, 24-75-603 & 24-75-702. Investments authorized under these statutes include:

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

As of December 31, 2025, the County had the following investments:

Investment Type	Investment Maturities			Total
	Less than 1 Year	1-5 Years	5-10 Years	
Primary Government and Custodial Funds:				
U.S. Agency Securities:				
Federal Agricultural Mortgage Corp	\$ -	\$ 5,028,850	\$ -	\$ 5,028,850
Federal Farm Credit Bank	-	40,640,730	-	40,640,730
Federal Home Loan Bank	-	54,733,845	-	54,733,845
Federal National Mortgage Association	-	15,821,200	-	15,821,200
Local Government Investment Pools	14,382,438	-	-	14,382,438
Corporate Bonds	-	15,218,250	-	15,218,250
U.S. Treasury Obligations	-	41,056,850	10,543,700	51,600,550
U.S. Govt Money Market Funds	226,975,000	-	-	226,975,000
Total Primary Government and Custodial Funds	\$ 241,357,438	\$ 172,499,725	\$ 10,543,700	\$ 424,400,863
Component Units:				
Local Government Investment Pools	\$ 84,859,673	\$ -	\$ -	\$ 84,859,673
Wells Fargo Sweep Account	1,977,664	-	-	1,977,664
Total Component Units	\$ 86,837,337	\$ -	\$ -	\$ 86,837,337
Total Investments	\$ 328,194,775	\$ 172,499,725	\$ 10,543,700	\$ 511,238,200

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As of December 31, 2025, the County had invested in local government investment pools which include the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE). The local government investment pools are investment vehicles which were established for local government entities in Colorado to pool surplus funds. Both pools are like money market funds, with each share valued at \$1.00.

COLOTRUST offers shares in COLOTRUST PLUS+. This portfolio may invest in U.S. Treasury securities, Federal Instrumentality Securities, Agency Securities, Collateralized Bank Deposits, Repurchase Agreements, and Tri-Party Repurchase Agreements. COLOTRUST PLUS+ may also invest in Commercial Paper that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized statistical rating organizations that regularly rate such obligations, and highly rated corporate bonds. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal mechanisms of the pooled funds. The custodian's internal records identify the investments owned by each pool investor. The investment pools are routinely monitored by the Colorado Division of Securities regarding operations and investments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. As of December 31, 2025, the County, including component units, had \$84,224,329 invested in COLOTRUST.

As of December 31, 2025, the County, including component units, had \$5,244,307 invested in the Colorado Surplus Asset Fund Trust (CSAFE Cash). CSAFE is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements creating and operating CSAFE. Investments in the external investment pool are shown at amortized cost for financial reporting purposes. CSAFE is rated AAAM by Standard and Poor's. Investments of CSAFE are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

As of December 31, 2025, the County, including component units, had \$9,773,475 invested in the Colorado Surplus Asset Fund Trust Core fund (CSAFE Core). CSAFE Core is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements for creating and operating CSAFE Core. Investments in the external investment pool are shown at net asset value (NAV) for financial reporting purposes. CSAFE Core is rated AAAs by Fitch. Investments of CSAFE Core are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, redemptions are limited to three redemptions per month, and there is a 24-hour notification required for redemption.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization including Standard & Poor's (S&P), Moody's Investor Service (Moody's) and Fitch Ratings (Fitch). Currently, the County has no formal credit risk policy. The following table displays the ratings for the County's investments at December 31, 2025:

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Investment Type	S&P AAA	S&P AA+	N/A	A	A-	Fitch AAAF	Total
Primary Govt and Custodial Funds:							
U.S. Agency Securities:							
Federal Agricultural Mortgage Corp	\$ -	\$ 5,028,850	\$ -	\$ -	\$ -	\$ -	\$ 5,028,850
Federal Farm Credit Bank	-	40,640,730	-	-	-	-	40,640,730
Federal Home Loan Bank	-	54,733,845	-	-	-	-	54,733,845
Federal Home Loan Mortgage Corp	-	-	-	-	-	-	-
Federal National Mortgage Association	-	15,821,200	-	-	-	-	15,821,200
Local Government Investment Pools	5,244,306	-	-	-	-	9,138,132	14,382,438
Corporate Bonds	-	-	-	10,221,200	4,997,050	-	15,218,250
U.S. Govt Money Market Funds	226,975,000	-	-	-	-	-	226,975,000
U.S. Treasury Obligations	-	5,026,900	46,573,650	-	-	-	51,600,550
Total Primary Govt and Custodial Funds	\$ 232,219,306	\$ 121,251,525	\$ 46,573,650	\$ 10,221,200	\$ 4,997,050	\$ 9,138,132	\$ 424,400,863
Component Units:							
Local Government Investment Pools	\$ 84,224,329	\$ -	\$ -	\$ -	\$ -	\$ 635,344	\$ 84,859,673
Wells Fargo Sweep Account	1,977,664	-	-	-	-	-	1,977,664
Total Component Units	\$ 86,201,993	\$ -	\$ -	\$ -	\$ -	\$ 635,344	\$ 86,837,337
Total Investments	\$ 318,421,299	\$ 121,251,525	\$ 46,573,650	\$ 10,221,200	\$ 4,997,050	\$ 9,773,476	\$ 511,238,200

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's safekeeping bank must meet the following requirements under the County's investment policy: the purchase and sale of securities and repurchase agreements shall be settled on a delivery versus payment basis, ownership of all securities shall be perfected in the name of the County Treasurer, and sufficient evidence to title shall be consistent with modern investment, banking, and commercial practices. At December 31, 2025, all of the County's investments are held in the name of the County.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment instrument, the greater the sensitivity of its fair value to changes in market interest rates. The County's investment policy maintains that the portfolio is to remain sufficiently liquid to meet all cash requirements that may be reasonably anticipated. One of the ways the County manages its exposure to interest rate risk is by laddering maturities evenly to provide continuous cash flow and liquidity needed for operations. In accordance with its investment policy, the County's investments are limited to maturities not exceeding five years from the date of trade settlement.

Concentration Risk

Concentration risk is the risk of loss attributed to the magnitude of the County's investments in a single issuer. The County's investment policy states that the County shall diversify its investments to avoid incurring unreasonable risks inherent in over-investment in specific instruments, individual financial institutions, or maturities. The County seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the County to meet its anticipated cash requirements. Investments in any one issuer (other than mutual funds and external investment pools) that represent 5% or more of the County's total investments are as follows:

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Investment Type	Fair Value	Percent of Investment Portfolio
John Deere Cap	\$ 10,221,200	6%
Federal National Mortgage Association	15,821,200	9%
Federal Farm Credit Banks	40,640,730	22%
Treasury Note	46,573,650	25%
Federal Home Loan Bank	54,733,845	30%

As of December 31, 2025, the component units had no investment in one issuer (other than mutual funds and external investment pools) that represents 5% or more of total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. All the County's investments, including its holdings in foreign corporate bonds, are denominated in U.S. currency and, therefore, not subject to foreign currency risk.

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2025:

Investment	12/31/2025	Level 1	Level 2
U.S. Agency Securities	\$ 116,224,625	\$ -	\$ 116,224,625
U.S. Treasury Obligations	51,600,550	51,600,550	-
Corporate Bonds	15,218,250	-	15,218,250
	<u>183,043,425</u>	<u>\$ 51,600,550</u>	<u>\$ 131,442,875</u>

Amortized Cost:

Local Government Investment Pools	5,244,307
Money Market Funds	226,975,000
	<u>232,219,307</u>

Net Asset Value (NAV)

Local Government Investment Pools	9,138,131
	<u>\$ 424,400,863</u>

The Component Unit investments include Local Government Investment Pools that have a fair value measurement of \$84,224,329 at net asset value and \$2,613,008 at amortized cost.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 5: INTERFUND RECEIVABLE AND PAYABLE BALANCES AND TRANSFERS

Interfund receivable and payable balances arise due to short-term cash flow needs in certain non-major governmental funds. On December 31, 2025, the balances are as follows:

	Due To	Due From
General Fund	\$ 1,357,062	\$ -
Non-Major Governmental Funds	-	1,357,062
Total	\$ 1,357,062	\$ 1,357,062

During 2025, the County transferred monies among various funds with the purpose being to support the ongoing operations of the receiving fund. The Transfer from General Fund is primarily for \$5.6 million to Liability Insurance Fund to establish a fund balance, cover additional claims and increase premium costs, for \$6.0 million to the Capital Expenditure fund with \$3.0 million for buildout of a third courtroom and for the domestic violence cases transition from municipal court, and \$3.0 million for capital project funding, for \$1.3 million to the Infrastructure Fund for infrastructure funding, and for \$390,000 to the Workers Compensation Fund for additional claims.

The Transfer from Non-Major Governmental Funds is primarily for \$1.35 million from the Capital Expenditure Fund to the Infrastructure Fund for various projects, for \$559,900 from Conservation Trust Fund to the Lease Purchase Agreement Fund for Arapahoe County Fairgrounds lease payments, and for \$276,125 from Road and Bridge Fund to Central Services Fund for fixed asset purchase and upgrades.

The transfers between funds as of December 31, 2025 are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 14,597,735
Social Services Fund	50,198	48,081
Open Spaces Sales Tax Fund	-	169,554
Grant Fund	-	2,000
Internal Service Funds	8,140,756	37,514
Non-Major Governmental Funds	8,925,117	2,261,187
Total	\$ 17,116,071	\$ 17,116,071

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 6: CAPITAL ASSETS

Primary Government

The capital asset activity for the Arapahoe County primary government as of December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 45,963,553	\$ 819,362	\$ -	\$ -	\$ 46,782,915
Easements	4,322,860	-	-	-	4,322,860
Right of Ways	318,073,633	-	-	-	318,073,633
Water Rights	51,616,042	-	-	-	51,616,042
Construction in Progress	43,565,639	33,228,543	(39,389,967)	-	37,404,215
Total Capital Assets Not Being Depreciated	<u>463,541,727</u>	<u>34,047,905</u>	<u>(39,389,967)</u>	<u>-</u>	<u>458,199,665</u>
Capital Assets Being Depreciated:					
Land Improvements	60,183,374	170,941	6,651,741	-	67,006,056
Buildings	351,579,518	2,291	32,512,210	-	384,094,019
Furniture and Equipment	92,997,237	6,197,625	100,000	(10,718,620)	88,576,242
Infrastructure	434,165,505	1,773,293	126,016	-	436,064,814
Total Capital Assets Being Depreciated	<u>938,925,634</u>	<u>8,144,150</u>	<u>39,389,967</u>	<u>(10,718,620)</u>	<u>975,741,131</u>
Lease Assets					
Lease Assets - Land	2,600,000	-	-	-	2,600,000
Lease Assets - Building & Equipment*	20,536,638	289,840	-	(2,561,477)	18,265,001
Information Technology Subscriptions*	987,967	11,018,340	-	(39,095)	11,967,212
Total Lease Assets	<u>24,124,605</u>	<u>11,308,180</u>	<u>-</u>	<u>(2,600,572)</u>	<u>32,832,213</u>
Less Accumulated Depreciation:					
Land Improvements	(18,232,575)	(3,290,033)	-	-	(21,522,608)
Buildings	(223,039,016)	(12,564,120)	-	-	(235,603,136)
Furniture and Equipment	(73,619,609)	(6,892,380)	-	10,694,692	(69,817,297)
Infrastructure	(215,534,453)	(10,455,873)	-	-	(225,990,326)
Leases Assets - Building & Equipment*	(10,313,706)	(818,075)	-	2,045,170	(9,086,611)
Information Technology Subscriptions*	(734,559)	(1,460,583)	-	39,095	(2,156,047)
Total Accumulated Depreciation	<u>(541,473,918)</u>	<u>(35,481,064)</u>	<u>-</u>	<u>12,778,957</u>	<u>(564,176,025)</u>
Total Capital Assets Being Depreciated, Net	<u>418,976,321</u>	<u>(16,028,734)</u>	<u>39,389,967</u>	<u>(501,140)</u>	<u>441,797,319</u>
Total Primary Government Capital Assets, Net	<u>\$ 885,118,048</u>	<u>\$ 18,019,171</u>	<u>\$ -</u>	<u>\$ (501,140)</u>	<u>\$ 902,596,984</u>

*Balances are restated to include capital assets from Office of the District Attorney, Eighteenth Judicial district due to the implementation of House Bills 20-1026.

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Depreciation and amortization expense charged to functions/programs of the primary government during the year ended December 31, 2025 as follows:

General Government	\$ 9,978,399
Public Safety	6,792,865
Judicial Services	346,886
Health and Welfare	1,766,062
Highways and Streets	9,786,003
Water and Wastewater	3,449,989
Culture and Recreation	3,360,860
Total Governmental Activities Depreciation and Amortization Expense	\$ 35,481,064

Discretely presented component units

Capital asset activity for the Arapahoe County Public Health for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 167,380	\$ -	\$ -	\$ 167,380
Lease Assets - Building	2,325,918	-	-	2,325,918
Total Capital Assets Being Depreciated	2,493,298	-	-	2,493,298
Less Accumulated Depreciation:				
Furniture and Equipment	(26,585)	(19,939)	-	(46,524)
Lease Assets - Building	(1,396,502)	(510,761)	-	(1,907,263)
Total Accumulated Depreciation	(1,423,087)	(530,700)	-	(1,953,787)
Total Public Health Capital Assets, Net	\$ 1,070,211	\$ (530,700)	\$ -	\$ 539,511

Capital asset activity for the 911 Authority for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital Assets Not Being Depreciated:					
Construction in Progress	\$ 317,207	\$ -	\$ (317,207)	\$ -	\$ -
Total Capital Assets Not Being Depreciated	317,207	-	(317,207)	-	-
Capital Assets Being Depreciated:					
Furniture and Equipment	5,383,317	324,775	317,207	(1,009,206)	5,016,093
Lease Assets - Software	213,763	-	-	-	213,763
Total Capital Assets Being Depreciated	5,597,080	324,775	317,207	-	5,229,856
Less Accumulated Depreciation:					
Furniture and Equipment	(1,839,468)	(755,614)	-	1,009,206	(1,585,876)
Lease Assets - Software	(85,506)	(42,753)	-	-	(128,259)
Total Accumulated Depreciation	(1,924,974)	(798,367)	-	-	(1,714,135)
Total 911 Authority Capital Assets, Net	\$ 3,989,313	\$ (473,592)	-	\$ -	\$ 3,515,721

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Notes to the Financial Statements (Continued)
December 31, 2025

Capital asset activity for the Arapahoe County Public Airport Authority for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital Assets Not Being Depreciated:					
Construction in Progress	\$ 15,073,655	\$ 11,260,267	\$ (5,949,004)	\$ -	\$ 20,384,918
Land	21,858,608	-	10,000		21,868,608
Restrictive covenant on land	1,000,000	-	-	-	1,000,000
Total Capital Assets Not Being Depreciated	37,932,263	11,260,267	(5,939,004)	-	43,253,526
Capital Assets Being Depreciated:					
Site Improvements	1,033,491	-	-	-	1,033,491
Buildings and Improvements	38,990,966	27,300	3,458,983	-	42,477,249
Runways, Taxiways and Ramps	75,291,414	9,572	1,149,301	-	76,450,287
Furniture and Equipment	13,694,133	496,568	1,330,720	(309,878)	15,211,543
Subscription Assets	21,619	440,336	-	-	461,955
Total Capital Assets Being Depreciated	129,031,623	973,776	5,939,004	(309,878)	135,634,525
Less Accumulated Depreciation:					
Site Improvements	(820,352)	(21,265)	-	-	(841,617)
Buildings and Improvements	(19,135,348)	(1,393,859)	-	-	(20,529,207)
Runways, Taxiways and Ramps	(56,032,670)	(4,180,663)	-	-	(60,213,333)
Furniture and Equipment	(9,440,191)	(926,231)	-	309,245	(10,057,177)
Subscription Assets	-	(73,941)	-	-	(73,941)
Total Accumulated Depreciation	(85,428,561)	(6,595,959)	-	309,245	(91,715,275)
Total Capital Assets Being Depreciated, Net	43,603,062	(5,622,183)	5,939,004	(633)	43,919,250
Total Airport Authority Capital Assets, Net	\$ 81,535,325	\$ 5,638,084	\$ -	\$ (633)	\$ 87,172,776

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Capital Asset Activity for the Arapahoe County Water and Wastewater Authority for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 2,944,775	\$ -	\$ -	\$ 2,944,775
Water rights	94,608,839	570,050	-	95,178,889
Water System Operations Easement	4,434,913	-	-	4,434,913
Construction in progress	16,580,537	7,157,129	(12,177,730)	11,559,936
Total Capital Assets Not Being Depreciated	<u>118,569,064</u>	<u>7,727,179</u>	<u>(12,177,730)</u>	<u>114,118,513</u>
Capital Assets Being Depreciated:				
Water system	89,294,057	2,978,334	(170,105)	92,102,286
Sewer system	14,982,170	3,152,137	(18,284)	18,116,023
Water rights	34,174,352	-	-	34,174,352
Building, equipment and projects	2,173,543	5,544,403	(22,160)	7,695,786
Total Capital Assets Being Depreciated	<u>140,624,122</u>	<u>11,674,874</u>	<u>(210,549)</u>	<u>152,088,447</u>
SBITA Assets				
Software	<u>79,665</u>	<u>-</u>	<u>-</u>	<u>79,665</u>
Less Accumulated Depreciation/Amortization:				
Water system	(30,483,169)	(2,904,022)	166,486	(33,220,705)
Sewer system	(8,080,888)	(902,940)	18,284	(8,965,544)
Water rights	(2,445,955)	(140,391)	-	(2,586,346)
Building, equipment and projects	(1,941,132)	(74,718)	22,160	(1,993,690)
Software	(60,530)	(19,135)	-	(79,665)
Total Accumulated Depreciation/Amortization	<u>(43,011,674)</u>	<u>(4,041,206)</u>	<u>206,930</u>	<u>(46,845,950)</u>
Total Capital Assets Being Depreciated/Amortized, Net	<u>97,692,113</u>	<u>7,633,668</u>	<u>(3,619)</u>	<u>105,322,162</u>
Total Arapahoe County Water and Wastewater Authority Capital Assets, Net	<u>\$ 216,261,177</u>	<u>\$ 15,360,847</u>	<u>\$ (12,181,349)</u>	<u>\$ 219,440,675</u>

NOTE 7: DEFERRED INFLOWS OF RESOURCES – UNAVAILABLE REVENUE

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e., measurable and available to finance expenditures of the current period). Governmental funds report deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. The County considers revenues available if they are collected within 60 days after year-end. On December 31, 2025 items considered unavailable to finance expenditures of the current fiscal period totaled \$1,705,013.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 8: CAPITAL COMMITMENTS

The County has contractual commitments for capital construction projects, capital asset purchase contracts, information technology and communication services, professional services, rent and other services as of December 31, 2025. These encumbrances are re-appropriated against the subsequent year's budget. The amount of these commitments re-appropriated at year end was:

Fund	Amount
General Fund	\$ 5,339,319
Social Services	261,059
Open Spaces Sales Tax	61,610,216
Nonmajor Governmental	<u>49,478,940</u>
Total Governmental Funds	<u>116,689,534</u>
Central Services	3,949,191
Total Internal Service Funds	<u>3,949,191</u>
 Grand Total	 <u><u>\$ 120,638,725</u></u>

Developers contribute funds to the County to help pay for County infrastructure costs related to their developments. The contributions are recorded as revenue in the capital project fund. These infrastructure projects are typically completed after the contributions are received and recorded as revenue. The probability that the County will ultimately fail to complete a project for which a developer has contributed funds is remote and does not justify the recording of a liability in the financial statements. During 2025, \$728,149 was contributed to the County by developers and is recorded as revenue for which development improvement projects must be completed by the County in the future.

NOTE 9: DEFERRED COMPENSATION PLANS

The County offers its employees an opportunity to participate voluntarily in a deferred compensation plan. This plan, created in accordance with Internal Revenue Code Section 457, is maintained by a third-party administrator, Empower Retirement, LLC. The plan permits employees to defer a portion of their salary until future years. In 2025, employees could voluntarily elect to have amounts withheld from their compensation. For employees 50 years or younger, employees could withhold up to \$23,000 per year. For employees over 50 years of age, employees could withhold up to \$31,000 per year. The amounts withheld are deposited in each participant's account, according to each participant's investment direction, making the plan funded. The deferred compensation balance is not available to employees until termination, retirement, death, or an unforeseeable emergency.

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

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 10: CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2025, is as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
General obligation bonds payable - Direct Borrowings and Direct Placements					
ACWWA PID 2012 Refunding Bonds	\$ 37,295,000	\$ -	\$ 3,415,000	\$ 33,880,000	\$ 3,720,000
ACWWA PID 2015 Refunding Bonds	22,250,000	-	1,020,000	21,230,000	960,000
ACWWA PID 2019 Refunding Bonds	49,935,000	-	870,000	49,065,000	870,000
2012 Series Premium	401,944	-	80,585	321,359	74,341
2019 Refunding Premium	2,463,258	-	224,411	2,238,847	218,234
Total Bonds Payable	112,345,202	-	5,609,996	106,735,206	5,842,575
Leases:					
Lima Ridge Lease Purchase	3,785,000	-	615,000	3,170,000	620,000
Fairgrounds Expansion Project Lease Purchase	2,581,365	-	485,937	2,095,428	500,653
Building and Equipment Leases	447,295	289,841	348,871	388,265	245,287
SBITAs Payable	260,307	11,018,340	890,130	10,388,517	956,060
Total Leases	7,073,967	11,308,181	2,339,938	16,042,210	2,322,000
Landfill - Post closure costs payable	7,926,057	216,709	272,654	7,870,112	268,370
Compensated absences	21,908,472	22,629,329	19,265,230	25,272,571	2,594,791
Total Long-term Liabilities	\$ 149,253,698	\$ 34,154,219	\$ 27,487,818	\$ 155,920,099	\$ 11,027,736

The Arapahoe County Water and Wastewater Public Improvement District (PID) Bonds are paid out of a Capital Projects Fund. All other General Long-Term Debt (except compensated absences) is paid for out of the Debt Service Funds.

Arapahoe County government has Outstanding General Obligation Bonds from direct borrowings and direct placements related to governmental activities totaling \$104,175,000. The primary source of revenues for repayment of direct borrowings and direct placements of debt are the ad valorem taxes levied against property within the County and District.

Governmental Activities (Direct Borrowings and Direct Placements)

	Total	
	Principal	Interest
2026	5,550,000	3,353,300
2027	5,810,000	3,159,800
2029	6,070,000	2,966,500
2029	6,340,000	2,763,306
2030	6,620,000	2,550,169
2031-2035	37,720,000	9,164,781
2036-2039	36,065,000	2,710,650
	\$ 104,175,000	\$ 26,668,506

Regarding terms specified in debt agreements related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective acceleration clauses, the following is noted for Bonds.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

In each Bond, there are no provisions for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of the principal or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year. Upon an event of default under the Bond Resolutions are in many respects dependent upon judicial actions which are often subject to discretion and delay under existing constitutional and statutory law and judicial decisions, including specifically the United States Bankruptcy Code. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity (related to direct borrowing/direct placement for governmental activities).

The County has no lines of credit.

Bonds

Arapahoe County Water and Wastewater Public Improvement District Series 2012 Refunding Bonds

On September 27, 2012, the Arapahoe County Water & Wastewater Public Improvement District issued General Obligation Refunding Bonds in the amount of \$59,020,000 to refund the Arapahoe County Water & Wastewater Public Improvement District 2002 Series A & B Bonds. The fixed interest rates of these bonds range from 2.25% to 4.00%.

The refunding of the Arapahoe County Water & Wastewater Public Improvement District 2002 Series A & B Bonds resulted in a deferred outflow of resources of \$202,518 as of December 31, 2025, and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2026	\$ 3,720,000	\$ 1,016,400	\$ 4,736,400
2027	4,060,000	904,800	4,964,800
2028	4,420,000	783,000	5,203,000
2029	4,795,000	650,400	5,445,400
2030	5,200,000	506,550	5,706,550
2031-2032	11,685,000	532,500	12,217,500
Total	\$ 33,880,000	\$ 4,393,650	\$ 38,273,650

Arapahoe County Water and Wastewater Public Improvement District General Obligation Refunding Bonds, Series 2015

On June 23, 2015, the Arapahoe County Water & Wastewater Public Improvement District issued General Obligation Refunding Bonds, Series 2015 in the amount of \$25,930,000 with fixed interest rates ranging from 2% to 5%.

The refunding of the Arapahoe County Water & Wastewater Public Improvement District Series 2005 Bonds resulted in a deferred outflow of resources of \$15,944 as of December 31, 2025, and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Date	Principal	Interest	Total
2026	\$ 960,000	\$ 800,056	\$ 1,760,056
2027	800,000	761,657	1,561,657
2028	635,000	737,656	1,372,656
2029	455,000	717,813	1,172,813
2030	260,000	703,025	963,025
2031-2035	18,120,000	2,731,375	20,851,375
Total	\$ 21,230,000	\$ 6,451,582	\$ 27,681,582

Arapahoe County Water and Wastewater Public Improvement District (ACWW PID) General Obligation Refunding Bonds, Series 2019

On December 19, 2019, ACWW PID issued \$53,120,000 of General Obligation Refunding Bonds, Series 2019, with interest rates ranging from 2.125% to 5.00% to refund the outstanding Refunding Bonds, Series 2009 A & B Bonds. As a result, the Series 2009 A & B Bonds are defeased, and the related liability for the Series 2009 A & B Bonds has been removed from the County's liabilities.

The current refunding of the ACWW PID Series 2009 A & B Bonds resulted in a deferred outflow of resources of \$41,993 as of December 31, 2025, that is required by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, to be amortized over the life of the new debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2026	\$ 870,000	\$ 1,536,844	\$ 2,406,844
2027	950,000	1,493,343	2,443,344
2028	1,015,000	1,445,844	2,460,844
2029	1,090,000	1,395,094	2,485,094
2030	1,160,000	1,340,593	2,500,593
2031-2035	7,915,000	5,900,906	13,815,906
2036-2039	36,065,000	2,710,651	38,775,650
Total	\$ 49,065,000	\$ 15,823,275	\$ 64,888,275

Leases

Lima Ridge Lease Purchase

The County entered into a lease agreement with Banc of America Public Capital Corp. on May 19, 2011. The lease financed the purchase of the Lima Ridge Professional Center located at 6924 South Lima Street, Centennial, Colorado.

On December 1, 2021, the 2011 Lease was amended to refinance the remaining amount at an interest rate of 1.1545% with an updated payment schedule from January 2022 through November 2030 to reflect the decreased interest costs from the previous interest rate of 4.50%. Fiscal charges of \$77,520 associated with amending the lease agreement were added to the principal amount of the lease to be repaid over the remaining term of the lease agreement.

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

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Date	Principal	Interest	Total
2026	\$ 620,000	\$ 36,598	\$ 656,598
2027	625,000	29,440	654,440
2028	635,000	22,224	657,224
2029	640,000	14,893	654,893
2030	650,000	7,504	657,504
Total	\$ 3,170,000	\$ 110,659	\$ 3,280,659

Fairgrounds Expansion Project Lease Purchase

On August 12, 2014, the County entered into a lease agreement with JPMorgan Chase Bank, N.A., to finance the expansion of the west side of the County Fairgrounds exhibition hall and to construct an outdoor horse arena for equestrian and livestock events.

Semi-annual payments are due for the period August 2014 through August 2029. The average interest rate is 2.84% per annum.

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

Date	Principal	Interest	Total
2026	\$ 500,654	\$ 59,247	\$ 559,901
2027	515,814	44,086	559,900
2028	531,434	28,466	559,900
2029	547,526	12,373	559,899
Total	\$ 2,095,428	\$ 144,172	\$ 2,239,600

Building Leases

On March 31, 2017, the County entered into a lease agreement with City Center, LLC to lease office space within the City Center Market Place located at 15300 – 15390 Alameda Parkway and 402 – 586 S. Chambers Road, Aurora, Colorado. Monthly payments are due for the period July 2017 through June 2027.

On October 27, 2005, the County entered into a lease agreement with Southfield Plaza, LLC, successor to the Jean Wilcox Price Living Trust to lease the office space located at 12649 East Caley Avenue, Suite 114, Centennial, Colorado. The lease was amended by Addendum I dated September 26, 2006, amended by Addendum II dated October 9, 2007, amended by Addendum III dated September 29, 2008, amended by Addendum IV dated September 30, 2009, amended by Addendum V dated July 2, 2012, amended by Addendum VI dated July 7, 2015, and amended by Addendum VII dated June 19, 2018. Monthly payments are due for the period November 2005 through October 2026.

On January 1, 2025, the County entered into a lease agreement with Independent Financial to lease office space within the Independent Bank Building located at 538 North Highway 36, Byers, Colorado. Lease payments are due annually for the period January 2025 through December 2027.

The County's incremental borrowing rates for the above leases range from 1.1545% to 4.68% per annum.

On January 1, 2025, the County entered into a vehicle lease agreement with Enterprise FM Trust for vehicles utilized by the Office of the District Attorney, Eighteenth Judicial District. The lease requires monthly payments over the term

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

from January 2025 through September 2030, with options to purchase the vehicles. Monthly interest rates on the lease range from 0.4858% to 0.6675%.

