

# Colorado Works Program Expenditure Trends and Patterns at the County Level

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## EXECUTIVE SUMMARY

### *Purpose*

This report is one of several from the Lewin Group's Evaluation of Colorado Works, and describes some general patterns of expenditures in county Colorado Works Programs. The purposes of the report are to:

- **Describe the general trends in Colorado Works spending** over the period 2000 to 2006 collectively across all counties and for each county.
- **Analyze county expenditures of Colorado Works funds**, including basic cash assistance, non-cash assistance, and reserve amounts.

### *Data and Qualifications*

The primary source of data for this report is the Colorado Fiscal Management System (CFMS) end of year set of books for each county, for state fiscal years (SFY) 2000 through 2006. (The analysis of reserves also uses SFY 2007). In addition, County Allocation Letters, and internal fiscal worksheets from the Colorado Department of Human Services, Colorado Works Division and Accounting Division were used. To help clarify data and patterns, informal conversations were also held with administrators and fiscal staff in selected counties.

The information and discussions in this report are intended to provide an overview of the fiscal patterns for all counties in the state using data sources that include all counties. On several issues of interest, it is acknowledged that there are variations in how counties use CFMS for fiscal management which may make some analysis of all counties inappropriate; where relevant these limitations are noted. The analysis of some topics (e.g., amount spent on non-cash assistance activities, county decisions regarding reserves) could be expanded upon by obtaining county-specific data from all counties to supplement the line items reported in CFMS, and by further discussion with all counties about county practices related to CFMS.

### *Findings in Brief: Statewide (all County) Expenditures*

- **Overall Expenditure Trend.** Spending on Colorado Works statewide rose 17 percent from SFY2000-2006, but adjusting for inflation, this means spending has remained flat.
- **Sources of Funds.** About 79 percent of Colorado Works average annual spending at the county level between SFY 2000 and SFY 2006 was from federal fund sources; 18 percent was from county funds, and 2 percent was from state funds. Federal and state funds fluctuate year-to-year, while county funds have remained constant. There was a substantial increase in federal funds between

2000 and 2003, but then a decline. State funding was substantial in 2000, but then minimal (or zero in some years). County funding levels have remained fairly constant, reflecting amounts agreed upon by counties and the state.

- **Allocations.** County Colorado Works block grant allocations from the state to counties are established annually based on a formula that is mainly based on past expenditures and cash assistance caseload. The distribution of county allocations for SFY 2006 was almost perfectly correlated with county population and caseload.
- **Spending for Colorado Works, Child Care and Child Welfare Combined.** Over the seven-year period, the average annual total spending on Child Care, Colorado Works and Child Welfare combined was about \$510 million. Expenditures increased over this period for Colorado Works (by 17.0 percent) and Child Welfare (by 24.8 percent), but decreased for Child Care (by 14.0 percent). When adjusting for inflation, expenditures increased only for Child Welfare (by 6.1 percent), but stayed about the same for Colorado Works (a decrease of 0.6 percent) and decreased for Child Care (a decrease of 26.9 percent). Child Welfare expenditures account for over half of the total spending on the three programs combined and were more than double the amount spent in Colorado Works each year from 2000 to 2006.

#### *Findings in Brief: County Variations in Expenditures*

- **County share of funds.** Statewide about 18 percent of SFY 2006 spending on Colorado Works was county funds, but the county share ranged from 11 percent to 40 percent, with higher percentages mainly in smaller counties. This includes county portion of the state's maintenance of effort (MOE) required for the federal TANF block grant, but also includes spending on non-MOE line items as well, and reflects the end-of-year adjustments made to county allocation levels.
- **BCA spending.** Just under half of all spending in SFY 2006 across all counties was for basic cash assistance, but there was great variation across counties, ranging from spending less than 30 percent of Colorado Works expenditures on cash assistance to spending over 90 percent on cash assistance. As one might expect, counties with caseload increases over the prior two years tended to spend relatively higher percentages on BCA than other counties.
- **Non-BCA spending.** Just over half of all Colorado Works spending in SFY 2006 was for non-cash activities and functions (the inverse of BCA spending). Counties that had a higher percentage of county funds in the program (compared to state or federal funds) also tended to spend relatively higher percentages on non-BCA activities. CFMS cannot be used, however, to determine exactly what amount is spent on particular non-cash activities across all counties. County differences in how services are delivered (i.e., how much is contracted out) and how CFMS is used for fiscal management, means

determining spending on particular services, such as employment, education, contracted services, or community resource would require special collection of data from all counties.

- **Contract Spending.** The non-BCA category includes spending on administration and non-cash services. As in other states, many counties contract out for the delivery of some services for Colorado Works families. Across all counties, at least 20 percent of all Colorado Works expenditures in SFY 2006 were for contracted services, ranging from less than 5 percent in several counties to over 40 percent of all spending in two counties. Because of variations in how counties record contract spending in CFMS, this is likely a low estimate of the total amount of contract expenditures in Colorado Works statewide.
- **Reserves.** Reserves across all counties together more than doubled between 2003 and 2007, with large differences across counties. Fluctuation (up and down) has been especially pronounced in the past two years. Discussions with some county administrators and staff suggest that there have been a variety of county policies that are related to the percentage of allocations that are in reserve. Some of the increase in reserves is a result of caseload declines in most counties, various county response to state policy shifts regarding reserves, and county decisions about spending on child care and new initiatives (e.g., to increase work participation rates).

## I. Introduction and Purpose

Welfare policies nationwide have changed considerably over the past decade. At the national level, the *Personal Responsibility and Work Opportunity Reconciliation Act* (PRWORA) of 1996 replaced the former cash assistance program, Aid to Families with Dependent Children (AFDC) and its Job Opportunities and Basic Skills Training (JOBS) program, with the new Temporary Assistance for Needy Families (TANF) program. Federal funds are distributed to states through the TANF block grant, in contrast to the open-ended entitlement funding that had existed for AFDC. PRWORA also increased the flexibility that states have in designing their TANF programs, and deciding how much of the federal funding is used for cash benefits, employment services, supportive services, and other activities for needy families with children. One result is that there is a great deal of variation in TANF programs across states.

Colorado's TANF program, Colorado Works, is administered by the Colorado Works Division of the Office of Self-Sufficiency, within the Colorado Department of Human Services (CDHS). The state has a long tradition of local control of programs and, as a result, the state's 64 counties, through their departments of social services (DSS), have a good deal of autonomy in the design and implementation of their Colorado Works programs. This level of county control is due, in large part, to the diversity within the state and is to ensure that policies target the specific needs of local areas. In Colorado Works, counties have the responsibility for structuring and delivering services and deciding how Colorado Works interacts with other relevant DSS programs such as Child Welfare and Child Care.

The Colorado Department of Human Services (CDHS) has contracted with The Lewin Group and its partners – the University of Colorado's Health Sciences Center (UCHSC), the Johns Hopkins University's Institute for Policy Studies (JHU), and Capital Research Corporation (CRC) – to perform an in-depth study of the Colorado Works program. The objective is to provide state and county administrators with information about service delivery and administrative strategies and approaches that are being used across the state, and analyze programmatic trends. The overall evaluation designed by the Lewin team conducts various analyses on a range of topics identified by CDHS officials and an Evaluation Advisory Committee that includes representatives of the counties and Colorado's advocacy community. This is one of a number of reports prepared under the evaluation effort, and the general purpose, discussed in more detail below, is to describe and analyze trends in Colorado Works spending at the county level between 2000 and 2006.

## A. *Background on the Fiscal Context of Colorado Works*

The purpose of TANF, as stated in the 1996 law enacted by Congress, is to “increase the flexibility of states in operating a program designed to (1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; (2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and (4) encourage the formation and maintenance of two-parent families.”<sup>1</sup> The federal funds can be used for a range of cash and non-cash services to needy low-income families with children to meet the purposes of the law, including cash benefits, employment services, child care and other support services, and services intended to prevent families from requiring monthly cash benefits.<sup>2</sup> Each state receives a basic TANF grant (based on the amount of funds each state received under the prior AFDC program and the related Emergency Assistance and Job Opportunities for Basic Skills Training programs); Colorado’s basic grant from the federal government is \$136.1 million per (federal fiscal) year. In addition some states, including Colorado, receive small amounts of supplemental TANF funds because of population growth. Until 2007, Colorado and other states also received financial bonuses for achieving certain TANF performance results.

In Colorado, the federal TANF block grant and the related supplemental funds are used, along with state and county funds, to operate the Colorado Works program. Over 80 percent of the federal TANF funds received by Colorado are allocated by the state to counties according to a formula that is based mainly on the basic cash assistance caseload and county population, with some adjustments reflecting county cost-sharing agreements. The remainder of the federal block grant is maintained at the state level for administration, special functions, some activities that formerly would have been part of emergency assistance, or held in a long-term reserve fund. As noted below, the counties receive block grant allocations at the beginning of each fiscal year, and any unspent funds held at the state level are subsequently allocated to counties at the end of the fiscal year (except the long-term reserves). The state Colorado Works block grant to the counties also includes some non-TANF funds, such as fraud recoupments and child support collections incentives.

The state legislature authorizes the appropriation of funds from all sources for Colorado Works and all other programs in the state, and may authorize state funds for Colorado

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<sup>1</sup> U.S. Department of Health and Human Services, Administration on Children and Families, “Temporary Assistance for Needy Families Fact Sheet,” <http://www.acf.hhs.gov/news/facts/tanf.html>

<sup>2</sup> Colorado State Office of Planning and Budgeting, “Colorado Works: The Temporary Assistance for Needy Families (TANF) Program,” A Fact Sheet, July 2006.

Works. The state has constitutional restrictions on annual state and local revenue and spending growth (under the Taxpayers Bill of Rights amendment passed in 1992), which especially requires fiscal constraint when revenues decline (e.g., during recessions).<sup>3</sup> In state fiscal years when the General Assembly authorizes state funds for Colorado Works, those funds are also allocated to counties using the same formula as for other Colorado Works funds.

The federal regulations governing TANF, as with many other federal programs, includes a state maintenance of effort (MOE) spending requirement. More specifically, under the TANF provisions in effect before 2007, non-federal spending on welfare and related activities in each state must be maintained at a level equivalent to 80 percent (or 75 percent for states including Colorado that have met the federal TANF participation rate) of what was spent in 1994 before welfare reform on AFDC, the JOBS program, emergency assistance, transitional and at-risk child care, and related administrative costs. Colorado meets part of its TANF MOE requirement through state spending on a number of programs and activities, including, for example, portions of expenditures on various tax credits, low-income energy assistance, child care assistance, and emergency and other services for low-income families with children. Counties also contribute funds toward the collective state MOE requirement. The county share of funds was initially set at approximately the amount and share each county spent from county sources on the prior AFDC and JOBS programs, but now is determined annually by the Colorado Works Allocation Committee and involves a county bidding process managed to ensure that the state as a whole maintains the federally-required state MOE level.

The Colorado Works block grant funding allocations to each county as well as the county's share of the MOE (from county funds) for Colorado Works and other programs in the social services category are included in annual Agency Budget and Allocation Letters to Counties. Preliminary county allocations for each program and for each state fiscal year are based on the General Assembly's enacted authority for appropriations from state and federal sources (the "Long Bill") and allocation decisions of the Colorado Works Allocation Committee. Final Colorado Works allocation amounts to counties (the counties' Colorado Works block grants) are detailed in Close-Out Reports at the end of each state fiscal year, based on the regular expenditure accounting reports that counties submit to the state through the County Financial Management System (CFMS), which is discussed further below. The final county allocation amounts (calculated at the end of each state fiscal year) include any redistributions resulting from surpluses for the state as a whole, and other cross-county or, as also discussed below, cross program transfers in the accounting reconciliation.

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<sup>3</sup> In November 2005, voters passed Referendum C, which temporarily overrides TABOR and allows the state to keep and spend the revenue it collects for the next five years.



Counties have substantial discretion over how their Colorado Works block grant from the state is used, including deciding how much of the funds are used for various services, such as employment assistance, training, and support services. Counties also decide how to provide activities that are consistent with addressing all the purposes of TANF delineated by Congress: (1) assisting needy families so that children can be cared for in their own homes; (2) reducing the dependency of needy parents by promoting job preparation, work and marriage; (3) preventing out-of-wedlock pregnancies; and (4) encouraging the formation and maintenance of two-parent families.<sup>4</sup> Basic cash assistance is typically administered by county DSS staff, but other services (e.g., employment or education services, assessment, job training) may be delivered in-house or contracted out to other providers.

The Close-Out Reports also indicate amounts of funds that are held in reserve or otherwise carried forward for each county for use in the next state fiscal year. Importantly, counties also have discretion regarding the transfer of funds from Colorado Works to Child Welfare and Child Care/Social Services, within allowable federal guidelines, which apply to cross-program transfers for the state as a whole. Federal TANF regulations allow states to transfer up to 30 percent of the state's TANF block grant funds to the child care component of the federal Child Care Development Fund (CCDF) or the federal Social Services Block Grant (SSBG-Title XX), with the total amount that can be transferred statewide to SSBG limited to 10 percent of the state's basic TANF block grant. Funds transferred to child welfare and child care that remain unspent in those respected programs at fiscal year-end are considered part of the TANF reserve balances, as well.<sup>5</sup>

In Colorado, counties can transfer funds from the Colorado Works block grant to the Child Care Assistance Program (CCAP uses a mixture of federal, state, and local funds for child care from different funding sources) or to Title XX for certain out-of-home placement purposes in Child Welfare. Counties receive CCAP and child welfare block grants as well as Colorado Works block grants, and, as with Colorado Works and all other programs, the General Assembly appropriates the funding levels annually and the county allocations. Any transferred federal funds are subject to the fiscal rules of the "receiving" block grant (including the fiscal reports that must be submitted to the responsible federal agencies). If the transferred funds are not spent within two years,

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<sup>4</sup> U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, "Mission Statement" Fact Sheet.

[http://www.acf.hhs.gov/opa/fact\\_sheets/tanf\\_factsheet.html](http://www.acf.hhs.gov/opa/fact_sheets/tanf_factsheet.html).

<sup>5</sup> TANF funds can only be spent on TANF programs or transferred as noted above, according to federal regulations. Therefore, TANF funds in reserves cannot be transferred to or spent as County Administration dollars or used for any other county or state purpose. For more detail, see (1) Colorado Department of Human Services, Field Administration, Orientation to the Department, <http://www.cdhs.state.co.us/fieldadmin/GuidesC.htm>; and (2) TANF Reserves Workgroup, "TANF/Colorado Works County Reserves - Position Statement" August 2007.

the funds can be transferred back to TANF; otherwise they revert to the U.S. Treasury. Colorado has similar rules about transfers among county block grants.

As the above (simplified) explanation indicates, state and county fiscal management as well as the state's required fiscal reporting to the federal government are very complicated and involve quite distinct administrative functions. First, state appropriations are authorized and state programs are managed according to state fiscal year which, in Colorado begins July 1; but the state must submit fiscal reports to the federal government according to the federal fiscal year which begins October 1, and counties follow the calendar year for fiscal purposes. Second, state reporting for TANF is further complicated because of several special provisions incorporated into the law enacted by Congress. The required maintenance-of-effort (MOE) TANF spending provision applies to each state. There are also separate MOE provisions for other federally-funded programs such as the Child Care development fund, that are similar in nature but have separate requirements and fiscal reporting rules. Third, as noted above, federal TANF regulations allow some TANF funds to be transferred to Child Care and Title XX, with detailed rules governing the transfers, the period within which the funds must be used, and options for transferring unspent funds back to TANF. Finally, the state Colorado Works block grants to counties do not represent all federal TANF funds to the state and do include some non-TANF funds.

In Colorado, the fiscal situation is perhaps more complex than in other states in light of the high degree of local authority and discretion in human services programs that has historically existed. Counties contribute a share of the total program funds, with the rate established through negotiation between counties and the state in 1996. Counties share in the MOE requirement, but there is some flexibility across counties because the federal MOE provision applies to the state as a whole. This means the state can allow variation across counties in certain situations as long as the statewide MOE requirement, which is monitored continuously, is met. In Colorado, a bidding process was used in the early years of the program whereby counties could bid each year the amount they wished to spend (of county funds), and the state reconciled the bids (increases and decreases from prior year across all counties) to maintain the necessary statewide MOE level required by federal law. This bidding process built the base allocations for subsequent years of the program when the Works Allocation Committee (WAC) established a formula that accounted for county expenditures, weighted more heavily towards basic cash assistance (BCA) expenditures. Counties that were spending relatively more on BCA received a higher allocation, and those spending less received less. Counties also have considerable flexibility in how the funds are used to meet priorities established for the program and to meet the objectives of the federal welfare legislation, within parameters set by the state in some areas, such as eligibility for cash assistance. Thus, there is variation across counties in the total Colorado Works budget and in how the funds are used, in part, because of differences in the amounts each county contributes and how transfers among programs are used, but also because

of the long-standing tradition of county-developed human services programs and policies.

## B. Purpose of this Report

The purposes of this report are as follows:

- **Describe the general trends in Colorado Works spending** over the past several years collectively across all counties and at the county level.
- **Analyze county use of Colorado Works funds**, spending on cash assistance versus non-cash activities, community resource investments, and reserve accounts.

The data used in this report come from fiscal reports that originate with the CFMS, primarily the County CFMS Reports (Set of Books) for each county and the statewide Expenditure and Revenue Report, for each state fiscal year (SFY); and the CFMS Colorado Works Allocation Reports (the “Close-Out Reports”). The CFMS is highly detailed, allowing expenditure reporting on very specific cost items. State and county administrators use the CFMS for fiscal accounting and cost management. In addition, the annual “Allocation and County Budget Letters,” the annual “Long Bills,” and the Payment Register “Recap Reports” were used, and key agency letters were reviewed to define cost variables and specify data extraction rules. All data items were reviewed for consistency across counties before making a determination about whether to include certain items in the analysis in this report. To gain further insight into some of the patterns and trends on particular expenditure items, conversations were also held with administrators or fiscal managers in a number of county departments of social services.

This report presents analysis using the best available data that are fairly consistent across counties. There are a few important limitations, however. Some areas of interest were ultimately excluded from the analysis and this report because it was determined that there was variation across counties in terms of the CFMS codes used to report expenditures for certain activities. For example, one original purpose of this study was to examine variations in expenditures on major non-cash non-monetary activities that are allowed under federal TANF regulations, such as employment services and community resource investments. However, since many counties contract with other agencies and providers for some of these activities, there is variation in the CFMS codes that are used to report such expenditures. Some counties include these expenditures under Colorado Works Administration for Contracts along with expenditures on all contracted services, but there is no separate designation for specific activities. Other counties (mainly those providing services in-house) report such spending under the range of program codes for education, employment, community resources, and other specific activities. Therefore, this report examines cash and non-cash spending (i.e., BCA vs. all other spending), but does not include analysis of variations in spending by

specific Colorado Works work or service activities. Future studies could examine these expenditure categories in more detail by requesting specific data breakouts from counties. Throughout the report, insight and explanations offered by county managers and administrators are noted as appropriate.

It is also important to note that the information reported here examines state and county Colorado Works and related programs, based on the General Assembly designations of programs, appropriations, and state-county fiscal reporting requirements. County Colorado Works programs and social services agencies operate within this fiscal and legislative context, and the analysis reported here represents state and county fiscal management responsibilities related to appropriated allocations, reserves and carry-overs across years, cross-program transfers (and retransfers), and the final reconciliations that occur as part of the “close-out” of the accounting books at the end of each state fiscal year. This program fiscal management perspective is not the same as the fiscal federalism reporting perspective that the state must use to report to the federal government for TANF or other federal programs. For example, the total expenditures on Colorado Works across all counties collectively in any state fiscal year are not the same as the statewide spending of the TANF block grant and required MOE in any federal fiscal year. This distinction between two different, but related, management functions is important to remember when reading the report.

Thus, this report describes the overall trends in spending in Colorado Works from all sources (federal, state, county), across all counties and county-by-county, using the data available consistently for all counties. The patterns and variations are described, and some descriptive statistical analysis is presented to help clarify the patterns observed. There are likely programmatic and policy explanations for the patterns as well, and some of those possible explanations are explored, but the report focuses mainly on statistical results.

Before examining the county-by-county spending, the next section (Section II) first summarizes trends in Colorado Works, and – since some Colorado Works funds can be transferred to them--Child Welfare, and Child Care spending for all counties combined, from State Fiscal Year (SFY) 2000 through 2006. Section III then describes spending patterns for Colorado Works programs at the county level.

## II. Statewide Spending for All Counties Combined

The first part of this section summarizes trends in expenditures on Colorado Works for all counties combined.<sup>6</sup> Since Colorado Works is closely associated with both Child Welfare and Child Care programming, the combined expenditures for the three programs together are summarized.

### A. *Statewide (All Counties) Colorado Works Expenditures*

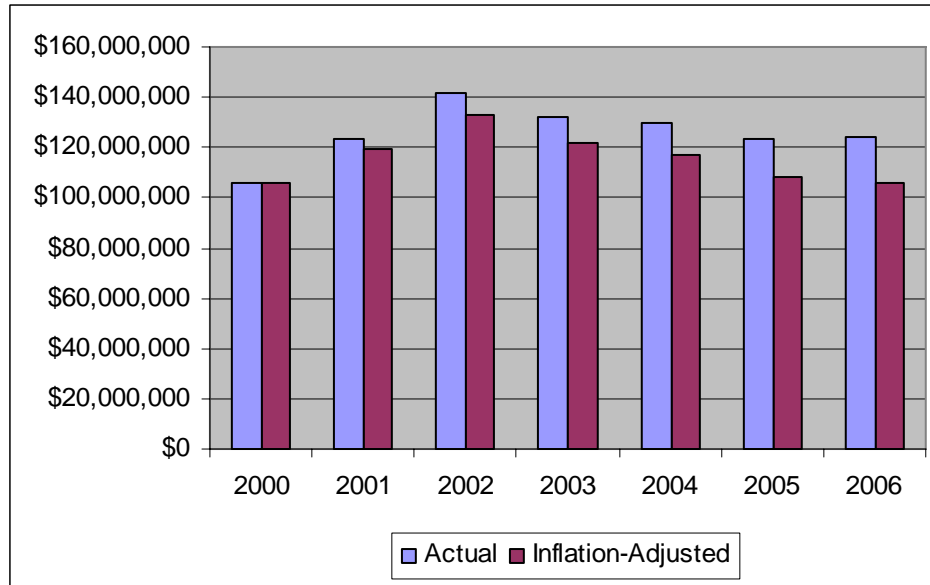
Over the seven-year period from State Fiscal Year (SFY) 2000 to SFY 2006, the average total Colorado Works expenditures per year across all counties combined were \$126 million. Exhibits 1A and 1B provide an overview of total Colorado Works spending (from all funding sources) for these years. As shown in Exhibit 1B, total program actual expenditures over the seven-year period grew from \$106 million (in 2000) to \$141 million (in 2003), then declined somewhat to \$124 million (in 2006). Between 2000 and 2006, Colorado Works actual expenditures increased by 17.0 percent (as shown under the Total column in Exhibit 1B, which presents detailed spending over this time period as well as the composition of the funds spent).

A few other points are important to note from this exhibit. First, the increase in total spending is attributable mainly to an increase in federal funding that occurred between 2001 and 2003. Over the seven-year period, expenditures of federal funds by counties (which averaged just under \$100 million a year) increased by slightly over half (53.7 percent). This increase partly reflects spending out of prior year allocations from the federal block grant to the state. Federal TANF funds do not have to be fully spent in the fiscal year in which the block grant is received. Thus, the expenditure of federal funds (from all years) across all counties combined increased from \$66 million in 2000 to \$100 million in 2001 and \$118 million in 2002 (an 80% increase over the three-year period). The spending of federal funds for Colorado Works then declined somewhat, and by the last two years of this period had leveled off at about \$100 million per year.

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<sup>6</sup> As noted in Chapter 1, this analysis represents expenditures for all counties combined; some state-level expenditures and reserves for Colorado Works or TANF administrative activities are not included in the totals presented here. The focus of the report is to understand county variations, so this chapter examines combined spending for all counties together.

**EXHIBIT 1A: TOTAL COLORADO WORKS EXPENDITURES (ACTUAL AND INFLATION-ADJUSTED), COLORADO, SFY 2000-2006**



**EXHIBIT 1B: COLORADO WORKS EXPENDITURES (ACTUAL AND INFLATION-ADJUSTED), BY FUNDING SOURCE, COLORADO, SFY 2000-2006**

State Fiscal Year	Federal	State	County	Total	Inflation-Adjusted Total (2000 \$)
2000	\$65,763,460	\$16,584,908	\$23,779,466	\$106,127,835	\$106,127,835
2001	\$99,828,598	\$8,179	\$23,616,165	\$123,452,942	\$119,187,574
2002	\$118,056,331	\$0	\$23,315,554	\$141,371,885	\$132,794,526
2003	\$106,287,738	\$3,338,727	\$22,342,143	\$131,968,608	\$121,504,448
2004	\$107,312,903	\$97,871	\$22,433,863	\$129,844,637	\$116,948,642
2005	\$99,716,295	\$1,346,813	\$22,433,862	\$123,496,970	\$108,308,009
2006	\$101,104,383	\$627,726	\$22,433,862	\$124,165,971	\$105,476,630
<b>Average (2000-06)</b>	<b>\$99,724,244</b>	<b>\$3,143,461</b>	<b>\$22,907,845</b>	<b>\$125,775,550</b>	
<b>% Change (2000-06)</b>	<b>53.7%</b>	<b>-96.2%</b>	<b>-5.7%</b>	<b>17.0%</b>	
<b>% Change (2000-06) - Inf. Adjusted</b>	<b>30.6%</b>	<b>-96.8%</b>	<b>-19.9%</b>	<b>-0.6%</b>	<b>-0.6%</b>

**Note:** Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

As also shown in Exhibit 1B, the expenditures of state funds fluctuated over the seven-year period as well, mainly because there were no new legislative budget authorizations for the program for 2001 or 2002. In 2000, the state's share of Colorado Works spending across all counties was \$16.6 million. There was no state fund spending in 2002, a year when the General Assembly did not authorize state funds for the program. State expenditures rose to \$3.3 million in 2003 and decreased again to less than a million dollars (\$627,726) by 2006. In contrast to the fluctuation of federal and state funds between 2000 and 2006, expenditures of county funds were more stable (from \$23.8 million in 2000 to \$22.4 million the last three years of the period). Total county expenditures reflect the total levels proposed by the Colorado Works Allocation Committee and approved by the legislature for each fiscal year, which explains the fact that the totals in recent years are virtually the same. County fiscal policies, in turn, report spending on each of hundreds of CMS line items, and each item's cost is broken down by federal vs. state vs. county funds. According to state instructions, specific line items can be "counted" towards the required MOE, but county spending appears for non-MOE line items as well. Fiscal decisions presumably reflect county practices regarding the spending of federal, state, and county resources, what is allowable under the various programs included in CFMS (e.g. Colorado Works, Child Care, Child Welfare, Child Support, Food Assistance), and when, and on which items, county funds should be spent.<sup>7</sup>

The second point shown in Exhibit 1B above relates to the spending trends adjusted for inflation. While overall spending across counties collectively increased by 17.0 percent in actual dollars, in inflation-adjusted terms, Colorado Works expenditures over the seven-year period were basically flat, or unchanged (-0.6 percent inflation-adjusted change, as shown on the bottom row of the exhibit). The 53.7 percent increase in federal funds in actual dollars translates into a 30.6 percent increase in inflation-adjusted terms. But there was a decline of 97 percent in inflation-adjusted spending of state funds over this period. Similarly, the 5.7 percent decline in spending of county funds represents a 19.9 percent decrease in inflation-adjusted terms.