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

Date	Principal	Interest	Total
2026	\$ 245,287	\$ 13,500	\$ 258,787
2027	47,600	8,315	55,915
2028	32,561	5,710	38,271
2029	34,942	3,328	38,270
2030	27,875	829	28,704
Total	\$ 388,265	\$ 31,682	\$ 419,947

Subscription-Based Information Technology Arrangements (SBITAs) Payable

The County has entered into subscription-based information technology arrangements (SBITAs) for public safety, public works, and administrative purposes. The SBITAs expire at various dates through 2035 and provide for renewal options. For the year ended December 31, 2025, there are no variable payments associated with the SBITAs. The following schedule represents future subscription payments for SBITAs:

Date	Principal	Interest	Total
2026	\$ 956,062	\$ 290,206	\$ 1,246,268
2027	1,003,437	263,601	1,267,038
2028	1,053,773	235,677	1,289,450
2029	1,084,671	206,349	1,291,020
2030	1,087,822	176,137	1,263,959
2031-2035	5,202,752	427,517	5,630,269
Total	\$ 10,388,517	\$ 1,599,487	\$ 11,988,004

Landfill – Post-Closure Costs

The County previously owned and operated a landfill. This landfill was closed in 1987 and is no longer in operation. The County shares remedial action expenses with Waste Management Inc. with the County responsible for 75%. Each year, Waste Management bills the County when actual costs have been determined. The County's cost for 2024 was \$272,655 (paid in 2025) and \$268,370 for 2025 (paid in 2026). When the landfill was closed in 1987, the State Department of Public Health and Environment placed the landfill on a 30-year monitoring program. After 30 years, provided all testing was satisfactory, the County would no longer be liable for ongoing monitoring costs. During 2017, the original 30-year monitoring program ended, and the State Department of Public Health and Environment re-evaluated the landfill and placed the landfill on another 30-year monitoring program. Therefore, the best estimate of liability is \$7,870,112 as of December 31, 2025, with \$268,370 being payable within one year. However, the actual post-closure costs may be higher or lower due to inflation/deflation and changes in technology or in applicable laws and regulations. This amount is recorded as a long-term liability on the government-wide financial statements as of December 31, 2025.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 11: DISCRETELY PRESENTED COMPONENT UNIT DEBT

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

Arapahoe County Public Health Department

Long-term liability activity for the year ended December 31, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Building Leases	\$ 972,138	\$ -	\$ 529,616	\$ 442,522	\$ 136,599
Compensated Absences	1,032,840	1,358,564	1,032,840	1,358,564	121,197
Total Long-term Liabilities	<u>\$ 2,004,978</u>	<u>\$ 1,358,564</u>	<u>\$ 1,562,456</u>	<u>\$ 1,801,086</u>	<u>\$ 257,796</u>

Building Leases

On September 29, 2022, the Arapahoe County Board of Health on behalf of Arapahoe County Public Health Department entered into a lease agreement with Cordes & Company LLC to lease office space of approximately 51,688 rentable square feet located within the building known as Atrium III stated at 6162 South Willow Drive, Greenwood Village, Colorado. Monthly payments are due for the period January 2023 through August 2025. This lease terminated in 2025.

On November 1, 2022, the Arapahoe County, Board of Health on behalf of Arapahoe County Public Health Department entered into a lease agreement with Cordes & Company LLC to lease office space of approximately 11,520 rentable square feet located within the shopping center known as Shoppes at Hampden Villa situated at 15192 E. Hampden Avenue, Aurora, Colorado, for a lease term scheduled to expire on January 31, 2024. On October 27th, 2023, this lease agreement was extended for a period of five years commencing February 1, 2024, and expiring January 31, 2029. Monthly payments are due for the period January 2023 through January 2029.

The County's incremental borrowing rate for these leases is 4.68% per annum.

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

Date	Principal	Interest	Total
2026	\$ 136,599	\$ 17,805	\$ 154,404
2027	143,131	11,273	154,404
2028	149,975	4,429	154,404
2029	12,817	50	12,867
	<u>\$ 442,522</u>	<u>\$ 33,557</u>	<u>\$ 476,079</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Arapahoe County 911 Authority

Long-term liability activity for the year ended December 31, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
SBITAs Payable	\$ 128,079	\$ -	\$ 40,756	\$ 87,323	\$ 42,663
Total Long-term Liabilities	<u>\$ 128,079</u>	<u>\$ -</u>	<u>\$ 40,756</u>	<u>\$ 87,323</u>	<u>\$ 42,663</u>

Subscription-Based Information Technology Arrangements (SBITAs) Payable

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

Date	Principal	Interest	Total
2026	\$ 42,663	\$ 4,087	\$ 46,750
2027	44,660	2,090	46,750
	<u>\$ 87,323</u>	<u>\$ 6,177</u>	<u>\$ 93,500</u>

Arapahoe County Public Airport Authority

Long-term liability activity for the year ended December 31, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Notes Payable	\$ 3,438,708	\$ -	\$ 828,102	\$ 2,610,606	\$ 848,805
Subscription Payable	-	440,336	70,429	369,907	76,453
Total Long-term Liabilities	<u>\$ 3,438,708</u>	<u>\$ 440,336</u>	<u>\$ 828,102</u>	<u>\$ 2,980,513</u>	<u>\$ 925,258</u>

Note Payable

In 2018, the Authority obtained a loan in the amount of \$8 million in order to finance construction of an aviation community and administrative facility. The loan bears interest at the rate of 2.5% on the unpaid balance, compounded annually. The Authority is making 10 annual installments in the amount of \$914,070. The loan is secured with loan proceeds from financing a building. The outstanding balance as of December 31, 2025 is \$2,610,606.

Date	Principal	Interest	Total
2026	\$ 848,805	\$ 65,265	\$ 914,070
2027	870,025	44,045	914,070
2028	891,776	22,294	914,070
	<u>\$ 2,610,606</u>	<u>\$ 131,604</u>	<u>\$ 2,742,210</u>

SBITAs Payable

The Authority has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2029. The SBITAs do not have any associated variable payments. At December 31, 2025 and 2024, the Authority had subscription liabilities of \$369,907 and \$0, respectively.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Date	Principal	Interest	Total
2026	\$ 76,453	\$ 28,442	\$ 104,895
2027	86,467	21,575	108,042
2028	97,461	13,822	111,283
2029	109,526	5,094	114,620
	<u>\$ 369,907</u>	<u>\$ 68,933</u>	<u>\$ 438,840</u>

Commitments and Contingencies - Rental Agreements

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

Year	Amount
2026	\$ 2,941,602
2027	2,799,844
2028	2,845,631
2029	2,889,466
2030	2,898,422
Thereafter	240,839,892
	<u>\$ 255,214,857</u>

Revenues under these leases amounted to \$5,681,069 during 2025. Included in this amount are a percentage of revenue fees associated with these leases.

The Authority has entered into lease agreements with the FAA to lease approximately 2,100 square feet of the Authority's tower and approximately 4,050 square feet of the Authority's tower office building. The Authority entered into a new lease agreement with the FAA to lease approximately 4,050 square foot of the Authority's tower office building commencing on December 1, 2020. On December 14, 2023, the Authority entered into a lease agreement with the FAA to lease the Authority's tower. Rental income under these leases amounted to \$209,559 and \$183,700 during 2025 and 2024. The earning stream from these agreements is included in the amounts disclosed above.

Arapahoe County Water and Wastewater Authority (ACWWA)

ACWWA's long-term liabilities consisted of the following for the year ended December 31, 2025:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Series 2016 Revenue Bonds	\$ 11,170,000	\$ -	\$ 1,055,000	\$ 10,115,000	\$ 1,100,000
2016 Bond Premium	1,118,434	-	125,430	993,004	-
Series 2017 Revenue Bonds	9,815,000	-	915,000	8,900,000	950,000
2017 Bond Premium	673,225	-	75,503	597,722	-
Series 2019 Revenue Bonds	62,330,000	-	2,115,000	60,215,000	2,215,000
2019 Bond Premium	8,750,963	-	586,657	8,164,306	-
CWCB note payable	3,872,064	-	171,126	3,700,938	174,377
Total Bonds Payable	97,729,686	-	5,043,716	92,685,970	4,439,377
SBITA Payable	20,008	-	20,008	-	-
Compensated Absences	438,299	-	11,608	426,691	426,691
Total Long-term Liabilities	\$ 98,187,993	\$ -	\$ 5,075,332	\$ 93,112,661	\$ 4,866,068

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Series 2016 Revenue Refunding Bonds

On October 4, 2016, ACWWA issued \$16,475,000 of Revenue Refunding Bonds, Series 2016, with interest rates ranging from 2.00% to 4.00% to refund the outstanding Refunding Bonds, Series 2006. As a result, the 2006 refunding bonds are considered to be defeased, and the related liability for the Series 2006 bonds has been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the next six years by \$3,392,816 and to realize an economic gain of \$3,040,287. Principal and interest are due June 1 and December 1 in varying amounts through December 1, 2033.

Series 2017 Revenue Refunding Bonds

On August 22, 2017, ACWWA issued \$12,720,000 of Revenue Refunding Bonds, Series 2017, with interest rates ranging from 2.00% to 4.00% to refund the outstanding Refunding Bonds, Series 2007. As a result, the 2007 refunding bonds are defeased, and the related liabilities for the Series 2007 bonds have been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the term of the bonds by \$2,440,100 and to realize an economic gain of \$2,345,844. Principal and interest are due June 1 and December 1 in varying amounts through December 1, 2033.

Series 2019 Revenue Refunding Bonds

On October 22, 2019, ACWWA issued \$71,485,000 of Revenue Refunding Bonds, Series 2019, with interest rates ranging from 4.00% to 5.00% to refund the outstanding Refunding Bonds, Series 2009A. As a result, the 2009A revenue bonds are considered to be defeased, and the related liability for the Series 2009A bonds has been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the term of the bonds by \$15,451,417 and to realize an economic gain of \$12,497,890. Principal and interest payments are due June 1 and December 1 in varying amounts through December 1, 2039.

Colorado Water Conservation Board Note Payable

In August 2020, ACWWA entered into an agreement with the Colorado Water Conservation Board (CWCB) for a loan in the amount of \$2,525,000 to be used for the Chambers Reservoir Line Rehabilitation project. The loan agreement calls for an interest rate of 1.9% payable over a period of 20 years. In August 2021, ACWWA and CWCB amended this agreement and increased the amount to be drawn on loan to \$4,040,000. Principal and interest payments are due each March 1 in the amount of \$244,695 through March 1, 2043.

Pledged Revenue and Debt Coverage Requirements

Over the years, ACWWA has issued revenue bonds to fund capital projects and infrastructure of its water and sewer system, which has pledged "net revenue" (all income and revenues directly or indirectly derived by ACWWA less operation and maintenance expenses) toward the repayment of the revenue bonds noted above. Revenues are pledged until the bonds are paid off in full or refunded in full. Pledged revenues recognized for the year ended December 31, 2025 were \$28,028,223. Debt service payments for the year ended December 31, 2025, were \$7,773,693.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

ACWWA's long-term obligations related to its bonds and notes payable will mature as follows:

Date	Principal	Interest	Total
2026	\$ 4,439,377	\$ 3,309,718	\$ 7,749,095
2027	4,642,691	3,113,655	7,756,346
2028	4,846,067	2,908,429	7,754,496
2029	5,059,507	2,693,988	7,753,495
2030-2034	28,546,471	10,228,555	38,775,026
2035-2039	34,462,829	4,268,649	38,731,478
2040-2043	933,996	44,783	978,779
Total	\$ 82,930,938	\$ 26,567,777	\$ 109,498,715

SBITAs Payable

In January of 2023, ACWWA entered into multiple agreements for the right to use various software programs. The terms of those agreements range between two to three years, with various incremental borrowing rates at inception. As of December 31, 2025, all agreements have been paid in full.

NOTE 12: SELF INSURANCE PLANS

Self-Insurance Liability Plan - In 1982, Arapahoe County established a self-insurance plan to provide liability and property coverage for County assets and operations. The plan is administered by the County. When appropriate, the County utilizes third-party consultants and attorneys to handle bodily injury claims and certain other claims. Excess insurance is maintained that limits the County's liability to certain levels depending on the nature of the claim. The Plan is not part of a public entity risk pool. The estimated liability claims were determined by an actuarial analysis of current claims and an estimate of incurred but not reported (IBNR) claims at December 31, 2025. This plan is an internal service fund.

Self-Insurance Worker's Compensation Plan – In 1990, the County established a self-insurance plan to pay losses from worker's compensation claims. The County administers the plan; however, the County utilizes third-party consultants, attorneys and service providers in the administration of the plan. Excess insurance coverage is maintained to limit the loss of any individual claim. The plan assesses other funds for estimates of current claims based on historical claims. The Plan is not part of a public entity risk pool. The estimated claim liability at December 31, 2025, was determined by an actuarial analysis. The actuarial analysis includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. This plan is an internal service fund.

Self-Insurance Dental Plan - This fund was originally established on January 1, 1986, and included both medical and dental plans. A decision was made in 1991 to discontinue the County plan for medical insurance effective January 1, 1992. The County continued the self-insured dental plan. The County's Human Resource Department administers the Self-Insurance Dental Plan; however, the County utilizes a third-party consultant to assist with administering the Plan. Dental claims, as well as administrative costs, are paid directly out of this fund, which is funded by contributions made by the County and its employees. All claims are reviewed and approved for payment by Delta Dental, in accordance with their administrative services agreement with the County. The County's plan is fully self-insured with the County assuming all liability risks. The Plan is not part of a public entity risk pool. The estimated claim liability at December 31, 2025, was determined by an actuarial analysis. The actuarial analysis includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. This plan is an internal service fund.

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The County employs a full-time Risk Manager to oversee all aspects of the County's insurance needs and to assess the County's potential liabilities. The following table displays the change in the balance of the claim's liabilities:

	Liability	Worker's Comp	Dental	Total
Unpaid Claims, January 1, 2024	\$ 2,680,000	\$ 2,050,000	\$ 91,000	\$ 4,821,000
Incurring Claims (including IBNR)	3,569,269	2,158,517	1,843,362	7,571,148
Claim Payments	<u>(1,349,269)</u>	<u>(1,958,517)</u>	<u>(1,843,362)</u>	<u>(5,151,148)</u>
Unpaid Claims, December 31, 2024	4,900,000	2,250,000	91,000	7,241,000
Incurring Claims (including IBNR)	(1,244,253)	876,179	1,978,242	1,610,168
Claim Payments	<u>(2,035,747)</u>	<u>(1,266,179)</u>	<u>(2,000,242)</u>	<u>(5,302,168)</u>
Unpaid Claims, December 31, 2025	<u>\$ 1,620,000</u>	<u>\$ 1,860,000</u>	<u>\$ 69,000</u>	<u>\$ 3,549,000</u>
Claims Expected to be Paid in 2026	\$ 490,000	\$ 560,000	\$ 69,000	\$ 1,119,000
Claims Expected to be Paid after 2026	<u>1,130,000</u>	<u>1,300,000</u>	<u>-</u>	<u>2,430,000</u>
Unpaid Claims, December 31, 2025	<u>\$ 1,620,000</u>	<u>\$ 1,860,000</u>	<u>\$ 69,000</u>	<u>\$ 3,549,000</u>

Unpaid claim estimates do not include non-incremental claim adjustment expenses. Claims have not exceeded the County's insurance coverage for the previous three years.

NOTE 13: RETIREMENT PLAN

Plan Description

The Arapahoe County Retirement Plan (the Plan) is a single employer-defined benefit pension plan established by the Arapahoe County Board of County Commissioners to provide pension benefits for its employees. The Plan is administered by the Arapahoe County Retirement Board, which consists of five people: the Arapahoe County Treasurer, two Plan members elected by the Plan members, and two Arapahoe County citizens appointed by the Board of County Commissioners.

The Plan provides retirement benefits for employees. Substantially all of the general employees of the County are covered under the Plan. The benefits are determined by the Retirement Plan Board. The Plan has three tiers of benefits, based on when an employee was hired. The minimum age for retirement with full benefits has increased from 52 under Tier 1 to 60 under Tier 3. This minimum age applies if you meet certain age and years of service requirements. Tier 1 employees must meet the Rule of 75, Tier 2 the Rule of 80 and Tier 3 the Rule of 85. The benefit multiplier has decreased from 2.5% per number of years of service in Tier 1 to 2.0% per number of years of service in Tier 3. Beginning January 1, 2014, all employees in all Tiers earn future benefits based on a multiplier of 1.85%. This does not change any benefits previously earned through December 31, 2013.

Plan members in Tiers 1 and 2 who terminate employment receive refunds of contributions to the Plan. Contributions made to the Plan prior to January 1, 2014, are refunded per this schedule.

<u>Completed years of Service</u>	<u>Percent of accumulated contributions at termination or date of application for refund, if later</u>
Fewer than 5	100%
5 - 9	125%
10 - 14	150%
15 or more	200%

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Any contributions made to the Plan after December 31, 2013, are only refunded at 100% plus interest. Alternatively, members who terminate employment prior to retirement can elect to receive a deferred retirement benefit equal to the vested portion of benefits earned to the date of termination. Vesting is as follows:

<u>Completed years of credited services</u>	<u>Percentage of earned benefits vested</u>
Less than 4	0%
4	60%
5	70%
6	80%
7	90%
8 or more	100%

For elected officials who are not re-elected or re-employed at the end of their term, earned benefits are 100% vested.

Employees who are hired in Covered Employment on or after July 1, 2010 (Tier 3), terminate prior to their Normal Retirement Age, and have eight (8) years or more of Credited Service (if they are not active Employees on or after July 1, 2025), may elect either (1) to receive their contributions and the interest earned on their contributions only (they are not eligible to receive any County contribution or interest earned on County contributions), or (2) to leave their Accumulated Contributions on deposit in the Fund and become a Vested Member to receive a deferred retirement benefit equal to the vested portion of benefits earned to the date of termination. Vesting is as follows:

<u>Completed years of credited services</u>	<u>Percentage of earned benefits vested</u>
Less than 8	0%
8 or more	100%

Employees who are hired in Covered Employment on or after July 1, 2010 (Tier 3), terminate prior to their Normal Retirement Age, and have five (5) years or more of Credited Service (if they are active Employees on or after July 1, 2025), may elect either (1) to receive their contributions and the interest earned on their contributions only (they are not eligible to receive any County contribution or interest earned on County contributions), or (2) to leave their Accumulated Contributions on deposit in the Fund and become a Vested Member to receive a deferred retirement benefit equal to the vested portion of benefits earned to the date of termination. Vesting is as follows:

<u>Completed years of credited services</u>	<u>Percentage of earned benefits vested</u>
Less than 5	0%
5 or more	100%

Benefit provision changes are made by the Arapahoe County Retirement Board, which was established under the authority of Colorado Revised Statutes 24-54-107.

The Plan issues a complete stand-alone set of financial statements that meet all the reporting requirements of US GAAP. These financial statements are publicly available and may be obtained at: Arapahoe County Retirement Plan, 6984 S. Lima Street, Suite B, Centennial, Colorado 80111 or at the following web address: <http://acgret.org>.

Plan Summary of Significant Accounting Policies

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

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Investments that do not have an established fair value are reported at estimated fair value. The fair values of real estate and alternative investments (hedge fund of funds, private equity) are based on independent appraisals of properties owned and valuation of assets in the various investment funds. As a result, unrealized gains and losses are recognized in the financial statements at the time of market fluctuation. Investment income is recognized as earned. Gains and losses on sales and exchanges of securities are recognized on the transaction date.

Employees Covered by Benefit Terms

At December 31, 2025 the following employees were covered by the benefit terms:

Retirees and beneficiaries	1,283
Inactive, Nonretired members	611
Active employees	2,497
	4,391

Contributions

The contribution requirements of plan members are established by the Retirement Board in agreement with the Board of County Commissioners, which established the employer contribution. The employer must at least match the contribution of the employee. Effective January 1, 2025, the contribution rate for employee/employer contributions was 9.75%. Pension liabilities are generally liquidated through the same funds where the payroll expenditures are recorded. Funds with contributions during 2025 were the General Fund, Social Services, Open Spaces Sales Tax, Law Enforcement Authority, Arapahoe/Douglas Works, Road and Bridge, Sheriff Commissary, Community Development, Grant, Homeland Security Grant, Arapahoe County Recreation District Funds, and Arapahoe County Public Health. During 2025, the County made contributions totaling \$19,089,885. Arapahoe County Public Health made contributions totaling \$1,349,292.

Net Pension Liability

The County has elected a measurement date for the current year-end as of the prior year-end. Therefore, the net pension liability as of December 31, 2025, was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of January 1, 2025. The County has used Retirement Trust Fund in prior years to liquidate pension liabilities.

Actuarial Assumptions

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increase	Age-based: 3.25% to 6.75%
Investment rate of return	7.25%
Retirement age	Age-based with consideration for eligibility for Special Early Retirement

Blended Pub-2010 Amount-Weighted Healthy Retiree Mortality Tables projected with the Ultimate MP-2014 Scale. The mortality table is blended with 21% Public Safety Mortality table, 49% General Healthy Retiree Above-Median income Mortality Table, and 30% General Healthy Retiree Below-Median Income Mortality Table. A 105% multiplier is applied to the female mortality table.

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Notes to the Financial Statements (Continued)
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Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 4.08%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2124. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2124, and the municipal bond rate was applied to all benefit payments after that date.

Investments

All investment information disclosed in the Plan's financial statements, including investments held at December 31, 2025 and net appreciation in fair value of investments, interest, dividends for the years ended December 31, 2025, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by US Bank, the trustee of the Plan.

	<u>December 31, 2025</u>
Total Investments	\$ 461,579,971
Net Appreciation (Depreciation) in Fair Value of Investments	46,473,230
Interest and Dividend Income	6,394,075

The Retirement Board of the Plan has sole discretion over the investments of the Plan within the guidelines established by state statutes. The Plan contracts with investment managers to manage substantially all the Plan's investments. US Bank holds the Plan's investments under a trust agreement with the Plan.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk exposure is dictated by each manager's agreement. Each portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy. As of December 31, 2025, the Plan held the following fixed income investments:

	<u>December 31, 2025</u>
Dodge & Cox	
Core Bond Fund	
Balance	\$ 51,364,157
Modified Duration (in Years)	6.1
JP Morgan	
Core Bond Fund	
Balance	\$ 52,380,651
Modified Duration (in Years)	6.1

Investments in money market funds in the Operating Account of \$9,490,434 at December 31, 2025, are available for withdrawal daily.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan has no formal policy for custodial credit risk. Certain externally managed pools participate in security lending transactions, repurchase agreements and over-the-counter transactions. These transactions may indirectly subject the Plan to the risk of loss due to nonperformance by the counterparty to the agreement.

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Notes to the Financial Statements (Continued)
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Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the Plan. Credit risk exposure is managed in accordance with investment guidelines as stated in the formal investment policy adopted by the plan. As per Section 24-54-112 of the Colorado Revised Statutes (C.R.S.), the Plan assets will be invested using the "Colorado Uniform Prudent Investor Act" found in the provisions of Part 3 of Article 1 of Title 15, C.R.S. The Plan assets shall be invested and managed as a prudent investor would, by considering the purposes, terms, distribution requirements and other circumstances. In satisfying this standard, all fiduciaries shall exercise reasonable care, skill, and caution. Investment decisions should be evaluated within the context of the entire portfolio, rather than on an individual investment basis, and as part of an overall investment strategy having risk and return objectives reasonably suited to the Plan's purpose. The Plan does not own any derivative investments.

The following is a summary of the Plan's fixed income investments on December 31, 2025, with average credit ratings based on Standard & Poor's rating scale:

	December 31, 2025
Dodge & Cox	
Core Bond Fund	
Fair Value	\$ 51,364,157
Average Rating of Underlying Investments	AA
JP Morgan	
Core Bond Fund	
Fair Value	\$ 52,380,651
Average Rating of Underlying Investments	AAA
US Bank Money Market	
Fair Value	\$ 9,490,434
Average Rating of Underlying Investments	not rated

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan does not have a policy that addresses limitations on the amount that can be invested in any one issuer. There is no formal policy for concentration of credit risk for the international equity and real estate investment managers.

The following presents investments that represent five percent or more of the Plan's investments as of December 31, 2025:

	2025
Vanguard Total Stock Index Fund	\$ 112,868,123
JP Morgan Chase	52,380,651
Dodge & Cox Bond Fund	51,364,157
Dodge & Cox Global Stock Fund	46,580,629
New Perspective Fund/Euro-Pacific Growth Funds	46,297,574
CBRE	31,795,592
Bain Senior Loan FD	26,322,342

Foreign Currency Risk - Foreign currency risk is defined as any deposits or investments that are denominated in foreign currencies, which bear a potential risk of loss arising from changes in currency exchange rates. The Plan has no direct holdings which give rise to foreign currency risk. However, some of the externally managed funds have investments which are denominated in foreign currencies.

Liquidity Risk - Certain investments, such as those in the hedge fund of funds, and real estate funds may have limited transferability and restrictions on when investments may be redeemed.

Off Balance Sheet Risk - Through its holdings in externally managed investment pools, the Plan's money managers have entered into various contracts which contain off balance sheet risk. These include future contracts, short sales, hedging and arbitrage transactions, option contracts, swap options and various swap contracts.

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Notes to the Financial Statements (Continued)
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Rates of Returns - Certain investments contractually include specific investment returns to classes of investors which may not approximate the ownership percentages of these investments and may affect the timing and amount of investment returns of the plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of January 1, 2026, recent best estimates as supplied by the investment consultant are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	30.00%	6.54%
Non U.S. Equity	10.00%	6.25%
Private Equity	10.00%	9.71%
U.S. Core Fixed Income	20.00%	1.98%
Floating Rate Bonds	5.00%	2.67%
Private Credit	10.00%	5.81%
Core Private Real Estate	10.00%	4.47%
Value-Add Private Equity - Real Estate	5.00%	9.04%
	<u>100.00%</u>	

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

The following presents the County's net pension liability, calculated using a single discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using the discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount 7.25%	1% Increase 8.25%
Net pension liability	<u>\$ 307,989,517</u>	<u>\$ 235,850,801</u>	<u>\$ 176,270,062</u>

The following presents the Arapahoe County Public Health's net pension liability calculated using a single discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using the discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount 7.25%	1% Increase 8.25%
Net pension liability	<u>\$ 22,198,543</u>	<u>\$ 16,999,099</u>	<u>\$ 12,704,779</u>

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Notes to the Financial Statements (Continued)
December 31, 2025

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Plan financial report discussed above.

Changes in Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2024	\$ 641,495,295	\$ 386,320,405	\$ 255,174,890
Changes for the year:			
Service cost	20,618,637	-	20,618,637
Interest on total pension liability	45,806,709	-	45,806,709
Changes on benefit terms	20,490	-	20,490
Difference between expected and actual experience of the Total Pension Liability	(167,462)	-	(167,462)
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(40,016,844)	(40,016,844)	-
Employer contributions	-	18,816,239	(18,816,239)
Member contributions	-	17,803,062	(17,803,062)
Net investment income	-	32,564,511	(32,564,511)
Administrative expenses	-	(580,448)	580,448
Net changes	<u>26,261,530</u>	<u>28,586,520</u>	<u>(2,324,990)</u>
Balances at December 31, 2025	<u>\$ 667,756,825</u>	<u>\$ 414,906,925</u>	<u>\$ 252,849,900</u>

As of December 31, 2025, the County reported a liability of \$235,850,801 for its proportionate share of 93.277% of the net pension liability and Arapahoe County Public Health reported a liability of \$16,999,099 for its proportionate share of 6.723% of net pension liability.

For the year ended December 31, 2025, the County recognized pension expense of \$14,075,466. At December 31, 2025, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,842,406	\$ 125,986
Changes in assumptions	236,318	-
Net difference between projected and actual earnings on pension plan investments	6,456,995	-
Contributions made subsequent to measurement date	19,089,885	-
Change in proportionate share	-	10,544,873
Total	<u>\$ 33,625,604</u>	<u>\$ 10,670,859</u>

For the year ended December 31, 2025, the Arapahoe County Public Health recognized pension expense of \$4,386,084. At December 31, 2025, the reported deferred outflows and inflows of resources related to pensions from the following sources:

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	Outflows of Resources	Inflows of Resources
Difference between expected and actual experience	\$ 565,247	\$ 9,080
Changes in assumptions	17,033	-
Net difference between projected and actual earnings on pension plan investments	465,392	-
Contributions made subsequent to measurement date	1,349,292	-
Change in proportionate share	10,544,872	-
Total	\$ 12,941,836	\$ 9,080

The \$19,089,885 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Total
2026	\$ 2,628,043
2027	8,337,633
2028	(5,856,044)
2029	(1,171,993)
2030	(72,779)
	\$ 3,864,860

The \$1,349,292 reported as deferred outflows of resources related to pensions resulting from Public Health contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Total
2026	\$ 3,848,313
2027	4,565,831
2028	2,782,130
2029	319,895
2030	67,295
	\$ 11,583,464

NOTE 14: District Attorney's Participation in Public Employee's Retirement Association (PERA)

Plan Description

The District Attorney of the 18th Judicial District (District Attorney) is an eligible employee for participation in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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Notes to the Financial Statements (Continued)
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The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

Highest average salary multiplied by 2.5% and then multiplied by years of service credit.

The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.00% unless adjusted by the automatic adjustment provision (AAP) pursuant C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007, will receive the lesser of an annual increase of 1.00% or the average Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the SDTF. The AAP may raise or lower the aforementioned AI for a given year by up to one-quarter of 1.00% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For Safety Officers whose disability is caused by an on-the-job injury are immediately eligible to apply for disability benefits and do not have to meet the five-year service credit requirement. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contribution

The County and the District Attorney are required to contribute to the SDTF at a rate set by the Colorado statute. The contribution requirements for the SDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contributions rates were 11.00% for the period January 1, 2025 through December 31, 2025.

The employer contribution requirements for the District Attorney are summarized below:

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Notes to the Financial Statements (Continued)
December 31, 2025

Description	January - December 2025
Employer contribution rate (All employees except State Troopers)	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	-1.02%
Amount apportioned to the SDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.00%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.23%
Total employer contribution rate to the SDTF	<u>20.61%</u>

**Contribution rates for the SDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member, the County is statutorily committed to pay the contributions to the SDTF. For the year-ended December 31, 2025, employer contributions recognized by the SDTF from the County were \$45,781 .

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, a portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for the SDTF was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The County's proportion of the net pension liability was based on the County's contributions to the SDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity for participating employers of the SDTF that are outside of the State's financial reporting entity.

At December 31, 2025, the County reported a liability of \$512,175 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the County as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Office of the District Attorney, 18th Judicial were as follows:

The County's Proportionate Share of the Net Pension Liability (NPL)	\$ 512,175
State's Proportionate Share of the NPL Associated with the County	<u>1,840</u>
Total	<u>\$ 514,015</u>

At December 31, 2025, the County's proportion was 0.0053859869%, which was a decrease of 0.0004853865% from its proportion measured as of December 31, 2024. For the year ended December 31, 2025, the County recognized pension expense of \$38,374.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 15,032	\$ -
Changes of Assumptions or other Inputs	-	3,971
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	11,282	-
Changes in Proportion and Differences between County		
Contributions and Proportionate Share of Contributions	14,627	27,131
Contributions Subsequent to the Measurement Date	45,781	-
Total	\$ 86,722	\$ 31,102

County contributions subsequent to the measurement date of \$45,781 will be recognized as a reduction of the net pension liability during the subsequent fiscal year. As of the fiscal year ended December 31, 2025, these contributions are reported a deferred outflow of resources.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Total
2026	\$ 14,700
2027	19,856
2028	(17,731)
2029	(6,986)
2030	-
Thereafter	-
	\$ 9,839

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Actuarial Assumptions

The total pension liability in December 31, 2023, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than Safety Officers	3.30%-10.90%
Safety Officers	3.20%-12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to money being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis. Pre-retirement mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Salary increases, including wage inflation:

Members other than Safety Officers	2.70%-13.30%
Safety Officers	3.20%-16.30%

Salary scale assumptions were altered to better reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

The long-term expected return on plan assets is reviewed as part of regular experience studies, performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimates ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51%	5.00%
Fixed Income	23%	2.60%
Private Equity	10%	7.60%
Real Estate	10%	4.10%
Alternatives	6%	5.20%
Total	100%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Discount rate

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200, and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a non-employer contributing entity, will provide an annual direct distribution of \$225 million, commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	1% Increase (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 682,437	\$ 512,175	\$ 368,753

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

Pension plan fiduciary net position

Detailed information about the SDTF's FNP is available in PERA's Annual Comprehensive Financial Report which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Arapahoe County Defined Contribution Plan (401(a) Plan)

Plan Description

Arapahoe County established and maintains a new 401(a) defined contribution plan (the "Legacy Employee Plan") in January 2025. Individuals who are regular full-time or part-time employees of the 18th Judicial District Attorney's (DA) Office on December 31, 2024, and who remain regular full-time or part-time employees of the DA's Office through and as of January 1, 2025, shall participate in the Legacy Employee Plan. The County Attorney of Arapahoe County shall also participate in the Legacy Employee Plan. Interns are excluded from participation.