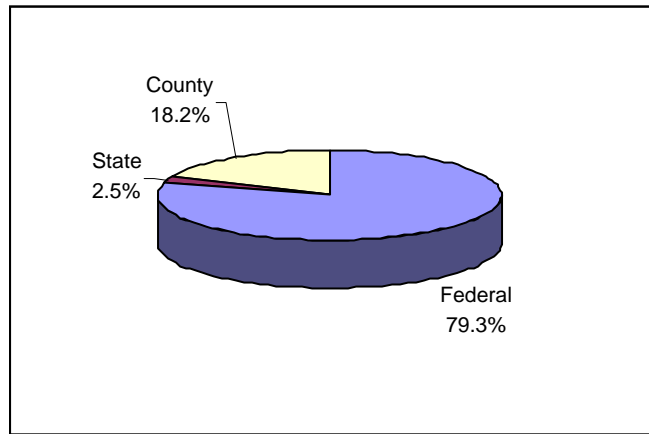
As summarized in Exhibits 2A and 2B below, the vast majority of Colorado Works expenditures across counties collectively are from federal funds, which represented nearly 80 percent of Colorado Works spending between 2000 and 2006. County funds accounted for most of the remaining expenditures (on average, 18.2 percent), while state funding accounted for a smaller portion of total expenditures. The portion of Colorado Works spending that was from the federal government increased from 62.0 percent in

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<sup>7</sup> County variations in spending are presented in the following chapter. Subsequent data collection in selected counties could pursue more detailed information about how counties make decisions about the distribution of federal, state, and county funds.

2000 to 80.5 percent in 2003, and was at a high of 83.6 percent in 2002. County funds represented 22.4 percent of total spending in 2000, then declined several percentage points for the remainder of the seven-year period (ranging from 16.5 percent in 2003 to 19.1 percent in 2001). Aside from 2000, when state funds accounted for 15.6 percent of total expenditures, state funds represented 2.5 percent (in 2003) or less of total expenditures.

**EXHIBIT 2A: COLORADO WORKS ANNUAL AVERAGE EXPENDITURES ACROSS ALL COUNTIES, BY SOURCE OF FUNDS, SFY 2000-2006**



**EXHIBIT 2B: FEDERAL, STATE, AND COUNTY EXPENDITURES AS A PERCENTAGE OF TOTAL COLORADO WORKS EXPENDITURES, ACROSS ALL COUNTIES, SFY 2000-2006**

State Fiscal Year	Federal	State	County	Total
2000	62.0%	15.6%	22.4%	100.0%
2001	80.9%	0.0%	19.1%	100.0%
2002	83.5%	0.0%	16.5%	100.0%
2003	80.5%	2.5%	16.9%	100.0%
2004	82.6%	0.1%	17.3%	100.0%
2005	80.7%	1.1%	18.2%	100.0%
2006	81.4%	0.5%	18.1%	100.0%
<b>Average (2000-06)</b>	<b>79.3%</b>	<b>2.5%</b>	<b>18.2%</b>	<b>100.0%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.



## ***B. Statewide (All Counties) Combined Spending on Colorado Works, Child Welfare, and Child Care***

Since cross-program interactions are important operationally and fiscally, this section describes the trends over the seven-year period for all counties collectively in combined spending for Colorado Works, Child Welfare, plus Child Care. Before summarizing the trends in the combined spending, this section first presents a brief overview of what the Child Welfare and Child Care funds can be used for and how these programs relate fiscally to Colorado Works.

### ***1. Background: Child Welfare and Child Care Policies and Funding***

Along with federal welfare reform, states received more fiscal flexibility over federal human service funds than in the past. As noted earlier, consistent with federal TANF regulations and to the extent that the statewide transfers are within the limits set by federal regulation (i.e., transfer up to 30 percent to Child Care or Title XX with not more than 10 percent transferred to Title XX), counties in Colorado have the authority to transfer the allowable percentages of their Colorado Works block grant federal funds to their Child Care Assistance Program and to Child Welfare for out-of-home placement purposes allowable under Title XX.

***Child Welfare.*** The federal government funds child welfare activities and services, including, for example, foster care, permanency planning, independent living, health services, and prevention services, through over 30 different funding streams and programs.<sup>8</sup> The largest federal programs for child welfare purposes are authorized under Titles IV-B (Child Welfare Services) and IV-E (Foster Care) of the Social Security Act.

Counties in Colorado receive a Child Welfare block grant, as appropriated by the General Assembly each year, which includes federal and some state funds for child welfare purposes, as itemized in the annual Allocation and Budget Letters to Counties: (1) Core services, (2) independent living for foster children aging out of care, (2) expedited permanency planning (EPP) funding for those counties designated as EPP sites; (3) Child Welfare Block which includes out-of-home placements in Residential Treatment Centers (RTC) and the Children’s Habilitation Residential Program (CHRP), burials, subsidized adoption, case services; (4), Child Welfare Related Child Care (Special Circumstance Child Care), and (5) the county administration portion of Child Welfare. As with the federal TANF block grant, the state retains a portion of the state’s federal child welfare funds, reallocating any unspent funds at the end of the state fiscal year (as part of “Close-out). The child welfare funds retained at the state level include

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<sup>8</sup> Like many other states, Colorado has chosen to use some portion of Title XX funds for child welfare purposes. See Kassia O’Neill Murray, “The Child Welfare Financing Structure, Pew Foster Care Project, 2006. <http://pewfostercare.org/research/docs/MurrayPaper2.pdf>

funds for parental fee reimbursements, tribal placements of Native American children, the State Foster Care Parent Insurance Policy, and funds needed for adjustment services.

**Child Care.** The third programmatic category of expenditures relevant to Colorado Works is for Child Care, which primarily is funded from two federal block grants. The federal government's Social Services Block (SSBG) grant is allocated to states and can be used for a range of services to promote economic self-sufficiency, prevent dependency, avoid the need for institutionalized care, and prevent abuse, neglect, or exploitation of vulnerable adults and children. For example, services might include day care for adults and children, home delivered meals, counseling, case management community-based prevention or intervention, and other services determined appropriate. Before welfare reform, the SSBG (Title XX) was one of the major sources of funds for Child Care, along with AFDC funds designated for Child Care for recipients or for those transitioning off of welfare. When federal welfare reform was enacted in 1996, the Child Care Development Fund (CCDF) was also established as a combined source of Child Care funds, including some new funding Congress appropriated.

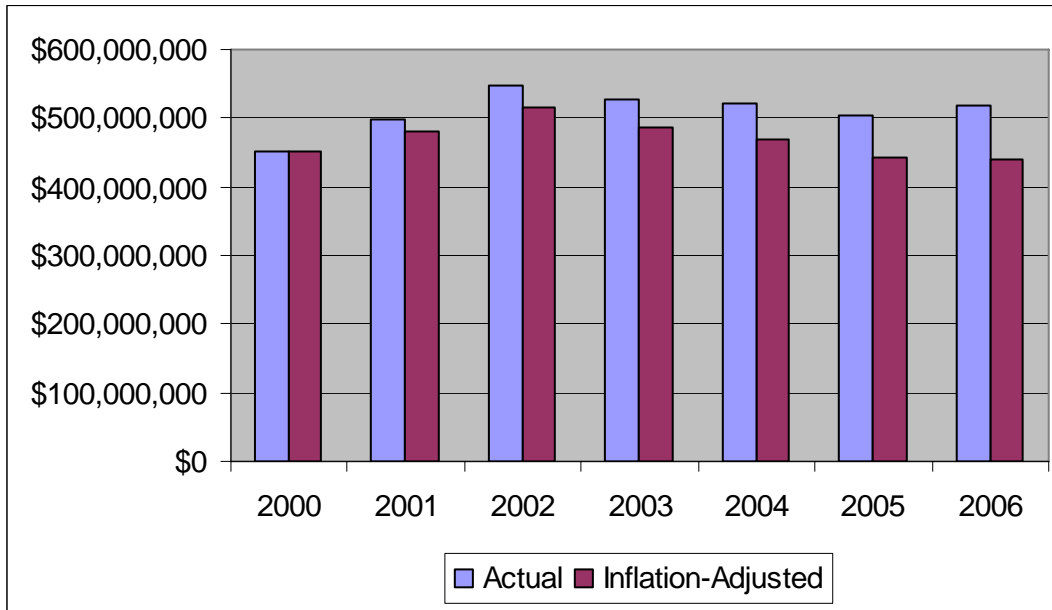
In Colorado, funding for Child Care is allocated as a block grant to counties through the Colorado Child Care Assistance Program (CCCAP). The CCCAP block grant to counties includes CCDF funds, as well as some portion of the state's SSBG funds. The Child Care and SSBG funds are critical resources for child care and other services that can help achieve the purposes of TANF and Colorado Works.

## ***2. Statewide (All Counties) Trend in Combined Program Spending***

Exhibits 3A and 3B present combined Colorado Works, Child Care, and Child Welfare expenditures for all counties together in state fiscal years 2000 to 2006. As shown in Exhibit 3A, over the seven-year period, the average annual total Child Care, Colorado Works, plus Child Welfare spending was about \$510 million. Combined spending on these three programs, from all sources, in 2006 was higher than in 2000, but somewhat lower than in 2002 and 2003.

More specifically, as also shown in Exhibit 3A, combined spending on these three categories in 2006 was 15.3 percent higher than in 2000, having peaked in 2002 at \$549 million, and then declined in subsequent years. In inflation-adjusted terms, however, this translates into a slight decrease of 2.0 percent in combined statewide Colorado Works, Child Care, and Child Welfare expenditures between 2000 and 2006.

**EXHIBIT 3A: COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES (ACTUAL AND INFLATION-ADJUSTED), ACROSS ALL COUNTIES IN COLORADO, SFY 2000-2006**



**EXHIBIT 3B: COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES (ACTUAL AND INFLATION-ADJUSTED), BY FUNDING SOURCE, ACROSS ALL COUNTIES IN COLORADO, SFY 2000-2006**

State Fiscal Year	Federal	State	County	Total	Inflation-Adjusted Total (2000 \$)
2000	\$232,721,030	\$138,019,710	\$79,536,386	\$450,277,126	\$450,277,126
2001	\$275,265,776	\$142,679,031	\$79,916,285	\$497,861,091	\$480,659,711
2002	\$306,315,076	\$147,141,490	\$95,414,145	\$548,870,711	\$515,569,454
2003	\$309,646,395	\$134,830,942	\$82,294,482	\$526,771,818	\$485,002,609
2004	\$295,375,784	\$144,495,103	\$80,345,249	\$520,216,136	\$468,548,968
2005	\$282,029,150	\$143,071,375	\$78,272,289	\$503,372,814	\$441,462,711
2006	\$290,131,548	\$148,870,559	\$80,367,326	\$519,369,433	\$441,194,449
Average (2000-06)	\$284,497,823	\$142,729,744	\$82,306,594	\$509,534,161	
% Change (2000-06)	24.7%	7.9%	1.0%	15.3%	
% Change (2000-06) - Inf. Adjusted	5.9%	-8.4%	-14.2%	-2.0%	-2.0%

Note: Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

Exhibit 3B shows spending of funds from the different levels of government. Expenditure of federal funds for the three program categories combined increased from \$233 million in 2000 to \$310 million in 2003. Federal funds expenditures then declined somewhat over the next three years, to \$290 million in 2006. Over the seven years, expenditures of federal funds (which averaged \$285 million per year) increased by 24.7 percent (which represents an increase of 5.9 percent in inflation-adjusted dollars from 2000 to 2006). Between 2000 and 2006, there was relatively little variation in county fund expenditures (in the range of \$78 million to \$82 million), except in 2002 when expenditures of county funds reached a high of \$95 million. Overall, there was very little change (a 1.0 percent increase) in combined county funds for Colorado Works, Child Care, and Child Welfare expenditures over the seven-year period (though in inflation-adjusted terms, combined expenditures decreased by 14.2 percent). Expenditures of state funds on these programs combined increased from \$138 million in 2000 to \$148 million in 2006, and averaged about \$143 million a year, which represents an increase of 7.9 percent (which was, though, a decline of 8.4 percent in inflation-adjusted terms).

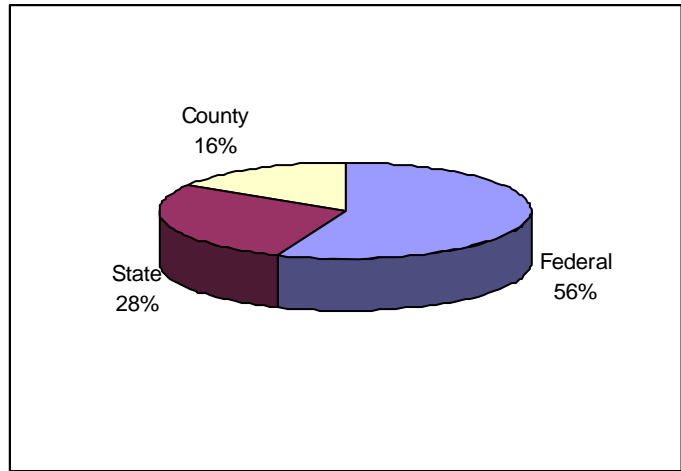
Exhibits 4A and 4B provide further detail on spending by funds from the different levels of government. The federal, state, and county share of spending on the three programs remained fairly stable over the seven years. Between 2000 and 2006, 56 percent of the combined average annual spending for Colorado Works, Child Welfare, and Child Care came from federal sources, 28 percent from state sources, and 16 percent from county sources. Over the seven years, state funding as a percentage of overall expenditures for the three programs ranged from 25.6 percent (in 2003) to 30.7 percent in 2000; and the county share ranged from 15.4 percent (in 2004) to 17.7 percent (in 2000).

Exhibits 5A and 5B show the spending trends for each of the major programs (Colorado Works, Child Welfare, and Child Care). The trends were not the same for all programs, meaning that the total spending reflected different changes in spending on each program. Overall expenditures increased over the seven-year period for Colorado Works (by 17.0 percent) and Child Welfare (by 24.8 percent), and decreasing for Child Care (by 14.0 percent). In inflation-adjusted dollars, expenditures increased only for Child Welfare (by 6.1 percent), but stayed about the same for Colorado Works (a decrease of 0.6 percent) and decreased for the Child Care (a decrease of 26.9 percent) programs.

Child Welfare expenditures account for the majority of spending (58.0 percent) across the three programs, as indicated in Exhibits 6A and 6B. Child Welfare expenditures were more than double the amount spent in Colorado Works each year from 2000 to 2006. Colorado Works averaged 24.7 percent of combined spending, while Child Care averaged 17.3 percent of spending for the combined three programs. While the Colorado Works percentage of the three programs' expenditures remained about the same over the seven-year period, the proportion of expenditures for Child Welfare

gradually increased (from 56.7 percent in 2000 to 61.4 percent in 2006), while the percentage accounted for by the Child Care program gradually decreased (from 19.7 percent in 2000 to 14.7 percent in 2006).

**EXHIBIT 4A: COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE AVERAGE ANNUAL EXPENDITURES BY SOURCE OF FUNDS, ACROSS ALL COUNTIES IN COLORADO, SFY 2000-2006**



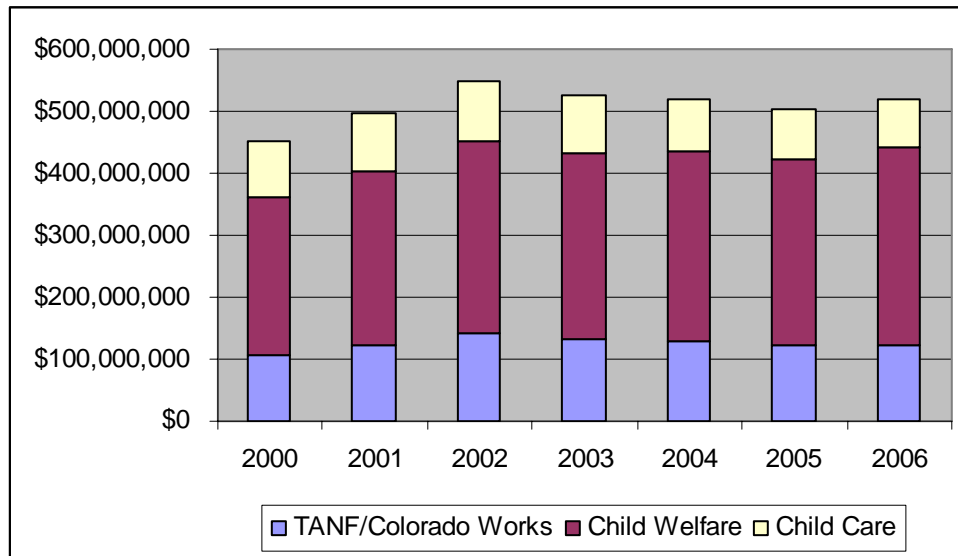
**EXHIBIT 4B: FEDERAL, STATE, AND COUNTY EXPENDITURES AS A PERCENTAGE OF COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES, ACROSS ALL COUNTIES IN COLORADO, SFY 2000-2006**

Year	Federal	State	County	Total
2000	51.7%	30.7%	17.7%	100.0%
2001	55.3%	28.7%	16.1%	100.0%
2002	55.8%	26.8%	17.4%	100.0%
2003	58.8%	25.6%	15.6%	100.0%
2004	56.8%	27.8%	15.4%	100.0%
2005	56.0%	28.4%	15.5%	100.0%
2006	55.9%	28.7%	15.5%	100.0%
<b>Average (2000-06)</b>	<b>55.8%</b>	<b>28.0%</b>	<b>16.2%</b>	<b>100.0%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

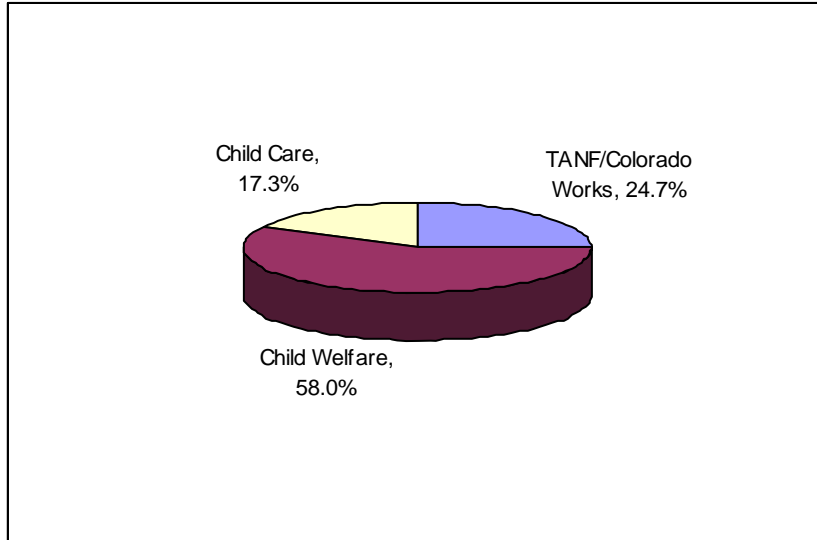
**EXHIBIT 5A: COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES, BY PROGRAM, COLORADO, SFY 2000-2006**



**EXHIBIT 5B: COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES (ACTUAL AND INFLATION-ADJUSTED), BY PROGRAM, COLORADO, SFY 2000-2006**

Year	Colorado Works	Child Welfare	Child Care	Total	Inflation-Adjusted Total (2000 \$)
2000	\$106,127,835	\$255,406,858	\$88,742,433	\$450,279,126	\$450,279,126
2001	\$123,452,942	\$280,609,146	\$93,799,003	\$497,863,092	\$480,661,643
2002	\$141,371,885	\$309,300,974	\$98,197,852	\$548,872,713	\$515,571,335
2003	\$131,968,608	\$300,336,027	\$94,467,183	\$526,773,821	\$485,004,453
2004	\$129,844,637	\$304,066,452	\$86,305,047	\$520,218,140	\$468,550,773
2005	\$123,496,970	\$299,673,564	\$80,202,280	\$503,374,819	\$441,464,469
2006	\$124,165,971	\$318,870,243	\$76,333,219	\$519,371,439	\$441,196,153
Average (2000-06)	\$125,775,550	\$295,466,181	\$88,292,431	\$509,536,164	
% Change (2000-06)	17.0%	24.8%	-14.0%	15.3%	
% Change (2000-06) - Inf. Adjusted	-0.6%	6.1%	-26.9%	-2.0%	-2.0%

**EXHIBIT 6A: COLORADO WORKS, CHILD WELFARE AND CHILD CARE  
ANNUAL AVERAGE EXPENDITURES AS A PERCENTAGE OF COMBINED  
FUNDING FOR THE THREE PROGRAMS, ACROSS ALL COUNTIES IN  
COLORADO, SFY 2000-2006**



**EXHIBIT 6B: COLORADO WORKS, CHILD WELFARE AND CHILD CARE  
EXPENDITURES AS A PERCENTAGE OF COMBINED FUNDING FOR THE  
THREE PROGRAMS, ACROSS ALL COUNTIES IN COLORADO, SFY 2000-2006**

State Fiscal Year	Colorado Works	Child Welfare	Child Care	Total
2000	23.6%	56.7%	19.7%	100.0%
2001	24.8%	56.4%	18.8%	100.0%
2002	25.8%	56.4%	17.9%	100.0%
2003	25.1%	57.0%	17.9%	100.0%
2004	25.0%	58.4%	16.6%	100.0%
2005	24.5%	59.5%	15.9%	100.0%
2006	23.9%	61.4%	14.7%	100.0%
<b>Average (2000-06)</b>	<b>24.7%</b>	<b>58.0%</b>	<b>17.3%</b>	<b>100.0%</b>

**Note:** Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

## *B. Statewide (All Counties) Colorado Works Reserves*

In addition to expenditures, the other component of Colorado Works' fiscal picture consists of reserves, or amounts allocated but not spent. As noted earlier, some Colorado Works funds can be carried over from one year to the next to cover lagged costs or future costs related to the purposes of TANF, and some of the reserves represent funds that may have initially been transferred from Colorado Works to Child Care, but remained unspent.

Exhibits 7A and 7B show patterns of accumulation of Colorado Works reserves (including amounts transferred to Child Care or Child Welfare) for all counties collectively for an eight-year period (between SFY 2000 and SFY 2007). As shown in the exhibits, the amounts of reserve accumulated across all counties in the state is in a "U" shaped pattern – initially at \$65.8 million in SFY 2000, dipping precipitously to \$14.7 million by SFY 2002 (and SFY 2003), then steadily climbing to \$80.0 million by SFY 2007. Because of the steady (and accelerating) accumulation in county reserve over the last four years (since SFY 2003), there was a 22 percent increase in total county reserves from SFY 2000 to SFY 2007. As also shown in Exhibit 7B, state allocation of Colorado Works funds<sup>9</sup> to counties changed only slightly from year to year (ranging from \$158.7 million to \$178.6 million). Over the eight-year period, county reserves statewide averaged about one-fourth of Colorado Works allocations.

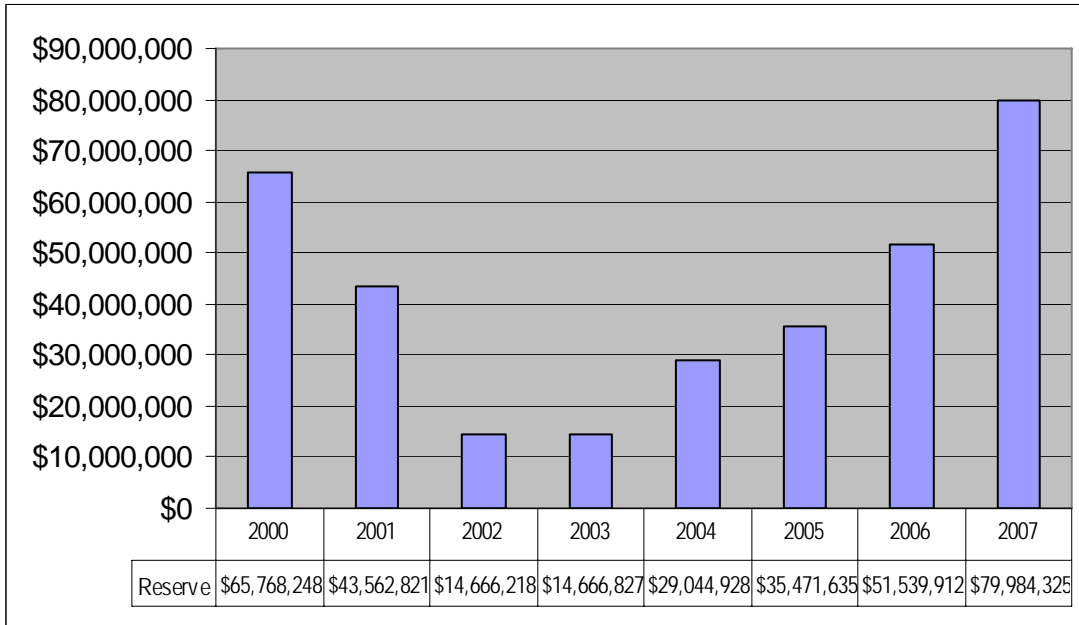
However, because the pattern of accumulation of reserves fluctuated more than allocations, there was considerable year-to-year variation in total county reserves statewide as a percentage of the Colorado Works and Child Care allocation.

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<sup>9</sup> This discussion about reserves compares the reserve amounts to Colorado Works allocations. A more comprehensive definition would include allocations for both Colorado Works and Child Care Assistance Program, since the numerator includes funds from Colorado Works that are transferred to Child Care. Both definitions are addressed in the following chapter when examining county level expenditure patterns.



**EXHIBIT 7A: COLORADO WORKS COUNTY RESERVES, SFY 2000-2007**



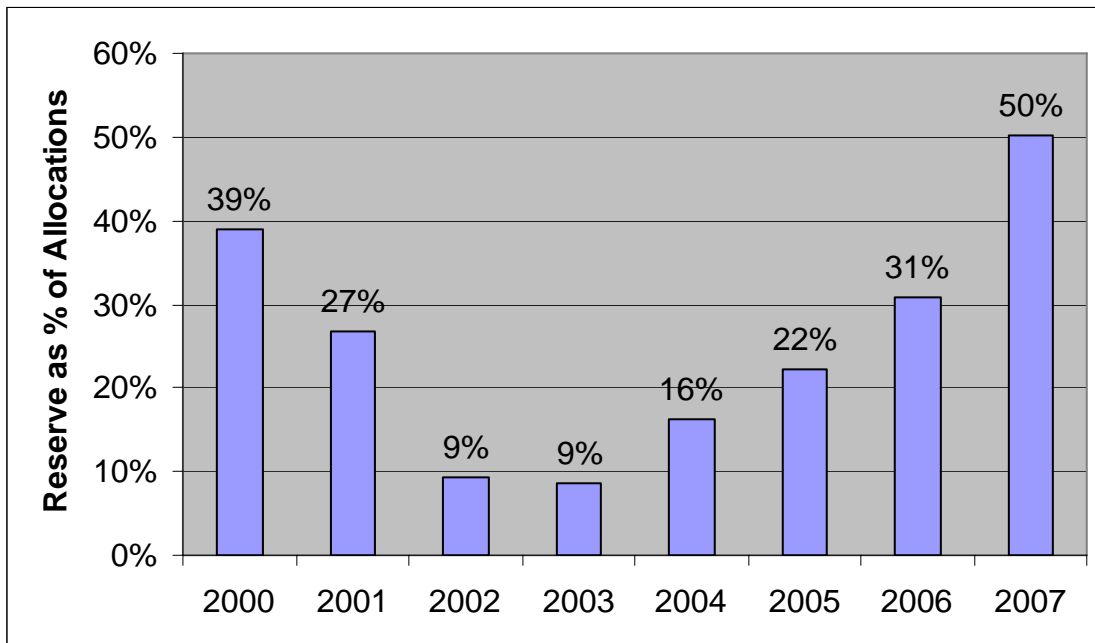
**EXHIBIT 7B: COLORADO WORKS RESERVES AS A PERCENTAGE OF COLORADO WORKS ALLOCATIONS TO COUNTIES, SFY 2000-2007**

Fiscal Year	Reserve	Allocation	Percent
2000	\$65,768,248	\$168,416,340	39%
2001	\$43,562,821	\$162,891,612	27%
2002	\$14,666,218	\$158,736,681	9%
2003	\$14,666,827	\$168,366,828	9%
2004	\$29,044,928	\$178,558,982	16%
2005	\$35,471,635	\$158,736,682	22%
2006	\$51,539,912	\$166,914,776	31%
2007	\$79,984,325	\$159,430,698	50%
Average	\$41,838,114	\$165,256,575	25%
Change 2000-07	22%	-5%	

Source: CDHS Internal Working Document; data for 2001 use JBC calculation.

The statewide county reserve amount as a percentage of Colorado Works expenditures, which is presented in Exhibit 8, has a “U” shaped pattern over the eight-year period, similar to the overall accumulation of reserves shown in Exhibit 7. The county reserves statewide represented 39 percent of Colorado Works allocations to counties in SFY 2000. The reserve ratio declined to 9 percent by SFY 2002 (and held steady at 9 percent in SFY 2003), then increased steadily to 50 percent of Colorado Works allocation by SFY 2007.

**EXHIBIT 8: COLORADO WORKS RESERVES AS A PERCENTAGE OF THE COLORADO WORKS ALLOCATION, SFY 2000-2007**



Source: CDHS Internal Working Document; data for 2001 is according to JBC calculation

As reported in the following chapter, discussions with state and local administrators revealed that the main reason for both the pattern of decline and the subsequent increase in county reserves (both in the absolute amount and as a percentage of the Colorado Works allocation was (as might be expected) the fluctuation of caseloads over the eight-year period, changes in spending for certain activities (e.g., employment services contracted out, or special initiatives), and transfer of funds from Colorado Works to child care.

### III. County Variations in Colorado Works Spending

This section examines the variations by county for overall Colorado Works expenditures, the proportion of spending for basic cash assistance versus other activities, the amount of county (versus state and federal funds) spent, and the amounts in reserve (unspent). Because there is great variation across counties in the size of their programs and populations, some topics are addressed for the ten largest counties and then the balance of counties. Where regional patterns are evident, trends are also presented by region. Extensive tables with data and expenditures for all counties appear in the Appendix A (concerning Colorado Works, Child Welfare, and Child Care expenditures) and Appendix B (concerning Colorado Works reserves), and are referred to at various points in this section.

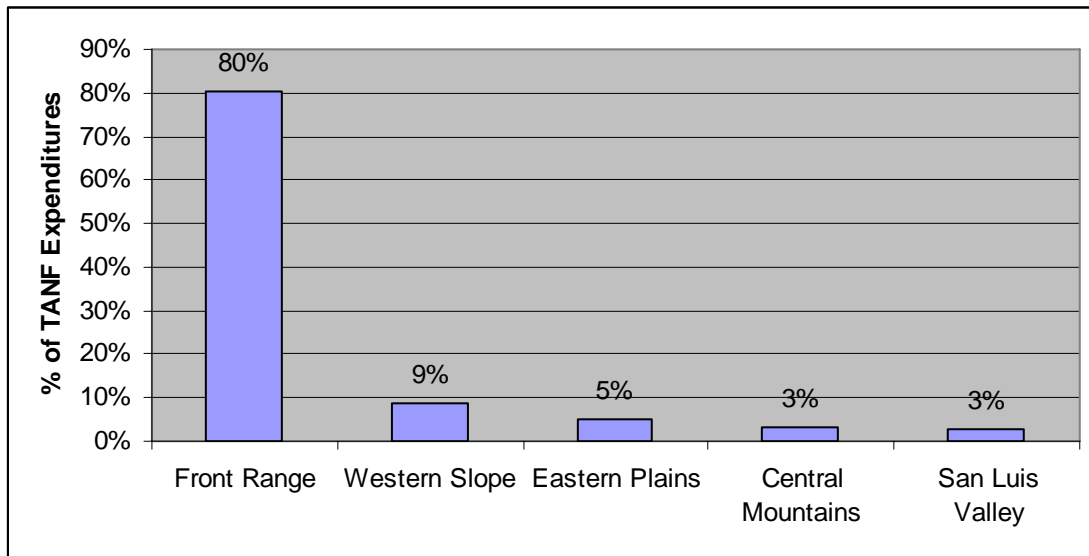
#### *A. Overall Expenditures by County*

Given the concentration of population in the Front Range area of the state, it is not surprising that much of the spending on Colorado Works is in that region. Exhibit 9 shows total Colorado Works expenditures for SFY2006 for the five regions within the state, and the amount and share of funding that is from federal, state, and county sources. About four-fifths of Colorado Works expenditures (80.2 percent) – representing about \$100 million in SFY 2006 -- were in the Front Range counties. Counties in the Western Slope (8.7 percent), Eastern Plains (5.0 percent), Central Mountains (3.4 percent) and San Luis Valley (2.6 percent) regions accounted for the remaining one fifth of program expenditures.

Naturally, the same differences exist for urban versus rural counties. Slightly over four-fifths of total Colorado Works expenditures (82.5 percent) were in the ten largest (mainly urban) counties in terms of overall population and poverty population, as shown in Exhibit 10. Four of these large counties together accounted for over half of all expenditures in the state (Denver, 20.7 percent; El Paso, 14.8 percent; Arapahoe, 10.2 percent; and Adams, 9.1 percent). Five counties (the four listed above and Jefferson County) had total expenditures in excess of \$10 million each (and as high as \$25.7 million in Denver County).

However, aside from the ten large counties, spending on the program is very low in many counties, consistent with their low population and caseloads. Fifty-four counties combined, accounted for 17.5 percent of total Colorado Works expenditures in Colorado (representing \$21.7 million in expenditures, which is less than was expended by Denver County in SFY 2006). For example, 19 counties each had total expenditures less than \$100,000 and these counties (when taken together) accounted for less than one percent of total Colorado Works expenditures in the state. In fact, when added together, over half of the counties (37 of the 64 counties) in the state accounted for less than 5 percent of total Colorado Works expenditures.

**EXHIBIT 9: COLORADO WORKS EXPENDITURES BY REGION, SFY 2006**



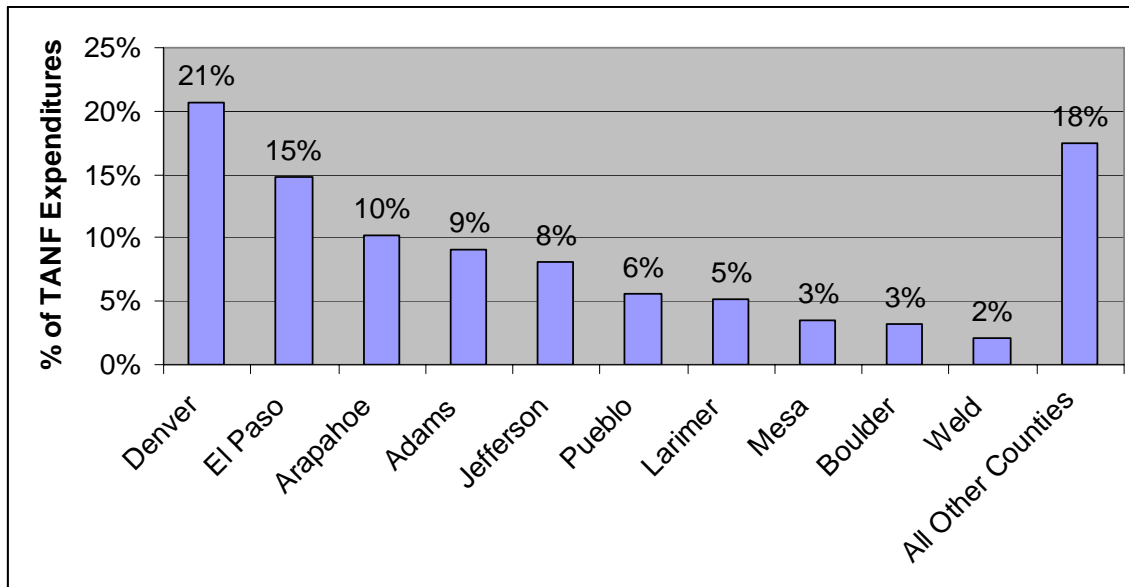
Region	Total	% of Statewide Total Expenditures
Front Range	\$99,599,663	80.2%
Western Slope	\$10,818,039	8.7%
Eastern Plains	\$6,229,730	5.0%
Central Mountains	\$4,258,788	3.4%
San Luis Valley	\$3,259,752	2.6%
<b>Total</b>	<b>\$124,165,971</b>	<b>100.0%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual Close-out Reports.

The low spending in many counties, of course, reflects low caseloads and low population generally. The allocation of Colorado Works, as noted in the previous chapter, is based on both a formula that uses caseload factors and an annual distribution based on county proposed funding contributions to the program. Simple correlation analysis was done to determine how proportionate the final distribution of funds is. That analysis indicated that, even with the annual county adjustments, the final distribution of Colorado Works funds (federal, state, and county) is consistent with caseload (with a correlation coefficient of .999 for SFY 2006). That is, county size and caseload size are the most important factors in the final allocation distribution, although there is variation in the share that each county contributes to the program, which is discussed below. Expenditures for all counties are presented in Appendix A.

**EXHIBIT 10: COLORADO WORKS EXPENDITURES FOR THE 10 LARGEST COUNTIES AND BALANCE OF COUNTIES, SFY 2006**



County	Total Colorado Works Expenditures SFY2006	% of State's Total Expenditures	Cumulative Percentage
Denver	\$25,706,962	20.7%	20.7%
El Paso	\$18,426,923	14.8%	35.5%
Arapahoe	\$12,660,172	10.2%	45.7%
Adams	\$11,319,901	9.1%	54.9%
Jefferson	\$10,034,905	8.1%	62.9%
Pueblo	\$6,862,611	5.5%	68.5%
Larimer	\$6,347,798	5.1%	73.6%
Mesa	\$4,306,417	3.5%	77.0%
Boulder	\$4,071,010	3.3%	80.3%
Weld	\$2,681,196	2.2%	82.5%
All Other Counties	\$21,748,077	17.5%	100.0%
<b>Total</b>	<b>\$124,165,971</b>	<b>100.0%</b>	

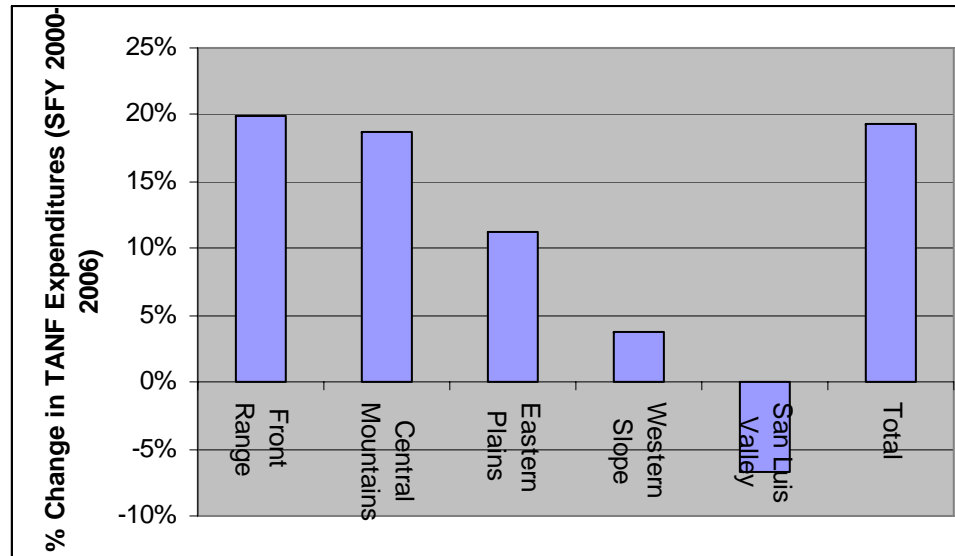
Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

There is also variation by region and county in the expenditure trends over time in total expenditures on the program. Across all counties, Colorado Works expenditures increased from \$106 million in 2000 to \$124 million in 2006, for a 17 percent increase in actual dollars and a small decrease of 0.6 percent when adjusting for inflation, which was discussed in the previous chapter. However, below the state level, there was some variation by region, as shown in Exhibit 11, with a decline in spending in the San Luis Valley region and spending increases in the other regions. Even among the regions where there was an increase in spending over this period, there was some variation, though, ranging from a 20 percent increase in actual expenditures (which is a 1.9 percent increase in inflation-adjusted expenditures) in the Front Range region to a decrease of 6.7 percent (and 20.7 percent in inflation-adjusted terms) for counties in the San Luis Valley region.

The expenditure trend is somewhat more varied by county than by region, as presented in Exhibit 12, which shows this expenditure trend for the 10 largest counties. Actual change in expenditures over the seven-year period ranged from a high of an 80 percent increase in spending in Arapahoe County and to declines of 2.8 percent in Mesa and 5.7 percent in Denver Counties. Among the ten largest counties, eight experienced increases in expenditures between SFY 2000 and SFY 2006. Among the five counties with the largest expenditures in the state (in excess of \$10 million), four experienced increases in actual expenditures over the seven years (Arapahoe, 80.0 percent change; El Paso, 35.4 percent; Jefferson, 34.9 percent; and Adams, 15.0 percent), while Denver experienced an actual decline in expenditures (5.7 percent). In inflation-adjusted terms, increases among the 10 largest counties ranged from as much as 52.9 percent in Arapahoe to decreases of 17.5 percent in Mesa and 19.9 percent in Denver Counties.

**EXHIBIT 11: CHANGE IN COLORADO WORKS EXPENDITURES, BY REGION, COLORADO,  
SFY 2000-2006**

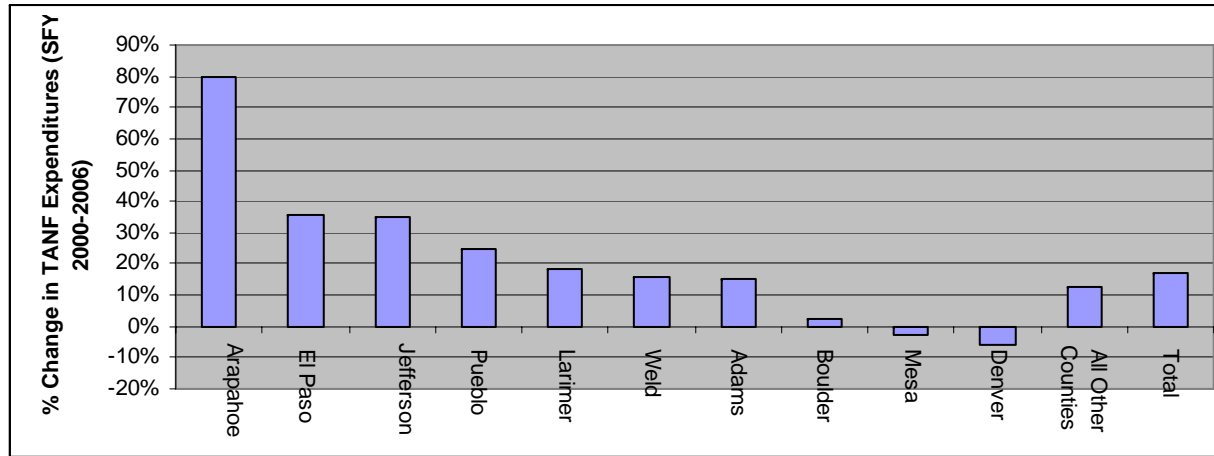


Region	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Front Range	\$83,021,582	\$98,698,784	\$112,216,643	\$104,578,855	\$102,878,960	\$97,269,462	\$99,599,663	20.0%	1.9%
Central	\$3,587,025	\$3,759,821	\$4,389,945	\$4,172,392	\$4,468,956	\$4,352,577	\$4,258,788	18.7%	0.9%
Eastern	\$5,599,805	\$5,389,156	\$6,853,671	\$6,374,592	\$6,758,902	\$6,620,196	\$6,229,730	11.2%	-5.5%
Western	\$10,425,984	\$11,647,161	\$13,972,230	\$13,067,544	\$12,212,347	\$11,680,115	\$10,818,039	3.8%	-11.9%
San Luis	\$3,493,438	\$3,958,020	\$3,939,397	\$3,775,225	\$3,525,472	\$3,574,619	\$3,259,752	-6.7%	-20.7%
<b>Total</b>	<b>\$106,127,835</b>	<b>\$123,452,942</b>	<b>\$141,371,885</b>	<b>\$131,968,608</b>	<b>\$129,844,637</b>	<b>\$123,496,970</b>	<b>\$124,165,971</b>	<b>17.0%</b>	<b>-0.6%</b>

Note: Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

**EXHIBIT 12: CHANGE IN COLORADO WORKS ANNUAL EXPENDITURES, FOR 10 LARGEST COUNTIES, COLORADO, SFY 2000-2006**



Region	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Arapahoe	\$7,033,684	\$9,592,658	\$10,438,157	\$10,209,448	\$12,100,267	\$14,490,666	\$12,660,172	80.0%	52.9%
El Paso	\$13,611,894	\$14,889,130	\$17,758,717	\$17,533,759	\$15,889,768	\$17,059,569	\$18,426,923	35.4%	15.0%
Jefferson	\$7,436,097	\$8,985,108	\$9,580,801	\$7,522,197	\$8,915,187	\$9,154,140	\$10,034,905	34.9%	14.6%
Pueblo	\$5,489,544	\$5,289,389	\$7,901,764	\$7,362,426	\$7,456,157	\$7,202,827	\$6,862,611	25.0%	6.2%
Larimer	\$5,362,415	\$4,625,718	\$5,254,193	\$5,359,115	\$6,028,317	\$6,390,645	\$6,347,798	18.4%	0.6%
Weld	\$2,311,169	\$2,936,746	\$5,695,056	\$3,727,906	\$3,005,221	\$2,520,594	\$2,681,196	16.0%	-1.5%
Adams	\$9,844,868	\$10,631,703	\$11,358,442	\$12,207,583	\$14,402,672	\$11,290,896	\$11,319,901	15.0%	-2.3%
Boulder	\$3,980,244	\$4,283,806	\$3,858,996	\$3,802,876	\$4,147,463	\$4,057,133	\$4,071,010	2.3%	-13.1%
Mesa	\$4,431,971	\$5,061,550	\$5,741,163	\$5,969,986	\$5,533,412	\$4,787,933	\$4,306,417	-2.8%	-17.5%
Denver	\$27,269,526	\$36,748,803	\$39,240,340	\$35,397,751	\$29,776,606	\$23,914,641	\$25,706,962	-5.7%	-19.9%
All Other	\$19,356,423	\$20,408,331	\$24,544,258	\$22,875,560	\$22,589,567	\$22,627,926	\$21,748,077	12.4%	-4.6%
<b>Total</b>	<b>\$106,127,835</b>	<b>\$123,452,942</b>	<b>\$141,371,885</b>	<b>\$131,968,608</b>	<b>\$129,844,637</b>	<b>\$123,496,970</b>	<b>\$124,165,971</b>	<b>17.0%</b>	<b>-0.6%</b>

Note: Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.



The 10 largest counties were evenly split in terms of experiencing either positive or negative changes in inflation-adjusted dollars. Among the five counties with the largest expenditures in the state, three experienced an increase in inflation-adjusted expenditures for Colorado Works (Arapahoe, 52.9 percent; El Paso, 15.0 percent; and Jefferson, 14.6 percent), while the other two experienced inflation-adjusted decreases in expenditures (Adams, 2.3 percent; and Denver, 19.9 percent). The spending in most large counties was fairly stable across the years presented, but a few counties had large fluctuations. Denver, for example, had spending increases in 2001 and 2002, then large decreases after 2003; while Arapahoe's expenditures increased steadily, especially in the 2002-2004 period. (Expenditures for all counties appear in Appendix A.)

Discussions with administrators and staff in a few counties shed some light on the main factors driving Colorado

Works expenditures. Not surprisingly, administrators explained that their trends in spending were mostly tied to increases and decreases in caseload. Some also noted that caseload changes were primarily related to changes in local economic conditions and increases in the size of the population below the poverty line. Another factor having some effect on expenditure

#### Example of Caseload Change Affecting TANF Expenses

- **Arapahoe.** The trend in Colorado Works expenditures was generally upward from 2000 through 2005, with the largest increase occurring between 2003 and 2005. This expenditure increase was the result of a steadily increasing caseload. Then in 2006 the cases started dropping. The caseload peaked in February 2005 at 2,608 and had dropped by half to 1,300 in June 2007. Administrators expect the level of cases to remain fairly constant from now on, barring a recession. However, total spending on Colorado Works is likely to increase as the county implements new programs to help improve their Work Participation Rate, although this may also reduce the caseload and therefore reduce spending on BCA.

patterns was the initiation of new programs. For example, some county staff described new programs often delivered by contractor providers that focus on improving work participation or reducing long-term reciprocity, which may have contributed to caseload declines. The text box contains an explanation for the expenditure trend provided by officials in Arapahoe, noting the importance of caseload change.

### ***B. County Funds in Colorado Works***

Another important characteristic of Colorado Works is the strong county role in designing, implementing, and sharing in the costs of the program, regardless of whether the county is large or small. As discussed in the previous chapter, collectively across the state, county funds (compared to federal and state funds) represent about 18 percent of all Colorado Works spending statewide. There is little variation by region in the share of spending that comes from county sources, but more variation by county, although the variation by county does not appear to be related to county size.

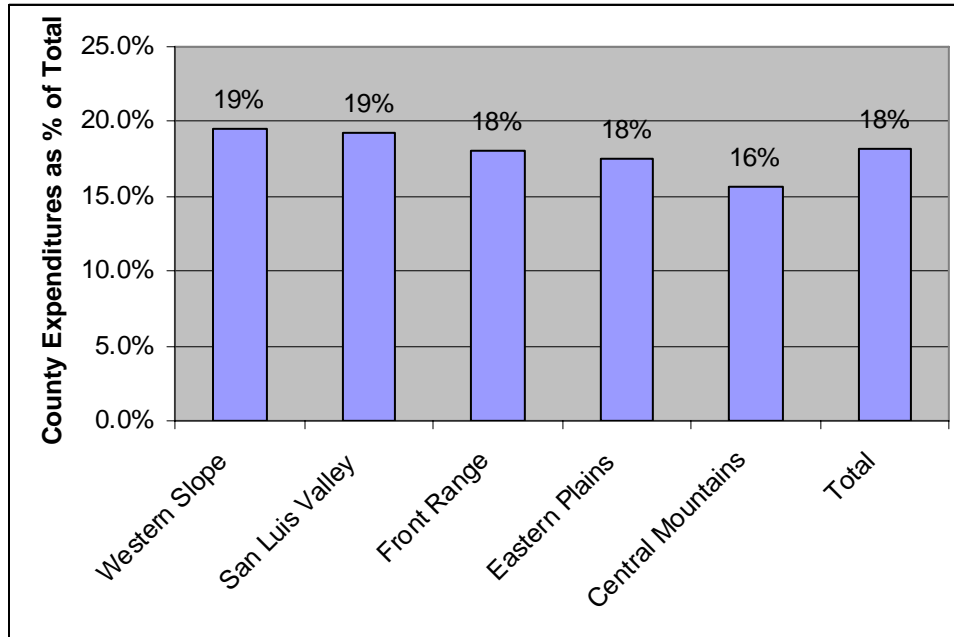
Across all counties, about 18 percent of Colorado Works spending is from county funds. However, as noted earlier, not every county is required to contribute the same

percentage of program funds. The variation in county shares partly reflects the Allocation Committee's annual decisions about Colorado Works allocations, based on the amount of state/county funds required for the state to draw down the federal TANF block grant and the amounts each county proposes (bids) to contribute. Some large counties contribute a relatively higher percentage of funds, as do some small counties.