The Legacy Employee Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan.

Funding Policy

The terms of the Legacy Employee Plan requires a mandatory 8% employee contribution, an 8% employer match, and a vesting schedule of twenty-five percent (25%) after one (1) year of service, fifty (50%) percent after two (2) years of service, seventy-five percent (75%) after three (3) years of service, and one hundred (100%) percent after four (4) years of service. Participating employees in the Legacy Employee Plan contributed \$1,167,975 and the County recognized pension expense of \$1,167,978 for 2025. There are 153 active participants as of December 31, 2025.

NOTE 15: CONTINGENCIES

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

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

NOTE 16: TAX SPENDING AND DEBT LIMITATIONS

The 1992 amendment to Article X, Section 20 of the State Constitution, the Taxpayer's Bill of Rights (TABOR), limits the revenue raising and spending abilities of the State and local governments. It prohibits any increase in the mill levy without a vote of the citizens, requires any revenue collected in excess of the fiscal year spending limit to be refunded in the following year, and requires the establishment of an "emergency reserve" equal to 3% of fiscal year expenditures.

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

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

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

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

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

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. The County levied 16.973 mills as the base mill levy in 1997 but permanently reduced it to 15.821 mills in 1998. In November of 2024, voters of Arapahoe County passed ballot measure 1A which released the County from revenue and spending limits imposed by TABOR and other statutory revenue limits. Passing the ballot measure will allow the County to collect and retain the full 15.821 base mill levy. However, the County still must obtain voter approval to increase tax rates and issue bonded debt. For 2025, the mill levy was 15.885 due to refund/abatement. The Law Enforcement Authority levied 4.982 mills and the Recreation District levied 0.615 mills in 2025.

Emergency reserves at or in excess of three percent of calculated fiscal year spending have been established and presented as a restriction of fund balance for the County and for the non-exempt component units. The Board of County Commissioners designates another 12.0% of the current year's initial adopted operational budget for emergency purposes.

NOTE 17: CONDUIT DEBT

The Colorado County and Municipality Development Revenue Bond Act, Article 3, Title 29 of Colorado Revised Statutes, 1973, authorizes municipalities to finance one or more projects to promote industry, trade or other economic activity to further the economic health of the County. The Act further authorizes the County to enter into financial agreements with others to provide revenue to pay the bonds authorized and issued and to secure the payment of such bonds.

Periodically, under the above Act, the County issues industrial revenue bonds, single-family mortgage revenue bonds, multi-family mortgage revenue bonds, construction loan revenue bonds and special obligation revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of private, industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2025, the aggregate principal amount payable for the bonds is \$26,568,604.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 18: NONSPENDABLE, RESTRICTED, AND UNRESTRICTED FUND BALANCE

Non-spendable, restricted, committed, and assigned fund balances of the governmental funds consist of the following:

	<u>Major Special Revenue Funds</u>					<u>Total</u>
	<u>General Fund</u>	<u>Social Services</u>	<u>Grants</u>	<u>Open Spaces Sales Tax</u>	<u>Other Governmental</u>	
Fund Balances						
Nonspendable:						
Inventory	\$ -	\$ -	\$ 139,862	\$ -	\$ -	\$ 139,862
Prepaid expenditures	90,537	61,438	-	-	-	151,975
Total Nonspendable	<u>90,537</u>	<u>61,438</u>	<u>139,862</u>	<u>-</u>	<u>-</u>	<u>291,837</u>
Restricted for:						
Emergencies (TABOR)	12,876,050	-	-	-	699,383	13,575,433
Parks, Recreation & Open Space	-	-	-	-	3,644,344	3,644,344
Park Development	-	-	-	-	848,357	848,357
Law Enforcement and Prosecution	-	-	-	-	10,572,632	10,572,632
Electronic Filing Technology	-	-	-	-	17,446	17,446
Transportation Projects	-	-	-	-	3,510,709	3,510,709
Open Space, Parks and Trails	-	-	-	61,066,611	-	61,066,611
Total Restricted	<u>12,876,050</u>	<u>-</u>	<u>-</u>	<u>61,066,611</u>	<u>19,292,871</u>	<u>93,235,532</u>
Committed to:						
Emergencies	-	-	-	-	603,465	603,465
Capital Projects/Replacements	-	-	-	-	14,783,278	14,783,278
Highways & Streets	-	-	-	-	26,809,231	26,809,231
Law Enforcement	-	-	-	-	3,302,824	3,302,824
Parks, Recreation & Open Space	-	-	-	-	86,171	86,171
Radio Telecommunication	-	-	-	-	351,999	351,999
Social Services	-	261,059	-	-	-	261,059
Water Projects	-	-	-	-	3,362,152	3,362,152
Total Committed	<u>-</u>	<u>261,059</u>	<u>-</u>	<u>-</u>	<u>49,299,120</u>	<u>49,560,179</u>
Assigned to:						
Contracted Services	2,101,611	-	-	-	-	2,101,611
Parks and Recreation	158,430	-	-	-	5,245,800	5,404,230
Debt Service	1,229,320	-	-	-	1,731,777	2,961,097
Health and Welfare Programs	-	11,160,921	566,121	-	1,015,814	12,742,856
Information Technology Projects	1,641,915	-	-	-	-	1,641,915
Public Works Projects	208,043	-	-	-	-	208,043
Subsequent Year Expenditures	510,766	-	-	-	105,760	616,526
Total Assigned	<u>5,850,085</u>	<u>11,160,921</u>	<u>566,121</u>	<u>-</u>	<u>8,099,151</u>	<u>25,676,278</u>
Unassigned	151,448,827	-	-	-	-	151,448,827
Total Fund Balance	<u>\$ 170,265,499</u>	<u>\$ 11,483,418</u>	<u>\$ 705,983</u>	<u>\$ 61,066,611</u>	<u>\$ 76,691,142</u>	<u>\$ 320,212,653</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 19: EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES) FOR THE GENERAL FUND BUDGETARY COMPARISON SCHEDULE AND THE GENERAL FUND AS REPORTED IN THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

As part of the County's implementation of GASB Statement No. 54 (see Note 1, Fund Equity), certain special revenue funds reported in the years prior to December 31, 2011 no longer qualify as special revenue funds and have been combined with the General Fund for reporting purposes. In accordance with GASB Statement No. 41, Budgetary Comparison Schedules – Perspective Differences, the activity of such funds is not included in the General Fund budgetary comparison schedule. The following is a reconciliation of the General Fund budgetary comparison schedule to the General Fund as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance for the year ended December 31, 2025.

Revenues

Actual amounts "revenues" from the General Fund budgetary comparison schedule	\$ 347,864,050
Adjustments:	
The County reports revenues of the Building Maintenance Fund as part of the General Fund for reporting purposes, in the Statement of Revenues, Expenditures and Changes in Fund Balance.	80
	80
Total General Fund revenues as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 347,864,130

Expenditures

Actual amounts "expenditures" from the General Fund budgetary comparison schedule	\$ 273,524,785
Adjustments:	
The County reports expenditures of the Building Maintenance Fund as part of the General Fund for reporting purposes, in the Statement of Revenues, Expenditures and Changes in Fund Balance.	1,951,496
	1,951,496
Total General Fund expenditures as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 275,476,281

Other financing sources (uses)

Actual amounts "other financing sources (uses)" from the General Fund budgetary comparison schedule	\$ (5,367,555)
Adjustments:	
The County reports revenues and other financing sources (uses) of the Building Maintenance Fund as part of the General Fund for reporting purposes, in the Statement of Revenues, Expenditures and Changes in Fund Balance.	2,078,000
	2,078,000
Total General Fund other financing sources (uses) as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ (3,289,555)

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 20: TAX ABATEMENTS

Arapahoe County enters personal property tax abatements with local businesses with authority under Colorado Revised Statute Sec. 30-11-123. Under the Statute, the County may negotiate an incentive payment or credit with any taxpayer who establishes a new business facility within the County to stimulate economic development. This payment or credit may not exceed the amount of personal property taxes levied by the County and is contingent upon appropriated funding in the annual budget. In the event of default by the taxpayer, the maximum amount recoverable by the County is the amount of incentive payments paid to the taxpayer under the agreement.

For the fiscal year ended December 31, 2025, the County abated personal property taxes totaling \$590,079.34 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- Company A: A 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2018 tax year, for an expansion which constitutes a new businesses facility located in 6175 South Willow Drive, Greenwood Village, CO 80111. Also, a 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2018 tax year, for a new business facility located in 6350/6360/6399 S. Fiddler's Green Circle, Greenwood Village, CO 80111. On September 20, 2022, a second amendment extended the 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2023 tax year. The only provision for recapturing the abated taxes is in the event of a default. The rebated amount paid to Company A in fiscal year 2025 totaled \$176,031.71 and included payments for tax year 2024.
- Company B: A 75 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2021 tax year, for an expansion which constitutes a new business facility located in 23505 East 6th Avenue Aurora CO 80018. The only provision for recapturing the abated taxes is in the event of a default. The rebated amount paid to Company B in fiscal year 2025 totaled \$314,831.22 and included payments for tax year 2024.
- Company C: A 100 percent rebate of the personal property taxes paid to the County, for 10 years beginning with the 2016 tax year, for an expansion which constitutes a new businesses facility located in 9201 E. Dry Creek Road, Centennial, CO 80112. The only provision for recapturing the abated taxes is in the event of default. The rebated amount paid to Company C in fiscal year 2025 totaled \$91,900.31 and included payments for tax year 2024.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2025

NOTE 21: RESTATEMENT DUE TO CHANGE IN ENTITY

In January 2025, due to the implementation of the State of Colorado House Bills 20-1026, *Create the Twenty-Third Judicial District*, Douglas, Elbert and Lincoln Counties were removed from the 18th Judicial District and formed a new Judicial District. This leaves the 18th Judicial District to solely serve the Arapahoe County. Per GASB Statement No. 69, the following amounts were recognized as of January 1, 2025, in the County General Fund:

General Fund

Current Assets	\$ 2,318,664
Current Liabilities	1,075,157
Total Fund Balance	\$ 1,243,507

The following amounts were recognized as of January 1, 2025, in the County DA Forfeiture Fund:

DA Forfeiture Fund

Current Assets	\$ 97,745
Current Liabilities	-
Total Fund Balance	\$ 97,745

The following amounts were recognized as of January 1, 2025, in the County Crime Victim Compensation Fund:

Crime Victim Compensation Fund

Current Assets	\$ 1,581,989
Current Liabilities	14,266
Total Fund Balance	\$ 1,567,723

HB 20-1026 is retroactive changes, and it results in the following restatement of prior period balances of General Fund, DA Forfeiture Fund, Crime Victim Compensation Fund, and prior period net position of Governmental activities.

	General Fund
Fund Balance December 31, 2024 as previously stated	\$ 99,923,698
Cumulative Impact of implementation of HB20-1026, <i>Create the New Twenty-Third Judicial District</i>	1,243,507
Fund Balance December 31, 2024 as restated	\$ 101,167,205
Other Governmental Funds	
Fund Balance December 31, 2024 as previously stated	\$ -
Cumulative Impact of implementation of HB20-1026, <i>Create the New Twenty-Third Judicial District</i>	1,665,468
Fund Balance December 31, 2024 as restated	\$ 1,665,468
Governmental Activities	
Net Position December 31, 2024 as previously stated	\$ 810,788,601
Cumulative Impact of implementation of HB20-1026, <i>Create the New Twenty-Third Judicial District</i>	2,808,092
Net Position December 31, 2024 as restated	\$ 813,596,693

Arapahoe County, Colorado
Schedule of Changes in the Net Pension Liability and Related Ratios
Required Supplementary Information
Fiscal Years 2016 - 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement Date	1/1/2025	1/1/2024	1/1/2023	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2018	1/1/2017	1/1/2016
Total pension liability										
Service cost	\$ 20,618,637	\$ 19,052,257	\$ 16,446,374	\$ 15,698,725	\$ 15,402,103	\$ 19,176,282	\$ 13,374,426	\$ 11,895,316	\$ 11,551,817	\$ 10,966,993
Interest	45,806,709	43,851,283	41,635,136	39,614,882	38,107,210	34,299,145	34,381,543	32,588,637	31,505,045	29,854,357
Effect of plan changes	20,490	-	-	-	-	-	-	-	-	-
Effect of changes of experience	(167,462)	2,780,422	10,275,656	9,458,193	500,023	1,173,265	9,440,968	578,291	(2,292,612)	6,279,309
Effect of changes of assumptions	-	-	-	-	3,456,246	(111,802,963)	108,378,573	22,230,845	-	-
Benefit payments	(35,361,356)	(34,087,463)	(32,068,206)	(29,561,506)	(28,439,622)	(26,890,753)	(25,146,993)	(23,818,184)	(22,421,338)	(21,311,701)
Refunds	(4,655,488)	(4,928,191)	(7,101,255)	(5,829,125)	(2,894,103)	(4,341,376)	(4,060,659)	(3,613,409)	(3,123,281)	(3,911,473)
Net change in pension liability	26,261,530	26,668,308	29,187,705	29,381,169	26,131,857	(88,386,400)	136,367,858	39,861,496	15,219,631	21,877,485
Total pension liability-beginning	641,495,295	614,826,987	585,639,282	556,258,113	530,126,256	618,512,656	482,144,798	442,283,302	427,063,671	405,186,186
Total pension liability-ending (a)	<u>\$ 667,756,825</u>	<u>\$ 641,495,295</u>	<u>\$ 614,826,987</u>	<u>\$ 585,639,282</u>	<u>\$ 556,258,113</u>	<u>\$ 530,126,256</u>	<u>\$ 618,512,656</u>	<u>\$ 482,144,798</u>	<u>\$ 442,283,302</u>	<u>\$ 427,063,671</u>
Plan fiduciary net position										
Employer contributions	\$ 18,816,239	\$ 16,912,992	\$ 14,083,479	\$ 13,341,693	\$ 12,642,439	\$ 11,669,706	\$ 10,442,318	\$ 9,660,642	\$ 9,298,210	\$ 8,749,813
Member contributions	17,803,062	16,444,208	14,054,753	13,323,865	12,628,547	11,645,850	10,436,036	9,670,411	9,288,083	8,738,077
Net investment income	32,564,511	40,124,007	(39,847,495)	64,556,357	33,392,944	46,120,308	(12,287,634)	35,237,379	20,473,577	(2,242,209)
Benefit payments	(35,361,356)	(34,087,463)	(32,068,206)	(29,561,506)	(28,439,622)	(26,890,753)	(25,146,993)	(23,818,184)	(22,421,338)	(21,311,701)
Refunds	(4,655,488)	(4,928,191)	(7,101,255)	(5,829,125)	(2,894,103)	(4,341,376)	(4,060,659)	(3,613,409)	(3,123,281)	(3,911,473)
Administrative expense	(580,448)	(601,135)	(620,090)	(480,077)	(478,314)	(500,288)	(393,580)	(373,368)	(396,050)	(334,662)
Net change in plan fiduciary net position	28,586,520	33,864,418	(51,498,814)	55,351,207	26,851,891	37,703,447	(21,010,512)	26,763,471	13,119,201	(10,312,155)
Plan fiduciary net position-beginning	386,320,405	352,455,987	403,954,801	348,603,594	321,751,703	284,048,256	305,058,768	278,295,297	265,176,096	275,488,251
Plan fiduciary net position-ending (b)	<u>\$ 414,906,925</u>	<u>\$ 386,320,405</u>	<u>\$ 352,455,987</u>	<u>\$ 403,954,801</u>	<u>\$ 348,603,594</u>	<u>\$ 321,751,703</u>	<u>\$ 284,048,256</u>	<u>\$ 305,058,768</u>	<u>\$ 278,295,297</u>	<u>\$ 265,176,096</u>
Net pension liability-ending (a)-(b)	<u>\$ 252,849,900</u>	<u>\$ 255,174,890</u>	<u>\$ 262,371,000</u>	<u>\$ 181,684,481</u>	<u>\$ 207,654,519</u>	<u>\$ 208,374,553</u>	<u>\$ 334,464,400</u>	<u>\$ 177,086,030</u>	<u>\$ 163,988,005</u>	<u>\$ 161,887,575</u>
Plan fiduciary net position as a percentage of the total pension liability	62.13%	60.22%	57.33%	68.98%	62.67%	60.69%	45.92%	63.27%	62.92%	62.09%
Covered payroll	\$ 198,065,674	\$ 182,843,157	\$ 156,163,923	\$ 148,042,944	\$ 144,326,251	\$ 137,010,000	\$ 126,497,406	\$ 121,286,909	\$ 116,636,709	\$ 109,225,963
Net pension liability as a percentage of covered payroll	127.66%	139.56%	168.01%	122.72%	143.88%	152.09%	264.40%	146.01%	140.60%	148.21%

**Arapahoe County, Colorado
Schedule of Pension Contributions
Required Supplementary Information
2016 - 2025**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 21,306,848	\$ 21,112,670	\$ 20,816,038	\$ 19,016,458	\$ 18,483,326	\$ 18,027,937	\$ 17,545,850	\$ 16,096,665	\$ 13,238,956	\$ 13,283,879
Contributions in relation to the actuarially determined contribution	20,439,177	18,816,239	16,912,992	14,083,479	13,341,693	12,642,439	11,669,706	10,442,318	9,660,642	9,298,210
Contribution deficiency (excess)	<u>\$ 867,671</u>	<u>\$ 2,296,431</u>	<u>\$ 3,903,046</u>	<u>\$ 4,932,979</u>	<u>\$ 5,141,633</u>	<u>\$ 5,385,498</u>	<u>\$ 5,876,144</u>	<u>\$ 5,654,347</u>	<u>\$ 3,578,314</u>	<u>\$ 3,985,669</u>
Covered payroll	\$ 209,632,585	\$ 198,065,674	\$ 182,843,157	\$ 156,163,923	\$ 148,042,944	\$ 144,326,251	\$ 137,010,000	\$ 126,497,406	\$ 121,286,909	\$ 116,636,709
Contributions as a percentage of covered payroll	9.75%	9.50%	9.25%	9.02%	9.01%	8.76%	8.52%	8.25%	7.97%	7.97%

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of January 1.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	Age-based: 3.25% to 6.75%
Investment rate of return	7.25%
Retirement age	Age-based with consideration for eligibility for special early retirement
Mortality	Healthy: 65/35 blend of Combined RP-2014 Tables adjusted backward to 2006 with MP-2014 White Collar and Blue Collar Adjustment; projected with Scale MP-2016 Disabled: RP-2014 Disabled Mortality Table adjusted backward with MP-2014; projected with Scale MP-2016

Arapahoe County, Colorado
Schedule of the County's Proportionate Share of the Net Pension Liability
District Attorney's Participation in PERA
Required Supplementary Information
Fiscal Years 2016 - 2025*

Measurement Date	2025 1/1/2025	2024 1/1/2024	2023 1/1/2023	2022 1/1/2022	2021 1/1/2021	2020 1/1/2020	2019 1/1/2019	2018 1/1/2018	2017 1/1/2017	2016 1/1/2016
County's Proportion of Collective Net Pension Liability	0.00538599%	0.00587100%	0.00501400%	0.00585233%	0.00640496%	0.00575173%	0.00580608%	0.00664599%	0.00579150%	0.00561178%
County's Proportionate Share of the Collective Pension Liability	\$ 512,175	\$ 593,777	\$ 545,102	\$ 431,683	\$ 607,497	\$ 558,136	\$ 660,737	\$ 1,330,394	\$ 1,063,790	\$ 590,979
State's Proportionate Share of the Net Pension Liability Associated with the County**	1,840	549	5,526	2,017	-	2,845	3,637	-	-	-
Total	\$ 514,015	\$ 594,326	\$ 550,628	\$ 431,683	\$ 607,497	\$ 560,981	\$ 664,374	\$ 1,330,394	\$ 1,063,790	\$ 590,979
County's Covered Payroll	\$ 222,346	\$ 244,000	\$ 230,000	\$ 223,000	\$ 216,000	\$ 210,000	\$ 205,000	\$ 195,000	\$ 165,000	\$ 156,000
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	230.35%	242.80%	237.46%	194.00%	281.25%	265.78%	322.31%	682.25%	644.72%	378.83%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.44%	64.37%	60.63%	73.05%	65.34%	62.24%	55.11%	43.20%	42.60%	56.11%

*Amounts presented were determined as of December 31 based on the measurement date of the plan.

**A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200. HB 20-1379 suspended the \$225 million direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

Arapahoe County, Colorado
Schedule of the County Contributions
District Attorney's Participation in PERA
Required Supplementary Information
Fiscal Years 2016 - 2025*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contributions	\$ 45,781	\$ 50,352	\$ 46,569	\$ 45,413	\$ 43,193	\$ 41,223	\$ 39,473	\$ 38,165	\$ 37,211	\$ 30,080
Contributions in Relation to the Statutorily Required Contributions	45,781	50,352	46,569	45,413	43,193	41,223	39,473	38,165	37,211	30,080
Contribution Deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 222,346	\$ 244,000	\$ 230,000	\$ 223,000	\$ 216,000	\$ 210,000	\$ 205,000	\$ 200,000	\$ 195,000	\$ 165,000
Contributions as a Percentage of Covered Payroll	20.59%	20.64%	20.25%	20.36%	19.93%	19.63%	19.26%	19.13%	19.13%	18.23%

*Amounts presented were determined as of December 31 based on the measurement date of the plan.

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2025**

	Special Revenue	Capital Projects	Debt Service	Total
Assets				
Cash and investments	\$ 24,818,463	\$ 54,897,661	\$ 1,731,778	\$ 81,447,901
Accounts receivable	4,450,659	1,745,356	-	6,196,015
Taxes receivable, net	35,114,000	23,159,801	-	58,273,801
Total assets	\$ 64,383,122	\$ 79,802,818	\$ 1,731,778	\$ 145,917,717
Liabilities				
Accounts payable	\$ 1,249,309	\$ 4,852,364	\$ -	\$ 6,101,673
Accrued expenditures	1,757,833	9,403	-	1,767,236
Due to other funds	1,357,062	-	-	1,357,062
Unearned revenue - other	321,430	-	-	321,430
Total liabilities	4,685,634	4,861,767	-	9,547,401
Deferred inflows of resources				
Deferred property tax revenue	35,114,000	23,159,801	-	58,273,801
Unavailable revenue-other	264,645	-	-	264,645
Unavailable revenue-grants	-	1,140,728	-	1,140,728
Total deferred inflows of resources	35,378,645	24,300,529	-	59,679,174
Fund balances (deficits)				
Restricted	18,958,570	334,301	-	19,292,871
Committed	4,344,459	44,954,661	-	49,299,120
Assigned	1,015,814	5,351,560	1,731,777	8,099,151
Total fund balances (deficits)	24,318,843	50,640,522	1,731,777	76,691,142
Total liabilities, deferred inflows of resources and fund balance	\$ 64,383,122	\$ 79,802,818	\$ 1,731,777	\$ 145,917,717

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2025

	Special Revenue	Capital Projects	Debt Service	Total
Revenues				
Taxes				
Property taxes	\$ 33,432,815	\$ 16,251,246	\$ -	\$ 49,684,061
Other taxes	3,207,121	828,012	-	4,035,133
Licenses and permits	370,651	714,291	-	1,084,942
Intergovernmental	29,229,782	8,475,992	-	37,705,774
Charges for services	3,536,599	90,856	-	3,627,455
Fines and forfeitures	881,762	-	-	881,762
Investment earnings	554,866	419,752	254,530	1,229,148
Developer contributions	-	728,149	-	728,149
Miscellaneous	1,349,518	-	-	1,349,518
Total revenue	<u>72,563,114</u>	<u>27,508,298</u>	<u>254,530</u>	<u>100,325,942</u>
Expenditures				
Current				
General government	162,911	91,018	-	253,929
Public safety	14,635,245	7,001	-	14,642,246
Judicial services	2,434,853	400,029	-	2,834,882
Health and welfare	32,847,934	-	-	32,847,934
Highways and streets	20,245,067	4,362,148	-	24,607,215
Water and wastewater	-	118,222	-	118,222
Culture and recreation	1,080,030	141,051	-	1,221,081
Total current	<u>71,406,040</u>	<u>5,119,469</u>	<u>-</u>	<u>76,525,509</u>
Capital				
General government	-	17,106,407	-	17,106,407
Public safety	-	622,888	-	622,888
Judicial services	-	4,288,289	-	4,288,289
Highways and streets	-	6,186,044	-	6,186,044
Total capital	<u>-</u>	<u>28,203,628</u>	<u>-</u>	<u>28,203,628</u>
Debt				
Principal	-	5,305,000	1,100,938	6,405,938
Interest	-	3,533,175	117,660	3,650,835
Debt administration fees	-	1,550	-	1,550
Total debt service	<u>-</u>	<u>8,839,725</u>	<u>1,218,598</u>	<u>10,058,323</u>
Total expenditures	<u>71,406,040</u>	<u>42,162,822</u>	<u>1,218,598</u>	<u>114,787,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,157,074</u>	<u>(14,654,524)</u>	<u>(964,068)</u>	<u>(14,461,518)</u>
Other financing sources (uses)				
Transfers in	218,256	7,488,263	1,218,598	8,925,117
Transfers out	(911,186)	(1,350,000)	-	(2,261,186)
Total other financing sources (uses)	<u>(692,930)</u>	<u>6,138,263</u>	<u>1,218,598</u>	<u>6,663,931</u>
Net change in fund balance	464,144	(8,516,261)	254,530	(7,797,587)
Fund balance - beginning, restated	23,854,699	59,156,783	1,477,247	84,488,729
Fund balance - ending	<u>\$ 24,318,843</u>	<u>\$ 50,640,522</u>	<u>\$ 1,731,777</u>	<u>\$ 76,691,142</u>



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures. The County's Nonmajor Special Revenue Funds include the following:

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

Cash-in-Lieu Fund – This fund is used to account for monies received in lieu of land to be dedicated for parks and other public purposes. Pursuant to Colorado State Statute (Section 30-28-133(4), C.R.S.) and Arapahoe County subdivision regulations, each land subdivider must provide to the County a minimum of 10% of the total gross acreage of the subdivision or a sum of money equal to a minimum of 10% of the current market value of the total zoned (but unimproved) land; or a combination of land or money equal to the total 10% requirement. All funds are limited to use for public improvements.

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

Arapahoe/Douglas Works! Fund – This fund is used by the Arapahoe/Douglas Works! Division of the Community Resources Department. The revenue in this fund originates from Federal funds, with the State acting as a pass-through agency. The Federal funds sources include the Workforce Investment Act (WIA), Temporary Assistance to Needy Families program, the Wagner Peyser Act and the Employment First Act. The purpose of this fund is to provide services to adults and youth wishing to enter the labor market. Services include basic and occupational skill assessments, workshops, tuition reimbursement for training, bus passes, career counseling and job placement. Arapahoe/Douglas Works! also partners with community-based organizations, educational institutions and the business community to act as a bridge between job seekers and employers.

Road and Bridge Fund – Required by Colorado state law, this fund accounts for the design, construction, and maintenance of transportation infrastructure within the County. Revenues for this fund are primarily from property tax, highway user tax, and specific ownership tax, with use restrictions imposed by state statutes.

Conservation Trust Fund – This fund accounts for revenue received from State lottery proceeds to be used for conservation programs, including the acquisition, development, and maintenance of parks and other public recreational facilities within the County. Lottery funds are disbursed to counties on a per capita basis.

Contingent Fund – This fund is used to account for the expenditure of monies set aside for emergencies. These funds can be authorized only for (1) an act of God; (2) use against public enemies; or (3) something "which could not have been reasonably foreseen at the time of adoption of the budget". The expenditure resolution must be adopted by a 2/3 vote of the governing body and must clearly be an "emergency" use of the funds. Colorado counties are authorized by state law (Section 30-25-107 C.R.S.) to maintain a contingency fund.

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

Sheriff Commissary Fund – This fund includes the Detention Facility's commissary operations, the inmate industries program, and the ADMIT (Arapahoe Diverts the Mentally Ill for Treatment) program. The fund's revenue is generated from commissary sales such as fees for barber services, telephone charges, and inmate industry operations. The fund's expenditures are primarily related to inmate services such as counseling, educational and rehabilitation programs, and library services.

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

NONMAJOR GOVERNMENTAL FUNDS (continued)

Forfeited Property Fund – This fund is used to account for funds received from drug-related seizures, forfeitures and restitution. State law restricts spending on this fund to law enforcement activities.

DA Forfeiture Fund - This fund is used to account for proceeds derived from assets seized and forfeited pursuant to applicable state statutes and federal forfeiture programs, including participation in the federal equitable sharing program. Revenues may include cash forfeitures, proceeds from the sale of forfeited property and distributions received from federal agencies. The fund is accounted for to ensure that all receipts and disbursements are segregated and used solely for legally authorized purposes.

Developmental Disabilities Fund – This fund is used to account for revenues derived from a 1.000 mill levy approved by the voters to be used in providing services for residents with developmental disabilities in Arapahoe County.

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

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

DA Crime Victim Compensation Fund – The fund was organized for the purpose of providing financial remedies to certain crime victims. Although a legally separate entity, the fund is included in the financials because of the District Attorney's Office oversight responsibilities.