The share of county funds in the program for SFY 2006 is shown by region in Exhibit 13, for the ten largest counties in Exhibit 14, and for all 64 counties in Exhibit 15. First, expenditures of county funds (Exhibit 13) varied only slightly across regions, from 19.5 percent in the Western Slope region to 15.6 percent for counties in the Central Mountains region. But, as seen in Exhibits 14 and 15, there is more variation by county than by region in the percentage of county funds spent in the program. Among the 10 largest counties (Exhibit 14), county funds ranged from as much as 23.7 percent (in Boulder) and 22.5 percent (in Denver) of total Colorado Works expenditures to a low of about 14 percent in Arapahoe and Pueblo Counties.

The county variation in the share of county funds in the program is even more pronounced in the rest of the state. Across the 64 counties (Exhibit 15), expenditures of county funds accounted for slightly less than one-fifth (18.1 percent) of Colorado Works expenditures in SFY 2006. While one should be cautious in examining the county share for some very small counties since the computations may be confounded by very low spending levels, it is important to consider the range shown in Exhibit 15. County funds as a percentage of overall expenditures in SFY 2006 ranged from over 30 percent in five counties (Mineral, 44.2 percent; San Juan, 39.6 percent; Ouray, 32.6 percent; Jackson, 32.0 percent; and Lincoln, 30.2 percent) to less than 15 percent in 12 counties (the lowest of which were Kiowa, 11.4 percent; Teller, 12.7 percent; and Douglas, 12.8 percent).

**EXHIBIT 13: COLORADO WORKS COUNTY EXPENDITURES  
AS A PERCENTAGE OF TOTAL EXPENDITURES, BY REGION, SFY 2006**

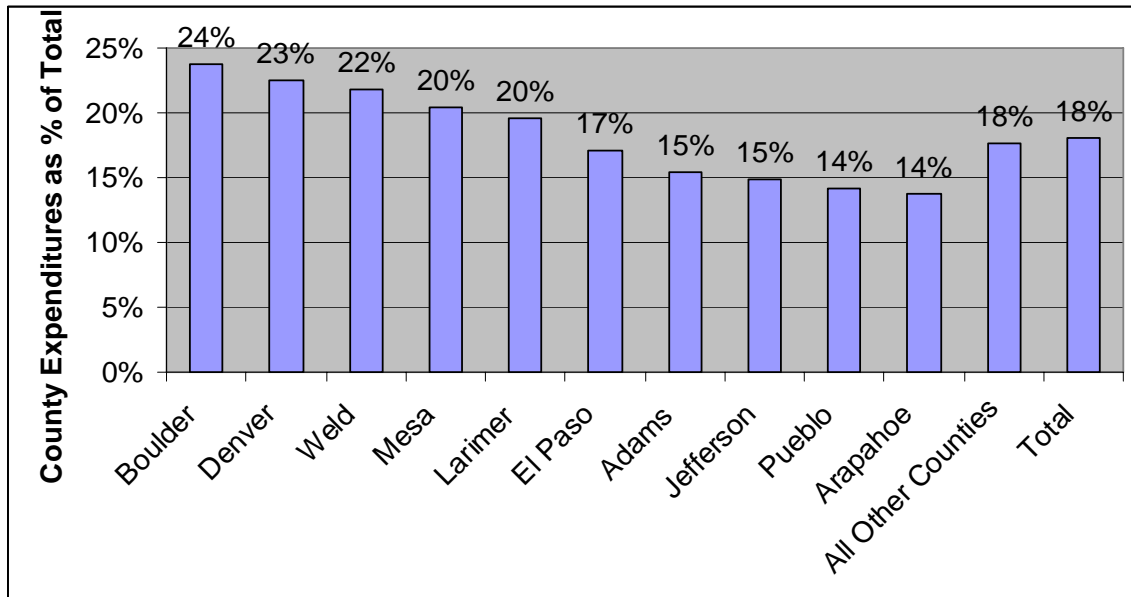


Region	County Expenditures in Region	Total Expenditures in Region	County Expenditures As % of Total (in Region)
Western Slope	\$2,106,507	\$10,818,039	19.5%
San Luis Valley	\$626,943	\$3,259,752	19.2%
Front Range	\$17,944,224	\$99,599,663	18.0%
Eastern Plains	\$1,092,380	\$6,229,730	17.5%
Central Mountains	\$663,808	\$4,258,788	15.6%
<b>Total</b>	<b>\$20,677,674</b>	<b>\$113,677,454</b>	<b>18.2%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

**EXHIBIT 14: COLORADO WORKS COUNTY EXPENDITURES AS A PERCENTAGE OF TOTAL EXPENDITURES, FOR 10 LARGEST COUNTIES, COLORADO, SFY 2006**



**EXHIBIT 15: COUNTY FUNDS AS A SHARE OF TOTAL COLORADO WORKS  
EXPENDITURES, SFY 2006**

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
Boulder	\$966,127	\$4,071,010	23.7%
Denver	\$5,796,847	\$25,706,962	22.5%
Weld	\$584,984	\$2,681,196	21.8%
Mesa	\$877,558	\$4,306,417	20.4%
Larimer	\$1,247,072	\$6,347,798	19.6%
El Paso	\$3,160,612	\$18,426,923	17.2%
Adams	\$1,747,099	\$11,319,901	15.4%
Jefferson	\$1,488,465	\$10,034,905	14.8%
Pueblo	\$973,139	\$6,862,611	14.2%
Arapahoe	\$1,746,305	\$12,660,172	13.8%
All Other Counties	\$3,845,654	\$21,748,077	17.7%
<b>Total</b>	<b>\$22,433,862</b>	<b>\$124,165,971</b>	<b>18.1%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
Mineral	\$2,141	\$4,846	44.2%
San Juan	\$6,828	\$17,259	39.6%
Ouray	\$4,903	\$15,032	32.6%
Jackson	\$5,952	\$18,605	32.0%
Lincoln	\$49,238	\$162,835	30.2%
Baca	\$33,429	\$116,540	28.7%
Cheyenne	\$9,237	\$37,740	24.5%
Delta	\$192,499	\$787,135	24.5%
Garfield	\$201,336	\$823,367	24.5%
Rio Blanco	\$21,697	\$89,604	24.2%
Sedgwick	\$11,047	\$46,444	23.8%
Boulder	\$966,127	\$4,071,010	23.7%
Denver	\$5,796,847	\$25,706,962	22.5%
Routt	\$34,544	\$154,264	22.4%
Conejos	\$118,835	\$531,982	22.3%
Weld	\$584,984	\$2,681,196	21.8%
Broomfield	\$105,198	\$483,910	21.7%
Kit Carson	\$20,269	\$98,659	20.5%

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
Mesa	\$877,558	\$4,306,417	20.4%
Costilla	\$51,360	\$255,448	20.1%
Yuma	\$37,775	\$188,375	20.1%
Pitkin	\$7,726	\$38,528	20.1%
Grand	\$17,600	\$87,980	20.0%
Rio Grande	\$187,948	\$948,178	19.8%
Larimer	\$1,247,072	\$6,347,798	19.6%
Custer	\$13,202	\$67,267	19.6%
Elbert	\$48,275	\$248,573	19.4%
Bent	\$97,158	\$506,160	19.2%
Park	\$18,073	\$94,804	19.1%
Washington	\$18,704	\$99,403	18.8%
Gilpin	\$11,647	\$62,427	18.7%
Montezuma	\$132,298	\$711,956	18.6%
Moffat	\$65,413	\$365,499	17.9%
Saguache	\$73,840	\$416,682	17.7%
Prowers	\$201,406	\$1,149,857	17.5%
Lake	\$25,939	\$148,141	17.5%
Alamosa	\$192,819	\$1,102,616	17.5%
Eagle	\$69,181	\$396,569	17.4%
San Miguel	\$4,725	\$27,466	17.2%
El Paso	\$3,160,612	\$18,426,923	17.2%
Otero	\$179,962	\$1,052,991	17.1%
Las Animas	\$140,651	\$826,578	17.0%
Huerfano	\$92,912	\$546,891	17.0%
Montrose	\$202,674	\$1,208,968	16.8%
Summit	\$25,993	\$156,563	16.6%
Logan	\$129,192	\$793,488	16.3%
Chaffee	\$57,524	\$364,999	15.8%
Archuleta	\$41,667	\$265,525	15.7%
Clear Creek	\$27,865	\$179,125	15.6%
Adams	\$1,747,099	\$11,319,901	15.4%
Crowley	\$73,517	\$476,628	15.4%
Hinsdale	\$3,231	\$20,962	15.4%
Morgan	\$164,680	\$1,103,463	14.9%
Jefferson	\$1,488,465	\$10,034,905	14.8%
La Plata	\$158,139	\$1,080,795	14.6%
Pueblo	\$973,139	\$6,862,611	14.2%
Fremont	\$275,995	\$1,968,555	14.0%
Arapahoe	\$1,746,305	\$12,660,172	13.8%

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
Dolores	\$6,054	\$45,666	13.3%
Gunnison	\$26,489	\$199,881	13.3%
Phillips	\$11,746	\$89,255	13.2%
Douglas	\$50,615	\$393,937	12.8%
Teller	\$77,761	\$610,338	12.7%
Kiowa	\$6,745	\$59,319	11.4%
<b>Total</b>	<b>\$22,433,862</b>	<b>\$124,165,971</b>	<b>18.1%</b>

**Source:** Colorado Department of Human Services, annual close-out reports.

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

## C. Expenditures on Non-Basic Cash Assistance and Contracting Out for Services

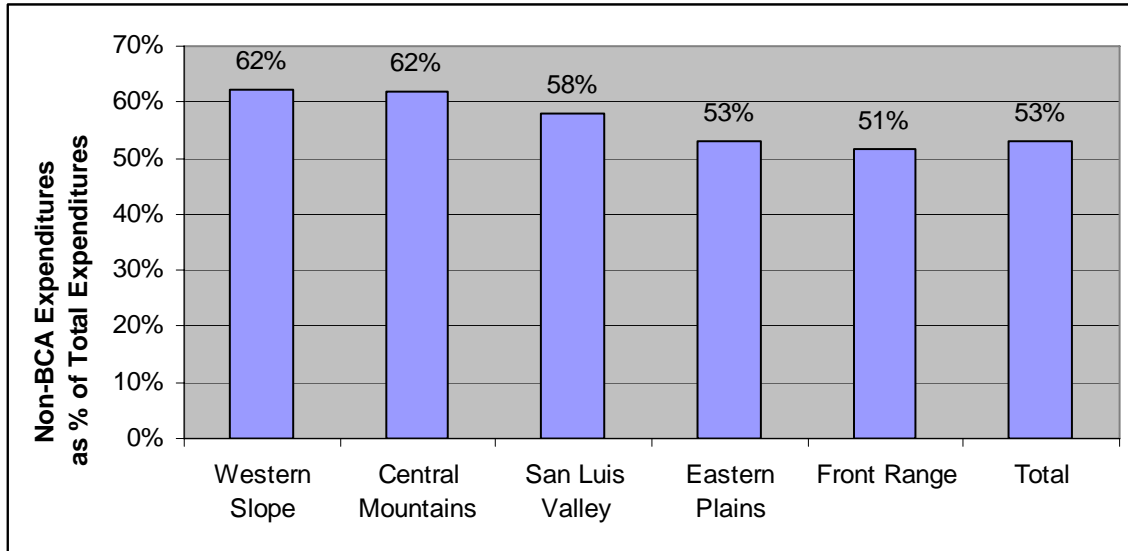
This section examines expenditures by county on basic cash assistance (BCA) versus spending on other activities. One objective of the study was to analyze spending on various activities including BCA as well as employment services, training, education, and community investments designed to meet the preventive purposes of TANF. In compiling the data from CFMS, it became clear that counties have different practices regarding the entry of expenditures for certain activities, particularly those that are contracted out rather than delivered in-house by DSS staff. Specific CFMS line items are not used consistently across all counties for non-BCA spending. This is discussed further below, but first, the patterns in spending on BCA and reported contract services are presented.

Overall, across all counties together, slightly under half (47 percent) of all Colorado Works spending in SFY2006 was for BCA, and non-BCA represented slightly over half (53 percent) of total expenditures. As shown in Exhibit 16 for SFY 2006, there is only minor variation across region in the percentage spent on BCA, ranging from about 52 percent in the Front Range, and 62 percent in the Western Slope region. However, as with other expenditure categories already discussed, there is much more variation across counties.

For example, Exhibit 17 presents the BCA share of spending for the ten large counties, compared to all other counties. Six of these large counties were above the average for the state (of 53 percent non-BCA payments) and four counties were below (with Denver just slightly below the state average, at 52 percent). While only about 37 percent of Arapahoe's spending in SFY 2006 was for non-BCA activities, over 70 percent of Adams County's expenditures were on non-BCA activities. Based on conversations with Adams County staff, much of the non-BCA spending is for contracted employment/training services and for contracted community investment initiatives.



**EXHIBIT 16: COLORADO WORKS BASIC CASH AND NON-BASIC CASH EXPENDITURES AS A PERCENTAGE OF TOTAL EXPENDITURES, BY REGION, SFY 2006**

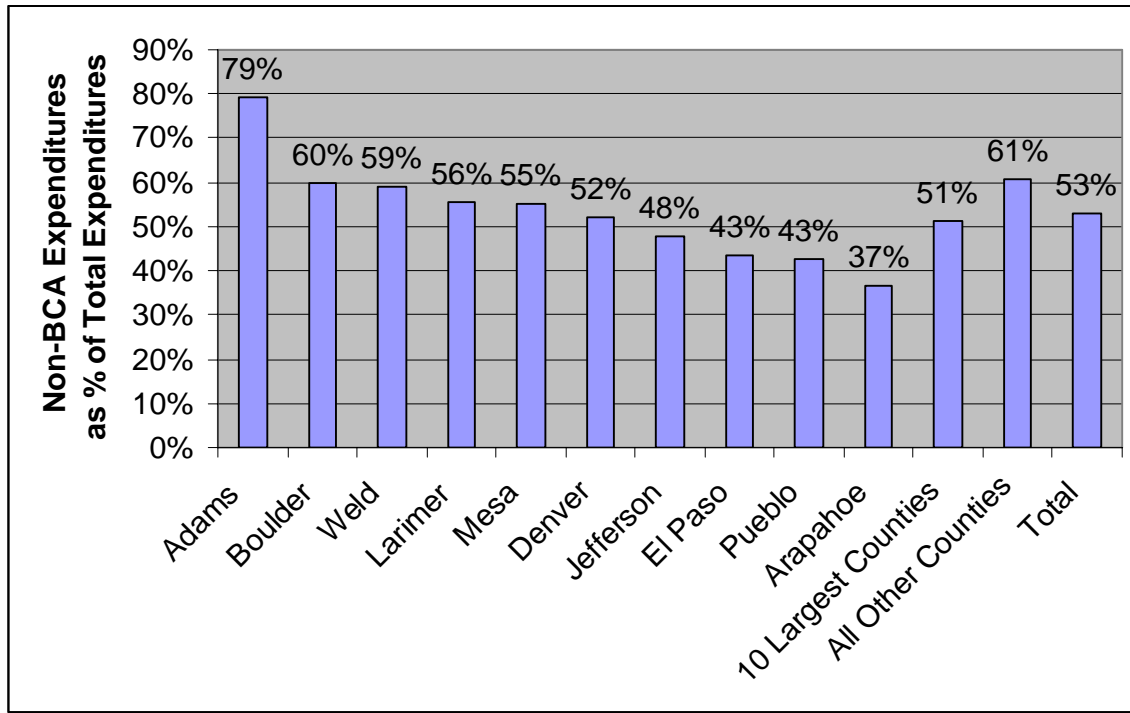


County	BCA Expenditures	Non-BCA Expenditures	BCA as % of Expenses	Non-BCA as % of Exp
Western Slope	4,085,528.53	10,818,038.80	37.8%	62.2%
Central Mountains	1,626,823.20	4,258,787.64	38.2%	61.8%
San Luis Valley	1,365,891.00	3,259,752.06	41.9%	58.1%
Eastern Plains	2,932,657.13	6,229,729.81	47.1%	52.9%
Front Range	48,343,856.13	99,599,662.98	48.5%	51.5%
<b>Total</b>	<b>58,354,755.99</b>	<b>124,165,971.29</b>	<b>47.0%</b>	<b>53.0%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

**EXHIBIT 17: COLORADO WORKS BASIC CASH AND NON-BASIC CASH EXPENDITURES AS A PERCENTAGE OF TOTAL EXPENDITURES, FOR 10 LARGEST COUNTIES, SFY 2006**



County	BCA Expenditures	Non-BCA Expenditures	BCA as % of Expenses	Non-BCA as % of Exp
Adams	2,366,995.06	11,319,900.72	20.9%	79.1%
Boulder	1,635,282.67	4,071,010.31	40.2%	59.8%
Weld	1,104,217.83	2,681,195.88	41.2%	58.8%
Larimer	2,816,198.98	6,347,797.52	44.4%	55.6%
Mesa	1,939,851.98	4,306,416.53	45.0%	55.0%
Denver	12,261,910.20	25,706,962.11	47.7%	52.3%
Jefferson	5,237,660.28	10,034,905.45	52.2%	47.8%
El Paso	10,439,525.03	18,426,922.70	56.7%	43.3%
Pueblo	3,927,575.89	6,862,610.66	57.2%	42.8%
Arapahoe	8,039,151.40	12,660,172.40	63.5%	36.5%
<b>10 Largest Counties</b>	<b>49,768,369.32</b>	<b>102,417,894.28</b>	<b>48.6%</b>	<b>51.4%</b>
<b>All Other Counties</b>	<b>8,586,386.67</b>	<b>21,748,077.01</b>	<b>39.5%</b>	<b>60.5%</b>
<b>Total</b>	<b>58,354,755.99</b>	<b>124,165,971.29</b>	<b>47.0%</b>	<b>53.0%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

Exhibit 18 presents BCA and non-BCA spending for all 64 counties, shown in descending order of the percent of non-BCA expenditures for SFY 2006. As with the large counties, here again, there is substantial variation across counties, ranging from three very small counties where nearly all spending is for non-BCA activities (San Juan, Sedgwick, and Ouray) to four counties where less than one-third of spending was for non-BCA (Douglas, Hinsdale, Jackson, and Mineral). More specifically, the 10 largest counties (shown in bold on Exhibit 18) are spread across the spectrum of all counties in terms of percentage of non-BCA expenditures.

This variation in the share of spending that is for BCA, particularly among the large counties, means, of course, the fact that some counties spend relatively more on non-BCA activities. This variation is evident even when one holds caseload size and caseload growth constant, and includes spending on contracted services as well as non-BCA services provided in-house. In fact, an important component of non-BCA expenditures consists of services that are contracted out. Exhibit 19 presents the amount of contracted service expenditures reported in the CFMS for the ten largest counties and for all other counties combined. There is great variation across counties in the amount of contracted expenditures among the large counties and between large counties and the rest of the state. Of the large counties, consistent with the non-BCA table shown earlier, Adams County had the highest percentage of contracted spending in SFY 2006, at 46 percent of all expenditures. Mesa, Pueblo, and Jefferson, in contrast, report less than 10 percent of expenditures are for contracted services.

**EXHIBIT 18: PERCENTAGE OF COLORADO WORKS EXPENDITURES THAT IS  
FOR BCA AND NON-BCA, BY COUNTY, SFY 2006**

<b>County</b>	<b>Percent BCA Expenditure</b>	<b>Percent Non-BCA Expenditures</b>
San Juan	0%	100%
Sedgwick	6%	94%
Ouray	9%	91%
Summit	15%	85%
Routt	17%	83%
Washington	18%	82%
Teller	19%	81%
Cheyenne	21%	79%
<b>*Adams</b>	<b>21%</b>	<b>79%</b>
Chaffee	23%	77%
San Miguel	24%	76%
Garfield	25%	75%
Saguache	26%	74%
Custer	27%	73%
Clear Creek	27%	73%
La Plata	28%	72%
Archuleta	28%	72%
Broomfield	28%	72%
Montrose	30%	70%
Eagle	30%	70%
Bent	31%	69%
Gunnison	32%	68%
Logan	33%	67%
Lake	34%	66%
Fremont	34%	66%
Rio Grande	36%	64%
Conejos	38%	62%
Yuma	38%	62%
Delta	39%	61%
<b>*Boulder</b>	<b>40%</b>	<b>60%</b>
Grand	40%	60%
Moffat	41%	59%
<b>*Weld</b>	<b>41%</b>	<b>59%</b>
Crowley	42%	58%
Dolores	43%	57%
Gilpin	43%	57%
Kit Carson	44%	56%
<b>*Larimer</b>	<b>44%</b>	<b>56%</b>
<b>*Mesa</b>	<b>45%</b>	<b>55%</b>
Las Animas	46%	54%
<b>*Denver</b>	<b>48%</b>	<b>52%</b>
Phillips	49%	51%

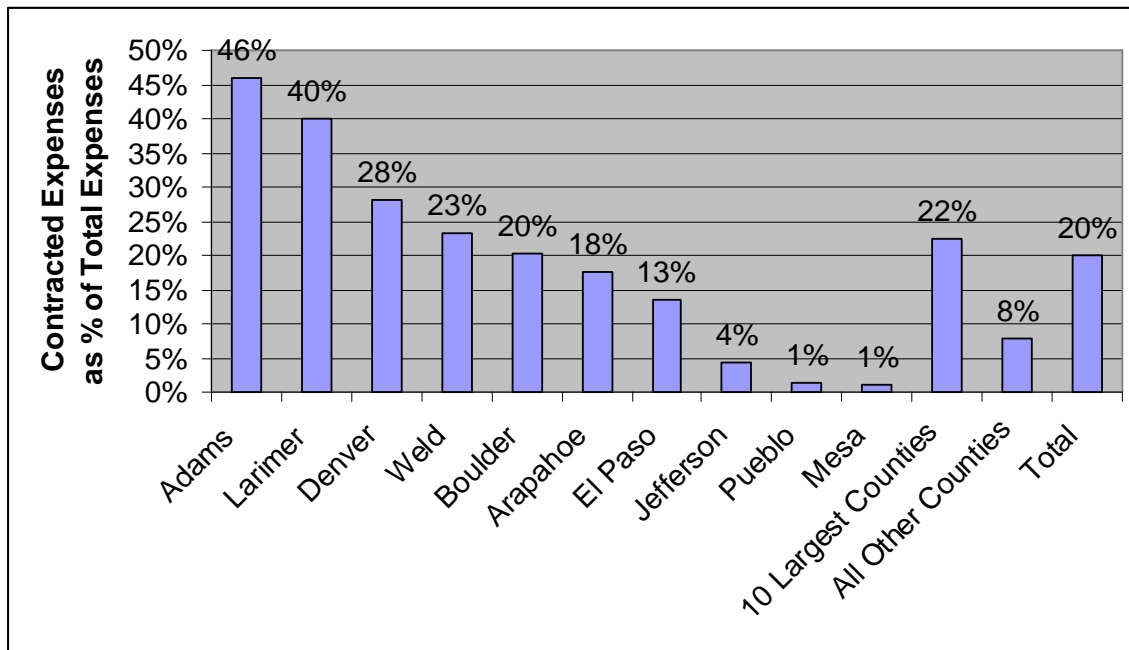
**EXHIBIT 18: PERCENTAGE OF COLORADO WORKS EXPENDITURES THAT IS  
FOR BCA AND NON-BCA, BY COUNTY, SFY 2006**

<b>County</b>	<b>Percent BCA Expenditure</b>	<b>Percent Non-BCA Expenditures</b>
Montezuma	49%	51%
Costilla	49%	51%
Prowers	50%	50%
Lincoln	50%	50%
Jefferson	52%	48%
Rio Blanco	52%	48%
Pitkin	53%	47%
Baca	53%	47%
Alamosa	53%	47%
Huerfano	53%	47%
Otero	55%	45%
<b>*El Paso</b>	<b>57%</b>	<b>43%</b>
<b>*Pueblo</b>	<b>57%</b>	<b>43%</b>
Morgan	58%	42%
Kiowa	58%	42%
Park	60%	40%
<b>*Arapahoe</b>	<b>63%</b>	<b>37%</b>
Elbert	64%	36%
Douglas	67%	33%
Hinsdale	67%	33%
Jackson	77%	23%
Mineral	100%	0%
<b>Total</b>	<b>47%</b>	<b>53%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006). Counties highlighted in **bold** with asterisks are the 10 largest in terms of Colorado Works allocation and expenditures.

**Source:** CFMS, Set of Books, SFY 2006

**EXHIBIT 19: COLORADO WORKS CONTRACTED EXPENDITURES AS A PERCENTAGE OF TOTAL EXPENDITURES, FOR 10 LARGEST COUNTIES, SFY 2007**



County	Contracted Expenditures	Total Expenditures	Contracted Expenditures as % of Expenditures
Adams	\$5,326,576	\$11,585,189	46.0%
Larimer	\$2,213,623	\$5,527,187	40.0%
Denver	\$8,961,474	\$32,002,033	28.0%
Weld	\$709,426	\$3,063,679	23.2%
Boulder	\$813,793	\$4,015,539	20.3%
Arapahoe	\$1,845,611	\$10,455,565	17.7%
El Paso	\$2,180,827	\$16,285,689	13.4%
Jefferson	\$365,148	\$8,554,934	4.3%
Pueblo	\$75,297	\$5,539,337	1.4%
Mesa	\$39,718	\$3,781,162	1.1%
<b>10 Largest Counties</b>	<b>\$22,531,494</b>	<b>\$100,810,313</b>	<b>22.4%</b>
<b>All Other Counties</b>	<b>\$1,442,907</b>	<b>\$18,312,686</b>	<b>7.9%</b>
<b>Total</b>	<b>\$23,974,400</b>	<b>\$119,123,000</b>	<b>20.1%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2007 runs from July 1, 2006 - June 30, 2007).  
Source: Colorado Department of Human Services, annual close-out reports.

One must be very cautious when viewing these data, however. Based on conversations with some administrators and staff, contract spending amounts are entirely included in the “contracted service expenditures” category in some counties, meaning the totals in CFMS under that line fully capture all contracted expenditures. In those counties the spending on that CFMS line will fully capture all contracted expenditures. In Adams County, for example, all contracted spending is under a single line in CFMS, and for SFY 2006, contracted services represented about 46 percent of all expenditures for Colorado Works, as shown above in Exhibit 19. Adams fiscal staff also maintain internal accounting records on the portion of that spending that is for community resources initiatives, although it does not appear separately in CFMS, which in SFY 2006 was about one-fifth of all contracted spending in that county.

Example of County Use of Contracts
<ul style="list-style-type: none"> <li> <b>Adams.</b> Contracted expenditures in SFY 2007 (of \$5.3 million) accounted for nearly half (46 percent) of total expenditures in Adams County, the highest percentage of total expenditures among counties in the state, and second, only to Denver in total contracted amount. Adams County has an extensive network of contracted service providers. For example, Adams County’s list of TANF contract partners for SFY 2008 which included over 30 separate partners providing a wide range of services, including: emergency shelter, homeless prevention services, before and after school programs, domestic violence services, substance abuse treatment services, employment services, vocational rehabilitation services, mentoring services, juvenile delinquency prevention services, health services, pregnancy prevention services, and prenatal and early childhood services. </li> </ul>

There are probably other counties, like Adams, that similarly include all contracted spending in one line, meaning the CFMS item includes all spending for all services by contractors. And in some counties it may be possible to isolate the spending on community resources in CFMS (unlike Adams). However, discussions with fiscal staff in a few counties suggest that there are considerable differences in how counties use CFMS for fiscal management. The implication is that in several counties the spending in the “contract services” item of CFMS is likely to be an underestimate of contract expenditures because of variations in how contract costs are recorded in CFMS. For example, the spending on what is sometimes referred to as “community resources,” or “non-monetary services” in some counties appear under different line items even if both are contracted out; the expenditures may not appear under “contracted services.” Similarly, expenditures by contractors in some counties are entered electronically into various CFMS line items for specific services (e.g., education, non-monetary services, and support services), if the contractor enters data directly into CBMS (from where it automatically is entered into CBMS). More precise statewide (all county) estimates of the total amounts contracted out and the purposes of the contracts would require special collection of expenditure data from each county. This is another area that can be further explored during the next round of site visits for the overall evaluation.

Nonetheless, the variation across large counties shown in Exhibit 19 suggests that there are major differences in contracted activity (which was confirmed during earlier site visits for the overall evaluation), and that larger counties tend to have higher percentages of their total expenditures in contracts than other counties.

#### ***D. Reserves***

As indicated in the first chapter, the reserves component is an important fiscal issue in Colorado Works, and the amount of the reserves across all counties has increased in the past few years after having declined in 2002 and 2004. As of SFY 2007, there was about \$80 million in the Colorado Works reserve across all counties. In relation to the total allocations for that year, this is a reserve ratio to Colorado Works funding of about 50 percent. A more comprehensive definition of the reserve rate includes allocations for the Child Care Assistance Program as well as Colorado Works, since counties can transfer a portion of their Colorado Works funds to Child Care and, any unspent amounts transferred would appear as Colorado Works reserves. Analysis here uses the Colorado Works allocation for consistency with other sections of this report. In general, while the level of the ratio may be different under different definitions, the general patterns across counties are similar. Where there are differences depending on the definition used, that is explained in the discussions that follow.

The reserve ratio varies by region and, even more, by county.<sup>10</sup> Exhibit 20 shows that the reserve ratio in comparison to Colorado Works allocations ranged from a low of 44 percent in the Front Range region to over 100 percent in the San Luis Valley region. Then Exhibit 21 shows the ratios for the 10 large counties compared to the rest of the counties. In general, most of the large counties have reserve rates that are just under the statewide average, with the exception of Boulder, where the reserve is considerably higher, and Mesa and Larimer where the reserves are slightly higher than the statewide average. As one would expect, several of the large counties had reserves over \$1.0 million in SFY 2007. Five counties – Denver (\$13.5 million), El Paso (\$8.0 million), Larimer (\$7.2 million), Boulder (7.1 million), and Arapahoe (\$5.8 million) – had accumulated in excess of \$5 million in county reserves and accounted for over half (52 percent) of all county reserves.

Outside the large counties, though, the reserve rates tend to be substantially higher, although of course the total amounts of reserves are much lower.

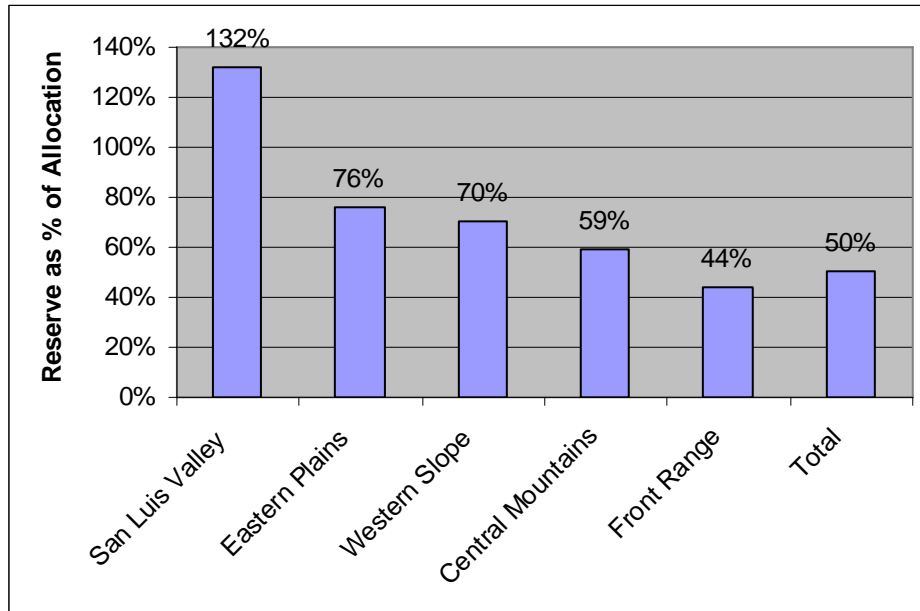
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<sup>10</sup> The reserve fund information reported here uses SFY 2007, which recently became available. The summary pattern is similar for SFY 2006, but the 2007 data are timelier for policy discussions.



Exhibit 22 displays the county reserves for SFY 2007 for all counties in the state and the reserve ratio (compared to Colorado Works allocations). The exhibit also presents the 64 counties using the alternative, more comprehensive definition of the reserve rate: Colorado Works as a percentage of the combined allocations for Colorado Works and Child Care.

**EXHIBIT 20: COLORADO WORKS COUNTY RESERVES AS A PERCENTAGE OF ALLOCATIONS, BY REGION, COLORADO, SFY 2007**

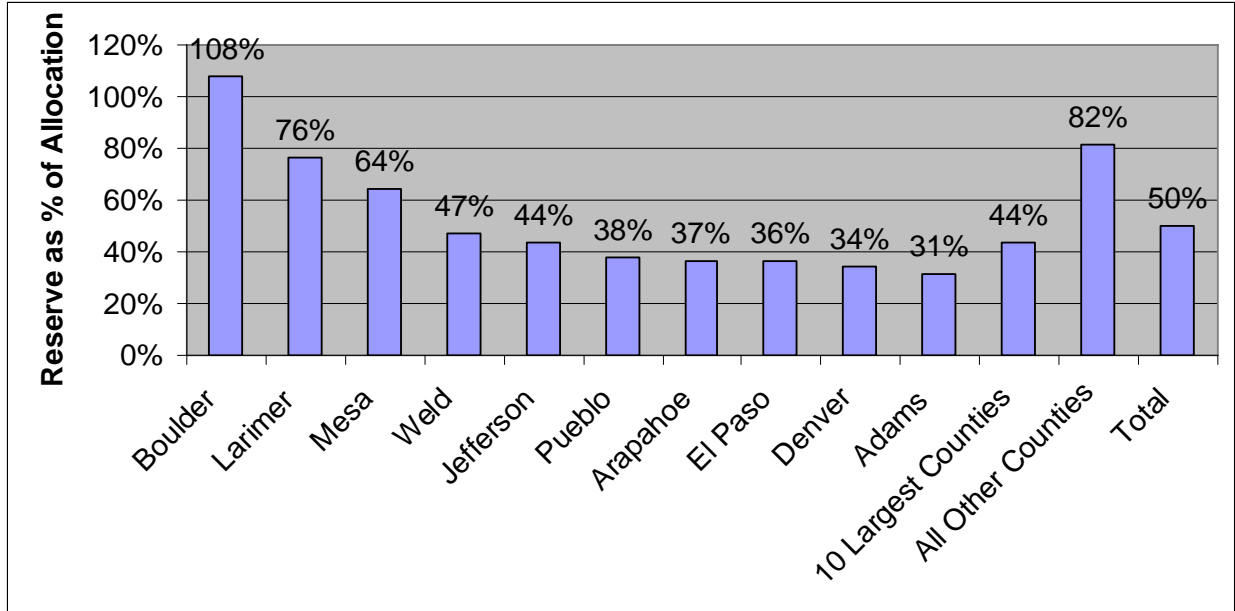


County	Reserve	Allocation	Allocation
San Luis Valley	\$4,943,558	\$3,750,750	131.8%
Eastern Plains	\$5,761,387	\$7,550,090	76.3%
Western Slope	\$10,066,763	\$14,353,586	70.1%
Central Mountains	\$3,179,070	\$5,363,218	59.3%
Front Range	\$56,033,548	\$128,413,054	43.6%
<b>Total</b>	<b>\$79,984,325</b>	<b>\$159,430,698</b>	<b>50.2%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2007 runs from July 1, 2006 - June 30, 2007).

**Source:** Colorado Department of Human Services, annual close-out reports.

**EXHIBIT 21: COLORADO WORKS COUNTY RESERVES AS A PERCENTAGE OF COLORADO WORKS ALLOCATIONS, FOR 10 LARGEST COUNTIES, SFY 2007**



County	Reserve	Colorado Works Allocation	% of Colorado Works Allocation
Boulder	\$7,101,133	\$6,589,279	108%
Larimer	\$7,178,997	\$9,424,602	76%
Mesa	\$3,850,787	\$5,980,419	64%
Weld	\$1,889,596	\$4,027,354	47%
Jefferson	\$4,516,388	\$10,347,659	44%
Pueblo	\$2,530,169	\$6,719,943	38%
Arapahoe	\$5,857,909	\$16,008,896	37%
El Paso	\$8,002,266	\$22,030,064	36%
Denver	\$13,533,504	\$39,809,458	34%
Adams	\$3,631,866	\$11,684,240	31%
10 Largest Counties	\$58,092,615	\$132,621,915	43.8%
All Other Counties	\$21,891,711	\$26,808,783	81.7%
Total	\$79,984,325	\$159,430,698	50.2%

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2007 runs from July 1, 2006 - June 30, 2007).

Source: Colorado Department of Human Services, annual close-out reports.

**EXHIBIT 22: RESERVE PERCENTAGES OF ALLOCATIONS, BY  
COUNTY, SFY 2007 AND SFY2008**

County	Reserve	Colorado Works Allocation	Reserve as % of Works Allocation 2007	Reserve as % of Works + Child Care Allocation 2008
Mineral	\$39,723	\$14,056	283%	173%
Ouray	\$100,190	\$38,001	264%	201%
Rio Blanco	\$387,290	\$150,729	257%	212%
Custer	\$202,883	\$89,548	227%	210%
Conejos	\$1,694,509	\$815,752	208%	127%
San Miguel	\$71,341	\$37,115	192%	114%
Baca	\$426,800	\$227,194	188%	184%
Broomfield	\$1,126,217	\$667,613	169%	116%
Montezuma	\$1,286,384	\$842,956	153%	128%
San Juan	\$69,463	\$46,636	149%	252%
Jackson	\$50,190	\$34,391	146%	137%
Summit	\$252,361	\$177,292	142%	79%
Rio Grande	\$1,049,062	\$799,763	131%	96%
Saguache	\$627,921	\$492,907	127%	132%
Bent	\$740,907	\$581,822	127%	141%
Crowley	\$671,177	\$552,034	122%	133%
Delta	\$1,333,563	\$1,211,291	110%	143%
Otero	\$1,315,936	\$1,216,903	108%	88%
<b>Boulder</b>	<b>\$7,101,133</b>	<b>\$6,589,279</b>	<b>108%</b>	<b>156%</b>
Grand	\$117,786	\$120,346	98%	57%
Las Animas	\$932,867	\$955,700	98%	102%
Alamosa	\$1,240,478	\$1,274,055	97%	87%
Kit Carson	\$119,950	\$129,435	93%	139%
Costilla	\$291,865	\$354,217	82%	142%
Douglas	\$366,818	\$466,707	79%	20%
Pitkin	\$41,555	\$53,096	78%	118%
Clear Creek	\$146,340	\$191,198	77%	73%
<b>Larimer</b>	<b>\$7,178,997</b>	<b>\$9,424,602</b>	<b>76%</b>	<b>100%</b>
Yuma	\$189,021	\$253,780	74%	61%
Cheyenne	\$39,626	\$53,222	74%	182%
Moffat	\$321,805	\$446,238	72%	117%
Huerfano	\$407,637	\$593,171	69%	97%
Morgan	\$785,734	\$1,146,965	69%	57%
Elbert	\$214,774	\$321,971	67%	36%
Washington	\$83,318	\$126,188	66%	95%
<b>Mesa</b>	<b>\$3,850,787</b>	<b>\$5,980,419</b>	<b>64%</b>	<b>44%</b>
Logan	\$558,968	\$875,256	64%	89%
Routt	\$152,303	\$240,104	63%	96%
Eagle	\$264,488	\$429,365	62%	51%
Chaffee	\$243,775	\$408,499	60%	141%
Lincoln	\$214,117	\$368,809	58%	76%

**EXHIBIT 22: RESERVE PERCENTAGES OF ALLOCATIONS, BY  
COUNTY, SFY 2007 AND SFY2008**

County	Reserve	Colorado Works Allocation	Reserve as % of Works Allocation 2007	Reserve as % of Works + Child Care Allocation 2008
Montrose	\$812,339	\$1,403,936	58%	100%
<b>Weld</b>	<b>\$1,889,596</b>	<b>\$4,027,354</b>	<b>47%</b>	<b>23%</b>
Teller	\$298,685	\$637,239	47%	71%
Sedgwick	\$29,395	\$63,525	46%	121%
Dolores	\$18,965	\$43,282	44%	196%
<b>Jefferson</b>	<b>\$4,516,388</b>	<b>\$10,347,659</b>	<b>44%</b>	<b>50%</b>
La Plata	\$468,720	\$1,107,168	42%	57%
Fremont	\$1,140,872	\$2,740,075	42%	53%
Park	\$47,593	\$120,597	39%	44%
<b>Pueblo</b>	<b>\$2,530,169</b>	<b>\$6,719,943</b>	<b>38%</b>	<b>23%</b>
Archuleta	\$117,670	\$321,267	37%	54%
<b>Arapahoe</b>	<b>\$5,857,909</b>	<b>\$16,008,896</b>	<b>37%</b>	<b>26%</b>
<b>El Paso</b>	<b>\$8,002,266</b>	<b>\$22,030,064</b>	<b>36%</b>	<b>62%</b>
<b>Denver</b>	<b>\$13,533,504</b>	<b>\$39,809,458</b>	<b>34%</b>	<b>51%</b>
Gunnison	\$60,117	\$188,112	32%	45%
<b>Adams</b>	<b>\$3,631,866</b>	<b>\$11,684,240</b>	<b>31%</b>	<b>32%</b>
Gilpin	\$24,641	\$83,154	30%	52%
Phillips	\$24,684	\$83,601	30%	46%
Kiowa	\$15,428	\$62,806	25%	18%
Prowers	\$331,553	\$1,486,578	22%	59%
Garfield	\$286,096	\$1,455,436	20%	115%
Lake	\$32,461	\$181,276	18%	57%
Hinsdale	\$3,347	\$26,407	13%	84%
<b>Total</b>	<b>\$79,984,325</b>	<b>\$159,430,698</b>	<b>50%</b>	<b>59%</b>

Source: CDHS Internal Working Document Internal Working Document; final column is based on CDHS estimates of allocations for SFY2008 and is provided here for comparison purposes only to highlight variations by county and differences by computation method.

The reserve rate using only the Colorado Works allocation ranges from a high of over 200 percent in five mostly very small counties (the highest being Mineral at 283 percent) to 25 percent or less of the Colorado Works allocation in five counties (the lowest being Hinsdale at 13 percent). In 19 counties, county reserves were in excess of the Colorado Works allocation for SFY 2007. The 10 largest counties, highlighted in bold type on Exhibit 22, ranged from 108 percent in Boulder to less than 40 percent in five larger counties (Pueblo, 38 percent; Arapahoe, 37 percent; El Paso, 36 percent; Denver, 34 percent; and Adams, 31 percent).

The county rates and rankings are slightly different when using the more comprehensive definition of reserve rate. The relative ranking of a couple of large counties is different than with the Colorado Works basic rate: Boulder and Larimer, for example, have higher reserve rates using the comprehensive definition than the basic definition. But the rankings of several small counties are very different using the comprehensive rate. This suggests that the comprehensive definition may better capture the variation across counties in terms of small cash assistance caseloads, as well as appropriately reflecting the ways counties can transfer Colorado Works funds to child care.

Similar to the fluctuation from year to year observed at the state level, there has also been fluctuation in many counties. Exhibits in Appendix B present the reserves for all counties annually over an eight-year period. On average across all counties, there was an increase of 22 percent in county reserve amounts between SFY 2000 to SFY 2007. Over this eight-year period, there was an increase in reserve in 51 counties versus a decrease in just 13 counties. Slightly over half of the counties experienced at least a doubling of their reserve from SFY 2000 to SFY 2007. The year to year variation is considerable in some counties, and the reserve in 27 counties was eliminated during at least one year over the eight years (i.e., went to zero dollars). This high degree of fluctuation probably reflects county level decisions about the reserves. Some counties may consciously manage their reserve funds. For example, some counties may seek to minimize the amount of carryover or reserves. Others may decide to retain some funds in reserve for future use or to have resources available as a buffer for cost increases such as caseload growth.

To further explore factors that seem to be related to the variations across counties in the reserve rates, some basic statistical analysis was done (correlations and multiple regressions). The results, which appear in Appendix B, suggest that the factor that seems related to the variation in county reserve rates is the share of Colorado Works spending that is from county funds (relative to state and federal funds). The higher the share of Colorado Works spending that is from county funds, the higher the reserve

rate.<sup>11</sup> This makes some sense, since counties have substantial input into planning both their contribution to Colorado Works and decisions that might affect the reserve. For example, some counties may spend federal and state funds before they spend county funds where possible, which could mean relatively higher shares of county funds might be in the reserve category. Federal funds are likely to be the first source for BCA spending, so one might think that caseload declines might be related to high reserve levels. Or small counties, which could experience high volatility in their caseloads, might choose to have higher reserve rates to be prepared for caseload increases. However, as shown in the exhibit, “county share of expenditures” remains significant even when controlling for other possibly important factors such as the change in BCA caseloads from 2004 to 2006, the region of the state, and the amount of spending per BCA case.<sup>12</sup>

Further exploration of county decisions and views about the reserves for subsequent reports from this evaluation could help clarify the statistical patterns, but to gain a better qualitative understanding now of the trend in reserves at the county level, informal conversations were held with a few administrators. Counties obviously have various reasons for deciding how much to invest in the program in their community and whether to maintain a large reserve. In addition to maintaining reserves to ensure the availability of funds in the event of a caseload increase, counties may retain funds in reserve for a future initiative, or to provide a temporary buffer for related cost fluctuations. In one county contacted, officials noted that a decision was made to temporarily maintain a high reserve while ongoing planning for community investments was underway. In some large counties, administrators indicated (as might be expected) that increases and decreases in reserves are primarily a function of fluctuation in cash assistance caseloads from year to year (which in some places is a function of local economic conditions). Some administrators noted that conscious decisions were made to transfer more (or less) from Colorado Works to child care in certain years, which affects the overall reserve amounts and total expenditures. A couple of administrators noted that when it seemed at one point that the state might change the way the reserves were managed at the state level, there was serious concern that some or all of the reserves might revert back to state. This concern led some

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<sup>11</sup> The regression model was also run using the alternative more comprehensive definition of reserve rate (reserves as a percentage of Colorado Works allocation plus Child Care allocation), and the results were virtually the same as the results shown in Appendix B, with a more significant coefficient for county poverty rate, again suggesting that the comprehensive rate may better reflect county differences in poverty.

<sup>12</sup> The analysis was also conducted using an alternative definition of the reserve rate: Colorado Works reserve amount as a percentage of the combined allocations for Colorado Works and Child Care Assistance Program block grants. The results were virtually the same. The only difference is that county poverty rate is significant at the .10 level, suggesting that counties with relatively higher poverty rates tend to have relatively lower reserves using this combined definition.

counties to actively minimize their reserves so those funds would not be lost, for instance, by initiating special initiatives that can appropriately use Colorado Works funds, such as new efforts to increase work participation rates, or new community investment projects to prevent dependency. Explanations for the reserve trends in two counties are highlighted in the text box (below).

#### *Factors Affecting Accumulation of Reserve in Two Counties*

- **Arapahoe:** *The reserve for Arapahoe was quite volatile over the eight-year period between SFY 2000 to SFY 2007 -- decreasing from \$2.7 million in SFY 2000 to \$632,131 in SFY 2003, then rising somewhat to \$1.8 million in SFY 2004, declining to zero in SFY 2005, then dramatically rising to \$5.9 million in SFY 2005 (over double the reserve in SFY 2000). According to Arapahoe staff and administrators, the changes in caseload (primarily due to local economic conditions) were the driving force for the volatility in the county reserve, as it was for the trend in overall spending.*
- **Denver:** *The reserve for Denver County was \$17.7 million in SFY 2000 and decreased by SFY 2002 (and SFY 2003) to a zero balance, then steadily climbed over the next three years (to \$14.1 million in SFY 2006) and leveled off in SFY 2007 at \$13.5 million. A Denver County administrator noted that when the reserve had been built up to \$17.7 million in SFY 2000, that there was some fear within the state (which turned out to not be justified) that the federal government might recover a portion of the unexpended funds that remained within the reserve. This proved to not be the case because the federal government considered these funds to have been obligated. As a result of this concern, however, the county made a concerted effort to ramp up expenditures on Colorado Works in SFY 2001 and SFY 2002. Denver County augmented the amount spend on child-only cases from late 2000 through 2003 (adding a supplement of \$280 on top of the \$99 paid kinship caretakers) and initiated a \$6 million contract (over an 18 month period) to help recipients pay rent. These and other efforts lifted expenditures and effectively eliminated Denver County's Colorado Works reserve. After 2003, when added expenditures were trimmed back, the county began to once again accumulate reserve funds. The full extent of the county's reserve is not captured by looking only at the Colorado Works reserve because the county has in recent years transferred substantial amounts to child care when the county's child care policy was being reformed to contain costs in that program. When the child care enrollment level was lower than expected, the funds remained in the reserve category until new programmatic strategies were established.*

The discussions with county administrators and staff indicate that each county may have somewhat unique issues related to the use and management of the reserve fund. This is another area where the full fiscal story would require obtaining information directly from the counties rather than relying on CFMS-based fiscal statistical data. The data provide an important framework for calculating the total reserves, but the role of the reserves and the reasons for the fluctuation from year to year require more qualitative discussions at the program level.

The information presented in this chapter has summarized spending data that are available, mainly through CFMS, for all counties for recent fiscal years. There are some important variations across counties in the expenditures and reserve trends, and in the share of funds that comes from county revenue (compared to state or federal sources). In fact, according to much of the analysis presented, aside from the obvious scale factor

(counties with high versus low caseloads), one factor that seems to describe reported spending variations across counties is the share of funds in Colorado Works that comes from county sources. When other factors, such as unemployment rate, poverty rate, caseload change, and geographic region are controlled for statistically, the share of county funds in the programs remains a significant factor that describes variations in reserve rates and the percentage of spending that is for BCA versus other activities.

The decision about how much county funding will be used in the program reflects county-level priorities. Similarly, CFMS is a management tool that county administrators can use for managing their local programs, tracking and reporting expenditures by line item and by source of funds, as well as for reporting to the state agency and documenting the intergovernmental accounts. Counties, thus, have the discretion to manage Colorado Works and other programs, and each may use the CFMS in slightly different ways. County variations in fiscal management means that CFMS is appropriate for summarizing statewide spending on some key items such as overall expenditures and BCA expenditures, but less appropriate for more detailed breakout of spending on specific subcategories such as contracted services, non-monetary services, and community investment activities.

Throughout this chapter, some insights from a few administrators help explain the degree of variation in fiscal management practices at the county level. To fully understand why counties contribute at certain levels and how much they spend on specific types of activities and services aside from BCA will require more systematic and in-depth conversations with county officials and staff, which can be addressed in subsequent rounds of fieldwork being conducted for the overall Lewin Group Evaluation of Colorado Works in 2008.



## Appendix A: County Variations in Spending

This appendix presents greater detail on the expenditures by counties for Colorado Works, Child Welfare, and Child Care.

### A. *Colorado Works Expenditures by County*

Exhibits A-1 and A-2 display how Colorado Works expenditures break down across Colorado's 64 county programs in 2006. Exhibit A-1 shows total expenditures for each county, broken down by funding source. As shown in the exhibit, the average county expenditure was just under \$2.0 million (at \$1.9 million). Not surprisingly, slightly over four-fifths of total expenditures (82.5 percent) were accounted for by 10 of the largest counties in terms of overall population and poverty population – these 10 counties comprise about 80 percent of the state's poor population and total population. Four of these counties, which have relatively higher poverty populations, alone accounted for over half of all expenditures (Denver, 20.7 percent; El Paso, 14.8 percent; Arapahoe, 10.2 percent; and Adams, 9.1 percent). Five counties (the four listed above and Jefferson County) recorded total expenditures in excess of \$10 million each (and as high as \$25.7 million in Denver County). At the opposite end of the spectrum, there were 19 counties that each had total expenditures less than \$100,000 and these counties (when taken together) accounted for less than one percent of total Colorado Works expenditures in the state. In fact, when added together, over half of the counties (37 of the 64 counties) in the state accounted for less than 5 percent of total Colorado Works expenditures.