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue
December 31, 2025**

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Assets				
Cash and investments	\$ 32,036	\$ 848,357	\$ 9,684,003	\$ -
Accounts receivable	-	-	2,096	2,882,655
Taxes receivable, net	-	-	12,871,751	-
Total assets	\$ 32,036	\$ 848,357	\$ 22,557,850	\$ 2,882,655
Liabilities				
Accounts payable	\$ 14,590	\$ -	\$ 45,374	\$ 132,318
Accrued expenditures	-	-	705,824	639,904
Due to other funds	-	-	-	1,080,026
Unearned revenue - other	-	-	-	263,172
Total liabilities	14,590	-	751,198	2,115,420
Deferred inflows of resources				
Deferred property tax revenue	-	-	12,871,751	-
Unavailable revenue-other	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total deferred inflows of resources	-	-	12,871,751	-
Fund balances (deficits)				
Restricted	17,446	848,357	8,934,901	-
Committed	-	-	-	-
Assigned	-	-	-	767,235
Total fund balances (deficits)	17,446	848,357	8,934,901	767,235
Total liabilities, deferred inflows of resources and fund balance	\$ 32,036	\$ 848,357	\$ 22,557,850	\$ 2,882,655

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2025**

Nonmajor Special Revenue				
Road and Bridge	Conservation Trust	Contingent	Comm. Network Replacement	
\$ 3,877,712	\$ 3,644,344	\$ 603,465	\$ 341,249	Assets
708,136	264,645	-	10,750	Cash and investments
5,784,186	-	-	-	Accounts receivable
				Taxes receivable, net
<u>\$ 10,370,034</u>	<u>\$ 3,908,989</u>	<u>\$ 603,465</u>	<u>\$ 351,999</u>	Total assets
\$ 746,059	\$ -	\$ -	\$ -	Liabilities
329,080	-	-	-	Accounts payable
-	-	-	-	Accrued expenditures
-	-	-	-	Due to other funds
-	-	-	-	Unearned revenue - other
<u>1,075,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total liabilities
5,784,186	-	-	-	Deferred inflows of resources
-	264,645	-	-	Deferred property tax revenue
-	-	-	-	Unavailable revenue-other
<u>5,784,186</u>	<u>264,645</u>	<u>-</u>	<u>-</u>	Unavailable revenue-grants
3,510,709	3,644,344	-	-	Total deferred inflows of resources
-	-	603,465	351,999	Fund balances (deficits)
-	-	-	-	Restricted
<u>3,510,709</u>	<u>3,644,344</u>	<u>603,465</u>	<u>351,999</u>	Committed
				Assigned
				Total fund balances (deficits)
<u>\$ 10,370,034</u>	<u>\$ 3,908,989</u>	<u>\$ 603,465</u>	<u>\$ 351,999</u>	Total liabilities, deferred inflows of resources and fund balance

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2025

	Nonmajor Special Revenue			
	Sheriff's Commissary	Community Development	Forfeited Property	DA Forfeiture
Assets				
Cash and investments	\$ 3,246,978	\$ 271,449	\$ 606,128	\$ 406,636
Accounts receivable	109,760	81,573	-	-
Taxes receivable, net	-	-	-	-
Total assets	\$ 3,356,738	\$ 353,022	\$ 606,128	\$ 406,636
Liabilities				
Accounts payable	\$ 23,651	\$ 1,907	\$ 62,051	\$ 152,429
Accrued expenditures	30,263	44,880	-	-
Due to other funds	-	-	-	-
Unearned revenue - other	-	57,656	-	-
Total liabilities	53,914	104,443	62,051	152,429
Deferred inflows of resources				
Deferred property tax revenue	-	-	-	-
Unavailable revenue-other	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances (deficits)				
Restricted	-	-	544,077	254,207
Committed	3,302,824	-	-	-
Assigned	-	248,579	-	-
Total fund balances (deficits)	3,302,824	248,579	544,077	254,207
Total liabilities, deferred inflows of resources and fund balance	\$ 3,356,738	\$ 353,022	\$ 606,128	\$ 406,636

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2025**

Nonmajor Special Revenue				
Developmental Disabilities	Homeland Security Grant	Fair	Crime Victim Compensation	
\$ -	\$ -	\$ 51,577	\$ 1,204,529	Assets
7,173	383,871	-	-	Cash and investments
16,458,063	-	-	-	Accounts receivable
				Taxes receivable, net
<u>\$ 16,465,236</u>	<u>\$ 383,871</u>	<u>\$ 51,577</u>	<u>\$ 1,204,529</u>	Total assets
\$ -	\$ 62,050	\$ 8,880	\$ -	Liabilities
-	7,882	-	-	Accounts payable
7,173	269,863	-	-	Accrued expenditures
-	602	-	-	Due to other funds
<u>7,173</u>	<u>340,397</u>	<u>8,880</u>	<u>-</u>	Unearned revenue - other
				Total liabilities
16,458,063	-	-	-	Deferred inflows of resources
-	-	-	-	Deferred property tax revenue
-	-	-	-	Unavailable revenue-other
<u>16,458,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	Unavailable revenue-grants
				Total deferred inflows of resources
-	-	-	1,204,529	Fund balances (deficits)
-	43,474	42,697	-	Restricted
-	-	-	-	Committed
<u>-</u>	<u>43,474</u>	<u>42,697</u>	<u>1,204,529</u>	Assigned
				Total fund balances (deficits)
<u>\$ 16,465,236</u>	<u>\$ 383,871</u>	<u>\$ 51,577</u>	<u>\$ 1,204,529</u>	Total liabilities, deferred inflows of resources and fund balance

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2025**

	Total
Assets	
Cash and investments	\$ 24,818,463
Accounts receivable	4,450,659
Taxes receivable, net	35,114,000
Total assets	\$ 64,383,122
Liabilities	
Accounts payable	\$ 1,249,309
Accrued expenditures	1,757,833
Due to other funds	1,357,062
Unearned revenue - other	321,430
Total liabilities	4,685,634
Deferred inflows of resources	
Deferred property tax revenue	35,114,000
Unavailable revenue-other	264,645
Unavailable revenue-grants	-
Total deferred inflows of resources	35,378,645
Fund balances (deficits)	
Restricted	18,958,570
Committed	4,344,459
Assigned	1,015,814
Total fund balances (deficits)	24,318,843
Total liabilities, deferred inflows of resources and fund balance	\$ 64,383,122



Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2025

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ 11,431,064	\$ -
Other taxes	-	-	623,883	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	32,874	12,983,186
Charges for services	88,917	-	519,701	694
Fines and forfeitures	-	-	179,558	-
Investment earnings	-	-	413,894	-
Miscellaneous	-	-	-	1,207,869
Total revenue	<u>88,917</u>	<u>-</u>	<u>13,200,974</u>	<u>14,191,749</u>
Expenditures				
Current				
General government	71,471	-	-	-
Public safety	-	-	12,574,983	-
Judicial services	-	-	-	-
Health and welfare	-	-	-	14,089,909
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	<u>71,471</u>	<u>-</u>	<u>12,574,983</u>	<u>14,089,909</u>
Total expenditures	<u>71,471</u>	<u>-</u>	<u>12,574,983</u>	<u>14,089,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,446</u>	<u>-</u>	<u>625,991</u>	<u>101,840</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(55,947)	(5,502)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(55,947)</u>	<u>(5,502)</u>
Net change in fund balance	17,446	-	570,044	96,338
Fund balance - beginning, restated	-	848,357	8,364,857	670,897
Fund balance - ending	<u>\$ 17,446</u>	<u>\$ 848,357</u>	<u>\$ 8,934,901</u>	<u>\$ 767,235</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2025

Nonmajor Special Revenue				
Road and Bridge	Conservation Trust	Contingent	Comm. Network Replacement	
\$ 5,991,765	\$ -	\$ -	\$ -	Revenues
2,583,238	-	-	-	Taxes
370,651	-	-	-	Property taxes
10,027,994	862,610	-	104,875	Other taxes
-	-	-	-	Licenses and permits
-	-	-	-	Intergovernmental
-	-	-	-	Charges for services
-	-	-	-	Fines and forfeitures
37,037	113,756	-	-	Investment earnings
-	-	-	-	Miscellaneous
<u>19,010,685</u>	<u>976,366</u>	<u>-</u>	<u>104,875</u>	Total revenue
				Expenditures
-	-	-	91,440	Current
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Judicial services
20,245,067	-	-	-	Health and welfare
-	-	-	-	Highways and streets
-	-	-	-	Culture and recreation
<u>20,245,067</u>	<u>-</u>	<u>-</u>	<u>91,440</u>	Total current
				Total expenditures
<u>20,245,067</u>	<u>-</u>	<u>-</u>	<u>91,440</u>	
<u>(1,234,382)</u>	<u>976,366</u>	<u>-</u>	<u>13,435</u>	Excess (deficiency) of revenues over (under) expenditures
				Other financing sources (uses)
-	-	-	73,100	Transfers in
(289,133)	(559,900)	-	-	Transfers out
<u>(289,133)</u>	<u>(559,900)</u>	<u>-</u>	<u>73,100</u>	Total other financing sources (uses)
(1,523,515)	416,466	-	86,535	Net change in fund balance
5,034,224	3,227,878	603,465	265,464	Fund balance - beginning, restated
<u>\$ 3,510,709</u>	<u>\$ 3,644,344</u>	<u>\$ 603,465</u>	<u>\$ 351,999</u>	Fund balance - ending

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2025

	Nonmajor Special Revenue			
	Sheriff's Commissary	Community Development	Forfeited Property	DA Forfeiture
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	2,813,161	-	7,730
Charges for services	1,293,296	-	-	-
Fines and forfeitures	-	-	403,244	298,960
Investment earnings	-	-	17,747	2,808
Miscellaneous	10,406	77,255	-	-
Total revenue	<u>1,303,702</u>	<u>2,890,416</u>	<u>420,991</u>	<u>309,498</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	829,757	-	209,932	-
Judicial services	-	-	-	153,036
Health and welfare	-	2,747,954	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	<u>829,757</u>	<u>2,747,954</u>	<u>209,932</u>	<u>153,036</u>
Total expenditures	<u>829,757</u>	<u>2,747,954</u>	<u>209,932</u>	<u>153,036</u>
Excess (deficiency) of revenues over (under) expenditures	<u>473,945</u>	<u>142,462</u>	<u>211,059</u>	<u>156,462</u>
Other financing sources (uses)				
Transfers in	-	30,000	-	-
Transfers out	(704)	-	-	-
Total other financing sources (uses)	<u>(704)</u>	<u>30,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	473,241	172,462	211,059	156,462
Fund balance - beginning, restated	2,829,583	76,117	333,018	97,745
Fund balance - ending	<u>\$ 3,302,824</u>	<u>\$ 248,579</u>	<u>\$ 544,077</u>	<u>\$ 254,207</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2025

Nonmajor Special Revenue				
Developmental Disabilities	Homeland Security Grant	Fair	Crime Victim Compensation	
\$ 16,009,986	\$ -	\$ -	\$ -	Revenues
-	-	-	-	Taxes
-	-	-	-	Property taxes
85	1,151,790	-	1,245,477	Other taxes
-	-	967,506	666,485	Licenses and permits
-	-	-	-	Intergovernmental
-	-	-	6,661	Charges for services
-	-	16,951	-	Fines and forfeitures
-	-	-	-	Investment earnings
-	-	-	-	Miscellaneous
<u>16,010,071</u>	<u>1,151,790</u>	<u>984,457</u>	<u>1,918,623</u>	Total revenue
-	-	-	-	Expenditures
-	1,020,573	-	-	Current
-	-	-	-	General government
16,010,071	-	-	2,281,817	Public safety
-	-	-	-	Judicial services
-	-	-	-	Health and welfare
-	-	1,080,030	-	Highways and streets
-	-	-	-	Culture and recreation
<u>16,010,071</u>	<u>1,020,573</u>	<u>1,080,030</u>	<u>2,281,817</u>	Total current
16,010,071	1,020,573	1,080,030	2,281,817	Total expenditures
-	131,217	(95,573)	(363,194)	Excess (deficiency) of revenues over (under) expenditures
-	-	115,156	-	Other financing sources (uses)
-	-	-	-	Transfers in
-	-	115,156	-	Transfers out
-	-	-	-	Total other financing sources (uses)
-	131,217	19,583	(363,194)	Net change in fund balance
-	(87,743)	23,114	1,567,723	Fund balance - beginning, restated
<u>\$ -</u>	<u>\$ 43,474</u>	<u>\$ 42,697</u>	<u>\$ 1,204,529</u>	Fund balance - ending

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2025

	Total
Revenues	
Taxes	
Property taxes	\$ 33,432,815
Other taxes	3,207,121
Licenses and permits	370,651
Intergovernmental	29,229,782
Charges for services	3,536,599
Fines and forfeitures	881,762
Investment earnings	554,866
Miscellaneous	1,349,518
Total revenue	72,563,114
Expenditures	
Current	
General government	162,911
Public safety	14,635,245
Judicial services	2,434,853
Health and welfare	32,847,934
Highways and streets	20,245,067
Culture and recreation	1,080,030
Total current	71,406,040
 Total expenditures	 71,406,040
 Excess (deficiency) of revenues over (under) expenditures	 1,157,074
Other financing sources (uses)	
Transfers in	218,256
Transfers out	(911,186)
Total other financing sources (uses)	(692,930)
 Net change in fund balance	 464,144
Fund balance - beginning, restated	23,854,699
Fund balance - ending	\$ 24,318,843



NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources collected and used for the acquisition or construction of major capital facilities. The County's Capital Project Funds include the following:

Capital Expenditure Fund – This fund is used to account for the purchase and/or construction of major capital projects. Capital projects include, but are not limited to, such items as: major office remodeling, handicap improvements, building rehabilitation, roadway construction, communication systems construction, and the purchase of property. The County entered a lease with JPMorgan Chase Bank, N.A., on August 12, 2014, for the expansion of the County fairgrounds. The lease agreement is in the amount of \$6,720,544 and matures in 2029.

Infrastructure Fund – This fund is used to track construction costs of individual road, highway, and drainage projects. Revenues in this fund include interest earnings, developer contributions, transportation improvement fees, local, state, and federal matching funds, as well as unmatched County funds. Expenditures for this fund include all county transportation, highways, roads, bridges, and drainage infrastructure projects.

Arapahoe County Recreation District Fund – This fund is used to account for recreational facilities within a district located in the Southeast part of the urbanized area of Arapahoe County. These facilities include the Arapahoe County Community Park, the Cheyenne Arapaho Park, Welch Park, Cherry Creek Ecological Park, and various trails within the district. The district is located between I-25 and Smoky Hill Road and between I-225 and the Arapahoe-Douglas County Line. Property taxes paid by property owners that reside within the district and specific ownership tax revenues provide for day-to-day operating and maintenance costs.

Arapahoe County Water and Wastewater Public Improvement District (PID) Fund – The Arapahoe County Water and Wastewater Public Improvement District (PID) was formed in 2001 to construct various water and sewer facilities and to refinance the debt of the Arapahoe Water and Sanitation District. Property tax revenue for the PID is used to pay the scheduled debt service on the outstanding bonds and debt issued by the district.



**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Capital Projects
December 31, 2025**

Nonmajor Capital Projects

	Capital Expenditure	Infrastructure	Arap. County Rec. District	Arap. County Water and Wastewater PID
Assets				
Cash and investments	\$ 16,805,349	\$ 29,040,897	\$ 5,341,601	\$ 3,709,814
Accounts receivable	-	1,739,355	-	6,001
Taxes receivable, net	13,376,949	-	1,295,915	8,486,937
Total assets	\$ 30,182,298	\$ 30,780,252	\$ 6,637,516	\$ 12,202,752
Liabilities				
Accounts payable	\$ 2,022,071	\$ 2,830,293	\$ -	\$ -
Accrued expenditures	-	-	9,403	-
Total liabilities	2,022,071	2,830,293	9,403	-
Deferred inflows of resources				
Deferred property tax revenue	13,376,949	-	1,295,915	8,486,937
Unavailable revenue-grants	-	1,140,728	-	-
Total deferred inflows of resources	13,376,949	1,140,728	1,295,915	8,486,937
Fund balances (deficits)				
Restricted	-	-	56,007	278,294
Committed	14,783,278	26,809,231	-	3,362,152
Assigned	-	-	5,276,191	75,369
Total fund balances (deficits)	14,783,278	26,809,231	5,332,198	3,715,815
Total liabilities, deferred inflows of resources and fund balance	\$ 30,182,298	\$ 30,780,252	\$ 6,637,516	\$ 12,202,752

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Capital Projects (continued)
December 31, 2025**

	Total
\$	54,897,661
	1,745,356
	23,159,801
	79,802,818
\$	4,852,364
	9,403
	4,861,767
	23,159,801
	1,140,728
	24,300,529
	334,301
	44,954,661
	5,351,560
	50,640,522
\$	79,802,818

Assets

Cash and investments
Accounts receivable
Taxes receivable, net

Total assets

Liabilities

Accounts payable
Accrued expenditures

Total liabilities

Deferred inflows of resources

Deferred property tax revenue
Unavailable revenue-grants

Total deferred inflows of resources

Fund balances (deficits)

Restricted
Committed
Assigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects
For the Year Ended December 31, 2025

	Nonmajor Capital Projects			
	Capital Expenditure	Infrastructure	Arap. County Rec. District	Arap. County Water and Wastewater PID
Revenues				
Taxes				
Property taxes	\$ 6,071,621	\$ -	\$ 1,321,291	\$ 8,858,334
Other taxes	337,680	-	72,203	418,129
Licenses and permits	-	714,291	-	-
Intergovernmental	-	8,264,262	211,730	-
Charges for services	-	-	90,856	-
Investment earnings	-	248,433	171,319	-
Developer contributions	-	728,149	-	-
Total revenue	<u>6,409,301</u>	<u>9,955,135</u>	<u>1,867,399</u>	<u>9,276,463</u>
Expenditures				
Current				
General government	91,018	-	-	-
Public safety	7,001	-	-	-
Judicial services	400,029	-	-	-
Highways and streets	37,867	4,324,281	-	-
Water and wastewater	-	-	-	118,222
Culture and recreation	-	-	141,051	-
Total current	<u>535,915</u>	<u>4,324,281</u>	<u>141,051</u>	<u>118,222</u>
Capital				
General government	17,106,407	-	-	-
Public safety	622,888	-	-	-
Judicial services	4,288,289	-	-	-
Highways and streets	-	6,186,044	-	-
Total capital	<u>22,017,584</u>	<u>6,186,044</u>	<u>-</u>	<u>-</u>
Debt				
Principal	-	-	-	5,305,000
Interest	-	-	-	3,533,175
Debt administration fees	-	-	-	1,550
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,839,725</u>
Total expenditures	<u>22,553,499</u>	<u>10,510,325</u>	<u>141,051</u>	<u>8,957,947</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,144,198)</u>	<u>(555,190)</u>	<u>1,726,348</u>	<u>318,516</u>
Other financing sources (uses)				
Transfers in	6,138,263	1,350,000	-	-
Transfers out	(1,350,000)	-	-	-
Total other financing sources (uses)	<u>4,788,263</u>	<u>1,350,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(11,355,935)	794,810	1,726,348	318,516
Fund balance - beginning	26,139,213	26,014,421	3,605,850	3,397,299
Fund balance - ending	<u>\$ 14,783,278</u>	<u>\$ 26,809,231</u>	<u>\$ 5,332,198</u>	<u>\$ 3,715,815</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects (continued)
For the Year Ended December 31, 2025

	Total	
\$	16,251,246 828,012 714,291 8,475,992 90,856 419,752 728,149 <hr/> 27,508,298	Revenues Taxes Property taxes Other taxes Licenses and permits Intergovernmental Charges for services Investment earnings Developer contributions Total revenue
	91,018 7,001 400,029 4,362,148 118,222 141,051 <hr/> 5,119,469	Expenditures Current General government Public safety Judicial services Highways and streets Water and wastewater Culture and recreation Total current
	17,106,407 622,888 4,288,289 6,186,044 <hr/> 28,203,628	Capital General government Public safety Judicial services Highways and streets Total capital
	5,305,000 3,533,175 1,550 <hr/> 8,839,725	Debt Principal Interest Debt administration fees Total debt service
	42,162,822 <hr/> (14,654,524)	Total expenditures Excess (deficiency) of revenues over (under) expenditures
	7,488,263 (1,350,000) <hr/> 6,138,263	Other financing sources (uses) Transfers in Transfers out Total other financing sources (uses)
	(8,516,261) 59,156,783 <hr/> \$ 50,640,522	 Net change in fund balance Fund balance - beginning Fund balance - ending

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt Service Funds are used for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The County's Debt Service Funds include the following:

Equipment Lease Purchase Fund – This fund is used to account for lease purchases. In 2025, the following leases were accounted for in this fund:

1. Fairgrounds Expansion Lease purchase agreement through JPMorgan Chase Bank, N.A. in the amount of \$6,720,544 was entered into in 2014 and maturing in 2029.
2. Lima Ridge lease purchase agreement with the Banc of America Public Capital Corp. in the amount of \$9,650,000 entered in 2011 and matures in 2030.

The Arapahoe County Building Finance Corporation Debt Service Fund – This fund is used to account for the transactions related to the funding of the construction of facilities that are leased to Arapahoe County Government. The Arapahoe County Building Finance Corporation (ACBFC) owns the CentrePoint Plaza Building, the Sheriff/Coroner Administration Building, and the Arapahoe County Justice Center. The ACBFC leases these facilities to the County pursuant to the terms of Certificates of Participation issued by the Corporation.



**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Debt Service
December 31, 2025**

	Nonmajor Debt Service		
	Lease Purchase	Arap. County Building Finance Corp.	Total
Assets			
Cash and investments	\$ 290,080	\$ 1,441,697	\$ 1,731,777
Total assets	\$ 290,080	\$ 1,441,697	\$ 1,731,777
Liabilities			
Total liabilities	-	-	-
Fund balances (deficits)			
Assigned	290,080	1,441,697	1,731,777
Total fund balances (deficits)	290,080	1,441,697	1,731,777
Total liabilities, deferred inflows of resources and fund balance	\$ 290,080	\$ 1,441,697	\$ 1,731,777

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service
For the Year Ended December 31, 2025

	Nonmajor Debt Service		
	Lease Purchase	Arap. County Building Finance Corp.	Total
Revenues			
Investment earnings	\$ -	\$ 254,530	\$ 254,530
Total revenue	-	254,530	254,530
Expenditures			
Debt			
Principal	1,100,938	-	1,100,938
Interest	117,660	-	117,660
Total debt service	1,218,598	-	1,218,598
Total expenditures	1,218,598	-	1,218,598
Excess (deficiency) of revenues over (under) expenditures	(1,218,598)	254,530	(964,068)
Other financing sources (uses)			
Transfers in	1,218,598	-	1,218,598
Total other financing sources (uses)	1,218,598	-	1,218,598
Net change in fund balance	-	254,530	254,530
Fund balance - beginning	290,080	1,187,167	1,477,247
Fund balance - ending	\$ 290,080	\$ 1,441,697	\$ 1,731,777

Arapahoe County, Colorado
Electronic Filing Technology
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 70,000	\$ 70,000	\$ -	\$ (70,000)
Charges for services	160,000	160,000	88,917	(71,083)
Total revenue	<u>230,000</u>	<u>230,000</u>	<u>88,917</u>	<u>(141,083)</u>
Expenditures				
Current				
General government	230,000	230,000	71,471	158,529
Total expenditures	<u>230,000</u>	<u>230,000</u>	<u>71,471</u>	<u>158,529</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>17,446</u>	<u>17,446</u>
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,446</u>	<u>\$ 17,446</u>

Arapahoe County, Colorado
Cash-In-Lieu
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
General government	-	848,357	-	848,357
Total expenditures	-	848,357	-	848,357
Excess (deficiency) of revenues over (under) expenditures	-	(848,357)	-	848,357
Fund balance - beginning	848,357	848,357	848,357	-
Fund balance - ending	\$ 848,357	\$ -	\$ 848,357	\$ 848,357

**Arapahoe County, Colorado
Law Enforcement Authority District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 10,811,668	\$ 10,811,668	\$ 11,431,064	\$ 619,396
Other taxes	665,000	665,000	623,883	(41,117)
Intergovernmental	33,800	33,800	32,874	(926)
Charges for services	591,119	622,119	519,701	(102,418)
Fines and forfeitures	216,500	216,500	179,558	(36,942)
Investment earnings	100,000	100,000	413,894	313,894
Total revenue	<u>12,418,087</u>	<u>12,449,087</u>	<u>13,200,974</u>	<u>751,887</u>
Expenditures				
Current				
Public safety	12,985,443	13,034,412	12,574,983	459,429
Total expenditures	<u>12,985,443</u>	<u>13,034,412</u>	<u>12,574,983</u>	<u>459,429</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(567,356)</u>	<u>(585,325)</u>	<u>625,991</u>	<u>1,211,316</u>
Other financing sources (uses)				
Transfers out	(17,976)	(55,947)	(55,947)	-
Total other financing sources (uses)	<u>(17,976)</u>	<u>(55,947)</u>	<u>(55,947)</u>	<u>-</u>
Net change in fund balance	(585,332)	(641,272)	570,044	1,211,316
Fund balance - beginning	8,364,857	8,364,857	8,364,857	-
Fund balance - ending	<u>\$ 7,779,525</u>	<u>\$ 7,723,585</u>	<u>\$ 8,934,901</u>	<u>\$ 1,211,316</u>

Arapahoe County, Colorado
Arapahoe / Douglas Works!
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 15,312,706	\$ 17,341,706	\$ 12,983,186	\$ (4,358,520)
Charges for services	-	-	694	694
Miscellaneous	2,831,531	2,831,531	1,207,869	(1,623,662)
Total revenue	<u>18,144,237</u>	<u>20,173,237</u>	<u>14,191,749</u>	<u>(5,981,488)</u>
Expenditures				
Current				
Health and welfare	18,130,869	20,221,869	14,089,909	6,131,960
Total expenditures	<u>18,130,869</u>	<u>20,221,869</u>	<u>14,089,909</u>	<u>6,131,960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,368</u>	<u>(48,632)</u>	<u>101,840</u>	<u>150,472</u>
Other financing sources (uses)				
Transfers out	(13,368)	(13,368)	(5,502)	7,866
Total other financing sources (uses)	<u>(13,368)</u>	<u>(13,368)</u>	<u>(5,502)</u>	<u>7,866</u>
Net change in fund balance	-	(62,000)	96,338	158,338
Fund balance - beginning	670,897	670,897	670,897	-
Fund balance - ending	<u>\$ 670,897</u>	<u>\$ 608,897</u>	<u>\$ 767,235</u>	<u>\$ 158,338</u>

Arapahoe County, Colorado
Road and Bridge
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 5,781,769	\$ 5,781,769	\$ 5,991,765	\$ 209,996
Other taxes	2,630,000	2,630,000	2,583,238	(46,762)
Licenses and permits	337,000	337,000	370,651	33,651
Intergovernmental	10,390,044	10,620,924	10,027,994	(592,930)
Miscellaneous	50,000	50,000	37,037	(12,963)
Total revenue	<u>19,188,813</u>	<u>19,419,693</u>	<u>19,010,685</u>	<u>(409,008)</u>
Expenditures				
Current				
Highways and streets	19,456,279	20,252,857	20,245,067	7,790
Total expenditures	<u>19,456,279</u>	<u>20,252,857</u>	<u>20,245,067</u>	<u>7,790</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(267,466)</u>	<u>(833,164)</u>	<u>(1,234,382)</u>	<u>(401,218)</u>
Other financing sources (uses)				
Transfers out	(271,394)	(289,133)	(289,133)	-
Total other financing sources (uses)	<u>(271,394)</u>	<u>(289,133)</u>	<u>(289,133)</u>	<u>-</u>
Net change in fund balance	(538,860)	(1,122,297)	(1,523,515)	(401,218)
Fund balance - beginning	5,034,224	5,034,224	5,034,224	-
Fund balance - ending	<u>\$ 4,495,364</u>	<u>\$ 3,911,927</u>	<u>\$ 3,510,709</u>	<u>\$ (401,218)</u>

**Arapahoe County, Colorado
Conservation Trust
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 850,000	\$ 850,000	\$ 862,610	\$ 12,610
Investment earnings	-	-	113,756	113,756
Total revenue	<u>850,000</u>	<u>850,000</u>	<u>976,366</u>	<u>126,366</u>
Expenditures				
Capital				
Culture and recreation	-	3,227,878	-	3,227,878
Total expenditures	<u>-</u>	<u>3,227,878</u>	<u>-</u>	<u>3,227,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>850,000</u>	<u>(2,377,878)</u>	<u>976,366</u>	<u>3,354,244</u>
Other financing sources (uses)				
Transfers out	(559,900)	(559,900)	(559,900)	-
Total other financing sources (uses)	<u>(559,900)</u>	<u>(559,900)</u>	<u>(559,900)</u>	<u>-</u>
Net change in fund balance	290,100	(2,937,778)	416,466	3,354,244
Fund balance - beginning	<u>3,227,878</u>	<u>3,227,878</u>	<u>3,227,878</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,517,978</u>	<u>\$ 290,100</u>	<u>\$ 3,644,344</u>	<u>\$ 3,354,244</u>

**Arapahoe County, Colorado
Contingent
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance - beginning	603,465	603,465	603,465	-
Fund balance - ending	\$ 603,465	\$ 603,465	\$ 603,465	\$ -

Arapahoe County, Colorado
Communications Network Replacement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 77,800	\$ 77,800	\$ 104,875	\$ 27,075
Total revenue	<u>77,800</u>	<u>77,800</u>	<u>104,875</u>	<u>27,075</u>
Expenditures				
Current				
General government	150,900	247,733	91,440	156,293
Total expenditures	<u>150,900</u>	<u>247,733</u>	<u>91,440</u>	<u>156,293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(73,100)</u>	<u>(169,933)</u>	<u>13,435</u>	<u>183,368</u>
Other financing sources (uses)				
Transfers in	73,100	73,100	73,100	-
Total other financing sources (uses)	<u>73,100</u>	<u>73,100</u>	<u>73,100</u>	<u>-</u>
Net change in fund balance	-	(96,833)	86,535	183,368
Fund balance - beginning	265,464	265,464	265,464	-
Fund balance - ending	<u>\$ 265,464</u>	<u>\$ 168,631</u>	<u>\$ 351,999</u>	<u>\$ 183,368</u>

Arapahoe County, Colorado
Sheriff's Commissary
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 1,327,762	\$ 1,327,762	\$ 1,293,296	\$ (34,466)
Miscellaneous	-	-	10,406	10,406
Total revenue	<u>1,327,762</u>	<u>1,327,762</u>	<u>1,303,702</u>	<u>(24,060)</u>
Expenditures				
Current				
Public safety	1,297,595	4,127,177	829,757	3,297,420
Total expenditures	<u>1,297,595</u>	<u>4,127,177</u>	<u>829,757</u>	<u>3,297,420</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,167</u>	<u>(2,799,415)</u>	<u>473,945</u>	<u>3,273,360</u>
Other financing sources (uses)				
Transfers out	(704)	(704)	(704)	-
Total other financing sources (uses)	<u>(704)</u>	<u>(704)</u>	<u>(704)</u>	<u>-</u>
Net change in fund balance	29,463	(2,800,119)	473,241	3,273,360
Fund balance - beginning	<u>2,829,583</u>	<u>2,829,583</u>	<u>2,829,583</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,859,046</u>	<u>\$ 29,464</u>	<u>\$ 3,302,824</u>	<u>\$ 3,273,360</u>