**EXHIBIT A-1: COLORADO WORKS EXPENDITURES BY FUNDING SOURCE  
AND COUNTY, COLORADO, SFY 2006**

County	Federal	State	County	Total	% of State's Total Expenditures	Cumulative Percentage
Denver	\$19,747,913	\$162,203	\$5,796,847	\$25,706,962	20.7%	20.7%
El Paso	\$15,177,873	\$88,438	\$3,160,612	\$18,426,923	14.8%	35.5%
Arapahoe	\$10,865,004	\$48,864	\$1,746,305	\$12,660,172	10.2%	45.7%
Adams	\$9,523,916	\$48,886	\$1,747,099	\$11,319,901	9.1%	54.9%
Jefferson	\$8,504,791	\$41,649	\$1,488,465	\$10,034,905	8.1%	62.9%
Pueblo	\$5,862,242	\$27,230	\$973,139	\$6,862,611	5.5%	68.5%
Larimer	\$5,065,831	\$34,895	\$1,247,072	\$6,347,798	5.1%	73.6%
Mesa	\$3,404,303	\$24,555	\$877,558	\$4,306,417	3.5%	77.0%
Boulder	\$3,077,850	\$27,033	\$966,127	\$4,071,010	3.3%	80.3%
Weld	\$2,079,843	\$16,369	\$584,984	\$2,681,196	2.2%	82.5%
Fremont	\$1,684,837	\$7,723	\$275,995	\$1,968,555	1.6%	84.1%
Montrose	\$1,000,623	\$5,671	\$202,674	\$1,208,968	1.0%	85.0%
Prowers	\$942,816	\$5,636	\$201,406	\$1,149,857	0.9%	86.0%
Morgan	\$934,175	\$4,608	\$164,680	\$1,103,463	0.9%	86.9%
Alamosa	\$904,402	\$5,395	\$192,819	\$1,102,616	0.9%	87.7%
La Plata	\$918,232	\$4,425	\$158,139	\$1,080,795	0.9%	88.6%
Otero	\$867,993	\$5,036	\$179,962	\$1,052,991	0.8%	89.5%
Rio Grande	\$754,911	\$5,319	\$187,948	\$948,178	0.8%	90.2%
Las Animas	\$681,992	\$3,936	\$140,651	\$826,578	0.7%	90.9%
Garfield	\$616,397	\$5,634	\$201,336	\$823,367	0.7%	91.6%
Logan	\$660,681	\$3,615	\$129,192	\$793,488	0.6%	92.2%
Delta	\$589,250	\$5,386	\$192,499	\$787,135	0.6%	92.8%
Montezuma	\$575,957	\$3,702	\$132,298	\$711,956	0.6%	93.4%
Teller	\$530,401	\$2,176	\$77,761	\$610,338	0.5%	93.9%
Huerfano	\$451,380	\$2,600	\$92,912	\$546,891	0.4%	94.3%
Conejos	\$409,822	\$3,325	\$118,835	\$531,982	0.4%	94.8%
Bent	\$406,283	\$2,719	\$97,158	\$506,160	0.4%	95.2%
Broomfield	\$375,768	\$2,944	\$105,198	\$483,910	0.4%	95.6%
Crowley	\$401,054	\$2,057	\$73,517	\$476,628	0.4%	95.9%
Saguache	\$340,776	\$2,066	\$73,840	\$416,682	0.3%	96.3%
Eagle	\$325,452	\$1,936	\$69,181	\$396,569	0.3%	96.6%
Douglas	\$341,906	\$1,416	\$50,615	\$393,937	0.3%	96.9%
Moffat	\$298,255	\$1,830	\$65,413	\$365,499	0.3%	97.2%
Chaffee	\$305,866	\$1,610	\$57,524	\$364,999	0.3%	97.5%
Archuleta	\$222,692	\$1,166	\$41,667	\$265,525	0.2%	97.7%
Costilla	\$202,651	\$1,437	\$51,360	\$255,448	0.2%	97.9%
Elbert	\$198,947	\$1,351	\$48,275	\$248,573	0.2%	98.1%
Gunnison	\$172,650	\$741	\$26,489	\$199,881	0.2%	98.3%

**EXHIBIT A-1: COLORADO WORKS EXPENDITURES BY FUNDING SOURCE  
AND COUNTY, COLORADO, SFY 2006**

County	Federal	State	County	Total	% of State's Total Expenditures	Cumulative Percentage
Yuma	\$149,543	\$1,057	\$37,775	\$188,375	0.2%	98.4%
Clear Creek	\$150,481	\$780	\$27,865	\$179,125	0.1%	98.6%
Lincoln	\$112,220	\$1,378	\$49,238	\$162,835	0.1%	98.7%
Summit	\$129,843	\$727	\$25,993	\$156,563	0.1%	98.8%
Routt	\$118,753	\$967	\$34,544	\$154,264	0.1%	99.0%
Lake	\$121,476	\$726	\$25,939	\$148,141	0.1%	99.1%
Baca	\$82,175	\$935	\$33,429	\$116,540	0.1%	99.2%
Washington	\$80,176	\$523	\$18,704	\$99,403	0.1%	99.3%
Kit Carson	\$77,822	\$567	\$20,269	\$98,659	0.1%	99.3%
Park	\$76,225	\$506	\$18,073	\$94,804	0.1%	99.4%
Rio Blanco	\$67,300	\$607	\$21,697	\$89,604	0.1%	99.5%
Phillips	\$77,180	\$329	\$11,746	\$89,255	0.1%	99.6%
Grand	\$69,887	\$492	\$17,600	\$87,980	0.1%	99.6%
Custer	\$53,695	\$369	\$13,202	\$67,267	0.1%	99.7%
Gilpin	\$50,454	\$326	\$11,647	\$62,427	0.1%	99.7%
Kiowa	\$52,385	\$189	\$6,745	\$59,319	0.0%	99.8%
Sedgwick	\$35,088	\$309	\$11,047	\$46,444	0.0%	99.8%
Dolores	\$39,443	\$169	\$6,054	\$45,666	0.0%	99.9%
Pitkin	\$30,586	\$216	\$7,726	\$38,528	0.0%	99.9%
Cheyenne	\$28,244	\$258	\$9,237	\$37,740	0.0%	99.9%
San Miguel	\$22,609	\$132	\$4,725	\$27,466	0.0%	99.9%
Hinsdale	\$17,640	\$90	\$3,231	\$20,962	0.0%	100.0%
Jackson	\$12,486	\$167	\$5,952	\$18,605	0.0%	100.0%
San Juan	\$10,240	\$191	\$6,828	\$17,259	0.0%	100.0%
Ouray	\$9,991	\$137	\$4,903	\$15,032	0.0%	100.0%
Mineral	\$2,705	\$0	\$2,141	\$4,846	0.0%	100.0%
<b>Total</b>	<b>\$101,104,383</b>	<b>\$627,726</b>	<b>\$22,433,862</b>	<b>\$124,165,971</b>	<b>100.0%</b>	
<b>Average-Mean</b>	<b>\$1,579,756</b>	<b>\$9,808</b>	<b>\$350,529</b>	<b>\$1,940,093</b>		

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).  
Source: Colorado Department of Human Services, annual close-out reports.

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
Mineral	\$2,141	\$4,846	44.2%
San Juan	\$6,828	\$17,259	39.6%
Ouray	\$4,903	\$15,032	32.6%
Jackson	\$5,952	\$18,605	32.0%
Lincoln	\$49,238	\$162,835	30.2%
Baca	\$33,429	\$116,540	28.7%
Cheyenne	\$9,237	\$37,740	24.5%
Delta	\$192,499	\$787,135	24.5%
Garfield	\$201,336	\$823,367	24.5%
Rio Blanco	\$21,697	\$89,604	24.2%
Sedgwick	\$11,047	\$46,444	23.8%
Boulder	\$966,127	\$4,071,010	23.7%
Denver	\$5,796,847	\$25,706,962	22.5%
Routt	\$34,544	\$154,264	22.4%
Conejos	\$118,835	\$531,982	22.3%
Weld	\$584,984	\$2,681,196	21.8%
Broomfield	\$105,198	\$483,910	21.7%
Kit Carson	\$20,269	\$98,659	20.5%
Mesa	\$877,558	\$4,306,417	20.4%
Costilla	\$51,360	\$255,448	20.1%
Yuma	\$37,775	\$188,375	20.1%
Pitkin	\$7,726	\$38,528	20.1%
Grand	\$17,600	\$87,980	20.0%
Rio Grande	\$187,948	\$948,178	19.8%
Larimer	\$1,247,072	\$6,347,798	19.6%
Custer	\$13,202	\$67,267	19.6%
Elbert	\$48,275	\$248,573	19.4%
Bent	\$97,158	\$506,160	19.2%
Park	\$18,073	\$94,804	19.1%
Washington	\$18,704	\$99,403	18.8%
Gilpin	\$11,647	\$62,427	18.7%
Montezuma	\$132,298	\$711,956	18.6%
Moffat	\$65,413	\$365,499	17.9%
Saguache	\$73,840	\$416,682	17.7%
Prowers	\$201,406	\$1,149,857	17.5%
Lake	\$25,939	\$148,141	17.5%
Alamosa	\$192,819	\$1,102,616	17.5%
Eagle	\$69,181	\$396,569	17.4%
San Miguel	\$4,725	\$27,466	17.2%

County	County Expenditures	Total Expenditures	County Expenditures As % of Total
7 El Paso	\$3,160,612	\$18,426,923	17.2%
Otero	\$179,962	\$1,052,991	17.1%
Las Animas	\$140,651	\$826,578	17.0%
Huerfano	\$92,912	\$546,891	17.0%
Montrose	\$202,674	\$1,208,968	16.8%
Summit	\$25,993	\$156,563	16.6%
Logan	\$129,192	\$793,488	16.3%
Chaffee	\$57,524	\$364,999	15.8%
Archuleta	\$41,667	\$265,525	15.7%
Clear Creek	\$27,865	\$179,125	15.6%
Adams	\$1,747,099	\$11,319,901	15.4%
Crowley	\$73,517	\$476,628	15.4%
Hinsdale	\$3,231	\$20,962	15.4%
Morgan	\$164,680	\$1,103,463	14.9%
Jefferson	\$1,488,465	\$10,034,905	14.8%
La Plata	\$158,139	\$1,080,795	14.6%
Pueblo	\$973,139	\$6,862,611	14.2%
Fremont	\$275,995	\$1,968,555	14.0%
Arapahoe	\$1,746,305	\$12,660,172	13.8%
Dolores	\$6,054	\$45,666	13.3%
Gunnison	\$26,489	\$199,881	13.3%
Phillips	\$11,746	\$89,255	13.2%
Douglas	\$50,615	\$393,937	12.8%
Teller	\$77,761	\$610,338	12.7%
Kiowa	\$6,745	\$59,319	11.4%
<b>Total</b>	<b>\$22,433,862</b>	<b>\$124,165,971</b>	<b>18.1%</b>

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

Exhibit A-2 shows that there was variation across counties in the expenditure of county (rather than federal or state) funds, as a percentage of total Colorado Works expenditures in 2006. Overall, across Colorado's 64 county programs, expenditures of county funds accounted for slightly less than a fifth (18.1 percent) of overall expenditures in 2006. As shown in the exhibit, expenditures of county funds as a percentage of overall expenditures ranged from over 30 percent in five counties (Mineral, 44.2 percent; San Juan, 39.6 percent; Ouray, 32.6 percent; Jackson, 32.0 percent; and Lincoln, 30.2 percent) to less than 15 percent in 12 counties (the lowest of which were Kiowa, 11.4 percent; Teller, 12.7 percent; and Douglas, 12.8 percent).

Exhibit A-3 shows the change in Colorado Works expenditures from 2000 to 2006, broken out by county, sorted in descending order by change for each county from 2000 to 2006. As shown in the exhibit, there was substantial variation in the percentage change in expenditures across counties over the seven-year period. Statewide, Colorado Works expenditures increased from \$106 million in 2000 to \$124 million in 2006, an increase of 17.0 percent in actual dollars (though just a 0.6 percent decrease in inflation-adjusted dollars). The median change was slightly lower among counties, at 11.1 percent in actual dollars and -5.6 percent in inflation-adjusted dollars.

Despite the overall increase in actual dollars over this period, there was quite a bit of variation across counties in the percentage change, with about three in five counties (40 of 63 counties)<sup>13</sup> having increases in Colorado Works expenditures. Five counties (all relatively small in terms of total expenses) experienced over a doubling of actual dollars spent (Hinsdale, Eagle, Lincoln, Elbert and Lake), while five counties experienced decreases of 30 percent or more in actual expenditures (Mineral, Yuma, Washington, Ouray, and San Juan). Among the five counties with the largest expenditures in the state, four experienced increases in actual expenditures over the seven years (Arapahoe, 80.0 percent change; El Paso, 35.4 percent; Jefferson, 34.9 percent; and Adams, 15.0 percent), while Denver experienced an actual decline in expenditures of 5.7 percent).

In inflation-adjusted terms, about 4 in 10 counties (26 of 63 counties) showed increases in expenditures over the seven years. Four counties experienced a 100 percent or higher inflation-adjusted increase in spending (Hinsdale, Eagle, Hinsdale, Lincoln, and Elbert), while four counties experienced decreases in inflation-adjusted expenditures of 50 percent or more (Yuma, Washington, Ouray, and San Juan). Among the five counties with the largest expenditures in the state, three experienced an increase in inflation-adjusted expenditures for Colorado Works (Arapahoe, 52.9 percent; Jefferson, 14.6 percent; and Jefferson, 14.6 percent), while the other two experienced inflation-adjusted decreases in expenditures (Adams, -2.3 percent; and Denver, -19.9 percent).<sup>14</sup>

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<sup>13</sup> The 63 counties exclude Bloomfield County, which did not have expenditures for 2000.

<sup>14</sup> In order to understand these trends more closely, exploratory regression analyses were conducted to examine factors that are associated with the patterns observed. The results are too inconclusive to present, but further analysis using additional data may prove useful.

**EXHIBIT A-3: CHANGE IN COLORADO WORKS EXPENDITURES, BY COUNTY, COLORADO,  
SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Hinsdale	\$1,659	\$10,596	\$18,536	\$18,759	\$15,067	\$24,313	\$20,962	1163.5%	973.3%
Eagle	\$126,199	\$205,707	\$228,227	\$471,745	\$317,358	\$315,258	\$396,569	214.2%	166.9%
Lincoln	\$55,728	\$55,273	\$111,850	\$138,406	\$148,105	\$177,813	\$162,835	192.2%	148.2%
Elbert	\$100,419	\$108,538	\$117,734	\$132,378	\$152,779	\$161,392	\$248,573	147.5%	110.3%
Lake	\$68,548	\$67,118	\$153,792	\$172,731	\$187,413	\$176,024	\$148,141	116.1%	83.6%
Gunnison	\$103,367	\$97,593	\$169,149	\$190,598	\$144,999	\$163,398	\$199,881	93.4%	64.3%
Cheyenne	\$20,064	\$24,873	\$20,987	\$52,311	\$44,090	\$61,071	\$37,740	88.1%	59.8%
Kiowa	\$32,332	\$26,400	\$31,360	\$35,603	\$42,279	\$49,940	\$59,319	83.5%	55.9%
Arapahoe	\$7,033,684	\$9,592,658	\$10,438,157	\$10,209,448	\$12,100,267	\$14,490,666	\$12,660,172	80.0%	52.9%
Bent	\$292,106	\$293,428	\$376,795	\$490,750	\$692,237	\$540,602	\$506,160	73.3%	47.2%
Douglas	\$240,383	\$158,265	\$197,508	\$312,374	\$304,088	\$304,599	\$393,937	63.9%	39.2%
Sedgwick	\$30,433	\$39,620	\$56,587	\$58,665	\$49,930	\$62,424	\$46,444	52.6%	29.6%
Park	\$67,087	\$118,973	\$190,762	\$114,951	\$142,730	\$149,254	\$94,804	41.3%	20.0%
Teller	\$441,758	\$446,996	\$345,540	\$479,706	\$383,718	\$530,402	\$610,338	38.2%	17.4%
Logan	\$580,620	\$678,843	\$897,756	\$811,012	\$761,186	\$819,155	\$793,488	36.7%	16.1%
El Paso	\$13,611,894	\$14,889,130	\$17,758,717	\$17,533,759	\$15,889,768	\$17,059,569	\$18,426,923	35.4%	15.0%
Jefferson	\$7,436,097	\$8,985,108	\$9,580,801	\$7,522,197	\$8,915,187	\$9,154,140	\$10,034,905	34.9%	14.6%
Summit	\$118,795	\$145,462	\$222,488	\$119,627	\$118,669	\$181,047	\$156,563	31.8%	12.0%
Grand	\$68,563	\$75,069	\$134,447	\$87,839	\$107,226	\$97,860	\$87,980	28.3%	9.0%
La Plata	\$847,901	\$989,512	\$1,124,036	\$939,308	\$1,021,225	\$1,043,007	\$1,080,795	27.5%	8.3%
Fremont	\$1,572,271	\$1,672,806	\$1,778,658	\$1,942,795	\$1,978,893	\$1,936,395	\$1,968,555	25.2%	6.4%
Pueblo	\$5,489,544	\$5,289,389	\$7,901,764	\$7,362,426	\$7,456,157	\$7,202,827	\$6,862,611	25.0%	6.2%
Kit Carson	\$80,734	\$92,594	\$128,861	\$124,290	\$116,163	\$111,609	\$98,659	22.2%	3.8%
Prowers	\$971,331	\$1,175,415	\$1,490,608	\$1,316,913	\$1,415,099	\$1,347,390	\$1,149,857	18.4%	0.6%
Larimer	\$5,362,415	\$4,625,718	\$5,254,193	\$5,359,115	\$6,028,317	\$6,390,645	\$6,347,798	18.4%	0.6%
Huerfano	\$463,805	\$477,189	\$525,742	\$578,684	\$643,458	\$585,403	\$546,891	17.9%	0.2%
Weld	\$2,311,169	\$2,936,746	\$5,695,056	\$3,727,906	\$3,005,221	\$2,520,594	\$2,681,196	16.0%	-1.5%
Adams	\$9,844,868	\$10,631,703	\$11,358,442	\$12,207,583	\$14,402,672	\$11,290,896	\$11,319,901	15.0%	-2.3%
Saguache	\$366,612	\$459,990	\$533,734	\$475,581	\$417,131	\$416,962	\$416,682	13.7%	-3.5%
Morgan	\$973,770	\$1,000,658	\$1,237,949	\$989,962	\$916,975	\$1,081,432	\$1,103,463	13.3%	-3.7%
Montezuma	\$640,185	\$782,523	\$851,612	\$815,638	\$796,477	\$765,835	\$711,956	11.2%	-5.5%
Montrose	\$1,087,738	\$1,071,216	\$1,700,814	\$965,302	\$878,374	\$1,287,675	\$1,208,968	11.1%	-5.6%
Las Animas	\$745,248	\$774,929	\$975,029	\$724,421	\$929,578	\$945,348	\$826,578	10.9%	-5.8%
Chaffee	\$330,786	\$410,762	\$378,565	\$319,327	\$311,688	\$296,686	\$364,999	10.3%	-6.3%
Pitkin	\$35,415	\$35,416	\$35,310	\$29,824	\$27,683	\$32,047	\$38,528	8.8%	-7.6%
Dolores	\$42,269	\$54,737	\$38,839	\$35,924	\$31,798	\$43,475	\$45,666	8.0%	-8.2%

**EXHIBIT A-3: CHANGE IN COLORADO WORKS EXPENDITURES, BY COUNTY, COLORADO,  
SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Alamosa	\$1,059,200	\$1,333,880	\$1,271,168	\$1,149,500	\$1,083,722	\$1,261,975	\$1,102,616	4.1%	-11.6%
Baca	\$113,685	\$86,366	\$198,047	\$128,800	\$157,195	\$161,877	\$116,540	2.5%	-12.9%
Boulder	\$3,980,244	\$4,283,806	\$3,858,996	\$3,802,876	\$4,147,463	\$4,057,133	\$4,071,010	2.3%	-13.1%
Clear Creek	\$178,000	\$136,401	\$254,768	\$188,782	\$120,717	\$117,569	\$179,125	0.6%	-14.5%
Costilla	\$258,081	\$270,288	\$257,265	\$196,720	\$200,381	\$207,978	\$255,448	-1.0%	-15.9%
Mesa	\$4,431,971	\$5,061,550	\$5,741,163	\$5,969,986	\$5,533,412	\$4,787,933	\$4,306,417	-2.8%	-17.5%
Crowley	\$494,781	\$121,156	\$362,490	\$413,462	\$408,870	\$430,891	\$476,628	-3.7%	-18.2%
Jackson	\$19,484	\$21,736	\$56,182	\$37,402	\$40,789	\$39,130	\$18,605	-4.5%	-18.9%
Archuleta	\$281,392	\$337,010	\$298,160	\$285,925	\$299,651	\$305,823	\$265,525	-5.6%	-19.8%
Denver	\$27,269,526	\$36,748,803	\$39,240,340	\$35,397,751	\$29,776,606	\$23,914,641	\$25,706,962	-5.7%	-19.9%
Moffat	\$392,799	\$318,752	\$354,324	\$384,544	\$384,168	\$353,349	\$365,499	-7.0%	-21.0%
San Miguel	\$30,511	\$40,127	\$44,392	\$26,581	\$22,393	\$19,534	\$27,466	-10.0%	-23.5%
Garfield	\$920,573	\$1,053,326	\$1,112,892	\$1,273,342	\$1,078,944	\$1,060,596	\$823,367	-10.6%	-24.0%
Delta	\$893,936	\$992,268	\$1,486,330	\$1,093,913	\$1,085,893	\$939,120	\$787,135	-11.9%	-25.2%
Routt	\$176,827	\$128,202	\$191,440	\$189,165	\$189,464	\$147,732	\$154,264	-12.8%	-25.9%
Otero	\$1,207,914	\$1,259,874	\$1,257,608	\$1,228,202	\$1,377,739	\$1,165,068	\$1,052,991	-12.8%	-25.9%
Rio Grande	\$1,093,250	\$1,191,347	\$1,014,791	\$1,132,950	\$1,126,194	\$1,126,955	\$948,178	-13.3%	-26.3%
Gilpin	\$76,166	\$47,542	\$87,427	\$69,978	\$96,402	\$74,157	\$62,427	-18.0%	-30.4%
Custer	\$85,114	\$54,102	\$45,203	\$60,724	\$58,077	\$71,741	\$67,267	-21.0%	-32.9%
Conejos	\$708,697	\$685,718	\$855,815	\$805,254	\$687,815	\$554,989	\$531,982	-24.9%	-36.2%
Phillips	\$127,149	\$76,894	\$76,030	\$78,645	\$79,084	\$92,890	\$89,255	-29.8%	-40.4%
Rio Blanco	\$127,754	\$128,095	\$81,086	\$65,216	\$83,711	\$40,311	\$89,604	-29.9%	-40.4%
Mineral	\$7,599	\$16,796	\$6,624	\$15,219	\$10,228	\$5,760	\$4,846	-36.2%	-45.8%
Yuma	\$327,616	\$224,959	\$356,200	\$236,618	\$274,018	\$249,426	\$188,375	-42.5%	-51.2%
Washington	\$191,124	\$124,266	\$132,809	\$138,574	\$123,154	\$107,214	\$99,403	-48.0%	-55.8%
Ouray	\$33,763	\$41,662	\$28,385	\$21,938	\$16,428	\$14,824	\$15,032	-55.5%	-62.2%
San Juan	\$44,883	\$56,604	\$54,419	\$44,967	\$18,615	\$17,847	\$17,259	-61.5%	-67.3%
Broomfield		\$110,462	\$587,131	\$663,714	\$469,497	\$353,350	\$483,910	N/A	N/A
Total	\$106,127,835	\$123,452,942	\$141,371,885	\$131,968,608	\$129,844,637	\$123,496,970	\$124,165,971	17.0%	-0.6%

**Note:** Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.



**EXHIBIT A-4: CHILD WELFARE EXPENDITURES BY FUNDING SOURCE AND COUNTY, COLORADO, SFY 2006**

County	Federal	State	County	Total	% of State's Total Expenditures	Cumulative Percentage
Denver	\$36,652,020	\$21,215,167	\$9,878,812	\$67,745,999	21.2%	21.2%
El Paso	\$14,099,016	\$16,318,664	\$5,948,288	\$36,365,968	11.4%	32.7%
Adams	\$13,237,081	\$13,974,345	\$4,703,240	\$31,914,666	10.0%	42.7%
Arapahoe	\$10,528,514	\$12,567,916	\$4,302,099	\$27,398,530	8.6%	51.3%
Jefferson	\$10,069,326	\$11,855,700	\$3,856,257	\$25,781,284	8.1%	59.3%
Weld	\$6,587,047	\$8,004,450	\$2,706,033	\$17,297,530	5.4%	64.8%
Pueblo	\$7,012,452	\$6,851,506	\$2,661,094	\$16,525,052	5.2%	69.9%
Boulder	\$7,341,283	\$6,166,336	\$2,307,072	\$15,814,692	5.0%	74.9%
Larimer	\$5,223,683	\$7,229,666	\$2,520,640	\$14,973,989	4.7%	79.6%
Mesa	\$4,047,072	\$4,578,143	\$1,772,682	\$10,397,897	3.3%	82.9%
Fremont	\$2,225,103	\$1,662,684	\$596,556	\$4,484,344	1.4%	84.3%
Douglas	\$1,389,820	\$1,445,899	\$428,944	\$3,264,663	1.0%	85.3%
Garfield	\$1,198,382	\$1,572,546	\$481,769	\$3,252,697	1.0%	86.3%
Morgan	\$1,386,427	\$1,394,664	\$463,572	\$3,244,663	1.0%	87.3%
Montrose	\$1,026,048	\$1,367,557	\$492,507	\$2,886,112	0.9%	88.2%
Teller	\$927,842	\$1,185,738	\$365,000	\$2,478,580	0.8%	89.0%
Alamosa	\$1,092,975	\$959,514	\$334,655	\$2,387,144	0.7%	89.8%
Broomfield	\$842,332	\$1,028,710	\$349,991	\$2,221,033	0.7%	90.5%
La Plata	\$814,235	\$980,727	\$349,772	\$2,144,734	0.7%	91.1%
Logan	\$945,773	\$851,006	\$292,833	\$2,089,611	0.7%	91.8%
Delta	\$650,646	\$882,819	\$266,407	\$1,799,872	0.6%	92.3%
Montezuma	\$593,577	\$694,058	\$221,679	\$1,509,314	0.5%	92.8%
Otero	\$543,015	\$721,307	\$224,845	\$1,489,167	0.5%	93.3%
Elbert	\$720,728	\$573,776	\$173,547	\$1,468,051	0.5%	93.7%
Prowers	\$543,583	\$583,715	\$205,699	\$1,332,997	0.4%	94.2%
Eagle	\$459,163	\$541,899	\$168,757	\$1,169,819	0.4%	94.5%
Lincoln	\$579,967	\$449,175	\$126,157	\$1,155,299	0.4%	94.9%
Rio Grande	\$554,697	\$415,153	\$138,168	\$1,108,018	0.3%	95.2%
Las Animas	\$385,098	\$476,118	\$168,178	\$1,029,393	0.3%	95.6%
Chaffee	\$333,941	\$476,768	\$184,036	\$994,745	0.3%	95.9%
Yuma	\$390,242	\$424,309	\$136,640	\$951,191	0.3%	96.2%
Clear Creek	\$317,752	\$431,298	\$134,939	\$883,990	0.3%	96.5%
Moffat	\$322,670	\$404,497	\$135,815	\$862,982	0.3%	96.7%
Rio Blanco	\$272,807	\$344,791	\$102,656	\$720,253	0.2%	96.9%
Summit	\$243,484	\$310,772	\$106,159	\$660,414	0.2%	97.2%
Bent	\$205,618	\$338,544	\$111,352	\$655,515	0.2%	97.4%
Gunnison	\$252,783	\$289,988	\$94,365	\$637,135	0.2%	97.6%
Lake	\$211,072	\$309,353	\$96,462	\$616,887	0.2%	97.8%
Washington	\$184,816	\$310,543	\$94,158	\$589,517	0.2%	97.9%

**EXHIBIT A-4: CHILD WELFARE EXPENDITURES BY FUNDING SOURCE AND COUNTY, COLORADO, SFY 2006**

County	Federal	State	County	Total	% of State's Total Expenditures	Cumulative Percentage
Saguache	\$245,799	\$250,764	\$85,125	\$581,688	0.2%	98.1%
Park	\$197,940	\$249,677	\$74,518	\$522,135	0.2%	98.3%
Huerfano	\$191,043	\$244,122	\$83,046	\$518,210	0.2%	98.4%
Archuleta	\$180,713	\$219,624	\$70,928	\$471,265	0.1%	98.6%
Grand	\$173,326	\$212,503	\$75,891	\$461,720	0.1%	98.7%
Conejos	\$206,396	\$148,091	\$55,688	\$410,176	0.1%	98.9%
Costilla	\$166,890	\$183,733	\$56,729	\$407,352	0.1%	99.0%
Routt	\$145,513	\$179,860	\$67,233	\$392,606	0.1%	99.1%
Kit Carson	\$111,994	\$209,756	\$64,621	\$386,371	0.1%	99.2%
Gilpin	\$114,374	\$176,234	\$61,378	\$351,985	0.1%	99.4%
Custer	\$92,989	\$118,582	\$38,231	\$249,802	0.1%	99.4%
Baca	\$115,136	\$87,557	\$35,734	\$238,427	0.1%	99.5%
San Miguel	\$69,786	\$103,028	\$35,921	\$208,734	0.1%	99.6%
Ouray	\$68,407	\$99,978	\$31,414	\$199,799	0.1%	99.6%
Crowley	\$71,761	\$82,263	\$34,924	\$188,948	0.1%	99.7%
Cheyenne	\$64,253	\$83,593	\$29,938	\$177,784	0.1%	99.7%
Phillips	\$50,074	\$84,860	\$29,506	\$164,440	0.1%	99.8%
Sedgwick	\$62,832	\$71,713	\$29,555	\$164,100	0.1%	99.9%
Pitkin	\$47,266	\$76,893	\$28,847	\$153,006	0.0%	99.9%
Dolores	\$36,695	\$45,240	\$14,799	\$96,735	0.0%	99.9%
Kiowa	\$28,832	\$40,991	\$15,919	\$85,742	0.0%	100.0%
Jackson	\$27,044	\$36,927	\$13,691	\$77,662	0.0%	100.0%
Hinsdale	\$13,128	\$21,278	\$9,684	\$44,091	0.0%	100.0%
San Juan	\$6,909	\$7,256	\$2,913	\$17,078	0.0%	100.0%
Mineral	\$1,040	(\$3,227)	(\$1,175)	(\$3,361)	0.0%	100.0%
<b>Total</b>	<b>\$136,902,234</b>	<b>\$133,221,117</b>	<b>\$48,746,893</b>	<b>\$318,870,243</b>	<b>100.0%</b>	
<b>Average-Mean</b>	<b>\$2,139,097</b>	<b>\$2,081,580</b>	<b>\$761,670</b>	<b>\$4,982,348</b>		

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

**EXHIBIT A-5: COUNTY CHILD WELFARE EXPENDITURES AS A  
PERCENTAGE OF TOTAL EXPENDITURES, BY COUNTY, COLORADO, SFY 2006**

County	County Expenditures	Total Expenditures	County Expenditures as % of Total
Hinsdale	\$9,684	\$44,091	22.0%
Pitkin	\$28,847	\$153,006	18.9%
Kiowa	\$15,919	\$85,742	18.6%
Chaffee	\$184,036	\$994,745	18.5%
Crowley	\$34,924	\$188,948	18.5%
Sedgwick	\$29,555	\$164,100	18.0%
Phillips	\$29,506	\$164,440	17.9%
Jackson	\$13,691	\$77,662	17.6%
Gilpin	\$61,378	\$351,985	17.4%
San Miguel	\$35,921	\$208,734	17.2%
Routt	\$67,233	\$392,606	17.1%
Montrose	\$492,507	\$2,886,112	17.1%
San Juan	\$2,913	\$17,078	17.1%
Mesa	\$1,772,682	\$10,397,897	17.0%
Bent	\$111,352	\$655,515	17.0%
Cheyenne	\$29,938	\$177,784	16.8%
Larimer	\$2,520,640	\$14,973,989	16.8%
Kit Carson	\$64,621	\$386,371	16.7%
Grand	\$75,891	\$461,720	16.4%
El Paso	\$5,948,288	\$36,365,968	16.4%
Las Animas	\$168,178	\$1,029,393	16.3%
La Plata	\$349,772	\$2,144,734	16.3%
Pueblo	\$2,661,094	\$16,525,052	16.1%
Summit	\$106,159	\$660,414	16.1%
Huerfano	\$83,046	\$518,210	16.0%
Washington	\$94,158	\$589,517	16.0%
Broomfield	\$349,991	\$2,221,033	15.8%
Moffat	\$135,815	\$862,982	15.7%
Ouray	\$31,414	\$199,799	15.7%
Arapahoe	\$4,302,099	\$27,398,530	15.7%
Weld	\$2,706,033	\$17,297,530	15.6%
Lake	\$96,462	\$616,887	15.6%
Prowers	\$205,699	\$1,332,997	15.4%
Custer	\$38,231	\$249,802	15.3%
Dolores	\$14,799	\$96,735	15.3%
Clear Creek	\$134,939	\$883,990	15.3%
Otero	\$224,845	\$1,489,167	15.1%
Archuleta	\$70,928	\$471,265	15.1%
Baca	\$35,734	\$238,427	15.0%

**EXHIBIT A-5: COUNTY CHILD WELFARE EXPENDITURES AS A  
PERCENTAGE OF TOTAL EXPENDITURES, BY COUNTY, COLORADO, SFY 2006**

County	County Expenditures	Total Expenditures	County Expenditures as % of Total
Jefferson	\$3,856,257	\$25,781,284	15.0%
Garfield	\$481,769	\$3,252,697	14.8%
Gunnison	\$94,365	\$637,135	14.8%
Delta	\$266,407	\$1,799,872	14.8%
Adams	\$4,703,240	\$31,914,666	14.7%
Teller	\$365,000	\$2,478,580	14.7%
Montezuma	\$221,679	\$1,509,314	14.7%
Saguache	\$85,125	\$581,688	14.6%
Boulder	\$2,307,072	\$15,814,692	14.6%
Denver	\$9,878,812	\$67,745,999	14.6%
Eagle	\$168,757	\$1,169,819	14.4%
Yuma	\$136,640	\$951,191	14.4%
Morgan	\$463,572	\$3,244,663	14.3%
Park	\$74,518	\$522,135	14.3%
Rio Blanco	\$102,656	\$720,253	14.3%
Alamosa	\$334,655	\$2,387,144	14.0%
Logan	\$292,833	\$2,089,611	14.0%
Costilla	\$56,729	\$407,352	13.9%
Conejos	\$55,688	\$410,176	13.6%
Fremont	\$596,556	\$4,484,344	13.3%
Douglas	\$428,944	\$3,264,663	13.1%
Rio Grande	\$138,168	\$1,108,018	12.5%
Elbert	\$173,547	\$1,468,051	11.8%
Lincoln	\$126,157	\$1,155,299	10.9%
Mineral	-\$1,175	-\$3,361	34.9%
<b>Total</b>	<b>\$48,746,893</b>	<b>\$318,870,243</b>	<b>15.3%</b>

Note: State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

## B. Child Welfare Expenditures by County

Exhibits A-4 and A-5 display how Child Welfare expenditures break down across Colorado's 64 county programs in 2006. Exhibit A-4 shows total expenditures for each county, broken down by funding source. As shown in the exhibit, the average total expenditure across all counties in the state was \$5 million. Slightly over four-fifths of total expenditures (82.9 percent) were accounted for by the 10 leading counties and four counties alone accounted for over half of all expenditures (Denver, 21.2 percent; El Paso, 11.4 percent; Adams, 10.0 percent; and Arapahoe, 8.6 percent). Five counties (the four listed above and Jefferson County) recorded total expenditures in excess of \$20 million each (and as high as \$67.7 million in Denver County). At the opposite end of the spectrum, there were 22 counties that each had total expenditures less than \$500,000 and these counties (when taken together) accounted for less than two percent of total Child Welfare expenditures in the state. In fact, when added together, over half of the counties (36 of the 64 counties) in the state accounted for less than 5 percent of total Child Welfare expenditures.

Exhibit A-5 shows that there were considerable differences across counties in expenditures of county funds as a percentage of total Child Welfare expenditures in 2006. Overall, across Colorado's 64 county programs, expenditures of county funds accounted for 15.3 percent of overall Child Welfare expenditures in 2006. As shown in the exhibit, expenditures of county funds as a percentage of overall expenditures ranged from 22.0 percent in Hinsdale to less than 14 percent in seven counties (the lowest of which were Lincoln, 10.9 percent; Elbert, 11.8 percent; and Rio Grande, 12.5 percent).

Exhibit A-6 shows the change in Child Welfare expenditures from 2000 to 2006, broken out by county. As shown in the exhibit, there was considerable variation in the percentage change in expenditures across counties over the seven-year period. Statewide, Child Welfare expenditures increased from \$255 million in 2000 to \$319 million in 2006, an increase of 24.8 percent in actual dollars (and 6.1 percent in inflation-adjusted dollars). The median change was slightly higher among counties, at 33.3 percent in actual dollars and 13.3 percent in inflation-adjusted dollars.

**EXHIBIT A-6: CHANGE IN CHILD WELFARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Elbert	\$395,196	\$594,544	\$864,891	\$722,252	\$969,550	\$1,238,028	\$1,468,051	271.5%	215.6%
Eagle	\$498,132	\$650,670	\$758,493	\$717,786	\$914,781	\$910,787	\$1,169,819	134.8%	99.5%
Douglas	\$1,456,563	\$1,682,335	\$2,232,353	\$2,518,971	\$2,521,527	\$3,008,122	\$3,264,663	124.1%	90.4%
Lincoln	\$564,779	\$754,596	\$778,755	\$845,300	\$777,538	\$817,286	\$1,155,299	104.6%	73.8%
Gunnison	\$316,912	\$400,337	\$495,116	\$646,856	\$602,758	\$699,716	\$637,135	101.0%	70.8%
Rio Grande	\$558,337	\$727,416	\$739,157	\$679,380	\$800,446	\$785,332	\$1,108,018	98.4%	68.6%
Rio Blanco	\$365,168	\$451,566	\$434,844	\$454,996	\$748,104	\$666,406	\$720,253	97.2%	67.6%
San Miguel	\$106,431	\$134,892	\$133,473	\$195,025	\$214,814	\$157,789	\$208,734	96.1%	66.6%
Saguache	\$303,857	\$241,423	\$377,760	\$587,527	\$614,455	\$514,450	\$581,688	91.4%	62.6%
Yuma	\$506,579	\$656,660	\$673,726	\$693,392	\$872,797	\$902,429	\$951,191	87.8%	59.5%
Fremont	\$2,431,692	\$2,670,654	\$3,585,497	\$3,581,335	\$3,413,266	\$3,859,638	\$4,484,344	84.4%	56.7%
Archuleta	\$262,302	\$319,105	\$425,871	\$384,529	\$435,718	\$438,699	\$471,265	79.7%	52.6%
Kit Carson	\$215,993	\$307,582	\$457,014	\$253,567	\$421,411	\$311,014	\$386,371	78.9%	52.0%
Chaffee	\$561,048	\$728,328	\$870,231	\$846,168	\$868,316	\$908,917	\$994,745	77.3%	50.6%
Delta	\$1,025,644	\$956,846	\$1,203,462	\$1,686,881	\$1,699,637	\$1,697,527	\$1,799,872	75.5%	49.1%
Alamosa	\$1,382,571	\$1,745,365	\$1,867,798	\$2,142,558	\$2,025,475	\$2,057,534	\$2,387,144	72.7%	46.7%
Custer	\$144,820	\$128,246	\$240,832	\$237,718	\$287,077	\$280,197	\$249,802	72.5%	46.5%
La Plata	\$1,247,989	\$1,243,100	\$1,443,338	\$1,600,404	\$1,737,215	\$1,774,157	\$2,144,734	71.9%	46.0%
Montezuma	\$942,326	\$1,113,613	\$1,117,386	\$1,069,755	\$1,303,170	\$1,494,502	\$1,509,314	60.2%	36.1%
Otero	\$933,233	\$1,289,750	\$1,372,561	\$1,371,150	\$1,377,133	\$1,244,831	\$1,489,167	59.6%	35.6%
Hinsdale	\$28,061	\$28,097	\$36,992	\$89,794	\$69,400	\$45,152	\$44,091	57.1%	33.5%
Logan	\$1,382,534	\$1,817,375	\$1,986,633	\$1,982,996	\$1,682,355	\$2,172,299	\$2,089,611	51.1%	28.4%
Dolores	\$65,665	\$56,184	\$74,676	\$121,054	\$96,173	\$68,089	\$96,735	47.3%	25.1%
Weld	\$11,972,197	\$11,851,272	\$13,678,731	\$13,878,579	\$16,112,904	\$15,732,293	\$17,297,530	44.5%	22.7%
Bent	\$457,846	\$413,921	\$552,794	\$558,176	\$622,112	\$601,227	\$655,515	43.2%	21.6%
Moffat	\$616,758	\$594,470	\$789,346	\$817,151	\$705,674	\$817,249	\$862,982	39.9%	18.9%
Montrose	\$2,076,589	\$2,209,983	\$2,429,942	\$2,959,413	\$2,949,416	\$2,850,441	\$2,886,112	39.0%	18.1%
Huerfano	\$378,890	\$521,504	\$430,676	\$391,694	\$432,109	\$513,545	\$518,210	36.8%	16.2%
Morgan	\$2,393,491	\$2,855,973	\$3,231,139	\$2,933,779	\$2,990,141	\$2,883,385	\$3,244,663	35.6%	15.2%
Summit	\$490,094	\$454,632	\$460,009	\$529,335	\$548,248	\$590,700	\$660,414	34.8%	14.5%
Costilla	\$304,311	\$341,812	\$601,566	\$487,352	\$502,451	\$406,882	\$407,352	33.9%	13.7%
Jefferson	\$19,333,853	\$20,467,578	\$25,356,985	\$26,472,400	\$24,914,694	\$26,173,759	\$25,781,284	33.3%	13.3%
Prowers	\$1,002,743	\$1,064,789	\$1,364,122	\$1,141,093	\$1,081,156	\$1,253,517	\$1,332,997	32.9%	12.9%
Boulder	\$11,899,172	\$11,186,718	\$12,328,515	\$12,996,475	\$13,309,429	\$12,449,012	\$15,814,692	32.9%	12.9%
Adams	\$24,068,641	\$26,460,779	\$28,954,129	\$30,848,143	\$32,443,750	\$30,273,370	\$31,914,666	32.6%	12.6%
Mesa	\$7,969,215	\$9,587,490	\$10,835,226	\$10,268,039	\$9,454,981	\$9,670,969	\$10,397,897	30.5%	10.8%

**EXHIBIT A-6: CHANGE IN CHILD WELFARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Washington	\$456,089	\$482,570	\$484,400	\$391,833	\$557,279	\$551,366	\$589,517	29.3%	9.8%
Sedgwick	\$127,350	\$174,025	\$213,441	\$217,794	\$196,389	\$170,311	\$164,100	28.9%	9.5%
Ouray	\$156,340	\$144,044	\$109,525	\$189,076	\$132,778	\$131,478	\$199,799	27.8%	8.6%
Conejos	\$321,476	\$515,033	\$507,756	\$310,148	\$260,283	\$356,170	\$410,176	27.6%	8.4%
Garfield	\$2,577,426	\$2,692,635	\$3,338,808	\$3,570,704	\$3,734,248	\$2,976,425	\$3,252,697	26.2%	7.2%
Teller	\$1,968,764	\$1,715,396	\$2,064,567	\$2,152,037	\$2,474,242	\$2,377,253	\$2,478,580	25.9%	6.9%
Larimer	\$12,377,870	\$12,906,975	\$14,717,347	\$14,068,532	\$15,491,217	\$15,980,096	\$14,973,989	21.0%	2.8%
El Paso	\$31,651,378	\$35,746,434	\$34,855,141	\$39,311,499	\$39,646,146	\$36,837,438	\$36,365,968	14.9%	-2.4%
Las Animas	\$896,502	\$929,228	\$1,025,832	\$1,196,479	\$1,116,717	\$1,065,145	\$1,029,393	14.8%	-2.5%
Arapahoe	\$23,874,904	\$25,904,727	\$28,833,515	\$28,969,559	\$29,550,660	\$27,262,160	\$27,398,530	14.8%	-2.5%
Pitkin	\$134,049	\$115,756	\$97,435	\$137,115	\$156,353	\$142,461	\$153,006	14.1%	-3.0%
Lake	\$561,304	\$579,024	\$782,769	\$737,376	\$580,730	\$459,815	\$616,887	9.9%	-6.6%
Pueblo	\$15,069,977	\$16,639,312	\$16,680,631	\$16,147,322	\$16,678,179	\$16,519,923	\$16,525,052	9.7%	-6.8%
Denver	\$62,577,254	\$70,432,331	\$76,415,973	\$58,678,616	\$57,110,204	\$57,904,689	\$67,745,999	8.3%	-8.0%
Cheyenne	\$165,318	\$176,245	\$149,814	\$152,902	\$103,112	\$145,352	\$177,784	7.5%	-8.6%
San Juan	\$15,882	\$22,932	\$80,574	\$39,147	\$22,179	\$13,786	\$17,078	7.5%	-8.7%
Clear Creek	\$930,127	\$1,358,944	\$1,097,466	\$974,513	\$974,435	\$970,755	\$883,990	-5.0%	-19.3%
Phillips	\$173,129	\$198,611	\$152,196	\$189,211	\$170,974	\$267,400	\$164,440	-5.0%	-19.3%
Routt	\$433,008	\$498,671	\$458,499	\$501,916	\$405,008	\$583,021	\$392,606	-9.3%	-23.0%
Grand	\$522,409	\$610,510	\$693,087	\$605,820	\$445,740	\$550,218	\$461,720	-11.6%	-24.9%
Kiowa	\$97,042	\$110,388	\$99,766	\$68,156	\$84,722	\$76,900	\$85,742	-11.6%	-24.9%
Baca	\$275,774	\$286,546	\$311,531	\$338,651	\$449,906	\$392,584	\$238,427	-13.5%	-26.6%
Crowley	\$219,747	\$152,021	\$168,498	\$154,134	\$212,446	\$190,018	\$188,948	-14.0%	-27.0%
Gilpin	\$423,239	\$328,151	\$420,921	\$334,206	\$454,236	\$409,806	\$351,985	-16.8%	-29.4%
Park	\$631,652	\$735,564	\$714,940	\$656,133	\$610,837	\$680,953	\$522,135	-17.3%	-29.8%
Jackson	\$100,082	\$103,323	\$120,890	\$77,242	\$76,163	\$74,645	\$77,662	-22.4%	-34.1%
Mineral	\$9,132	\$1,398	\$9,861	\$23,937	-\$2,432	-\$2,685	-\$3,361	-136.8%	-131.3%
Broomfield		\$338,748	\$1,511,752	\$2,430,948	\$1,853,518	\$2,316,829	\$2,221,033	N/A	N/A
<b>Total</b>	<b>\$255,406,858</b>	<b>\$280,609,146</b>	<b>\$309,300,974</b>	<b>\$300,336,027</b>	<b>\$304,066,452</b>	<b>\$299,673,564</b>	<b>\$318,870,243</b>	<b>24.8%</b>	<b>6.1%</b>

**Note:** Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

Despite this overall increase, there was variation across counties in the percentage change, with over four-fifths of counties (52 of 63 counties) recording increases in Child Welfare expenditures over the seven-year period. Five counties (all relatively small in terms of total expenses) experienced over a 100 percent increase in actual dollars spent (Elbert, Eagle, Douglas, Lincoln, and Gunnison), while eight counties experienced decreases of 10 percent or more in actual expenditures (Grand, Kiowa, Baca, Crowley, Gilpin, Park, Jackson, and Mineral). Among the five counties with the largest expenditures in the state, all experienced increases in actual expenditures over the seven years (Jefferson, 33.3 percent; Adams, 32.6 percent; El Paso, 14.9 percent; Arapahoe, 14.8 percent change; and Denver, 8.3 percent).

In inflation-adjusted terms, about two-thirds of counties (43 of 63 counties) showed increases in expenditures over the seven years. Five counties experienced a 70 percent or higher inflation-adjusted increase in spending (Elbert, Eagle, Douglas, Lincoln, and Gunnison), while six counties experienced decreases in inflation-adjusted expenditures of 25 percent or more (Baca, Crowley, Gilpin, Park, Jackson, and Mineral). Among the five counties with the largest expenditures in the state, two (Jefferson, 13.3 and Adams, 12.6) experienced an increase in inflation-adjusted expenditures, while three experienced decreases in inflation-adjusted spending (El Paso, -2.4 percent; Arapahoe, -2.5 percent; and Denver, -8.0 percent).



### *C. Child Care Expenditures by County*

Exhibits A-7 and A-8 display how Child Care expenditures break down across Colorado's 64 county programs in 2006. As shown in Exhibit A-7, the average total annual expenditures across all counties in the state were \$1.2 million. Slightly over four-fifths of total expenditures (83.1 percent) were accounted for by the 10 leading counties (all with expenditures in excess of \$3 million each) and four counties alone accounted for over half of all expenditures (Denver, 20.5 percent; El Paso, 12.6 percent; Arapahoe, 10.2 percent; and Larimer, 7.4 percent). At the opposite end of the spectrum, there were 17 counties that each had total expenditures less than \$100,000 and these counties (when taken together) accounted for less than one percent of total Child Care expenditures in the state. In fact, when added together, over half of the counties (36 of the 64 counties) in the state accounted for less than 5 percent of total TANF and Child Welfare expenditures in 2006.

Exhibit A-8 shows the change in Child Care expenditures from 2000 to 2006, broken out by county. As shown in the exhibit, there was substantial variation in the percentage change in expenditures across counties over the seven-year period. Statewide, Child Care expenditures decreased from \$86 million in 2000 to \$75 million in 2006, a decrease of 12.9 percent in actual dollars and by about one-fourth (-26.0 percent) in inflation-adjusted dollars. The median change was much higher among counties, at 15.7 percent in actual dollars and -1.7 percent in inflation-adjusted dollars.

There was considerable variation across counties in the percentage change, with over half (39 of 63 counties) of counties recording increases in combined (actual) Child Care expenditures over the seven-year period. Four counties experienced over a doubling of actual dollars spent (Hinsdale, Eagle, Kiowa, and Elbert), while 22 counties experienced decreases of 10 percent or more in actual expenditures. In inflation-adjusted terms, about half of counties (30 of 63 counties) showed increases in expenditures over the seven years. Six counties experienced an 80 percent or higher inflation-adjusted increase in spending (Hinsdale, Eagle, Kiowa, Elbert, Gunnison, and Park), while three counties experienced decreases in inflation-adjusted expenditures of 50 percent or more (Conejos, Clear Creek, and San Juan).