**Arapahoe County, Colorado
Community Development
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 7,447,756	\$ 7,447,756	\$ 2,813,161	\$ (4,634,595)
Miscellaneous	551,895	551,895	77,255	(474,640)
Total revenue	<u>7,999,651</u>	<u>7,999,651</u>	<u>2,890,416</u>	<u>(5,109,235)</u>
Expenditures				
Current				
Health and welfare	8,028,947	8,028,947	2,747,954	5,280,993
Total expenditures	<u>8,028,947</u>	<u>8,028,947</u>	<u>2,747,954</u>	<u>5,280,993</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,296)</u>	<u>(29,296)</u>	<u>142,462</u>	<u>171,758</u>
Other financing sources (uses)				
Transfers in	30,000	30,000	30,000	-
Transfers out	(704)	(704)	-	704
Total other financing sources (uses)	<u>29,296</u>	<u>29,296</u>	<u>30,000</u>	<u>704</u>
Net change in fund balance	-	-	172,462	172,462
Fund balance - beginning	<u>76,117</u>	<u>76,117</u>	<u>76,117</u>	<u>-</u>
Fund balance - ending	<u>\$ 76,117</u>	<u>\$ 76,117</u>	<u>\$ 248,579</u>	<u>\$ 172,462</u>

Arapahoe County, Colorado
Forfeited Property
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 128,157	\$ -	\$ (128,157)
Fines and forfeitures	-	186,003	403,244	217,241
Investment earnings	-	-	17,747	17,747
Total revenue	<u>-</u>	<u>314,160</u>	<u>420,991</u>	<u>106,831</u>
Expenditures				
Current				
Public safety	80,000	647,178	209,932	437,246
Total expenditures	<u>80,000</u>	<u>647,178</u>	<u>209,932</u>	<u>437,246</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(80,000)</u>	<u>(333,018)</u>	<u>211,059</u>	<u>544,077</u>
Fund balance - beginning	333,018	333,018	333,018	-
Fund balance - ending	<u>\$ 253,018</u>	<u>\$ -</u>	<u>\$ 544,077</u>	<u>\$ 544,077</u>

Arapahoe County, Colorado
DA Forfeiture Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 7,730	\$ 7,730
Fines and forfeitures	-	250,000	298,960	48,960
Investment earnings	-	-	2,808	2,808
Total revenue	<u>-</u>	<u>250,000</u>	<u>309,498</u>	<u>59,498</u>
Expenditures				
Current				
Judicial services	-	250,000	153,036	96,964
Total expenditures	<u>-</u>	<u>250,000</u>	<u>153,036</u>	<u>96,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>156,462</u>	<u>156,462</u>
Fund balance - beginning	97,745	97,745	97,745	-
Fund balance - ending	<u>\$ 97,745</u>	<u>\$ 97,745</u>	<u>\$ 254,207</u>	<u>\$ 156,462</u>

**Arapahoe County, Colorado
Developmental Disabilities
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 16,123,394	\$ 16,123,394	\$ 16,009,986	\$ (113,408)
Intergovernmental	-	-	85	85
Total revenue	<u>16,123,394</u>	<u>16,123,394</u>	<u>16,010,071</u>	<u>(113,323)</u>
Expenditures				
Current				
Health and welfare	16,123,394	16,123,394	16,010,071	113,323
Total expenditures	<u>16,123,394</u>	<u>16,123,394</u>	<u>16,010,071</u>	<u>113,323</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Arapahoe County, Colorado
Homeland Security Grant
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 558,244	\$ 1,031,877	\$ 1,151,790	\$ 119,913
Total revenue	<u>558,244</u>	<u>1,031,877</u>	<u>1,151,790</u>	<u>119,913</u>
Expenditures				
Current				
Public safety	558,244	1,031,877	1,020,573	11,304
Total expenditures	<u>558,244</u>	<u>1,031,877</u>	<u>1,020,573</u>	<u>11,304</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>131,217</u>	<u>131,217</u>
Fund balance - beginning	<u>(87,743)</u>	<u>(87,743)</u>	<u>(87,743)</u>	<u>-</u>
Fund balance - ending	<u>\$ (87,743)</u>	<u>\$ (87,743)</u>	<u>\$ 43,474</u>	<u>\$ 131,217</u>

Arapahoe County, Colorado
Fair
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 910,230	\$ 961,909	\$ 967,506	\$ 5,597
Miscellaneous	1,500	18,315	16,951	(1,364)
Total revenue	<u>911,730</u>	<u>980,224</u>	<u>984,457</u>	<u>4,233</u>
Expenditures				
Current				
Culture and recreation	925,230	1,118,494	1,080,030	38,464
Total expenditures	<u>925,230</u>	<u>1,118,494</u>	<u>1,080,030</u>	<u>38,464</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,500)</u>	<u>(138,270)</u>	<u>(95,573)</u>	<u>42,697</u>
Other financing sources (uses)				
Transfers in	13,500	115,156	115,156	-
Total other financing sources (uses)	<u>13,500</u>	<u>115,156</u>	<u>115,156</u>	<u>-</u>
Net change in fund balance	-	(23,114)	19,583	42,697
Fund balance - beginning	23,114	23,114	23,114	-
Fund balance - ending	<u>\$ 23,114</u>	<u>\$ -</u>	<u>\$ 42,697</u>	<u>\$ 42,697</u>

Arapahoe County, Colorado
Crime Victim Compensation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 1,245,477	\$ 1,245,477
Charges for services	-	-	666,485	666,485
Investment earnings	-	-	6,661	6,661
Miscellaneous	-	2,500,000	-	(2,500,000)
Total revenue	-	2,500,000	1,918,623	(581,377)
Expenditures				
Current				
Judicial services	-	2,500,000	2,281,817	218,183
Total expenditures	-	2,500,000	2,281,817	218,183
Excess (deficiency) of revenues over (under) expenditures	-	-	(363,194)	(363,194)
Fund balance - beginning	1,567,723	1,567,723	1,567,723	-
Fund balance - ending	\$ 1,567,723	\$ 1,567,723	\$ 1,204,529	\$ (363,194)

Arapahoe County, Colorado
Capital Expenditure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 5,858,860	\$ 5,858,860	\$ 6,071,621	\$ 212,761
Other taxes	395,000	395,000	337,680	(57,320)
Total revenue	<u>6,253,860</u>	<u>6,253,860</u>	<u>6,409,301</u>	<u>155,441</u>
Expenditures				
Current				
General government	87,883	87,883	91,018	(3,135)
Public safety	-	-	7,001	(7,001)
Judicial services	-	-	400,029	(400,029)
Highways and streets	-	52,975	37,867	15,108
Capital				
General government	5,193,197	28,460,550	17,106,407	11,354,143
Public safety	500,000	1,904,751	622,888	1,281,863
Judicial services	3,200,000	6,308,653	4,288,289	2,020,364
Total expenditures	<u>8,981,080</u>	<u>36,814,812</u>	<u>22,553,499</u>	<u>14,261,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,727,220)</u>	<u>(30,560,952)</u>	<u>(16,144,198)</u>	<u>14,416,754</u>
Other financing sources (uses)				
Transfers in	2,998,263	6,138,263	6,138,263	-
Transfers out	(1,350,000)	(1,350,000)	(1,350,000)	-
Total other financing sources (uses)	<u>1,648,263</u>	<u>4,788,263</u>	<u>4,788,263</u>	<u>-</u>
Net change in fund balance	<u>(1,078,957)</u>	<u>(25,772,689)</u>	<u>(11,355,935)</u>	<u>14,416,754</u>
Fund balance - beginning	26,139,213	26,139,213	26,139,213	-
Fund balance - ending	<u>\$ 25,060,256</u>	<u>\$ 366,524</u>	<u>\$ 14,783,278</u>	<u>\$ 14,416,754</u>

**Arapahoe County, Colorado
Infrastructure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ 707,699	\$ 714,291	\$ 6,592
Intergovernmental	-	19,596,876	8,264,262	(11,332,614)
Investment earnings	-	-	248,433	248,433
Developer contributions	-	728,149	728,149	-
Total revenue	-	21,032,724	9,955,135	(11,077,589)
Expenditures				
Current				
Highways and streets	-	44,676,872	4,324,281	40,352,591
Capital				
Highways and streets	1,350,000	3,484,999	6,186,044	(2,701,045)
Total expenditures	1,350,000	48,161,871	10,510,325	37,651,546
Excess (deficiency) of revenues over (under) expenditures	(1,350,000)	(27,129,147)	(555,190)	26,573,957
Other financing sources (uses)				
Transfers in	1,350,000	1,350,000	1,350,000	-
Total other financing sources (uses)	1,350,000	1,350,000	1,350,000	-
Net change in fund balance	-	(25,779,147)	794,810	26,573,957
Fund balance - beginning	26,014,421	26,014,421	26,014,421	-
Fund balance - ending	\$ 26,014,421	\$ 235,274	\$ 26,809,231	\$ 26,573,957

Arapahoe County, Colorado
Arapahoe County Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 1,316,214	\$ 1,316,214	\$ 1,321,291	\$ 5,077
Other taxes	78,000	78,000	72,203	(5,797)
Intergovernmental	170,000	170,000	211,730	41,730
Charges for services	65,000	65,000	90,856	25,856
Investment earnings	24,000	24,000	171,319	147,319
Total revenue	<u>1,653,214</u>	<u>1,653,214</u>	<u>1,867,399</u>	<u>214,185</u>
Expenditures				
Current				
Culture and recreation	1,464,789	1,464,789	141,051	1,323,738
Total expenditures	<u>1,464,789</u>	<u>1,464,789</u>	<u>141,051</u>	<u>1,323,738</u>
Excess (deficiency) of revenues over (under) expenditures	<u>188,425</u>	<u>188,425</u>	<u>1,726,348</u>	<u>1,537,923</u>
Fund balance - beginning	3,605,850	3,605,850	3,605,850	-
Fund balance - ending	<u>\$ 3,794,275</u>	<u>\$ 3,794,275</u>	<u>\$ 5,332,198</u>	<u>\$ 1,537,923</u>

Arapahoe County, Colorado
Arapahoe County Water and Wastewater PID
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 8,454,900	\$ 8,454,900	\$ 8,858,334	\$ 403,434
Other taxes	515,000	515,000	418,129	(96,871)
Total revenue	<u>8,969,900</u>	<u>8,969,900</u>	<u>9,276,463</u>	<u>306,563</u>
Expenditures				
Current				
Water and wastewater	131,523	131,523	118,222	13,301
Debt				
Principal	5,305,000	5,305,000	5,305,000	-
Interest	3,533,176	3,533,176	3,533,175	1
Debt administration fees	2,000	2,000	1,550	450
Total expenditures	<u>8,971,699</u>	<u>8,971,699</u>	<u>8,957,947</u>	<u>13,752</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,799)</u>	<u>(1,799)</u>	<u>318,516</u>	<u>320,315</u>
Net change in fund balance	(1,799)	(1,799)	318,516	320,315
Fund balance - beginning	3,397,299	3,397,299	3,397,299	-
Fund balance - ending	<u>\$ 3,395,500</u>	<u>\$ 3,395,500</u>	<u>\$ 3,715,815</u>	<u>\$ 320,315</u>

Arapahoe County, Colorado
Lease Purchase
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Debt				
Principal	1,104,627	1,104,627	1,100,938	3,689
Interest	113,971	113,971	117,660	(3,689)
Total expenditures	1,218,598	1,218,598	1,218,598	-
Excess (deficiency) of revenues over (under) expenditures	(1,218,598)	(1,218,598)	(1,218,598)	-
Other financing sources (uses)				
Transfers in	1,218,598	1,218,598	1,218,598	-
Total other financing sources (uses)	1,218,598	1,218,598	1,218,598	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	290,080	290,080	290,080	-
Fund balance - ending	\$ 290,080	\$ 290,080	\$ 290,080	\$ -

Arapahoe County, Colorado
Arapahoe County Building Finance Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 254,530	\$ 254,530
Total revenue	<u>-</u>	<u>-</u>	<u>254,530</u>	<u>254,530</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>254,530</u>	<u>254,530</u>
Fund balance - beginning	<u>1,187,167</u>	<u>1,187,167</u>	<u>1,187,167</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,187,167</u>	<u>\$ 1,187,167</u>	<u>\$ 1,441,697</u>	<u>\$ 254,530</u>



PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are a type of proprietary fund used to account for any activity that provides goods and services to other funds, departments, or agencies of the primary government on a cost-reimbursement basis. The County's Internal Service Funds include:

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

Self Insurance Liability Fund – This fund is used to account for the County's self-insurance program for property, liability, automobile, and the cost of insurance that is maintained more than the deductible limit.

Employee Flex Benefit Fund – This fund accounts for the employees' portion of their pre-tax salaries set aside to be used for reimbursement of qualified health or dependent care expenses. The costs are paid for by interest earnings on deposited and forfeited employee contributions.

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

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

**Arapahoe County Government
Combining Statement of Net Position
Proprietary Funds
December 31, 2025**

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Assets				
Current assets:				
Cash and investments	\$ 36,927,197	\$ 8,102,183	\$ 1,011,671	\$ 4,328,031
Accounts receivable	41,440	2,403	-	-
Deposit	-	-	-	200,000
Inventory	420,207	-	-	-
Total current assets	<u>37,388,844</u>	<u>8,104,586</u>	<u>1,011,671</u>	<u>4,528,031</u>
Noncurrent assets:				
Capital assets:				
Buildings and improvements	17,628	-	-	-
Vehicles and equipment	55,431,106	-	-	-
Computer systems	7,666,739	-	-	-
Furniture and office equipment	108,300	-	-	-
Less: accumulated depreciation	(49,904,105)	-	-	-
Total noncurrent assets (net of accum. dep.)	<u>13,319,668</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 50,708,512</u>	<u>\$ 8,104,586</u>	<u>\$ 1,011,671</u>	<u>\$ 4,528,031</u>
Liabilities				
Current liabilities				
Accounts payable	\$ 462,530	\$ 9,749	\$ -	\$ 115,433
Estimated claims payable	-	490,000	-	560,000
Noncurrent claims payable	-	1,130,000	-	1,300,000
Total liabilities	<u>462,530</u>	<u>1,629,749</u>	<u>-</u>	<u>1,975,433</u>
Net position				
Net investment in capital assets	13,319,668	-	-	-
Unrestricted	36,926,314	6,474,837	1,011,671	2,552,598
Total net position	<u>\$ 50,245,982</u>	<u>\$ 6,474,837</u>	<u>\$ 1,011,671</u>	<u>\$ 2,552,598</u>

**Arapahoe County Government
Combining Statement of Net Position
Proprietary Funds
December 31, 2025**

Self Insurance Dental	Total
\$ 1,118,259	\$ 51,487,341
-	43,843
-	200,000
-	420,207
<u>1,118,259</u>	<u>52,151,391</u>
-	17,628
-	55,431,106
-	7,666,739
-	108,300
-	(49,904,105)
<u>-</u>	<u>13,319,668</u>
<u>\$ 1,118,259</u>	<u>\$ 65,471,059</u>
\$ 65,732	\$ 653,444
69,000	1,119,000
-	2,430,000
<u>134,732</u>	<u>4,202,444</u>
-	13,319,668
983,527	47,948,947
<u>\$ 983,527</u>	<u>\$ 61,268,615</u>

Assets

Current assets:

Cash and investments
Accounts receivable
Deposit
Inventory

Total current assets

Noncurrent assets:

Capital assets:

Buildings and improvements
Vehicles and equipment
Computer systems
Furniture and office equipment
Less: accumulated depreciation

Total noncurrent assets
(net of accum. dep.)

Total assets

Liabilities

Current liabilities

Accounts payable
Estimated claims payable
Noncurrent claims payable

Total liabilities

Net position

Net investment in capital assets
Unrestricted

Total net position

Arapahoe County Government
Combining Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Operating revenues				
Charges for sales and service	\$ 6,095,157	\$ 784,000	\$ 1,527,956	\$ 1,522,361
Total operating revenue	<u>6,095,157</u>	<u>784,000</u>	<u>1,527,956</u>	<u>1,522,361</u>
Operating expenses				
Cost of sales and services	1,534,896	1,157,825	1,393,015	1,276,026
Administration	1	10,286	-	69,661
Depreciation	4,560,260	-	-	-
Total operating expenses	<u>6,095,157</u>	<u>1,168,111</u>	<u>1,393,015</u>	<u>1,345,687</u>
Operating income (loss)	<u>-</u>	<u>(384,111)</u>	<u>134,941</u>	<u>176,674</u>
Nonoperating revenue (expenses)				
Insurance recoveries	-	114,481	-	-
Gain on sale of assets	339,435	-	-	-
Loss on sale of assets	(12,848)	-	-	-
Income (loss) before contributions and transfers	<u>326,587</u>	<u>(269,630)</u>	<u>134,941</u>	<u>176,674</u>
Transfers in	1,846,339	5,562,850	43,560	390,000
Transfers out	-	(37,514)	-	-
Change in net position	<u>2,172,926</u>	<u>5,255,706</u>	<u>178,501</u>	<u>566,674</u>
Total net position - beginning	<u>48,073,056</u>	<u>1,219,131</u>	<u>833,170</u>	<u>1,985,924</u>
Total net position - ending	<u>\$ 50,245,982</u>	<u>\$ 6,474,837</u>	<u>\$ 1,011,671</u>	<u>\$ 2,552,598</u>

**Arapahoe County Government
Combining Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2025**

Self Insurance Dental	Total
\$ 1,975,163	\$ 11,904,637
<u>1,975,163</u>	<u>11,904,637</u>
2,082,409	7,444,171
83,539	163,487
-	4,560,260
<u>2,165,948</u>	<u>12,167,918</u>
(190,785)	(263,281)
-	114,481
-	339,435
-	(12,848)
<u>(190,785)</u>	<u>177,787</u>
298,007	8,140,756
-	(37,514)
<u>107,222</u>	<u>8,281,029</u>
876,305	52,987,586
<u>\$ 983,527</u>	<u>\$ 61,268,615</u>

Operating revenues

Charges for sales and service

Total operating revenue

Operating expenses

Cost of sales and services

Administration

Depreciation

Total operating expenses

Operating income (loss)

Nonoperating revenue (expenses)

Insurance recoveries

Gain on sale of assets

Loss on sale of assets

Income (loss) before contributions
and transfers

Transfers in

Transfers out

Change in net position

Total net position - beginning

Total net position - ending

Arapahoe County, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Governmental Activities - Internal Service Funds		
	Central Service	Self Insurance Liability	Employee Flex Benefit
Cash flows from operating activities			
Cash received for interfund services provided	\$ 6,070,136	\$ 781,772	\$ 1,527,956
Cash payments for services and supplies	<u>(1,887,633)</u>	<u>(4,496,765)</u>	<u>(1,393,015)</u>
Net cash provided by (used for) operating activities	<u>4,182,503</u>	<u>(3,714,993)</u>	<u>134,941</u>
Cash flows from noncapital financing activities			
Transfers in from other funds	1,846,339	5,562,850	43,560
Transfers out to other funds	-	(37,514)	-
Net cash provided by (used for) non capital financing activities	<u>1,846,339</u>	<u>5,525,336</u>	<u>43,560</u>
Cash flows from capital and related financing activities			
Acquisition of property and equipment	(5,364,637)	-	-
Proceeds from sale of capital assets	350,512	-	-
Insurance Proceeds	-	114,481	-
Net cash provided by (used for) by capital and related financing activities	<u>(5,014,125)</u>	<u>114,481</u>	<u>-</u>
Net increase (decrease) in cash and investments	1,014,717	1,924,824	178,501
Cash and Investments, January 1, 2025	<u>35,912,480</u>	<u>6,177,359</u>	<u>833,170</u>
Cash and Investments, December 31, 2025	<u><u>\$ 36,927,197</u></u>	<u><u>\$ 8,102,183</u></u>	<u><u>\$ 1,011,671</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:			
Operating income (loss)	\$ -	\$ (384,111)	\$ 134,941
Adjustments to reconcile operating income (loss) to net cash provided by (used for) by operating activities:			
Depreciation expense	4,560,260	-	-
(Increase) decrease in current assets:			
Accounts receivable	(25,021)	(2,228)	-
Inventory	38,513	-	-
Increase (decrease) in current liabilities:			
Accounts payable	(391,249)	(48,654)	-
Claims payable	-	(3,280,000)	-
Total adjustments	<u>4,182,503</u>	<u>(3,330,882)</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u><u>\$ 4,182,503</u></u>	<u><u>\$ (3,714,993)</u></u>	<u><u>\$ 134,941</u></u>

Arapahoe County, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

Governmental Activities - Internal Service Funds			
Worker's Compensation	Self Insurance Dental	Total	
\$ 1,522,361	\$ 1,975,163	\$ 11,877,388	Cash flows from operating activities
(1,723,687)	(2,203,965)	(11,705,065)	Cash received for interfund services provided
(201,326)	(228,802)	172,323	Cash payments for services and supplies
			Net cash provided by (used for) operating activities
390,000	298,007	8,140,756	Cash flows from noncapital financing activities
-	-	(37,514)	Transfers in from other funds
			Transfers out to other funds
			Net cash provided by (used for) non capital financing activities
390,000	298,007	8,103,242	
-	-	(5,364,637)	Cash flows from capital and related financing activities
-	-	350,512	Acquisition of property and equipment
-	-	114,481	Proceeds from sale of capital assets
			Insurance Proceeds
			Net cash provided by (used for) by capital and related financing activities
-	-	(4,899,644)	
188,674	69,205	3,375,921	Net increase (decrease) in cash and investments
4,139,357	1,049,054	48,111,420	Cash and Investments, January 1, 2025
\$ 4,328,031	\$ 1,118,259	\$ 51,487,341	Cash and Investments, December 31, 2025
\$ 176,674	\$ (190,785)	\$ (263,281)	Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:
			Operating income (loss)
			Adjustments to reconcile operating income (loss) to net cash provided by (used for) by operating activities:
-	-	4,560,260	Depreciation expense
-	-	(27,249)	(Increase) decrease in current assets:
-	-	38,513	Accounts receivable
			Inventory
12,000	(19,017)	(446,920)	Increase (decrease) in current liabilities:
(390,000)	(19,000)	(3,689,000)	Accounts payable
(378,000)	(38,017)	435,604	Claims payable
			Total adjustments
\$ (201,326)	\$ (228,802)	\$ 172,323	Net cash provided by (used for) operating activities

Arapahoe County, Colorado
Schedule of Budgetary Compliance
Proprietary Funds
For the Year Ended December 31, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Budgeted proprietary funds:			
Central Service Fund (1,2)	\$ 12,159,072	\$ 6,899,532	\$ 5,259,540
Self Insurance Liability Fund	6,453,388	1,205,625	5,247,763
Employee Flex Benefit Fund	1,571,513	1,393,015	178,498
Worker's Compensation Fund	2,112,361	1,345,687	766,674
Self Insurance Dental Fund	2,379,890	2,165,948	213,942
Total	<u>\$ 24,676,224</u>	<u>\$ 13,009,807</u>	<u>\$ 11,666,417</u>

The schedule of budgetary compliance is included to show compliance at the legal level of control as established by Arapahoe County Appropriation Resolutions, and includes all appropriations not shown elsewhere in this report. Appropriations are reported at the fund level or at the spending agency level if so designated by the resolution.

Final budget and actual totals include transfers and capital expenditures as applicable.

1) Depreciation Expense

Depreciation expense is not budgeted in the proprietary funds and is not included in the actual expense totals in the Schedule of Budgetary Compliance. Depreciation expense during 2025 is as follows:

Central Service Fund	\$ 4,560,260
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2) Capital Expenditures

Capital expenditures are budgeted in the proprietary funds and are included in the actual expense totals in the Schedule of Budgetary Compliance. Capital expenditures for 2025 are as follows:

Central Service Fund	\$ 5,364,637
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FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial Funds are held by Arapahoe County in a custodial capacity for individuals, governmental entities, and nonpublic organizations, as established by resolution or state statute. The County's custodial funds include:

Treasurer's Fund – This fund is used to account for the receipt and disbursement of all property tax revenues received by the Treasurer for the County and all other taxing entities in the County.

Arapahoe County Public Trustee Fund – This fund is used to account for the fiduciary activities of the Public Trustee including foreclosures and releases of deeds of trust.

Inmate Sentencing Fund – This fund is used to account for the receipt and disbursement of monies held on behalf of prison inmates.

Opioid Abatement Fund – This fund is used to account for the receipt and disbursement of Opioid Funds held on behalf of the Regional Council for Region 9.

District Attorney's Forfeiture Fund – This fund is used to account for proceeds derived from assets seized and forfeited pursuant to applicable state statutes and federal forfeiture programs, including participation in the federal equitable sharing program. Revenues may include cash forfeitures, proceeds from the sale of forfeited property and distributions received from federal agencies. The fund is accounted for to ensure that all receipts and disbursements are segregated and used solely for legally authorized purposes.

DA Crime Victim Compensation Fund – The fund was organized for the purpose of providing financial remedies to certain crime victims. Although a legally separate entity, the fund is included in the financials because of the District Attorney's Office oversight responsibilities.

Arapahoe County, Colorado
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2025

	Treasurer's Fund	Arapahoe County Public Trustee Custodial Fund	Inmate Sentencing Fund	Opioid Abatement Fund	Total Custodial Funds
Assets					
Cash and investments	\$ 22,195,815	\$ -	\$ 637,354	\$ 4,314,665	\$ 27,147,834
Restricted escrow	-	2,088,433	-	-	2,088,433
Total cash and investments	<u>22,195,815</u>	<u>2,088,433</u>	<u>637,354</u>	<u>4,314,665</u>	<u>29,236,267</u>
Receivables:					
Accounts receivable	-	(4,293)	-	566,185	561,892
Property taxes receivable	1,527,000,030	-	-	-	1,527,000,030
Total receivables	<u>1,527,000,030</u>	<u>(4,293)</u>	<u>-</u>	<u>566,185</u>	<u>1,527,561,922</u>
 Total assets	 <u>1,549,195,845</u>	 <u>2,084,140</u>	 <u>637,354</u>	 <u>4,880,850</u>	 <u>1,556,798,189</u>
Liabilities					
Due to other governments and organizations	19,860,794	-	-	-	19,860,794
Total liabilities	<u>19,860,794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,860,794</u>
Deferred inflows of resources					
Property taxes	1,527,000,030	-	-	-	1,527,000,030
Total deferred inflows of resources	<u>1,527,000,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,527,000,030</u>
Net Position					
Restricted for:					
Individuals, organizations, and other governments	2,335,021	2,084,140	637,354	4,880,850	9,937,365
Total net position	<u>\$ 2,335,021</u>	<u>\$ 2,084,140</u>	<u>\$ 637,354</u>	<u>\$ 4,880,850</u>	<u>\$ 9,937,365</u>

Arapahoe County, Colorado
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2025

	Treasurer's Fund	Arapahoe County Public Trustee Custodial Fund	Inmate Sentencing Fund	Opioid Abatement Fund	Total Custodial Funds
Additions					
Inmate Deposits	\$ -	\$ -	\$ 6,000,838	\$ -	\$ 6,000,838
Foreclosure escrow amounts received	-	21,488,282	-	-	21,488,282
Collection of taxes and fees for other governments	1,701,336,629	-	-	-	1,701,336,629
Opioid escrow funds received	-	-	-	1,138,017	1,138,017
Miscellaneous Collections	1,155,437	-	-	-	1,155,437
Total Additions	<u>1,702,492,066</u>	<u>21,488,282</u>	<u>6,000,838</u>	<u>1,138,017</u>	<u>1,731,119,203</u>
Deductions					
Foreclosure escrow amounts disbursed	-	20,559,428	-	-	20,559,428
Commissary - Sales and Services	-	-	6,124,615	-	6,124,615
Payments of Taxes and Fees to Other Governments and Organizations	1,702,547,813	-	-	-	1,702,547,813
Miscellaneous Disbursement	-	-	-	-	-
Opioid funds disbursed	-	-	-	1,915,653	1,915,653
Total Deductions	<u>1,702,547,813</u>	<u>20,559,428</u>	<u>6,124,615</u>	<u>1,915,653</u>	<u>1,731,147,509</u>
Net Increase (Decrease) in Fiduciary Net Position	(55,747)	928,854	(123,777)	(777,636)	(28,306)
Net Position - Beginning	2,390,768	1,155,286	761,131	5,658,486	9,965,671
Net Position - Ending	<u>\$ 2,335,021</u>	<u>\$ 2,084,140</u>	<u>\$ 637,354</u>	<u>\$ 4,880,850</u>	<u>\$ 9,937,365</u>



Arapahoe County, Colorado
Public Health - Component Unit
Governmental Funds Balance Sheet/Statement of Net Position
December 31, 2025

	Public Health	Adjustments	Statement of Net Position
Assets			
Cash	\$ 3,141,235	\$ -	\$ 3,141,235
Accounts receivable	3,237,084	-	3,237,084
Total current assets	<u>6,378,319</u>	<u>-</u>	<u>6,378,319</u>
Capital assets, depreciable	-	2,493,298	2,493,298
Less accumulated depreciation	-	(1,953,787)	(1,953,787)
Net capital assets	<u>-</u>	<u>539,511</u>	<u>539,511</u>
Total assets	<u>\$ 6,378,319</u>	<u>\$ 539,511</u>	<u>\$ 6,917,830</u>
Deferred Outflows of Resources			
Pension Outflow	-	12,941,836	12,941,836
Total Deferred Outflows of Resources	<u>-</u>	<u>12,941,836</u>	<u>12,941,836</u>
Liabilities			
Accounts Payable	1,514,251	-	1,514,251
Unearned Revenue	841,631	-	841,631
Accrued Interest Payable	-	1,726	1,726
Noncurrent liabilities			
Long term debt due within one year	-	257,796	257,796
Long term debt due more than one year	-	1,543,290	1,543,290
Net Pension Liability Due in More than one year	-	16,999,099	16,999,099
Total liabilities	<u>2,355,882</u>	<u>18,801,911</u>	<u>21,157,793</u>
Deferred Inflows of Resources			
Pension Inflows	-	9,080	9,080
Unavailable Revenue	352,303	(352,303)	-
Total Deferred Inflows of Resources	<u>352,303</u>	<u>(343,223)</u>	<u>9,080</u>
Fund balance			
Assigned	3,670,134	(3,670,134)	-
Total fund balance	<u>3,670,134</u>	<u>(3,670,134)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,378,319</u>		
Net position			
Net investment in capital assets		96,988	96,988
Unrestricted		(1,404,195)	(1,404,195)
Total net position		<u>\$ (1,307,207)</u>	<u>\$ (1,307,207)</u>

Arapahoe County, Colorado
Public Health - Component Unit
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/
Statement of Activities
For the Year Ended December 31, 2025

	Public Health	Adjustments	Statement of Activities
Program Revenues			
Charges for Services	\$ 2,321,391	\$ -	\$ 2,321,391
Operating Grants and Contributions Intergovernmental	22,046,532	65,497	22,112,029
General revenues			
Investment earnings	138,464	-	138,464
Miscellaneous	12,817	-	12,817
Total revenues	<u>24,519,204</u>	<u>65,497</u>	<u>24,584,701</u>
Expenditures/expenses			
Governmental activities			
Health & Welfare	23,393,715	3,362,515	26,756,230
Depreciation	-	530,700	530,700
Debt			
Principal	529,615	(529,615)	-
Interest	31,099	(2,066)	29,033
Total expenditures/expenses	<u>23,954,429</u>	<u>3,361,534</u>	<u>27,315,963</u>
Excess of revenues over expenditures	564,775	(564,775)	-
Change in net position	-	(2,731,262)	(2,731,262)
Fund balance/net position - beginning	3,105,359	-	1,424,055
Fund balance/net position - ending	<u>\$ 3,670,134</u>	<u>\$ -</u>	<u>\$ (1,307,207)</u>

Arapahoe County, Colorado
Public Health - Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 2,323,244	\$ 2,323,244	\$ 2,321,391	\$ (1,853)
Intergovernmental	22,144,367	21,679,198	21,946,670	267,472
Investment earnings	85,000	85,000	138,464	53,464
Miscellaneous	443,474	443,474	112,679	(330,795)
Total revenues	<u>24,996,085</u>	<u>24,530,916</u>	<u>24,519,204</u>	<u>(11,712)</u>
Expenditures				
Current				
Public health	24,909,077	24,525,442	23,393,715	1,131,727
Capital				
Public health	<u>59,959</u>	<u>59,959</u>	<u>-</u>	<u>59,959</u>
Debt				
Principal	-	-	529,615	(529,615)
Interest	-	-	31,099	(31,099)
Total debt service	<u>-</u>	<u>-</u>	<u>560,714</u>	<u>(560,714)</u>
Total expenditures	<u>24,969,036</u>	<u>24,585,401</u>	<u>23,954,429</u>	<u>630,972</u>
Excess of revenues over expenditures	27,049	(54,485)	564,775	619,260
Fund balance - beginning	3,105,359	3,105,359	3,105,359	-
Fund balance - ending	<u>\$ 3,132,408</u>	<u>\$ 3,050,874</u>	<u>\$ 3,670,134</u>	<u>\$ 619,260</u>

Arapahoe County, Colorado
911 Authority - Component Unit
Governmental Funds Balance Sheet/Statement of Net Position
December 31, 2025

	911 Authority Fund	Adjustments	Statement of Net Position
Assets			
Cash	\$ 11,498,893	\$ -	\$ 11,498,893
Accounts receivable	505,929	-	505,929
Prepaid Items	-	-	-
Total current assets	<u>12,004,822</u>	<u>-</u>	<u>12,004,822</u>
Capital assets, Non-depreciable	-	-	-
Capital assets, depreciable	-	5,229,856	5,229,856
Less accumulated depreciation	-	(1,714,135)	(1,714,135)
Net capital assets	<u>-</u>	<u>3,515,721</u>	<u>3,515,721</u>
Total assets	<u>\$ 12,004,822</u>	<u>\$ 3,515,721</u>	<u>\$ 15,520,543</u>
Liabilities			
Accounts payable	\$ 316,236	\$ -	\$ 316,236
Accrued Interest payable	-	3,493	3,493
Noncurrent liabilities			
Long term debt due within one year	-	42,663	42,663
Long term debt due more than one year	-	44,660	44,660
Total liabilities	<u>316,236</u>	<u>90,816</u>	<u>407,052</u>
Fund balance			
Assigned	<u>11,688,586</u>	<u>(11,688,586)</u>	<u>-</u>
Total fund balance	<u>11,688,586</u>	<u>(11,688,586)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 12,004,822</u>		
Net position			
Net investment in capital assets		3,428,398	3,428,398
Unrestricted		<u>11,685,093</u>	<u>11,685,093</u>
Total net position		<u>\$ 15,113,491</u>	<u>\$ 15,113,491</u>

Arapahoe County, Colorado
911 Authority - Component Unit
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/
Statement of Activities
For the Year Ended December 31, 2025

	911 Authority Fund	Adjustments	Statement of Activities
Program revenues			
Charges for services	\$ 5,212,625	\$ -	\$ 5,212,625
Operating Grants and Contributions	457,174	-	457,174
General revenues			
Investment earnings	373,182	-	373,182
Miscellaneous	1,127	-	1,127
Total revenues	<u>6,044,108</u>	<u>-</u>	<u>6,044,108</u>
Expenditures/expenses			
Governmental activities			
Public safety	4,248,534	4,361	4,252,895
Capital	324,776	(324,776)	-
Depreciation	-	798,367	798,367
Debt			
Principal	40,756	(40,756)	-
Interest	5,994	(5,994)	-
Total expenditures/expenses	<u>4,620,060</u>	<u>431,202</u>	<u>5,051,262</u>
Excess of revenues over expenditures	1,424,048	(1,424,048)	-
Change in net position	-	992,846	992,846
Fund balance/net position - beginning	<u>10,264,538</u>	<u>-</u>	<u>14,120,645</u>
Fund balance/net position - ending	<u>\$ 11,688,586</u>	<u>\$ -</u>	<u>\$ 15,113,491</u>

Arapahoe County, Colorado
911 Authority - Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 5,419,541	\$ 5,140,997	\$ 5,669,799	\$ 528,802
Investment earnings	153,029	410,303	373,182	(37,121)
Miscellaneous	-	-	1,127	1,127
Total revenues	<u>5,572,570</u>	<u>5,551,300</u>	<u>6,044,108</u>	<u>492,808</u>
Expenditures				
Current				
Public safety	4,705,788	8,982,175	4,248,534	4,733,641
Capital				
Public safety	-	350,000	324,776	25,224
Debt				
Principal	-	-	40,756	(40,756)
Interest	-	-	5,994	(5,994)
Total debt service	<u>-</u>	<u>-</u>	<u>46,750</u>	<u>(46,750)</u>
Total expenditures	<u>4,705,788</u>	<u>9,332,175</u>	<u>4,620,060</u>	<u>4,712,115</u>
Excess of revenues over expenditures	866,782	(3,780,875)	1,424,048	5,204,923
Fund balance - beginning	10,264,538	10,264,538	10,264,538	-
Fund balance - ending	<u>\$ 11,131,320</u>	<u>\$ 6,483,663</u>	<u>\$ 11,688,586</u>	<u>\$ 5,204,923</u>

ARAPAHOE COUNTY, COLORADO
SOCIAL SERVICES FUND
SCHEDULE OF EBT AUTHORIZATIONS, WARRANT EXPENDITURES AND TOTAL EXPENDITURES
FOR YEAR ENDING DECEMBER 31, 2025

	A	B	C	D	E
Program	EBT Authorizations (State Paid)	County Share of EBT Authorizations	Expenditures by Warrant	Total Human Services Expenditures (A + C)	Total County Expenditures (B + C)
Adult Protective Services	\$ -	\$ -	\$ 1,695,728	\$ 1,695,728	\$ 1,695,728
Aid to Blind	-	-	-	-	-
Aid to Needy Disabled	930,534	186,107	-	930,534	186,107
Child Support Grants	-	-	2,290	2,290	2,290
Child Support Services	44,918	48,622	8,186,065	8,230,983	8,234,687
Child Welfare	15,204,233	2,758,710	30,442,272	45,646,505	33,200,982
Child Welfare Discretionary Grants	532,171	-	760,242	1,292,414	760,242
Child Welfare IV-E Waiver Interventions	-	-	-	-	-
Child Welfare Staffing	-	-	5,900,689	5,900,689	5,900,689
Child Welfare Subsidized Adoption	6,051,751	605,175	46,976	6,098,727	652,151
Colorado Child Care Assistance Program (CCCAP)	22,510,511	2,365,316	1,264,577	23,775,088	3,629,894
Colorado Works (TANF)	10,022,835	2,497,666	7,796,332	17,819,168	10,293,999
Core Services	3,406,092	285,964	3,134,595	6,540,687	3,420,559
County Administration	-	-	19,564,797	19,564,797	19,564,797
County Wide Cost Allocation Plan Pass Thru	-	-	11,181,703	11,181,703	11,181,703
Food Assistance Benefits (SNAP)	165,008,782	-	-	165,008,782	-
Food Assistance Job Search (Employment First)	263,026	135,058	1,011,966	1,274,992	1,147,024
Home Care Allowance	11,366	568	-	11,366	568
IV-E Independent Living	-	-	103,801	103,801	103,801
Low-Income Energy Assistance	4,445,279	-	72,912	4,518,191	72,912
Non-Allocated Programs	2,889,152	47,545	406,476	3,295,628	454,021
Old Age Pension	9,739,945	-	399,320	10,139,265	399,320
TANF Collections IV-D Retained	(490,369)	(98,074)	-	(490,369)	(98,074)
Title IV-B Sub Part 2 (PSSF)	-	-	-	-	-
Title XX Caseworker Training	-	-	-	-	-
Miscellaneous	(10,136)	-	1,164,468	1,154,332	1,164,468
GRAND TOTAL	\$ 240,560,089	\$ 8,832,659	\$ 93,135,210	\$ 333,695,299	\$ 101,967,869

DIFFERENCES NOTED:

COUNTY EXPENDITURES NOT RECORDED TO COUNTY FINANCIAL MANAGEMENT SYSTEM (CFMS)	1,227,881
COUNTY WIDE COST ALLOCATION PLAN COSTS NOT RECORDED TO FUND 11	(11,181,703)
FUND TO FUND TRANSFERS NOT RECORDED TO CFMS	-
PSSF NOT RECORDED TO SAP	-
ITEMS RECORDED IN EXPENDITURE AND NOT AS OFFSET TO REVENUE	118,799
ITEMS RECORDED IN REVENUE AND NOT AS OFFSET TO EXPENDITURE	111,126
IV-D BALANCE SHEET ITEMS AND REFUNDS	(2,060)
PAYROLL & OTHER EXPENDITURE ACCRUALS	336,701
COUNTY HUMAN SERVICES TOTALS	92,578,614

***** CONTROL TOTALS \$ 333,695,299 \$ 92,578,614**

A. Human Services payments authorized by Arapahoe County, net of any refunds. These authorizations are paid by the Colorado Department of Human Services via electronic benefit cards (EBT) and electronic funds transfers (EFT).

B. The county share of Human Services payments authorized by Arapahoe County. These amounts are settled monthly by a reduction of Colorado Department of Human Services cash advances to the county, net of any refunds.

C. Expenditures made by county warrant or other county payment methods.

D. Represents the total cost of the Human Services programs that are administered by the county.

E. Reflects the county cost to administer Human Services Programs. This figure can also be found on the Social Services - Statement of Revenues, Expenditures and Changes in Fund Balance.

*** Control total for column D taken from the CFMS Expenditure/Revenue-Whole Year Report "total expenditure" column. Control total for column E, was generated using the YTD Actual figure for expenditures found in the County SAP ZFM02 Budget Report plus Depreciation and any other Leasehold not reflected in the ZFM02. Difference between Grand Total of column E and Control Total of column E is shown in Differences Noted.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Arapahoe
	YEAR ENDING : December 2025
This Information From The Records Of County of Arapahoe	Prepared By: Amanda Feathers Phone: 720-874-6544

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)	8,436,933
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	7,533,612
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	520,734
2. General fund appropriations	1,350,000	b. Snow and ice removal	112,758
3. Other local imposts (from page 2)	6,833,732	c. Other	-
4. Miscellaneous local receipts (from page 2)	336,421	d. Total (a. through c.)	633,492
5. Transfers from toll facilities	-	4. General administration & miscellaneous	11,771,819
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	-
a. Bonds - Original Issues	-	6. Total (1 through 5)	28,375,856
b. Bonds - Refunding Issues	-	B. Debt service on local obligations:	
c. Notes	-	1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	-
7. Total (1 through 6)	8,520,154	b. Redemption	-
B. Private Contributions	728,149	c. Total (a. + b.)	-
C. Receipts from State government (from page 2)	12,466,916	2. Notes:	
D. Receipts from Federal Government (from page 2)	5,931,932	a. Interest	-
E. Total receipts (A.7 + B + C + D)	27,647,151	b. Redemption	-
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	28,375,856

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	P	F1+	G1+		
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	31,048,645	27,647,151	28,375,856	30,319,940	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2025

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	3,536,203	a. Interest on investments	248,433
b. Other local imposts:		b. Traffic Fines & Penalties	-
1. Sales Taxes	-	c. Parking Garage Fees	-
2. Infrastructure & Impact Fees	714,291	d. Parking Meter Fees	-
3. Liens	-	e. Sale of Surplus Property	-
4. Licenses	-	f. Charges for Services	-
5. Specific Ownership &/or Other	2,583,238	g. Other Misc. Receipts	50,951
6. Total (1. through 5.)	3,297,530	h. Other	37,037
c. Total (a. + b.)	6,833,732	i. Total (a. through h.)	336,421
	(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	9,790,011	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match	2,350,101	c. HUD	
c. Motor Vehicle Registration	326,804	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	-	e. U.S. Corps of Engineers	
e. Other (Specify)	-	f. Other Federal	5,931,932
f. Total (a. through e.)	326,804	g. Total (a. through f.)	5,931,932
4. Total (1. + 2. + 3.f)	12,466,916	3. Total (1. + 2.g)	5,931,932
			(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	7,464	-	7,464
b. Engineering Costs	3,216,268	5,108,708	8,324,976
c. Construction:			
(1). New Facilities	-	-	-
(2). Capacity Improvements	53,542	-	53,542
(3). System Preservation	-	-	-
(4). System Enhancement & Operation	-	50,951	50,951
(5). Total Construction (1) + (2) + (3) + (4)	53,542	50,951	104,493
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	3,277,273	5,159,659	8,436,933
			(Carry forward to page 1)

Notes and Comments:

Arapahoe County, Colorado
Building Maintenance Administration
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ 80	\$ 80
Total revenue	<u>-</u>	<u>-</u>	<u>80</u>	<u>80</u>
Expenditures				
Current				
General government	2,334,345	3,246,184	1,908,081	1,338,103
Capital				
General government	-	8,160	43,415	(35,255)
Total expenditures	<u>2,334,345</u>	<u>3,254,344</u>	<u>1,951,496</u>	<u>1,302,848</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,334,345)</u>	<u>(3,254,344)</u>	<u>(1,951,416)</u>	<u>1,302,928</u>
Other financing sources (uses)				
Transfers in	2,078,000	2,078,000	2,078,000	-
Total other financing sources (uses)	<u>2,078,000</u>	<u>2,078,000</u>	<u>2,078,000</u>	<u>-</u>
Net change in fund balance	(256,345)	(1,176,344)	126,584	1,302,928
Fund balance - beginning	2,162,838	2,162,838	2,162,838	-
Fund balance - ending	<u>\$ 1,906,493</u>	<u>\$ 986,494</u>	<u>\$ 2,289,422</u>	<u>\$ 1,302,928</u>

Arapahoe County, Colorado Statistical Section Index

(Unaudited)

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

Financial Trends

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

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

Revenue Capacity

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

Table 5	Assessed Value and Actual Value of Taxable Property	E-8
Table 6	Direct and Overlapping Property Tax Rates.....	E-9
Table 7	Principal Property Taxpayers	E-10
Table 8	Property Tax Levies and Collections.....	E-11

Debt Capacity

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

Table 9	Ratios of Outstanding Debt by Type	E-12
Table 10	Ratios of Outstanding Bonded Debt by Type	E-13
Table 11	Computation of Direct and Overlapping Debt.....	E-14
Table 12	Legal Debt Margin Information	E-16

Demographic and Economic Information

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

Table 13	Demographic and Economic Statistics.....	E-17
Table 14	Principal Employers	E-18

Operating Information

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

Table 15	Full-time Equivalent County Government Employees by Function/Program.....	E-19
Table 16	Operating Indicators by Function/Program.....	E-20
Table 17	Capital Assets Statistics by Function/Program.....	E-21

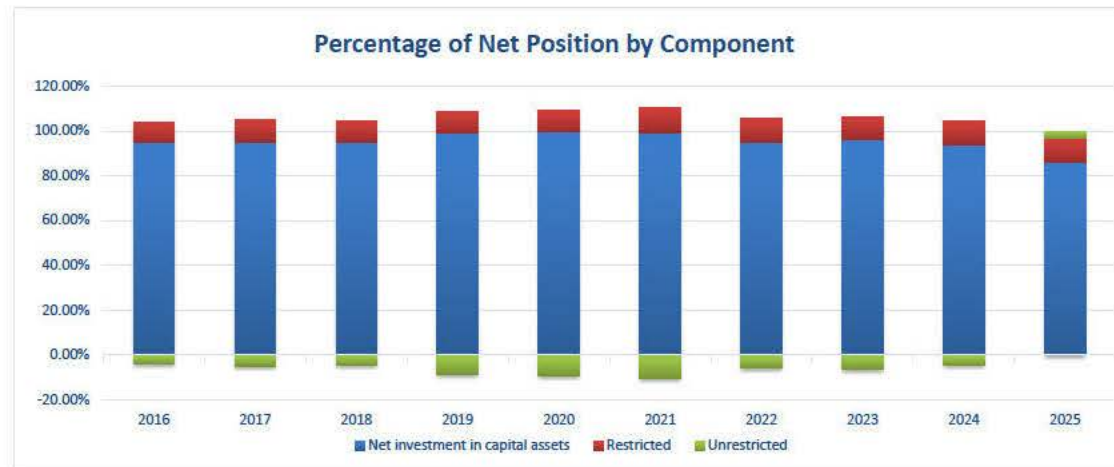
Data Source:

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

ARAPAHOE COUNTY, COLORADO
Net Position by Component
Last Ten Fiscal Years
December 31, 2025

Table 1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	\$ 661,699,298	\$ 661,399,167	\$ 662,881,767	\$ 665,383,529	\$ 676,596,791	\$ 679,531,606	\$ 689,887,585	\$ 729,920,480	\$ 761,352,267	\$ 778,013,619
Restricted	61,025,576	67,832,163	65,523,120	65,514,966	65,947,473	75,549,964	80,279,631	77,459,373	85,083,731	93,235,532
Unrestricted	(27,017,353)	(34,147,538)	(30,739,972)	(58,482,934)	(63,175,972)	(71,344,581)	(41,972,333)	(48,718,827)	(35,647,397)	31,191,710
Total governmental activities net position	\$ 695,707,521	\$ 695,083,792	\$ 697,664,915	\$ 672,415,561	\$ 679,368,292	\$ 683,736,989	\$ 728,194,883	\$ 758,661,026	\$ 810,788,601	\$ 902,440,861



Data Source:
Applicable years' Annual Comprehensive Financial Report

ARAPAHOE COUNTY, COLORADO

Changes in Net Position

Last Ten Fiscal Years

December 31, 2025

Table 2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses Governmental Activities										
Total expenses	\$ 67,198,166	\$ 75,487,675	\$ 69,320,281	\$ 83,051,860	\$ 141,800,450	\$ 92,282,280	\$ 91,847,812	\$ 97,709,706	\$ 104,390,755	\$ 105,380,777
General Governmen	93,906,901	92,591,674	99,859,375	124,944,437	121,307,621	117,839,247	123,382,169	140,966,503	137,912,545	146,350,296
Public Safety	14,435,062	14,879,697	15,143,028	15,888,842	16,146,113	16,545,082	17,281,465	18,426,067	19,841,518	28,752,732
Judicial Services	96,670,273	98,713,590	106,223,692	116,509,490	146,855,313	121,766,911	137,068,712	169,179,843	169,751,861	155,211,527
Health & Welfare	32,878,027	27,985,852	28,882,804	27,870,648	37,371,967	25,859,910	28,524,891	29,933,501	33,632,670	34,167,286
Highways & Streets	3,565,064	3,565,414	3,559,558	3,562,136	3,565,580	3,562,559	3,565,869	3,567,380	3,566,730	3,569,761
Water & Wastewater	1,585,550	591	-	-	-	-	1,611,898	-	-	-
Airport	25,427,434	24,625,180	27,661,147	33,265,464	29,575,359	31,867,675	33,775,486	35,118,612	40,737,842	41,280,757
Culture & Recreation	7,606,467	7,508,707	7,045,569	7,139,524	4,294,706	4,246,473	3,902,455	3,808,538	3,625,720	3,542,711
Interest on long-term deb	\$ 343,272,944	\$ 345,358,380	\$ 357,695,454	\$ 412,232,401	\$ 500,917,109	\$ 413,970,137	\$ 440,960,757	\$ 498,710,150	\$ 513,459,641	\$ 518,255,847
Program Revenues Governmental Activities										
Charges for Services	\$ 24,764,618	\$ 25,740,484	\$ 29,533,354	\$ 28,279,158	\$ 31,534,814	\$ 34,793,163	\$ 30,124,786	\$ 32,139,090	\$ 36,793,576	\$ 39,057,932
General Governmen	29,725,654	29,943,245	31,738,589	35,800,426	36,136,992	37,850,173	38,938,964	41,558,930	46,580,365	49,118,738
Public Safety	-	-	-	-	-	-	-	-	-	1,051,219
Judicial Services	628,911	647,231	565,584	623,005	658,963	792,048	384,154	270,239	338,452	2,377,533
Health & Welfare	860,617	893,530	939,266	1,163,994	1,212,473	1,060,963	947,851	1,346,582	1,649,373	1,084,942
Highways & Streets	942,446	924,663	1,049,356	1,205,946	24,721	1,330,103	1,521,424	1,718,444	1,748,748	1,817,019
Operating Grants and Contributions	142,214	1,175,081	332,855	392,675	57,524,843	19,150,785	56,946,175	41,113,776	47,049,080	1,285,538
Culture & Recreation	2,200,898	2,433,452	1,893,598	1,920,058	2,997,179	3,383,419	4,608,833	5,619,739	6,275,770	4,623,889
General Governmen	-	-	-	291,080	120,492	23,873	90,964	-	-	2,468,861
Public Safety	64,420,988	64,723,939	130,023	71,616,324	131,985,737	73,596,832	83,968,978	91,446,259	102,580,451	102,277,589
Judicial Services	10,092,021	14,217,769	72,177,853	17,347,267	16,508,054	13,610,646	18,913,192	15,059,481	16,235,771	18,032,058
Health & Welfare	-	-	11,113,339	-	-	-	-	-	-	-
Highways & Streets	150,694	275,193	595,963	414,048	270,530	259,427	2,756,077	2,174,539	5,700,198	805,210
Water & Wastewater	-	-	-	-	-	-	-	-	-	-
Capital grants and Contributions	-	-	-	-	-	2,531	5,000	-	-	-
Culture & Recreation	137,985	35,612	431,223	20,915	41,024	61,091	6,324	173,996	-	81,244
General Governmen	8,460	7,469	8,938	7,058	8,166	6,657	3,512	10,251	5,442	1,837
Public Safety	578,392	1,758,232	1,841,745	2,530,471	3,752,426	3,087,055	1,597,868	15,618,767	5,012,258	2,501,443
Health & Welfare	720,904	675,487	684,236	773,048	702,301	850,278	896,449	997,757	872,831	862,610
Highways & Streets	\$ 135,374,802	\$ 143,451,387	\$ 153,035,922	\$ 162,385,473	\$ 283,478,715	\$ 189,859,044	\$ 241,710,551	\$ 249,247,850	\$ 270,842,315	\$ 227,447,662
Culture & Recreation										
Net (Expense)/Revenue Governmental Activities										
Total primary government net expense	\$ (208,273,142)	\$ (201,906,993)	\$ (204,659,532)	\$ (249,846,928)	\$ (217,438,394)	\$ (224,111,093)	\$ (199,250,206)	\$ (249,462,300)	\$ (242,617,326)	\$ (290,808,185)
General Revenues Governmental Activities										
Property taxes	\$ 146,327,277	\$ 150,346,537	\$ 156,874,600	\$ 164,054,460	\$ 170,583,122	\$ 174,986,183	\$ 184,502,717	\$ 198,447,336	\$ 213,832,573	\$ 291,568,341
Sales taxes	25,647,538	26,557,828	27,911,710	30,334,481	31,526,629	36,677,742	39,976,934	40,581,448	40,442,416	41,876,455
Other tax	10,735,626	12,163,187	10,811,204	13,170,907	10,409,174	11,373,935	10,977,264	12,238,239	11,874,213	15,232,704
Investment income	1,950,443	2,794,250	4,704,611	10,372,294	7,552,178	(876,774)	285,749	22,012,769	21,403,631	23,543,062
Build America Bonds Credit	1,079,032	1,080,190	1,084,245	1,088,299	-	-	-	-	-	-
Miscellaneous revenues	7,971,601	8,341,272	5,854,285	5,577,133	6,207,643	6,318,704	7,965,436	6,648,651	7,192,068	7,431,791
Total general revenues	\$ 193,711,517	\$ 201,283,264	\$ 207,240,655	\$ 224,597,574	\$ 226,278,746	\$ 228,479,790	\$ 243,708,100	\$ 279,928,443	\$ 294,744,901	\$ 379,652,353
Change in Net Position										
Governmental activities	\$ (14,561,625)	\$ (623,729)	\$ 2,581,123	\$ (25,249,354)	\$ 8,840,352	\$ 4,368,697	\$ 44,457,894	\$ 30,466,143	\$ 52,127,575	\$ 88,844,168

Data Source:
Applicable years' Annual Comprehensive Financial Report

Table 3

ARAPAHOE COUNTY, COLORADO
Fund Balances Governmental Funds
Last Ten Fiscal Years
December 31, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 89,763	\$ 6,944	\$ 7,215	\$ 18,109	\$ 271,381	\$ 1,136,860	\$ 978,169	\$ 8,138	\$ 8,836	\$ 90,537
Restricted	6,525,720	6,870,489	7,258,016	8,352,668	7,864,114	7,659,084	7,615,631	9,114,454	10,043,492	12,876,050
Assigned	8,011,437	11,731,823	9,137,938	11,511,037	7,911,434	6,311,182	3,914,526	9,067,657	4,036,117	5,850,085
Unassigned	36,996,292	37,222,085	45,059,519	49,422,184	72,276,067	69,363,328	62,807,492	62,479,623	85,835,253	151,448,827
Total General Fund	\$ 51,623,212	\$ 55,831,341	\$ 61,462,688	\$ 69,303,998	\$ 88,322,996	\$ 84,470,454	\$ 75,315,818	\$ 80,669,872	\$ 99,923,698	\$ 170,265,499
All Other Governmental Funds										
Nonspendable	\$ 85,940	\$ 92,636	\$ 94,435	\$ 78,085	\$ 120,418	\$ 1,158,352	\$ 348,311	\$ 182,718	\$ 214,300	\$ 201,300
Restricted	56,029,200	61,203,487	58,265,103	57,162,298	58,083,359	67,890,880	72,664,000	68,344,919	75,040,239	80,359,482
Committed	24,348,429	26,474,074	33,517,748	43,331,425	37,777,300	39,557,389	75,587,779	82,093,340	60,019,011	49,560,179
Assigned	14,510,748	14,690,081	18,069,776	17,439,522	18,386,065	18,031,564	17,257,162	12,509,826	15,985,069	19,826,193
Unassigned	(540,719)	(1,069,249)	(855,742)	(810,362)	(1,110,692)	(841,967)	(722,168)	(108,436)	(87,743)	-
Total all other governmental funds	\$ 94,433,598	\$ 101,391,029	\$ 109,091,320	\$ 117,200,968	\$ 113,256,450	\$ 125,796,218	\$ 165,135,084	\$ 163,022,367	\$ 151,170,876	\$ 149,947,154
Total General and all other governmental funds	\$ 146,056,810	\$ 157,222,370	\$ 170,554,008	\$ 186,504,966	\$ 201,579,446	\$ 210,266,672	\$ 240,450,902	\$ 243,692,239	\$ 251,094,574	\$ 320,212,653

Data Source:
Applicable years' Annual Comprehensive Financial Report



ARAPAHOE COUNTY, COLORADO
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
December 31, 2025

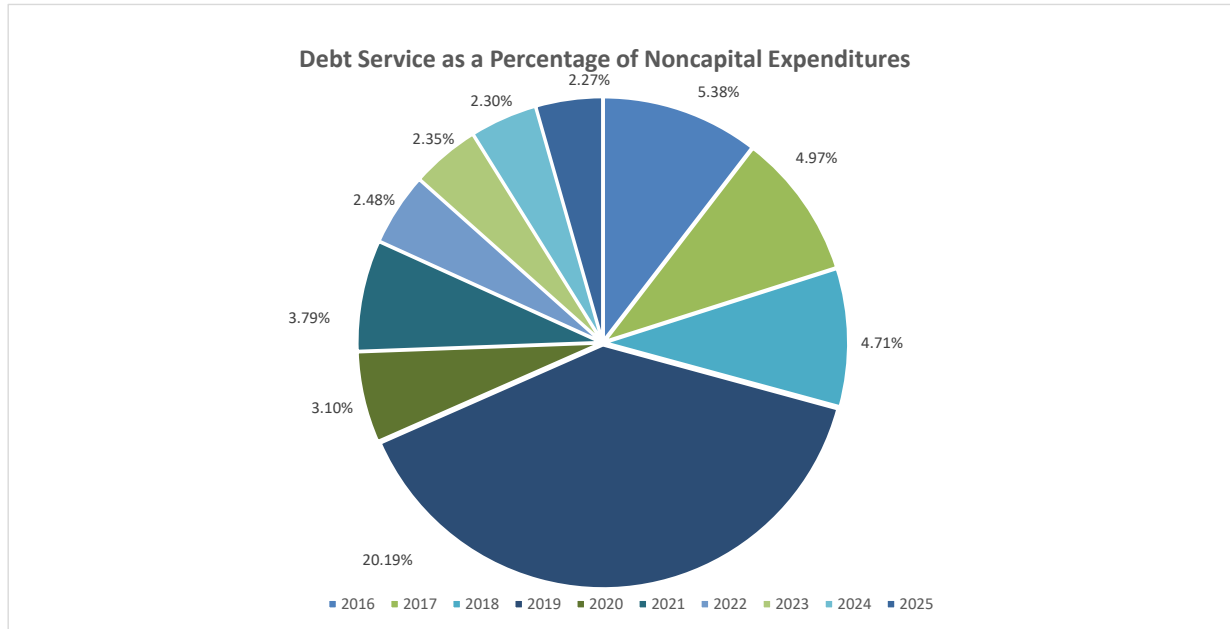
Table 4

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 182,717,914	\$ 189,064,942	\$ 195,592,692	\$ 207,569,973	\$ 212,513,367	\$ 223,044,381	\$ 235,458,161	\$ 251,263,057	\$ 266,148,821	\$ 348,667,544
Licenses and Permits	6,862,319	6,938,686	8,265,521	8,139,175	7,693,350	9,419,993	8,162,132	10,580,728	10,172,861	9,923,080
Intergovernmental	77,683,616	82,377,314	88,157,459	92,613,456	208,214,654	110,388,787	166,305,453	155,497,102	175,005,225	131,639,687
Charges for Services	48,754,388	48,098,474	52,059,969	55,883,731	59,662,666	64,203,123	61,829,051	63,923,518	72,774,169	77,114,206
Fines	1,333,331	1,116,890	959,499	796,019	505,971	564,409	552,501	289,871	479,060	993,602
Investment Earnings	1,950,442	2,794,250	4,704,611	10,372,294	7,552,178	(876,774)	285,749	22,012,769	21,403,631	23,543,062
Interfund Revenues and Rentals	4,175,841	4,015,236	4,165,304	4,286,950	3,904,081	3,188,180	3,272,592	3,707,969	3,614,833	3,355,173
Interest on Loan to Component Unit	1,632,137	-	-	-	-	-	-	-	-	-
Developer Contributions	305,860	516,303	882,710	606,560	1,940,073	997,410	1,485,082	1,298,701	136,047	728,149
Build America Bonds credit	1,079,032	1,080,190	1,084,245	1,088,299	-	-	-	-	-	-
Miscellaneous	4,499,116	4,966,928	5,703,655	5,974,047	6,886,507	7,047,456	9,121,939	9,622,797	11,269,946	10,947,581
Total Revenues	\$ 330,993,996	\$ 340,969,213	\$ 361,575,665	\$ 387,330,504	\$ 508,872,847	\$ 417,976,965	\$ 486,472,660	\$ 518,196,512	\$ 561,004,593	\$ 606,912,084
Expenditures										
General Government	\$ 62,611,284	\$ 63,141,881	\$ 64,884,087	\$ 68,438,168	\$ 131,582,571	\$ 85,874,707	\$ 86,640,218	\$ 88,927,618	\$ 100,769,531	\$ 100,554,320
Public Safety	82,748,708	83,150,402	89,267,881	98,955,247	103,883,234	106,136,874	115,192,547	126,932,308	133,820,130	140,752,983
Judicial Services	14,313,223	14,784,134	14,979,860	15,699,764	16,059,858	16,282,078	17,031,779	18,061,020	19,338,913	27,268,799
Health and Welfare	93,767,618	94,276,722	102,785,922	105,015,413	140,458,951	118,224,231	135,032,644	162,910,159	169,433,208	154,781,411
Highways and Streets	24,938,875	20,127,897	20,709,299	18,913,639	28,849,960	17,431,278	20,147,772	20,474,241	23,941,080	24,607,215
Water and Wastewater	114,024	114,375	108,518	111,096	114,640	111,870	114,679	116,440	116,190	118,222
Airport	550	591	-	-	-	-	1,611,898	-	-	-
Culture and Recreation	24,410,962	23,185,225	26,464,210	31,677,103	28,308,270	30,332,291	32,070,580	32,913,657	38,214,891	38,223,176
Capital Outlay	14,024,761	13,430,781	13,538,293	14,520,498	25,533,146	17,429,803	33,615,598	48,093,427	47,752,613	46,281,061
Debt Service										
Principal	9,069,781	7,731,226	8,193,408	8,043,776	9,300,771	10,034,279	6,159,067	6,742,199	7,502,732	7,644,939
Interest	8,144,791	7,903,906	7,586,761	7,298,167	5,081,422	4,713,371	4,193,750	4,073,660	3,910,551	3,674,243
Debt Issuance/Admin Costs	3,558	3,550	3,550	499,386	3,450	70,150	1,200	950	550	1,550
Total Expenditures	\$ 334,148,135	\$ 327,850,690	\$ 348,521,789	\$ 369,172,257	\$ 489,176,273	\$ 406,640,932	\$ 451,811,732	\$ 509,245,679	\$ 544,800,389	\$ 543,907,919
Excess of revenues over (under) expenditures	\$ (3,154,139)	\$ 13,118,523	\$ 13,053,876	\$ 18,158,247	\$ 19,696,574	\$ 11,336,033	\$ 34,660,928	\$ 8,950,833	\$ 16,204,204	\$ 63,004,165
Other Financing Sources (Uses)										
Transfers In	\$ 24,256,236	\$ 20,179,682	\$ 24,167,219	\$ 17,778,109	\$ 42,122,171	\$ 20,493,623	\$ 92,341,425	\$ 33,364,397	\$ 46,325,368	\$ 8,975,315
Transfers Out	(25,484,881)	(22,132,645)	(25,867,360)	(20,491,881)	(44,856,644)	(23,219,950)	(96,818,123)	(39,073,893)	(55,127,237)	(17,078,556)

Table 4 (continued)

ARAPAHOE COUNTY, COLORADO
Changes in Fund Balances Government Funds
Last Ten Fiscal Years
December 31, 2025

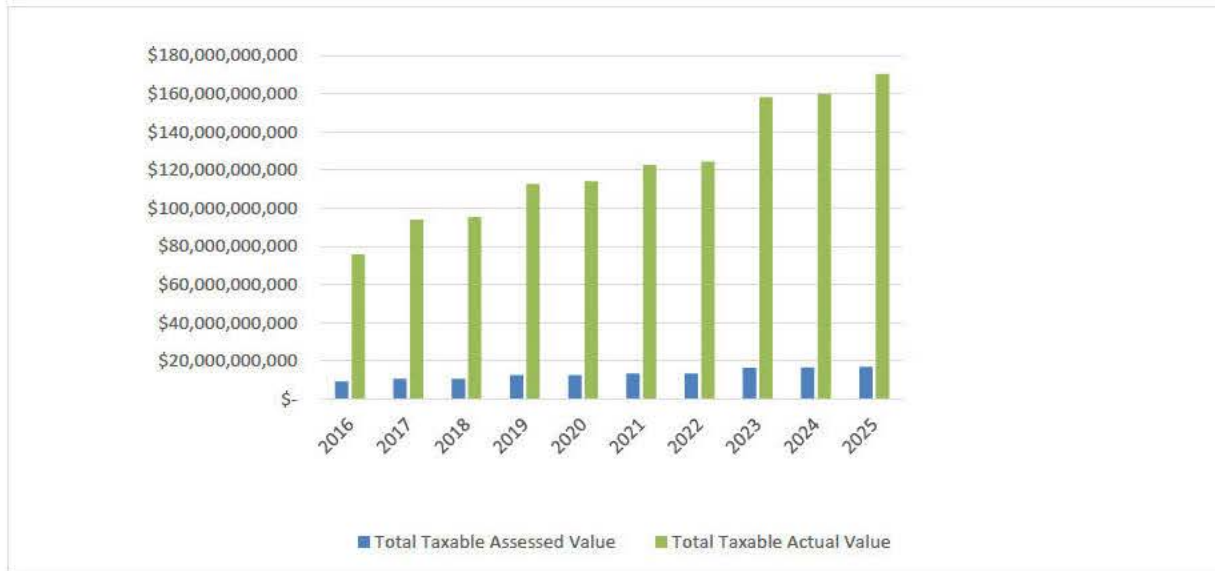
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Capital Lease Issuance - Leases	-	-	-	-	-	77,520	-	-	-	11,308,180
Refunding Bonds Issued	-	-	-	53,120,000	-	-	-	-	-	-
Payment to Bond Agent	-	-	-	(56,251,695)	-	-	-	-	-	-
Premium (discount) on Bonds	-	-	-	3,638,178	-	-	-	-	-	-
Total other financing sources (uses)	\$ (1,228,645)	\$ (1,952,963)	\$ (1,700,141)	\$ (2,207,289)	\$ (2,734,473)	\$ (2,648,807)	\$ (4,476,698)	\$ (5,709,496)	\$ (8,801,869)	\$ 3,204,939
Net Change in Fund Balances	\$ (4,382,784)	\$ 11,165,560	\$ 11,353,735	\$ 15,950,958	\$ 16,962,101	\$ 8,687,226	\$ 30,184,230	\$ 3,241,337	\$ 7,402,335	\$ 66,209,104
Debt service as a percentage of noncapital expenditures	5.38%	4.97%	4.71%	20.19%	3.10%	3.79%	2.48%	2.35%	2.30%	2.27%



Data Source:
 Applicable years' Annual Comprehensive Financial Report

Table 5 **ARAPAHOE COUNTY, COLORADO**
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
December 31, 2025

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Vacant	Agricultural	Other Natural Resources	State Assessed	Tax-Exempt Property	Total Taxable Assessed Value	Total Taxable Actual Value	Total Direct Tax rate
2016	\$4,874,504,552	\$3,519,405,327	\$36,968,269	\$178,409,908	\$16,338,886	\$76,794,298	\$426,031,500	\$1,628,023,002	\$9,128,452,740	\$75,777,157,324	25.947
2017	5,542,587,113	4,193,565,204	42,237,673	206,691,992	17,941,704	45,801,576	427,051,400	1,653,183,167	10,475,876,662	93,818,242,423	24.652
2018	5,629,267,276	4,235,219,289	44,208,693	200,504,857	18,482,733	58,597,252	417,134,600	1,671,911,738	10,603,414,700	95,250,716,882	25.128
2019	6,688,464,329	4,740,323,835	50,508,442	276,572,334	19,055,250	129,775,815	425,204,900	1,770,981,924	12,329,904,905	112,735,076,633	23.466
2020	6,780,444,221	4,730,124,131	49,565,596	238,381,645	19,115,437	141,085,531	441,521,800	1,772,991,707	12,400,238,361	113,922,629,991	23.805
2021	7,287,376,447	5,185,966,855	53,941,542	240,588,151	18,787,371	73,796,910	453,323,100	1,838,624,644	13,313,780,376	122,564,924,302	23.534
2022	7,184,491,720	5,172,652,129	50,497,106	218,882,190	17,521,770	135,383,320	489,727,500	1,843,007,505	13,269,155,735	124,387,020,522	24.503
2023	8,921,959,606	5,982,432,084	48,207,279	260,664,091	19,340,663	465,130,796	484,668,800	2,007,636,855	16,182,403,319	158,113,585,540	22.601
2024	9,008,986,998	6,016,911,026	51,615,299	266,906,665	19,490,382	516,685,153	531,891,300	2,008,081,404	16,412,486,823	159,804,997,287	27.582
2025	8,954,732,731	6,156,283,485	52,680,486	317,068,475	19,082,856	739,217,684	517,582,500	2,108,796,203	16,756,648,217	170,351,060,512	27.660



Data Source:
 Arapahoe County Assessor's Office

Table 6

ARAPAHOE COUNTY, COLORADO
Direct and Overlapping Property Tax Rates
(rate per \$1,000 of assessed value)
Last Ten Fiscal Years
December 31, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
County Direct Rates										
General	11.477	10.521	10.963	9.649	9.945	9.563	10.429	9.213	13.803	13.333
Special Revenue	3.562	3.296	3.338	3.036	3.068	3.199	3.321	2.993	3.082	3.626
L.E.A.D. & Library	10.908	10.835	10.827	10.781	10.792	10.772	10.753	10.395	10.697	10.701
Total direct rate	25.947	24.652	25.128	23.466	23.805	23.534	24.503	22.601	27.582	27.660
City & Town Rates										
Aurora	8.605	8.605	8.605	8.605	8.076	8.073	7.816	8.407	6.613	7.087
Bennett	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.330
Bow-Mar	25.185	25.373	26.142	25.112	26.021	24.421	25.650	23.265	23.370	14.882
Centennial	5.026	5.006	5.003	5.002	5.033	5.013	5.008	5.010	5.002	5.076
Cherry Hills	13.559	13.559	13.813	14.722	14.722	14.722	14.722	14.722	14.722	14.722
Columbine Valley	8.172	8.133	7.751	6.567	7.949	9.417	9.353	7.144	7.363	7.298
Deer Trail	15.821	14.585	15.050	13.453	14.088	13.453	11.430	13.007	13.453	12.916
Englewood	11.613	10.745	10.710	9.438	9.576	9.510	9.011	8.062	11.783	9.736
Foxfield	20.400	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982
Glendale	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670
Greenwood Village	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932
Littleton	6.662	6.662	6.662	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Sheridan	26.196	24.109	23.844	20.310	20.640	18.513	19.149	16.603	16.533	16.634
School Districts										
Aurora	69.685	69.006	82.014	81.275	82.034	78.918	77.846	71.331	71.331	73.183
Bennett	32.594	32.303	32.296	24.882	22.494	23.501	24.321	25.283	25.328	25.380
Byers	33.096	26.230	26.261	26.121	27.338	28.418	29.728	30.410	30.647	30.189
Cherry Creek	53.232	49.687	49.995	46.997	49.724	49.012	49.863	47.567	53.962	54.108
Deer Trail	27.243	42.826	41.817	38.851	38.936	37.036	36.759	37.483	37.067	36.679
Englewood	54.561	52.372	52.373	49.852	49.854	47.257	49.075	49.075	50.071	51.071
Littleton	53.030	51.166	56.945	59.266	64.744	64.936	67.061	62.847	64.793	65.193
Sheridan	38.744	35.259	50.798	46.502	44.903	43.481	43.481	40.272	41.210	41.947
Strasburg	38.725	38.315	38.373	37.656	46.684	44.041	44.136	40.939	40.758	38.531
Special Districts	.027-90.0	.021-98.9	.010-100.3	.010-102.1	.010-123.2	.010-126.3	.010-122.3	.010-133.7	.010-133.7	.010-136.9

Data Source:
Arapahoe County Assessor's Office

Table 7

**ARAPAHOE COUNTY, COLORADO
Principal Property Taxpayers
Current Year and Nine Years Ago
December 31, 2025**

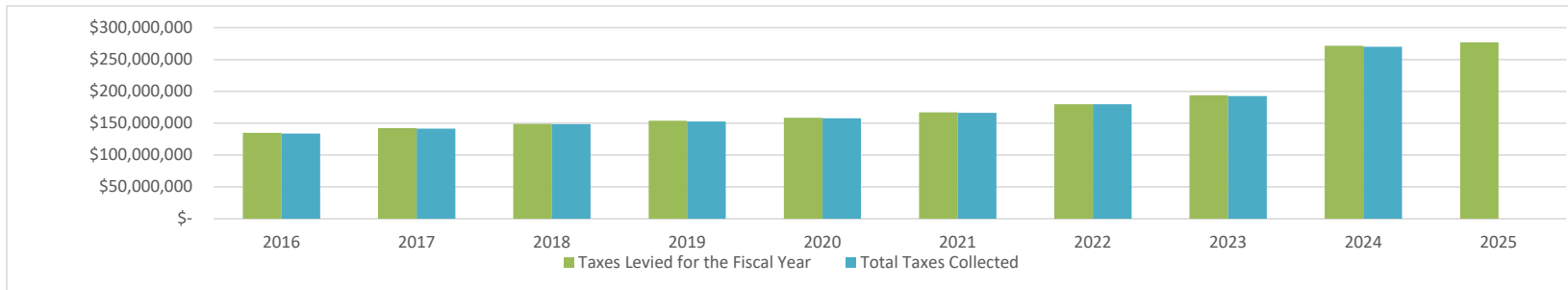
<u>Taxpayer</u>	<u>2025</u>			<u>2016</u>		
	<u>Taxable</u>		<u>Percentage of Total County Taxable Assessed</u>	<u>Taxable</u>		<u>Percentage of Total County Taxable Assessed</u>
	<u>Assessed Value</u>	<u>Rank</u>		<u>Assessed Value</u>	<u>Rank</u>	
Public Svc Co (Xcel Energy)	\$ 254,432,505	1	1.35%	\$ 126,588,050	1	1.18%
Columbia HealthOne LLC	93,150,000	2	0.50%	42,195,000	4	0.39%
Verizon Wireless (CellCo)	52,098,600	3	0.28%	65,634,700	3	0.61%
NP Stafford II LLC	43,636,860	4	0.23%	-	-	0.00%
CenturyLink (Luman Qwest Corp.)	34,727,100	5	0.18%	100,720,500	2	0.94%
Prime US-Village Center Station, LLC	34,713,630	6	0.18%	-	-	0.00%
Denver CB Center 2 LLC (6340 Fiddlers Green Circle LP)	32,585,220	7	0.17%	16,940,640	7	0.16%
Granite Place LLC	30,128,490	8	0.16%	-	-	0.00%
Greenwood Property Corp	28,002,780	9	0.15%	30,879,200	5	0.29%
QTS Aurora LLC	27,836,190	10	0.15%	-	-	0.00%
GPI Plaza Tower LP	-	-	0.00%	23,807,550	6	0.22%
AX Inverness LP	-	-	0.00%	14,090,520	8	0.13%
Palazzo Verdi LLC	-	-	0.00%	13,780,510	9	0.13%
KBSIII Village Center Station LLC	-	-	0.00%	13,535,170	10	0.13%
Drawbridge Panorama LLC (9151 E Panorama Circle)	-	-	0.00%	-	-	0.00%
Total	<u>\$ 631,311,375</u>		<u>3.36%</u>	<u>\$ 448,171,840</u>		<u>4.17%</u>

Data Source:
Arapahoe County Assessor's Office

Table 8

ARAPAHOE COUNTY, COLORADO
Property Tax Levies and Collections
Last Ten Fiscal Years
December 31, 2025

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Total Taxes Collected	Percentage of Levy
2016	\$ 134,720,914	\$ 133,450,038	99.1%	\$ 128,000	\$ 133,578,038	99.2%
2017	142,256,121	141,159,227	99.2%	385,613	141,544,840	99.5%
2018	148,899,511	148,042,148	99.4%	295,000	148,337,148	99.6%
2019	153,648,531	152,572,991	99.3%	250,000	152,822,991	99.5%
2020	158,558,190	157,817,755	99.5%	19,547	157,837,302	99.5%
2021	167,095,045	164,412,768	98.4%	1,737,855	166,150,623	99.4%
2022	179,948,103	178,537,363	99.2%	1,078,750	179,616,113	99.8%
2023	193,600,000	190,726,182	98.5%	1,807,605	192,533,787	99.4%
2024	271,648,587	268,186,942	98.7%	1,770,710	269,957,652	99.4%
2025	276,942,640	-	0.0%	-	-	0.0%



(1) Estimated calculation

Note: The difference between the total taxes collected shown on this schedule and the property taxes recorded on the Government-wide Statement of Activities is that the Statement of Activities line item for property taxes includes interest on current tax and property taxes collected on three blended component units not included above (Arapahoe Law Enforcement Authority, Arapahoe County Recreation District and the Arapahoe County Water and Wastewater Public Improvement District.)

Data Sources:

Arapahoe County Treasurer's Office

Arapahoe County Annual Budget

Table 9

ARAPAHOE COUNTY, COLORADO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
December 31, 2025

Fiscal Year	Total Bonds Payable¹	Total Notes Payable¹	Total Certificates of Participation Payable¹	Total Leases¹	Total SBITAs¹	Total Primary Government¹	Percentage of Personal Income²	Percentage of Actual Value of Taxable Property³	Total Outstanding Debt Per Capita
2016	\$138,905,723	\$7,446,310	\$21,256,405	\$16,844,104	-	\$184,452,542	0.51%	0.24%	289.45
2017	137,059,731	6,281,757	17,307,225	15,317,619	-	175,966,332	0.50%	0.19%	272.09
2018	135,007,822	5,098,429	13,198,045	13,720,977	-	167,025,273	0.45%	0.18%	257.08
2019	133,470,844	3,890,885	8,929,412	12,701,498	-	158,992,639	0.40%	0.14%	241.61
2020	129,941,621	2,664,894	4,474,686	11,647,046	-	148,728,247	0.36%	0.13%	226.44
2021	126,507,164	1,365,581	-	11,971,899	-	139,844,644	0.34%	0.11%	213.48
2022	122,888,741	-	-	10,457,813	-	133,346,554	0.27%	0.11%	203.40
2023	117,725,002	-	-	8,907,612	596,864	127,229,478	0.25%	0.08%	192.41
2024	112,345,202	-	-	6,806,438	260,307	119,411,947	0.22%	0.07%	182.10
2025	106,735,206	-	-	5,653,693	10,388,517	122,777,416	0.25%	0.07%	184.20

Note: Details regarding the County's outstanding debt can be found in Notes to the Financial Statements.

Data Sources:

- (1) Applicable years' Annual Comprehensive Financial Report
- (2) Estimates obtained from the state of Colorado Department of Local Affairs
- (3) Arapahoe County Assessor's Office

Table 10

ARAPAHOE COUNTY, COLORADO
Ratios of Outstanding Bonded Debt by Type
Last Ten Fiscal Years
December 31, 2025

Fiscal Year	Total Bonds Payable ¹	Less: Amounts Available in Restricted Resources	Net Bonded Debt ²	Net Bonded Debt as Percent of Estimated Actual Taxable Value of Property ³	Total Bonded Debt Per Capita
2016	\$ 138,905,723	\$ 1,200,000	\$ 137,705,723	0.18%	216.09
2017	137,059,731	1,200,000	135,859,731	0.14%	210.07
2018	135,007,822	1,200,000	133,807,822	0.14%	205.95
2019	133,470,844	-	133,470,844	0.12%	202.82
2020	129,941,621	-	129,941,621	0.11%	197.83
2021	126,507,164	-	126,507,164	0.10%	193.12
2022	122,888,741	-	122,888,741	0.10%	187.45
2023	117,725,002	-	117,725,002	0.07%	178.04
2024	112,345,202	-	112,345,202	0.07%	171.32
2025	106,735,206	-	106,735,206	0.06%	160.13

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

Data Sources:

- (1) Applicable years' Annual Comprehensive Financial Report
- (2) Net bonded debt equals: General Obligation bonds, less restricted resources.
- (3) Arapahoe County Assessor's Office

Table 11

ARAPAHOE COUNTY, COLORADO
Computation of Direct and Overlapping Debt
December 31, 2025

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>Direct and Overlapping Debt</u>
Cities & Towns:			
City of Englewood	\$ 63,465,000	100%	\$ 63,465,000
City of Sheridan	23,595,000	100%	23,595,000
Total Cities & Towns			\$ 87,060,000
School Districts:			
Aurora	\$ 683,598,617	64%	\$ 437,503,115
Bennett	-	50%	-
Cherry Creek	862,810,000	100%	862,810,000
Deer Trail	4,935,000	95%	4,688,250
Englewood	120,280,569	100%	120,280,569
Littleton	324,481,195	100%	324,481,195
Sheridan	1,206,287	100%	1,206,287
Strasburg	19,800,000	69%	13,662,000
Total School Districts			\$ 1,764,631,416
Special Districts:			
Adonea Metropolitan District #2	\$ 22,585,000	100%	\$ 22,585,000
Antelope Water System GID	1,580,000	100%	1,580,000
Arapahoe Lake Public Park District	556,000	100%	556,000
Arapahoe Water and Wastewater PID	109,480,000	89%	97,656,160
Aurora Crossroads Metro District #2 - Bonds	120,788,881	100%	120,788,881
Aurora Centretech Metropolitan District	3,765,000	100%	3,765,000
Aspen Grove Business Improvement	2,430,000	100%	2,430,000
Beacon Point Metropolitan District	17,630,000	100%	17,630,000
Belleview Place Metro District	2,880,000	100%	2,880,000
Bijou Creek Metropolitan District	2,000,000	100%	2,000,000
Blackstone Metropolitan District (formerly High Plains Metro District)	25,015,000	100%	25,015,000
Bristol Metropolitan District	2,994,000	100%	2,994,000
Charlou Park 3rd Flg GID	257,421	100%	257,421
Cherry Creek Corporate Center MD	6,886,000	100%	6,886,000
Cherry Creek Racquet Club GID	245,000	100%	245,000
Cherry Creek Vista Park and Recreational District A	626,000	100%	626,000
Cherry Creek Vista Park and Recreational District B	4,884,000	100%	4,884,000
Cherry Hills City Metropolitan District	2,844,750	100%	2,844,750
Citadel on Colfax BID	12,365,000	100%	12,365,000
Cornerstar Metro District	31,055,000	100%	31,055,000
Cornerstar Metro District Bonds	26,010,000	100%	26,010,000
Cobblewood GID	161,345	100%	161,345
Commons at East Creek Metro	1,495,000	100%	1,495,000
Conservatory Metropolitan District	17,160,000	100%	17,160,000
Copperleaf Metropolitan District #2	27,105,000	100%	27,105,000
Copperleaf Metropolitan District #3	17,362,000	100%	17,362,000
Copperleaf Metropolitan District #4	24,315,000	100%	24,315,000
Copperleaf Metropolitan District #6	20,750,000	100%	20,750,000
Copperleaf Metropolitan District #9	17,275,000	100%	17,275,000
Cross Creek Metropolitan District #2	9,570,000	100%	9,570,000
Dove Valley Metropolitan District	31,610,000	100%	31,610,000
Dove Valley Metropolitan District Bonds Only	31,610,000	100%	31,610,000
Eagle Bend Metropolitan District	20,912,000	100%	20,912,000
East Creek Metropolitan District #1	4,460,000	100%	4,460,000
East Smoky Hill Metropolitan District #1	2,235,000	100%	2,235,000
East Smoky Hill Metropolitan District #2	999,000	100%	999,000
East Virginia Village Metro District	3,682,000	100%	3,682,000
East Quincy Highlands Metro District	1,865,000	100%	1,865,000
Eastern Hills Metro District # 10	13,557,000	100%	13,557,000
Estancia Metropolitan District	5,825,000	100%	5,825,000
Fiddlers Business IM District	50,412,000	100%	50,412,000
Fitzsimons Village Metropolitan District #1	7,392,000	100%	7,392,000
Forest Trace Metropolitan District #3	16,788,000	100%	16,788,000
Foxridge General Improvement District	1,600,000	100%	1,600,000
Gardens at East Iliff Metropolitan District	2,628,036	100%	2,628,036
Gardens on Havana Metro District #3	10,420,000	100%	10,420,000
Heather Gardens Metropolitan District	7,348,629	100%	7,348,629
Heather Ridge Metropolitan District #1	4,440,000	100%	4,440,000
Heritage Greens Metropolitan District	1,275,000	100%	1,275,000

Table 11 (continued)

ARAPAHOE COUNTY, COLORADO
Computation of Direct and Overlapping Debt
December 31, 2025

Special Districts:	General Obligation Debt Outstanding	Percentage Applicable to County	Direct and Overlapping Debt
Highline Crossing Metropolitan District	\$ 1,458,000	100%	\$ 1,458,000
Hills At Cherry Creek Metro District	1,060,000	100%	1,060,000
Iliff Commons Metropolitan District #2	3,890,000	100%	3,890,000
Iliff Commons Metropolitan District #3	1,730,000	100%	1,730,000
Inverness Water and Sanitation District	3,852,247	68%	2,619,528
Iron Works Metropolitan District	3,540,000	100%	3,540,000
Kent Place Metropolitan District #2	2,515,000	100%	2,515,000
Littleton Village Metropolitan District #2	18,478,912	100%	18,478,912
Marvella Metropolitan District	4,850,000	100%	4,850,000
Meadow Hills Country Club GID	184,022	100%	184,022
Murphy Creek Metropolitan District #2 - Bonds	17,835,000	100%	17,835,000
Murphy Creek Metropolitan District #3	31,670,000	100%	31,670,000
Murphy Creek Metropolitan District #4 - Bonds	21,638,000	100%	21,638,000
Murphy Creek Metropolitan District #5	16,462,000	100%	16,462,000
Parkside at City Centre BID	13,420,000	100%	13,420,000
Orchard Valley Metropolitan District	4,075,000	100%	4,075,000
Peoria Park GID	182,301	100%	182,301
Pier Point 7 GID	973,754	100%	973,754
Piney Creek Village Metropolitan District	3,505,000	100%	3,505,000
Pioneer Hills Metropolitan District	2,645,000	100%	2,645,000
Pronghorn Valley Metro District	20,449,000	100%	20,449,000
Saddle Rock Metropolitan District	3,630,000	100%	3,630,000
Saddle Rock South Metropolitan District #4	8,855,000	100%	8,855,000
Serenity Ridge Metropolitan District #2	15,160,000	100%	15,160,000
Sorrel Ranch Metropolitan District	11,345,000	100%	11,345,000
South Glen Metropolitan District	48,129,000	100%	48,129,000
Southmoor GID	160,303	100%	160,303
South Suburban Park and Recreation	31,910,000	76%	24,251,600
Southlands Metropolitan District #1 Bonds	40,190,000	100%	40,190,000
Southlands Metropolitan District #1	43,740,000	100%	43,740,000
Southlands Metropolitan District #2	3,760,000	100%	3,760,000
Southshore Metropolitan District #2	31,955,000	100%	31,955,000
Sterling Hills Metropolitan West District	9,370,000	100%	9,370,000
Tall Grass Metropolitan District	10,539,000	100%	10,539,000
Tallyn's Reach Metropolitan District #3	5,080,000	100%	5,080,000
The Point Metropolitan District	8,713,688	100%	8,713,688
Tollgate Crossing Metropolitan District #2	6,880,000	100%	6,880,000
Traditions Metropolitan District	12,290,000	100%	12,290,000
3rd & Havana Metropolitan District	24,500,000	100%	24,500,000
Valley Club Point Metropolitan District	2,250,000	100%	2,250,000
Vermillion Creek District #3	19,860,000	100%	19,860,000
Waterstone Metro District #1	19,555,599	100%	19,555,599
Wheatland's Metropolitan District	26,461,797	100%	26,461,797
Whispering Pines Metropolitan District #1	19,595,000	100%	19,595,000
Willow Creek GID 1 & 2	4,075,000	100%	4,075,000
Willow Trace Metropolitan District	5,835,000	100%	5,835,000
Total special districts			\$ 1,326,896,726
Subtotal, overlapping debt			\$ 3,178,588,142
Arapahoe County direct debt			\$ 122,777,416
Total direct and overlapping debt			\$ 3,301,365,558

Note: Overlapping Debt is the proportionate share of the debts of local jurisdictions located wholly or in part within the limits of Arapahoe County. The

(a) percentage of the total assessed value of the overlapping jurisdiction lies within the limits of Arapahoe County, and

(b) applying this percentage to the total general obligation debt of the overlapping jurisdiction.

Data Sources: Arapahoe County Finance Department

Table 12

**ARAPAHOE COUNTY, COLORADO
 Legal Debt Margin Information
 Last Ten Fiscal Years
 December 31, 2025**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Assessed Value of Property	\$ 10,758,800,771	\$ 12,092,601,948	\$ 10,612,904,397	\$ 12,325,788,150	\$ 14,173,230,068	\$ 15,152,405,020	\$ 15,112,163,240	\$ 18,190,040,174	\$ 18,422,943,569	\$ 18,808,507,283
Statutory Debt Limit 3% ¹	322,764,023	362,778,058	318,387,132	369,773,645	425,196,902	454,572,151	453,364,897	545,701,205	552,688,307	564,255,218
Legal Debt Margin	<u>\$ 322,764,023</u>	<u>\$ 362,778,058</u>	<u>\$ 318,387,132</u>	<u>\$ 369,773,645</u>	<u>\$ 425,196,902</u>	<u>\$ 454,572,151</u>	<u>\$ 453,364,897</u>	<u>\$ 545,701,205</u>	<u>\$ 552,688,307</u>	<u>\$ 564,255,218</u>
Total net debt as percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Data Sources:
 Arapahoe County Assessor's Office Abstract of Assessments and Levies
 (1) Colorado Revised Statute 30-26-301.3

Table 13

ARAPAHOE COUNTY, COLORADO
Demographic and Economic Statistics
Last Ten Fiscal Years
December 31, 2025

Year	Population ¹		Households ¹		
	Arapahoe County	Seven County Denver Metro	Total	Average Size	
2016	637,254	2,491,003	248,211	2.55	
2017	646,725	3,166,971	252,593	2.53	
2018	649,703	3,196,705	253,318	2.55	
2019	658,060	3,238,252	255,165	2.56	
2020	656,822	3,236,481	249,864	2.60	
2021	655,070	3,240,895	250,327	2.60	
2022	655,581	3,266,955	270,939	2.40	
2023	661,234	3,294,435	271,244	2.56	
2024	655,760	3,306,183	261,424	2.41	
2025	666,557	3,335,441	*	*	

Year	Total Personal Income ²		Median Age ¹	School Enrollment ⁴	Unemployment Rate ³
	Per Capita Income ²	(in thousands)			
2016	55,207	35,274,663	36.1	125,646	3.1%
2017	57,116	36,810,160	36.3	127,099	2.9%
2018	61,906	40,350,053	36.4	126,447	3.8%
2019	64,477	42,334,967	36.5	124,962	2.3%
2020	66,691	43,846,410	36.6	123,298	8.8%
2021	74,267	48,637,263	36.7	123,991	3.2%
2022	76,304	50,041,017	37.1	124,314	3.3%
2023	81,414	53,412,291	37.4	119,749	3.4%
2024	84,131	56,108,745	37.6	121,662	4.4%
2025	*	*	37.7	120,750	3.5%

Data Sources:

¹Figures for 2015-2024 from the State of Colorado Department of Local Affairs

²U.S. Bureau of Economic Analysis

³U.S. Bureau of Labor Statistics

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

*2025 data not available at the time this report went to print

Table 14

ARAPAHOE COUNTY, COLORADO
Principal Employers
Current Year and Nine Years Ago
December 31, 2025

<u>Employer</u>	<u>2025</u>			<u>2016</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Cherry Creek School District	7,000	1	2.05%	8,100	1	2.52%
Adams Arapahoe Aurora Public Schools	5,300	2	1.55%	4,700	4	1.46%
City of Aurora	4,600	3	1.35%	3,600	5	1.12%
Arapahoe County	2,500	4	0.73%	1,900	9	0.59%
Littleton School District	2,200	5	0.64%	2,100	7	0.65%
Colorado State Department of Health	2,000	6	0.59%	-	-	0.00%
Columbia HCA Swedish	2,000	7	0.59%	2,000	8	0.62%
Fidelity Brokerage Services LLC	1,900	8	0.56%	-	-	0.00%
Columbia HCA Medical Center of Aurora	1,600	9	0.47%	-	-	0.00%
United Launch Alliance LLC	1,400	10	0.41%	-	-	0.00%
Raytheon Company	-	-	0.00%	2,500	6	0.78%
CenturyLink (Qwest Corp.)	-	-	0.00%	5,400	3	1.68%
Comcast	-	-	0.00%	8,000	2	2.49%
Arrow Electronics	-	-	0.00%	1,900	10	0.59%
Total Principal Employers	<u>30,500</u>		<u>8.92%</u>	<u>40,200</u>		<u>9.42%</u>
Total Arapahoe County Workforce	<u>341,800</u>			<u>321,700</u>		

Data Source:
Colorado Department of Labor & Employment

Table 15

ARAPAHOE COUNTY, COLORADO
Full-Time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
December 31, 2025

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Culture and Recreation	24.00	25.00	29.50	30.50	35.50	34.50	39.00	33.00	33.00	33.50
Highways and Streets	60.00	60.00	61.00	58.00	58.00	68.00	68.00	68.00	68.00	71.00
Health and Welfare	705.50	744.75	767.75	794.75	795.75	658.50	682.00	719.00	732.00	719.00
Judicial Services	26.50	21.50	23.00	24.00	24.00	26.50	26.50	29.00	29.00	30.50
Public Safety	778.75	805.75	845.75	884.75	899.75	912.50	912.00	933.00	944.00	938.00
General Government	475.40	473.40	477.40	481.40	484.27	632.02	823.72	841.72	1,030.32	1,126.57
Total	2,070.15	2,130.40	2,273.40	2,273.40	2,297.27	2,332.02	2,551.22	2,623.72	2,836.32	2,918.57

Data Source:
 Arapahoe County Finance Department

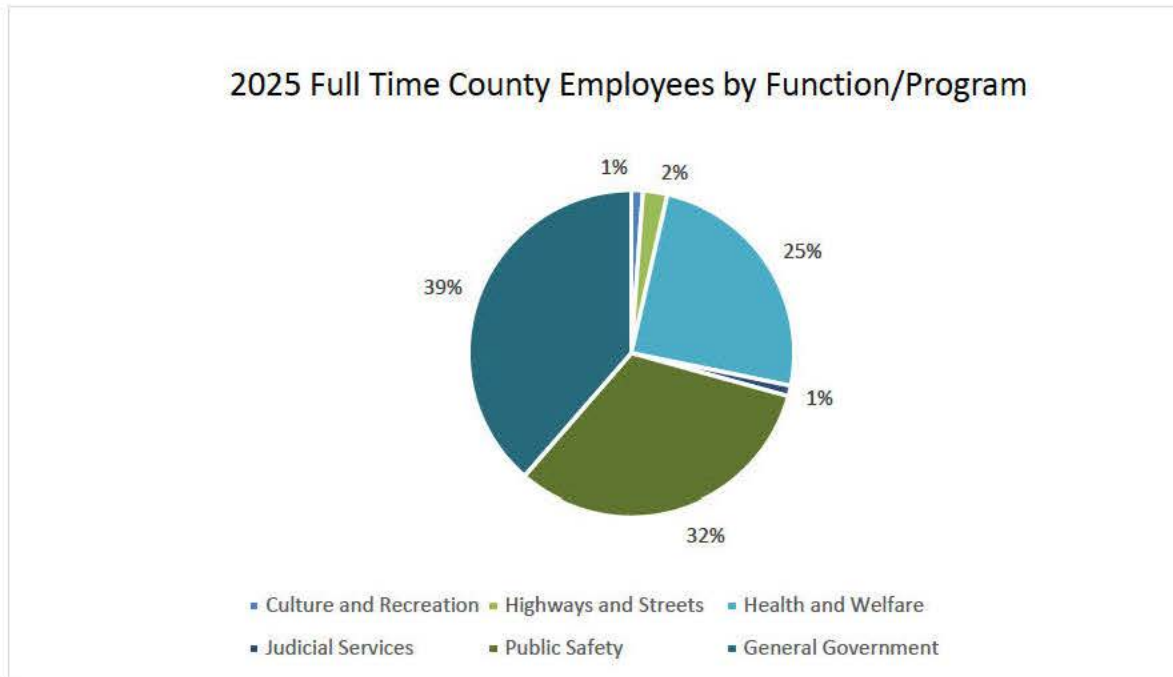


Table 16

ARAPAHOE COUNTY, COLORADO
Operating Indicators by Function/Program
Last Ten Fiscal Years
December 31, 2025

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Motor vehicle renewals	445,387	456,709	590,701	602,777	551,575	533,109	573,809	586,430	592,944	606,801
Registered voters (active & inactive)	420,997	350,942	423,146	424,299	450,981	425,827	460,304	472,212	487,674	435,877
Voter turnout	311,745	92,349	275,233	163,594	354,259	157,534	257,213	138,484	330,959	174,319
Public Safety										
Adult-Juvenile arrests	6,217	5,214	4,376	3,157	2,458	2,382	3,410	3,519	4,199	4,952
DUI arrests	538	350	239	263	248	170	296	347	353	466
Traffic stops	40,765	29,990	20,910	15,771	11,833	14,905	13,196	8,918	17,305	18,187
Number of 911 calls	74,145	75,695	78,084	82,719	85,247	81,163	80,212	84,333	78,044	74,473
Judicial Services										
Felony cases closed	2,197	2,652	2,744	1,596	3,188	2,459	2,909	2,936	2,654	3,286
Misdemeanor cases closed	4,705	5,681	5,876	3,418	3,136	3,403	4,165	4,906	4,549	5,364
Health and Welfare										
Annual cases of Food Assistance	236,601	228,902	227,575	235,180	280,824	306,144	344,772	384,588	388,188	391,740
Highways and Streets										
Sweeping pass miles	1,372	1,949	1,876	1,330	2,845	4,994	3,117	3,033	1,590	1,430
Finished concrete curb & gutter (linear feet)	5,080	3,701	6,194	2,348	1,954	714	217	4,308	5,083	1,952
Tons of asphalt applied	39,811	35,431	42,682	29,866	39,922	42,970	47,833	50,552	51,905	59,669
Culture & Recreation										
Building permits issued	3,419	3,564	5,895	5,272	4,758	3,735	3,611	6,957	6,542	3,895

Data Source:
Various Arapahoe County Departments

ARAPAHOE COUNTY, COLORADO
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
December 31, 2025

Table 17

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Square footage of buildings ²	329,432	333,845	343,335	353,091	350,610	350,751	350,752	358,687	371,037	359,261
Voting booths	135	135	255	137	137	135	135	135	135	135
Public Safety										
Square footage of detention center ²	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108
Square footage of other buildings ²	151,297	151,297	148,162	143,751	144,160	144,232	144,232	146,502	146,502	152,076
Patrol vehicles	169	161	186	201	175	161	168	184	174	196
Judicial Services										
Square footage of buildings ²	181,073	180,909	184,044	192,103	192,103	192,104	192,104	192,104	193,414	193,111
Health and Welfare										
Square footage of buildings ²	202,234	203,133	201,681	214,916	215,181	213,259	213,259	241,955	222,189	214,338
Highways and Streets¹										
Total centerline miles of county roads	541.9	546.5	539.1	553.0	553.0	546.0	546.0	562.0	559.0	547.6
Paved lane miles	1,099.9	1,131.2	1,117.2	1,162.0	1,131.0	1,197.0	1,196.0	1,240.0	1,226.0	1,253.1
Unpaved lane miles	458.0	445.1	439.8	439.8	438.0	417.0	419.0	414.0	475.8	430.8
Culture and Recreation										
Number of parks	16	18	19	21	21	23	27	28	29	29
Total Open Space and Parks Acreage	4,430	5,370	5,378	5,390	5,390	5,423	5,434	5,517	6,027	6,436

Notes:

¹These reports are published on July 1st of each year and reflect changes reported by Colorado Dept of Transportation through December 31st of the previous year

Data Sources:

Various Arapahoe County Departments
Colorado Department of Transportation





INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of County Commissioners
Arapahoe County, Colorado

We have audited, in accordance with the 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, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado (the County) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 23, 2026. Our report includes a reference to other auditors who audited the financial statements of Arapahoe County Public Airport Authority and Arapahoe County Water and Wastewater Authority, both of which are discretely presented component units, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Arapahoe County Water and Wastewater Authority were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

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

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

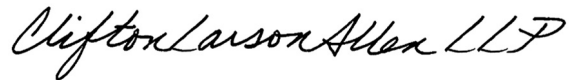
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Denver, Colorado
June 23, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of County Commissioners
Arapahoe County, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Arapahoe County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended December 31, 2025. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Denver, Colorado
June 23, 2026

ARAPAHOE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Pass Through Grantor's Number	Cluster	Passed Through to Subrecipients	Total By Assistance Listing and Agency
U.S. DEPARTMENT OF AGRICULTURE:					
Passed Through Colorado Dept. of Human Services					
SNAP - Administration (Note 2)	10.561	183CO401S2514 183CO401S8036 183CO431Q7503	SNAP Cluster	\$ 6,832,475	\$ 6,832,475
SNAP	10.551	183CO421S2519 183CO421S2522 183CO421S252043	SNAP Cluster	167,813	167,813
Passed Through Douglas County Human Services					
Employment First	10.561	3660	SNAP Cluster	71,796	71,796
Passed Through Colorado Dept. of Public Health and Environment					
Hunger Free Colorado SNAP Outreach FY24-25	10.561	223CO401S2514	SNAP Cluster	57,295	57,295
Hunger Free Colorado SNAP Outreach FY25-26	10.561	233CO401S2514	SNAP Cluster	5,542	5,542
			SNAP Cluster Total	\$ 7,134,881	\$ 7,134,881
WIC FY 24-25	10.557	WIC FFY2024			2,003,916
WIC FY 25-26	10.557	WIC FFY2024			504,341
WIC Community Innovation & Outreach CIAO	10.557	BFFC FFY 2024			149,896
Special Supplemental Nutrition Program for WIC (BFPC) FY24-25	10.557	BFFC FFY 2024			138,956
Special Supplemental Nutrition Program for WIC (BFPC) FY25-26	10.557	BFFC FFY 2024			40,018
					\$ 2,837,127
					\$ 9,972,006
TOTAL U.S. DEPARTMENT OF AGRICULTURE					
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Passed Through Colorado Department of Local Affairs					
Block Grant	93.569	L21CSBG03	CSBG Cluster	\$ 598,648	\$ 598,648
Total-Passed Through Colorado Dept. of Local Affairs			CSBG Cluster Total	\$ 598,648	598,648
Passed Through Colorado Department of Public Health and Environment					
Overdose Data to Action	93.196				\$ 3,409
RHNTC Mini-Grant	93.088				25,000
NEHA FDA Retail Flex Fund Model	93.103				5,000
Title X FY 24-25	93.217	FPHPA006465		100,229	100,229
Title X FY 25-26	93.217	FPHPA006517		222,276	222,276
Nursing Support TANF FY24-25	93.558				76,378
PHIDH R-06 Family Connects	93.648				15,000
Special Program for the Aging	93.044				102,800
Child and Adult Nursing (CAPS) FY24-25	93.658	2201COFPOST			610,750
Child and Adult Nursing (CAPS) FY25-26	93.658	2301COFPOST			522,042
Adult Nursing (CAPS) FY24-25	93.667				39,135
National Breast and Cervical Cancer Early Detection Program	93.898	NU58DP006347			10,937
National Breast and Cervical Cancer Early Detection Program	93.898	NU58DP007167			699
Ryan White Care Title II	93.917	X0700056			36,523
Ryan White Care Title II	93.917	X0700056			75,737
Maternal and Child Health Block Grant FY24-25	93.994	B0447404			362,477
STI Prev Control FY23-24	93.977				12,733
STI Prev Control FY24-25	93.977				41,037
Immunization & Vaccines for Children IMMCORE FY23-25	93.268	NH23IP922600			299,755
Immunization & Vaccines for Children IMMCORE FY24-25	93.268	NH23IP922600			253,978
					553,733
					TOTAL Assistance Listing #93.268
Public Health Emergency Preparedness Program - Cities Readiness Initiative FY	93.069	NU90TP922028			330,902
Public Health Emergency Preparedness Program - Cities Readiness Initiative FY	93.069	NU90TP922028			167,660
Cities Readiness Initiative OEPRCRI FY 23-24	93.069	NU90TP922028			101,135
Cities Readiness Initiative OEPRCRI FY 24-25	93.069	NU90TP922028			46,011
					TOTAL Assistance Listing #93.069
					645,709
Communicable Diseases- ELC 2.1	93.323	NU50CK000552			232,460
Communicable Diseases- ELC 2.2	93.323	NU50CK000552			130,880
					363,340
					TOTAL Assistance Listing #93.323
National Center for Emerging & Zoonotic Infectious Diseases FOODNET 2025	93.317				10,326
					TOTAL Assistance Listing #93.317
					10,326
Workforce Extended FY23-24	93.967	NE110E000089			221,885
					TOTAL Assistance Listing #93.967
					221,885
OPHP PBG Denver P-Ship for Health FY2025	93.991				33,334
					TOTAL Assistance Listing #93.991
					33,334
Total-Passed Through Colorado Dept. of Public Health and Environment					
					4,092,489
Passed Through Colorado Dept. of Human Services					
Child Welfare Services Title IV-B	93.645	1801COCWSS			387,748
Social Services Block Grant Title XX	93.667	1801COSOSR 1701COSOSR			2,270,025
Child Support Enforcement Title IV-D	93.563	1804COCSSES 1804COCSSES			6,041,746
IV-E Rel Guard Asst.	93.090	1801COGARD			181,214
Kinship	93.471				1,336,856
IV-E Prevention	93.472				603,896
Independent Living / Title IV-E	93.674	1801COCILP 1701COCILP		\$ 103,801	103,801
Foster Care (Title IV-E)	93.658	1801COFPOST			7,951,103
Child Care Development Block Grant	93.575	G1801COCCDF G1701COCCDF	CCDF Cluster	\$ 15,045,813	15,045,813
Child Care Development Funds	93.596	G1801COCCDF G1701COCCDF	CCDF Cluster	1,968,267	1,968,267
Adoption Assistance - Title IV-E	93.659	1801COADPT	CCDF Cluster Total	\$ 17,014,080	2,801,270
LEAP - Low Income Energy Assistance Program (Note 2)	93.568	18B1COLIEA			72,912
Temp. Assist. Needy Fam. Title IV	93.558	1801COTANF 1701COTANF		1,085,428	17,217,639
Total-Passed Through Colorado Dept. of Human Services				1,189,229	55,982,291
Passed Through Department of Health Care Policy and Financing (HCPF)					
Medicaid - Title XIX	93.778				7,182,450
Total-Passed Through Department of Health Care Policy and Financing					7,182,450
Passed Through Douglas County Human Services					
TANF DCHS	93.558				81,091
DCHS Youth	93.558				131,847
Total-Passed Through Douglas County Human Services					212,938
Passed Through Colorado Energy Office					
Low Income Home Energy Assistance - Weatherization (Note 2)	93.568				900,613
Total-Passed Through CO Office of Energy Management					900,613
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				\$ 1,189,229	\$ 68,969,428
U.S. DEPARTMENT OF ENERGY					
Passed Through Colorado Energy Office					
Weatherization Assistance for Low Income Persons - DOE	81.042	CTGG1 EFAA 2017-0095; CTGG1 EFAA 2017-1735;			\$ 2,072,646
Energy Efficiency and Conservation Block Grant	81.128				1,200
TOTAL U.S. DEPARTMENT OF ENERGY					\$ 2,073,846
U.S. DEPARTMENT OF JUSTICE					
Passed Through Colorado Division of Criminal Justice					
SCAAP	16.606				\$ 196,557
Edward Byrne Justice Assistance Grant	16.738				148,795
Implementing Crisis Intervention Teams- Community Policing Development	16.710				135,080
Paul Coverdell Forensic Science Improvement Grant	16.742				69,336
Byrne Discretionary Community Project Grant-K9 Kennel	16.753				100,988
Byrne Discretionary Community Project Grant-Simulator	16.753				58,650
Comprehensive Opioid, Stimulant, and Substance Use Site-based Program	16.838				196,396
Total-Passed Through Colorado Division of Criminal Justice					905,802
Passed Through Department of Public Safety					
Victim of Crime Assistance (VOCA) for VRA	16.575				\$ 152,016
Victim of Crime Compensation (VOCA-CVF)	16.576				744,834
TOTAL U.S. DEPARTMENT OF JUSTICE					\$ 1,802,652
EXECUTIVE OFFICE OF THE PRESIDENT					
Passed Through City of Aurora					
Regional Anti-Violence Enforcement Network	95.001				6,807
Passed Through City of Denver					
Family Reunification Task Force	95.001				6,807
					8,060

ARAPAHOE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Pass Through Grantor's Number	Cluster	Passed Through to Subrecipients	Total By Assistance Listing and Agency
Fugitive Location and Apprehension Group	95.001				103
Rocky Mountain Safe Streets Task Force	95.001				23,807
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT					31,970
U.S. DEPARTMENT OF HOMELAND SECURITY					38,777
Passed Through Colorado Department of Public Safety					
Hazard Mitigation Grant Program	97.039				\$ 827,832
Colorado Emergency Management Program	97.042	18EM-19-02			73,285
Building Resilient Infrastructure and Communities 2023	97.047	23BRICS25-ARAP			56,775
State Homeland Security Program 2021	97.067	21SHS22NCR			21,620
State Homeland Security Program 2022	97.067	22SHS23NCR			159,401
State Homeland Security Program 2023	97.067	23SHS24NCR			485,596
State Homeland Security Program 2024	97.067	24SHS25NCR			314,501
Total-Passed Through Colorado Department of Public Safety	TOTAL Assistance Listing # 97.067				1,939,409
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY					\$ -
U.S. DEPARTMENT OF LABOR					\$ 1,939,409
Passed Through Colorado Department of Labor					
Employment Services/Wagner-Peyser	17.207	PY2023 WP 10% GSJH 2S50	ESC Cluster	380,609	380,609
Employment Services/Wagner-Peyser	17.207	PY2024 Wagner Peyser	ESC Cluster	1,513,610	1,513,610
Employment Services/Wagner-Peyser	17.207	PY2025 Wagner Peyser	ESC Cluster	19,719	19,719
TOTAL Assistance Listing # 17.207			ESC Cluster Sub Total	\$ 1,913,938	1,913,938
Unemployment Insurance					
Reemployment Services and Assessment (RESEA) Program	17.225	FY2024 RESEA 28C0			379,120
TOTAL Assistance Listing # 17.225					379,120
Worker & Statewide Activities					
Worker & Statewide Activities	17.258	PY2022/FY2023 WIA Adult 4A60/4A90	WIA Cluster	\$ 424,607	424,607
Worker & Statewide Activities	17.258	PY2023/FY2024 WIA Adult 4A69/4A89	WIA Cluster	212,317	212,317
Worker & Statewide Activities	17.258	PY2024/FY2025 WIA Adult 4A60/4A90	WIA Cluster	658,329	658,329
TOTAL Assistance Listing #17.258			WIA Cluster Sub Total	\$ 1,295,253	1,295,253
Workforce Investment Act Youth					
Workforce Investment Act Youth	17.259	PY2023 WIOA Youth 4Y60/4Y79/4Y8	WIA Cluster	403,612	403,612
Workforce Investment Act Youth	17.259	PY2024 WIOA Youth 4Y60/4Y70/4Y8	WIA Cluster	1,007,202	1,007,202
Workforce Investment Act Youth	17.259	PY2025 WIOA Youth 4Y60/4Y70/4Y8	WIA Cluster	3,964	3,964
TOTAL Assistance Listing #17.259			WIA Cluster Sub Total	\$ 1,414,778	1,414,778
H-1B Job Training Grants					
TOTAL Assistance Listing #17.268	17.268	1-B Ready to Work Partnership OED OED-201520646-00			2,269
					2,269
WIOA National Dislocated Worker Grants (QUEST Recovery)					
TOTAL Assistance Listing #17.277	17.277	FY2023 FY2024			225,305
					31,182
					256,487
Workforce Investment Act Dislocated Worker					
Workforce Investment Act Dislocated Worker	17.278	FY2023 WIOA CWDC 10% AD 4WA8	WIA Cluster	248,963	248,963
Workforce Investment Act Dislocated Worker	17.278	FY2024 WIOA DW 10%	WIA Cluster	287,159	287,159
Workforce Investment Act Dislocated Worker	17.278	FY2025 WIOA DW 10%	WIA Cluster	1,416,246	1,416,246
TOTAL Assistance Listing #17.278			WIA Cluster Sub Total	\$ 1,952,368	1,952,368
			WIA Cluster Total	\$ 4,662,399	
IDEA					
IDEA	17.280	PY2021 Youth WBL Direct Services 4MT5			402,264
IDEA	17.280	PY2024 Youth WBL Direct Services 4MT5			22,005
TOTAL Assistance Listing #17.280					424,269
Apprenticeship USA Grants					
TOTAL Assistance Listing #17.285	17.285	Apprenticeship Building America, Round 2			551,704
					551,704
Homeless Veterans Reintegration Program (HVRP)					
TOTAL Assistance Listing #17.801	17.805	HVRP 2025	ESC Cluster	\$ 21,369	21,369
			ESC Cluster Sub Total	\$ 21,369	21,369
			ESC Cluster Total	\$ 1,935,307	
Total-Passed Through Colorado Department of Labor					8,211,555
TOTAL U.S. DEPARTMENT OF LABOR					\$ 8,211,555
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT					
Centennial Community Block Grant 2019					
Centennial Community Block Grant 2021	14.218	B-17-UC-08-0002	CDBG Cluster	303	303
COVID-19 Centennial Community Block Grant 2021	14.218	B-19-UC-08-0002	CDBG Cluster	39,758	39,758
Centennial Community Block Grant 2023	14.218	B-21-UC-08-0002	CDBG Cluster	46,866	46,866
Centennial Community Block Grant 2024	14.218	B-20-UC-08-0002	CDBG Cluster	55,158	55,158
Community Development Block Grant 2020	14.218	B-20-UC-08-0002	CDBG Cluster	76,899	76,899
COVID-19 Community Development Block Grant 2020	14.218	B-18-UC-08-0002	CDBG Cluster	150,975	150,975
Community Development Block Grant 2021	14.218	B-20-UC-08-0002	CDBG Cluster	3,553	3,553
Community Development Block Grant 2022	14.218	B-19-UC-08-0002	CDBG Cluster	26,000	26,000
Community Development Block Grant 2023	14.218	B-20-UC-08-0002	CDBG Cluster	305,507	305,507
Community Development Block Grant 2024	14.218	B-21-UC-08-0002	CDBG Cluster	138,809	138,809
TOTAL Assistance Listing #14.218		B-22-UC-08-0002	CDBG Cluster	324,754	324,754
			CDBG Cluster Total	\$ 1,168,582	1,168,582
HOME 2020					
HOME 2022	14.239	M-20-DC-08-0221		-	2,940
HOME 2023	14.239	M-22-DC-08-0221		10,772	10,772
HOME 2024	14.239	M-23-DC-08-0221		53,353	156,944
TOTAL Assistance Listing #14.239		M-24-DC-08-0221		1,262,823	1,298,421
				1,326,947	1,469,077
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT					\$ 2,184,767
U. S. DEPARTMENT OF TRANSPORTATION					\$ 4,150,957
Passed Through Colorado Department of Transportation					
Highway Planning and Construction	20.205				4,014,193
Police Traffic Services	20.616	24-HTS-ZL-00289/491003576			136,764
TOTAL U. S. DEPARTMENT OF TRANSPORTATION					\$ -
U. S. DEPARTMENT OF TREASURY					\$ 4,150,957
COVID-19 Emergency Rental Assistance 2					
TOTAL Assistance Listing #21.023	21.023				69,900
					69,900
COVID-19 Coronavirus State and Local Fiscal Recovery Funds					
Passed Through Colorado Department of Public Health and Environment	21.027				1,193,323
COVID-19 Harm Reduction Expansion FY24-25	21.027				130,178
COVID-19 Harm Reduction Expansion FY25-26	21.027				128,499
Passed Through Colorado Department of Labor					
Workforce Training	21.027	SLFRP0126			165,571
Career Navigational Coaching	21.027				65,568
Passed Through Colorado Department of Human Services					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0166			(109,898)
TOTAL U. S. DEPARTMENT OF TREASURY					\$ 1,573,041
					\$ 1,642,941
TOTAL FEDERAL FINANCIAL ASSISTANCE					3,373,996
See accompanying notes to Schedule of Expenditures of Federal Awards					\$ 101,439,233

ARAPAHOE COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Note 1 - General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Arapahoe County, Colorado primary government (the County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal financial assistance received by the primary government directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included on the schedule.

Governmental funds account for the County's federal grant activity. Amounts reported in the schedule of expenditures of federal awards are recognized on the modified accrual basis when they become a demand on current available federal resources and eligibility requirements are met, or on an accrual basis at the time liabilities are incurred and all eligibility requirements are met, except in the following programs, which are reported in the schedule of expenditures of federal awards on the cash basis:

Program Title	ALN
SNAP Cluster	10.561
SNAP Cluster	10.551
Guardianship Assistance	93.090
Promoting Safe and Stable Families	93.556
Temporary Assistance for Needy Families	93.558
Child Support Enforcement	93.563
Low-Income Home Energy Assistance	93.568
CCDF Cluster	93.575, 93.596
Child Welfare Services – State Grants	93.645
Foster Care – Title IV-E	93.658
Adoption Assistance	93.659
Social Services Block Grant	93.667
Chafee Foster Care Independence Program	93.674
Medicaid	93.778

The County has elected not to use the 15-percent De Minimis indirect cost rate.

Note 2 – Food and Utility Assistance

The SNAP – Administration allocation of financial assistance between federal monies passed through the State and Douglas County Human Services and state monies derived from and provided by the Colorado Department of Human Services for the year ended December 31, 2025 is \$6,832,475, \$167,813, and \$71,756.

LEAP passed through the Colorado Department of Human Services and the Colorado Energy Office for the year ended December 31, 2025, is \$973,525.

Note 3 – Noncash Programs

Arapahoe County Public Health Department receives noncash vouchers and assistance. These amounts are neither recorded in the financial statements nor in the schedule of expenditures of federal awards. Noncash award programs include the following:

ARAPAHOE COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

10.557	WIC Food Vouchers	\$11,376,905
93.977	Federal Comprehensive STD Prevention System (CSPS) Assistance	\$ 33,422

**ARAPAHOE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.558	Temporary Assistance for Needy Families (TANF)
93.778	Medical Assistance Program (Medicaid)
10.551, 10.561	Supplemental Nutrition Assistance Program (SNAP), State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
93.563	Child Support Services
17.258, 17.259, 17.278	Workforce Innovation and Opportunity Act (WIOA)
10.557	Special Supplemental Program for WIC

Dollar threshold used to distinguish between Type A and Type B programs: \$ 3,000,000 / \$750,000

Auditee qualified as low-risk auditee? _____ yes x no

**ARAPAHOE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

ARAPAHOE COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2025

Arapahoe County, Colorado respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2025.

Audit period: Year Ended December 31, 2024

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS—FEDERAL AWARD PROGRAMS AUDIT

There were no federal award program audit findings in the prior year.