**EXHIBIT A-7: CHILD CARE EXPENDITURES BY COUNTY, COLORADO,  
SFY 2006**

County	Total	% of State's Total Expenditures	Cumulative Percentage
Denver	\$15,390,770	20.5%	20.5%
El Paso	\$9,484,366	12.6%	33.2%
Arapahoe	\$7,662,975	10.2%	43.4%
Larimer	\$5,530,401	7.4%	50.7%
Jefferson	\$5,118,763	6.8%	57.6%
Mesa	\$4,645,199	6.2%	63.8%
Adams	\$4,356,374	5.8%	69.6%
Weld	\$3,415,990	4.6%	74.1%
Pueblo	\$3,403,881	4.5%	78.6%
Boulder	\$3,335,354	4.4%	83.1%
Montrose	\$951,717	1.3%	84.4%
Fremont	\$846,918	1.1%	85.5%
Prowers	\$632,170	0.8%	86.3%
Garfield	\$617,990	0.8%	87.2%
Douglas	\$597,153	0.8%	88.0%
La Plata	\$551,669	0.7%	88.7%
Rio Grande	\$512,940	0.7%	89.4%
Alamosa	\$487,221	0.6%	90.0%
Broomfield	\$483,910	0.6%	90.7%
Otero	\$481,359	0.6%	91.3%
Delta	\$463,772	0.6%	91.9%
Morgan	\$439,900	0.6%	92.5%
Logan	\$383,124	0.5%	93.0%
Teller	\$365,236	0.5%	93.5%
Montezuma	\$337,683	0.5%	94.0%
Eagle	\$336,623	0.4%	94.4%
Las Animas	\$313,236	0.4%	94.8%
Routt	\$271,898	0.4%	95.2%
Moffat	\$248,173	0.3%	95.5%
Chaffee	\$240,289	0.3%	95.8%
Summit	\$197,194	0.3%	96.1%
Lake	\$196,083	0.3%	96.4%
Elbert	\$185,137	0.2%	96.6%
Bent	\$181,834	0.2%	96.9%
Yuma	\$171,858	0.2%	97.1%
Grand	\$159,064	0.2%	97.3%
Gunnison	\$153,244	0.2%	97.5%
Conejos	\$135,771	0.2%	97.7%
Kit Carson	\$132,985	0.2%	97.9%

**EXHIBIT A-7: CHILD CARE EXPENDITURES BY COUNTY, COLORADO,  
SFY 2006**

County	Total	% of State's Total Expenditures	Cumulative Percentage
Archuleta	\$127,471	0.2%	98.0%
Baca	\$127,083	0.2%	98.2%
Costilla	\$125,653	0.2%	98.4%
Kiowa	\$123,411	0.2%	98.5%
Huerfano	\$118,258	0.2%	98.7%
Saguache	\$108,815	0.1%	98.8%
Park	\$107,898	0.1%	99.0%
Lincoln	\$107,339	0.1%	99.1%
Rio Blanco	\$90,940	0.1%	99.2%
Crowley	\$73,741	0.1%	99.3%
Pitkin	\$69,099	0.1%	99.4%
Gilpin	\$59,686	0.1%	99.5%
Phillips	\$52,220	0.1%	99.6%
Washington	\$48,954	0.1%	99.6%
Clear Creek	\$45,613	0.1%	99.7%
San Miguel	\$37,893	0.1%	99.8%
Cheyenne	\$37,154	0.0%	99.8%
Ouray	\$29,809	0.0%	99.8%
Dolores	\$29,325	0.0%	99.9%
Custer	\$23,319	0.0%	99.9%
Sedgwick	\$22,737	0.0%	99.9%
Jackson	\$18,898	0.0%	100.0%
Mineral	\$13,635	0.0%	100.0%
Hinsdale	\$8,287	0.0%	100.0%
San Juan	\$1,045	0.0%	100.0%
<b>Total</b>	<b>\$75,028,508</b>	<b>100.0%</b>	
<b>Average-Mean</b>	<b>\$1,172,320</b>		

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

**EXHIBIT A-8: CHANGE IN CHILD CARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Hinsdale	\$555	\$0	\$5,221	\$4,289	\$5,370	\$4,853	\$8,287	1392.4%	1167.8%
Eagle	\$92,534	\$146,789	\$309,757	\$270,977	\$163,994	\$253,971	\$336,623	263.8%	209.0%
Kiowa	\$39,338	\$31,827	\$40,928	\$74,091	\$102,738	\$137,274	\$123,411	213.7%	166.5%
Elbert	\$62,321	\$84,661	\$105,878	\$95,605	\$116,428	\$108,400	\$185,137	197.1%	152.4%
Gunnison	\$66,003	\$67,958	\$141,282	\$177,019	\$115,481	\$101,080	\$153,244	132.2%	97.2%
Park	\$48,826	\$74,706	\$109,790	\$110,130	\$96,957	\$122,351	\$107,898	121.0%	87.7%
Cheyenne	\$18,265	\$18,733	\$25,158	\$32,790	\$32,719	\$36,813	\$37,154	103.4%	72.8%
Douglas	\$308,610	\$366,537	\$513,803	\$680,013	\$769,319	\$614,792	\$597,153	93.5%	64.4%
Pitkin	\$35,950	\$19,931	\$24,553	\$23,254	\$47,553	\$49,897	\$69,099	92.2%	63.3%
Las Animas	\$179,500	\$174,490	\$181,110	\$394,637	\$449,120	\$447,647	\$313,236	74.5%	48.2%
Saguache	\$67,150	\$106,929	\$93,297	\$135,779	\$120,703	\$148,557	\$108,815	62.0%	37.7%
Prowers	\$391,626	\$532,914	\$659,001	\$517,351	\$554,372	\$649,300	\$632,170	61.4%	37.1%
Jackson	\$12,126	\$12,070	\$30,029	\$29,314	\$34,231	\$29,205	\$18,898	55.8%	32.4%
Baca	\$81,628	\$73,447	\$138,190	\$153,691	\$130,300	\$111,696	\$127,083	55.7%	32.3%
Garfield	\$398,439	\$304,437	\$347,260	\$472,062	\$771,565	\$600,453	\$617,990	55.1%	31.8%
Mineral	\$9,105	\$11,478	\$9,234	\$6,854	\$9,585	\$11,992	\$13,635	49.7%	27.2%
Fremont	\$591,807	\$591,993	\$753,534	\$791,096	\$759,128	\$905,332	\$846,918	43.1%	21.6%
Kit Carson	\$93,200	\$132,951	\$155,888	\$174,174	\$134,823	\$142,653	\$132,985	42.7%	21.2%
Lincoln	\$75,573	\$82,631	\$94,752	\$120,153	\$134,694	\$156,116	\$107,339	42.0%	20.7%
Huerfano	\$84,530	\$57,258	\$101,341	\$129,847	\$182,606	\$156,685	\$118,258	39.9%	18.8%
Otero	\$355,399	\$464,314	\$591,721	\$653,199	\$573,939	\$539,479	\$481,359	35.4%	15.1%
Sedgwick	\$17,697	\$26,375	\$31,241	\$19,996	\$45,410	\$41,822	\$22,737	28.5%	9.1%
Costilla	\$98,326	\$111,756	\$123,807	\$120,157	\$115,721	\$129,606	\$125,653	27.8%	8.6%
Chaffee	\$188,154	\$190,071	\$230,007	\$239,224	\$267,014	\$295,198	\$240,289	27.7%	8.5%
San Miguel	\$29,705	\$37,713	\$52,227	\$28,545	\$31,500	\$43,527	\$37,893	27.6%	8.4%
Phillips	\$41,727	\$54,109	\$77,251	\$88,051	\$81,277	\$71,374	\$52,220	25.1%	6.3%
Yuma	\$139,634	\$166,002	\$200,726	\$174,960	\$186,772	\$130,827	\$171,858	23.1%	4.6%
Mesa	\$3,783,879	\$4,311,925	\$3,705,745	\$3,882,787	\$4,381,409	\$5,413,084	\$4,645,199	22.8%	4.3%
Rio Grande	\$418,893	\$573,166	\$529,227	\$522,841	\$556,780	\$625,884	\$512,940	22.5%	4.0%
Routt	\$228,167	\$284,472	\$314,692	\$390,403	\$369,182	\$241,168	\$271,898	19.2%	1.2%
Delta	\$399,051	\$444,474	\$565,723	\$437,295	\$516,771	\$513,432	\$463,772	16.2%	-1.3%
Larimer	\$4,779,791	\$5,131,572	\$6,147,143	\$6,383,558	\$5,116,954	\$5,836,029	\$5,530,401	15.7%	-1.7%
Teller	\$324,286	\$357,470	\$377,764	\$340,588	\$348,192	\$343,779	\$365,236	12.6%	-4.3%
Bent	\$162,693	\$230,973	\$126,217	\$116,183	\$179,656	\$212,054	\$181,834	11.8%	-5.1%
Montrose	\$868,049	\$1,267,128	\$1,113,487	\$855,749	\$1,197,954	\$1,074,660	\$951,717	9.6%	-6.9%
Arapahoe	\$7,245,734	\$6,857,203	\$8,543,285	\$7,623,434	\$7,683,775	\$8,423,772	\$7,662,975	5.8%	-10.2%

**EXHIBIT A-8: CHANGE IN CHILD CARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Lake	\$186,799	\$158,322	\$112,667	\$154,600	\$153,119	\$166,504	\$196,083	5.0%	-10.8%
Rio Blanco	\$88,218	\$90,168	\$96,309	\$112,638	\$144,292	\$98,610	\$90,940	3.1%	-12.4%
Morgan	\$435,774	\$578,197	\$620,507	\$684,073	\$401,442	\$487,187	\$439,900	0.9%	-14.2%
Gilpin	\$60,994	\$48,960	\$47,503	\$41,511	\$23,574	\$20,805	\$59,686	-2.1%	-16.9%
Alamosa	\$536,130	\$601,238	\$631,500	\$534,991	\$559,235	\$503,410	\$487,221	-9.1%	-22.8%
Adams	\$4,850,445	\$5,008,774	\$6,409,850	\$6,864,606	\$5,509,478	\$5,256,254	\$4,356,374	-10.2%	-23.7%
Moffat	\$280,331	\$276,800	\$297,037	\$328,804	\$431,228	\$279,157	\$248,173	-11.5%	-24.8%
Dolores	\$33,652	\$46,611	\$39,189	\$40,589	\$37,504	\$29,949	\$29,325	-12.9%	-26.0%
Washington	\$56,698	\$86,677	\$84,931	\$104,448	\$99,564	\$66,069	\$48,954	-13.7%	-26.7%
Ouray	\$34,572	\$40,487	\$41,343	\$37,056	\$51,044	\$40,941	\$29,809	-13.8%	-26.8%
Crowley	\$87,103	\$115,792	\$131,611	\$99,058	\$121,608	\$107,832	\$73,741	-15.3%	-28.1%
El Paso	\$11,329,278	\$11,272,511	\$12,462,625	\$13,002,667	\$11,181,948	\$10,296,678	\$9,484,366	-16.3%	-28.9%
Archuleta	\$152,429	\$181,797	\$152,914	\$162,912	\$188,116	\$184,228	\$127,471	-16.4%	-29.0%
Weld	\$4,110,082	\$4,058,503	\$3,204,585	\$4,435,565	\$3,990,657	\$3,586,177	\$3,415,990	-16.9%	-29.4%
Summit	\$242,616	\$240,874	\$164,111	\$134,338	\$134,947	\$188,401	\$197,194	-18.7%	-31.0%
Custer	\$29,076	\$30,913	\$40,288	\$45,933	\$53,906	\$40,169	\$23,319	-19.8%	-31.9%
Grand	\$199,642	\$218,320	\$183,148	\$131,074	\$138,573	\$268,370	\$159,064	-20.3%	-32.3%
Boulder	\$4,238,474	\$3,739,953	\$3,900,725	\$3,956,686	\$3,789,201	\$3,530,838	\$3,335,354	-21.3%	-33.2%
Denver	\$21,885,336	\$26,643,866	\$27,515,249	\$24,046,767	\$20,688,125	\$15,481,038	\$15,390,770	-29.7%	-40.3%
Pueblo	\$4,982,436	\$6,188,447	\$5,202,251	\$5,244,105	\$3,847,950	\$3,657,312	\$3,403,881	-31.7%	-42.0%
Montezuma	\$500,337	\$540,037	\$551,313	\$403,483	\$341,318	\$368,384	\$337,683	-32.5%	-42.7%
Logan	\$584,644	\$468,561	\$568,269	\$578,996	\$508,184	\$515,550	\$383,124	-34.5%	-44.3%
La Plata	\$866,604	\$875,970	\$926,876	\$746,615	\$705,212	\$736,974	\$551,669	-36.3%	-45.9%
Jefferson	\$8,156,977	\$7,158,621	\$6,615,204	\$4,857,539	\$5,563,752	\$5,131,312	\$5,118,763	-37.2%	-46.7%
Conejos	\$245,542	\$299,521	\$279,851	\$267,291	\$294,019	\$188,344	\$135,771	-44.7%	-53.0%
Clear Creek	\$125,882	\$99,379	\$89,205	\$113,466	\$69,936	\$91,500	\$45,613	-63.8%	-69.2%
San Juan	\$11,379	\$12,602	\$3,135	\$11,538	\$3,432	\$2,258	\$1,045	-90.8%	-92.2%
Broomfield		\$45,072	\$306,342	\$560,104	\$435,284	\$377,541	\$382,599	N/A	N/A
<b>Total</b>	<b>\$86,049,724</b>	<b>\$92,527,435</b>	<b>\$97,248,804</b>	<b>\$93,971,550</b>	<b>\$85,850,643</b>	<b>\$80,426,556</b>	<b>\$74,927,197</b>	<b>-12.9%</b>	<b>-26.0%</b>

**Note:** Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.

## D. Combined Colorado Works, Child Welfare, and Child Care Expenditures by County

Exhibits A-9 display how combined Colorado Works, Child Welfare, and Child Care expenditures break down across Colorado's 64 county programs in 2006. As shown in the exhibit, the average total annual county expenditures across all counties were \$8.1 million. Slightly over four-fifths of total expenditures (81.2 percent) were accounted for by the 10 leading counties and four counties alone accounted for over half of all expenditures (Denver, 21.0 percent; El Paso, 12.4 percent; Arapahoe, 9.2; and Adams, 9.2 percent). Ten counties recorded total expenditures in excess of \$19 million each (and as high as \$109 million in Denver County). At the opposite end of the spectrum, there were 24 counties that each had total expenditures less than \$1 million and these counties (when taken together) accounted for less than three percent of combined Colorado Works, Child Welfare, and Child Care expenditures in the state. In fact, when added together, over half of the counties (34 of the 63 counties) in the state accounted for less than 5 percent of total expenditures in 2006.

**EXHIBIT A-9: COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2006**

County	Total	% of State's Total Expenditures	Cumulative Percentage
Denver	\$108,843,731	21.0%	21.0%
El Paso	\$64,277,256	12.4%	33.4%
Arapahoe	\$47,721,677	9.2%	42.6%
Adams	\$47,590,941	9.2%	51.8%
Jefferson	\$40,934,953	7.9%	59.7%
Larimer	\$26,852,188	5.2%	64.9%
Boulder	\$23,221,056	4.5%	69.4%
Pueblo	\$21,078,791	4.1%	73.5%
Weld	\$20,812,923	4.0%	77.5%
Mesa	\$19,349,512	3.7%	81.2%
Rio Blanco	\$7,673,804	1.5%	82.7%
Fremont	\$7,299,817	1.4%	84.1%
Morgan	\$4,893,531	0.9%	85.0%
Garfield	\$4,694,054	0.9%	85.9%
Montrose	\$4,549,785	0.9%	86.8%
Douglas	\$4,255,754	0.8%	87.6%
Alamosa	\$3,976,981	0.8%	88.4%
Yuma	\$3,804,245	0.7%	89.1%
La Plata	\$3,777,199	0.7%	89.9%
Logan	\$3,266,224	0.6%	90.5%
Broomfield	\$3,188,852	0.6%	91.1%
Otero	\$3,073,990	0.6%	91.7%
Delta	\$3,050,779	0.6%	92.3%
Teller	\$3,000,379	0.6%	92.9%
Montezuma	\$2,212,496	0.4%	93.3%
Las Animas	\$2,169,207	0.4%	93.7%
Prowers	\$2,003,695	0.4%	94.1%
Eagle	\$1,903,011	0.4%	94.5%
Elbert	\$1,901,761	0.4%	94.8%
Rio Grande	\$1,710,562	0.3%	95.2%
Routt	\$1,612,681	0.3%	95.5%
Chaffee	\$1,600,033	0.3%	95.8%
Lincoln	\$1,425,473	0.3%	96.1%
Bent	\$1,343,509	0.3%	96.3%
Ouray	\$1,282,599	0.2%	96.6%
Washington	\$1,248,810	0.2%	96.8%
Huerfano	\$1,183,360	0.2%	97.1%
Moffat	\$1,116,000	0.2%	97.3%
Clear Creek	\$1,108,728	0.2%	97.5%

**EXHIBIT A-9: COMBINED COLORADO WORKS, CHILD WELFARE AND CHILD CARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2006**

County	Total	% of State's Total Expenditures	Cumulative Percentage
Conejos	\$1,077,929	0.2%	97.7%
Gunnison	\$990,260	0.2%	97.9%
Lake	\$961,111	0.2%	98.1%
Summit	\$904,053	0.2%	98.2%
Archuleta	\$864,261	0.2%	98.4%
Saguache	\$844,767	0.2%	98.6%
Costilla	\$788,453	0.2%	98.7%
Crowley	\$739,317	0.1%	98.9%
Grand	\$708,764	0.1%	99.0%
Park	\$645,065	0.1%	99.1%
Kit Carson	\$618,014	0.1%	99.2%
Baca	\$482,050	0.1%	99.3%
Gilpin	\$474,098	0.1%	99.4%
San Juan	\$434,806	0.1%	99.5%
Custer	\$340,389	0.1%	99.6%
Phillips	\$311,465	0.1%	99.6%
Pitkin	\$311,359	0.1%	99.7%
Kiowa	\$268,471	0.1%	99.8%
San Miguel	\$263,886	0.1%	99.8%
Cheyenne	\$252,678	0.0%	99.9%
Sedgwick	\$214,303	0.0%	99.9%
Mineral	\$198,648	0.0%	99.9%
Dolores	\$171,725	0.0%	100.0%
Jackson	\$115,165	0.0%	100.0%
Hinsdale	\$73,340	0.0%	100.0%
<b>Total</b>	<b>\$518,064,723</b>	<b>100.0%</b>	
<b>Average-Mean</b>	<b>\$8,094,761</b>		

**Note:** State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

**Source:** Colorado Department of Human Services, annual close-out reports.



Exhibit A-10 shows the change in combined Colorado Works, Child Welfare, and Child Care expenditures from 2000 to 2006, broken out by county. This exhibit is sorted in descending order by change for each county from 2000 to 2006. As shown in the exhibit, there was substantial variation in the percentage change in expenditures across counties over the seven-year period. Statewide, combined expenditures increased from \$448 million in 2000 to \$518 million in 2006, an increase of 15.7 percent in actual dollars and a 1.7 percent decrease in inflation-adjusted dollars. The median change was slightly higher among counties, at 24.1 percent in actual dollars and 5.4 percent in inflation-adjusted dollars.

Despite this overall increase, there was quite a bit of variation across counties in the percentage change, with about four-fifths (51 of 63 counties) of counties recording increases in combined (actual) Colorado Works, Child Welfare, and Child Care expenditures over the seven-year period. Six counties experienced over a doubling of actual dollars spent (Elbert, Eagle, Hinsdale, Douglas, Lincoln, and Gunnison), while eight counties experienced decreases of 10 percent or more in actual expenditures (Clear Creek, Grand, Phillips, Jackson, Gilpin, Conejos, Mineral, and San Juan). Among the five counties with the largest expenditures in the state, four experienced increases in actual expenditures (Arapahoe, 25.1 percent, Adams, 22.8 percent; Jefferson, 17.2 percent; and El Paso, 13.6 percent), but Denver recorded a decline of 2.6 percent in overall expenditures.

In inflation-adjusted terms, two-thirds of counties (42 of 63 counties) showed increases in expenditures over the seven years. Four counties experienced an 80 percent or higher inflation-adjusted increase in spending (Elbert, Eagle, Hinsdale, and Douglas) while five counties experienced decreases in inflation-adjusted expenditures of 25 percent or more (Jackson, Gilpin, Conejos, Mineral, and San Juan). Among the five counties with the largest expenditures in the state, two experienced an increase in inflation-adjusted expenditures (Arapahoe, 6.2 percent and Adams, 4.3 percent) and three experienced decreases in inflation-adjusted expenditures (Jefferson, -0.4 percent; El Paso, -3.5 percent; and Denver, -17.2 percent).

**EXHIBIT A-10: CHANGE IN COMBINED COLORADO WORKS, CHILD WELFARE, AND CHILD CARE  
EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Elbert	\$557,936	\$787,744	\$1,088,503	\$950,235	\$1,238,756	\$1,507,821	\$1,901,761	240.9%	189.6%
Eagle	\$716,864	\$1,003,165	\$1,296,477	\$1,460,509	\$1,396,133	\$1,480,017	\$1,903,011	165.5%	125.5%
Hinsdale	\$30,276	\$38,693	\$60,749	\$112,841	\$89,837	\$74,318	\$73,340	142.2%	105.8%
Douglas	\$2,005,555	\$2,207,137	\$2,943,664	\$3,511,359	\$3,594,934	\$3,927,512	\$4,255,754	112.2%	80.3%
Lincoln	\$696,080	\$892,500	\$985,357	\$1,103,859	\$1,060,337	\$1,151,215	\$1,425,473	104.8%	74.0%
Gunnison	\$486,282	\$565,888	\$805,546	\$1,014,474	\$863,238	\$964,195	\$990,260	103.6%	73.0%
San Miguel	\$166,647	\$212,732	\$230,091	\$250,150	\$268,707	\$220,850	\$274,093	64.5%	39.7%
Kiowa	\$168,712	\$168,615	\$172,054	\$177,851	\$229,740	\$264,114	\$268,471	59.1%	35.2%
Fremont	\$4,595,770	\$4,935,453	\$6,117,690	\$6,315,226	\$6,151,288	\$6,701,365	\$7,299,817	58.8%	34.9%
Kit Carson	\$389,926	\$533,126	\$741,764	\$552,031	\$672,397	\$565,276	\$618,014	58.5%	34.6%
Rio Blanco	\$581,139	\$669,828	\$612,239	\$632,850	\$976,107	\$805,327	\$900,797	55.0%	31.7%
Saguache	\$737,618	\$808,341	\$1,004,790	\$1,198,887	\$1,152,289	\$1,079,969	\$1,107,185	50.1%	27.5%
Chaffee	\$1,079,988	\$1,329,161	\$1,478,803	\$1,404,719	\$1,447,019	\$1,500,801	\$1,600,033	48.2%	25.9%
Bent	\$912,645	\$938,322	\$1,055,806	\$1,165,110	\$1,494,006	\$1,353,884	\$1,343,509	47.2%	25.1%
Yuma	\$973,829	\$1,047,621	\$1,230,652	\$1,104,970	\$1,333,587	\$1,282,682	\$1,311,424	34.7%	14.4%
Alamosa	\$2,977,901	\$3,680,483	\$3,770,467	\$3,827,049	\$3,668,432	\$3,822,918	\$3,976,981	33.5%	13.4%
Sedgwick	\$175,480	\$240,020	\$301,269	\$296,456	\$291,730	\$274,557	\$233,281	32.9%	12.9%
Prowers	\$2,365,700	\$2,773,118	\$3,513,731	\$2,975,357	\$3,050,627	\$3,250,208	\$3,115,024	31.7%	11.9%
Delta	\$2,318,631	\$2,393,588	\$3,255,515	\$3,218,089	\$3,302,301	\$3,150,080	\$3,050,779	31.6%	11.8%
Custer	\$259,010	\$213,260	\$326,323	\$344,376	\$399,060	\$392,108	\$340,389	31.4%	11.6%
Logan	\$2,547,799	\$2,964,779	\$3,452,657	\$3,373,003	\$2,951,725	\$3,507,004	\$3,266,224	28.2%	8.9%
Huerfano	\$927,226	\$1,055,951	\$1,057,759	\$1,100,224	\$1,258,173	\$1,255,632	\$1,183,360	27.6%	8.4%
La Plata	\$2,962,494	\$3,108,582	\$3,494,250	\$3,286,327	\$3,463,653	\$3,554,138	\$3,777,199	27.5%	8.3%
Weld	\$18,393,448	\$18,846,522	\$22,578,372	\$22,042,050	\$23,108,782	\$21,839,064	\$23,394,716	27.2%	8.0%
Pitkin	\$205,415	\$171,103	\$157,298	\$190,192	\$231,590	\$224,406	\$260,633	26.9%	7.8%
Teller	\$2,734,808	\$2,519,863	\$2,787,871	\$2,972,331	\$3,206,152	\$3,251,434	\$3,454,154	26.3%	7.3%
Morgan	\$3,803,035	\$4,434,828	\$5,089,594	\$4,607,814	\$4,308,558	\$4,452,004	\$4,788,027	25.9%	6.9%
Montrose	\$4,032,376	\$4,548,328	\$5,244,243	\$4,780,464	\$5,025,745	\$5,212,777	\$5,046,797	25.2%	6.3%
Arapahoe	\$38,154,322	\$42,354,588	\$47,814,957	\$46,802,440	\$49,334,701	\$50,176,598	\$47,721,677	25.1%	6.2%
Archuleta	\$696,124	\$837,912	\$876,945	\$833,367	\$923,486	\$928,750	\$864,261	24.2%	5.5%
Rio Grande	\$2,070,480	\$2,491,929	\$2,283,175	\$2,335,171	\$2,483,421	\$2,538,172	\$2,569,135	24.1%	5.4%
Cheyenne	\$203,647	\$219,851	\$195,959	\$238,004	\$179,921	\$243,237	\$252,678	24.1%	5.4%
Montezuma	\$2,082,849	\$2,436,173	\$2,520,311	\$2,288,876	\$2,440,965	\$2,628,721	\$2,558,953	22.9%	4.4%
Adams	\$38,763,955	\$42,101,255	\$46,722,420	\$49,920,332	\$52,355,899	\$46,820,520	\$47,590,941	22.8%	4.3%
Dolores	\$141,585	\$157,532	\$152,705	\$197,567	\$165,475	\$141,514	\$171,725	21.3%	3.0%

**EXHIBIT A-10: CHANGE IN COMBINED COLORADO WORKS, CHILD WELFARE, AND CHILD CARE EXPENDITURES, BY COUNTY, COLORADO, SFY 2000-2006**

County	2000	2001	2002	2003	2004	2005	2006	Percent Change (2000 to 2006)	
								Actual	Inflation-Adjusted
Otero	\$2,496,546	\$3,013,937	\$3,221,891	\$3,252,550	\$3,328,811	\$2,949,379	\$3,023,517	21.1%	2.9%
Garfield	\$3,896,439	\$4,050,397	\$4,798,960	\$5,316,109	\$5,584,756	\$4,637,474	\$4,694,054	20.5%	2.3%
Mesa	\$16,185,064	\$18,960,965	\$20,282,134	\$20,120,812	\$19,369,802	\$19,871,986	\$19,349,512	19.6%	1.6%
Costilla	\$660,718	\$723,856	\$982,637	\$804,229	\$818,554	\$744,467	\$788,453	19.3%	1.4%
Larimer	\$22,520,076	\$22,664,265	\$26,118,683	\$25,811,205	\$26,636,489	\$28,206,770	\$26,852,188	19.2%	1.3%
Las Animas	\$1,821,249	\$1,878,647	\$2,181,971	\$2,315,536	\$2,495,415	\$2,458,140	\$2,169,207	19.1%	1.2%
Summit	\$851,505	\$840,968	\$846,609	\$783,300	\$801,865	\$960,148	\$1,014,172	19.1%	1.2%
Lake	\$816,651	\$804,464	\$1,049,228	\$1,064,708	\$921,262	\$802,343	\$961,111	17.7%	0.0%
Jefferson	\$34,926,928	\$36,611,307	\$41,552,989	\$38,852,137	\$39,393,633	\$40,459,211	\$40,934,953	17.2%	-0.4%
Boulder	\$20,117,891	\$19,210,477	\$20,088,236	\$20,756,038	\$21,246,093	\$20,036,984	\$23,221,056	15.4%	-1.9%
Moffat	\$1,289,888	\$1,190,022	\$1,440,707	\$1,530,499	\$1,521,070	\$1,449,755	\$1,476,654	14.5%	-2.8%
El Paso	\$56,592,550	\$61,908,075	\$65,076,483	\$69,847,925	\$66,717,862	\$64,193,685	\$64,277,256	13.6%	-3.5%
Ouray	\$224,676	\$226,193	\$179,253	\$248,069	\$200,251	\$187,243	\$244,639	8.9%	-7.5%
Pueblo	\$25,541,956	\$28,117,148	\$29,784,646	\$28,753,853	\$27,982,286	\$27,380,063	\$26,791,544	4.9%	-10.9%
Washington	\$703,911	\$693,513	\$702,140	\$634,855	\$779,997	\$724,649	\$737,874	4.8%	-11.0%
Baca	\$471,087	\$446,359	\$647,768	\$621,142	\$737,401	\$666,156	\$482,050	2.3%	-13.1%
Routt	\$838,002	\$911,345	\$964,631	\$1,081,484	\$963,653	\$971,921	\$818,767	-2.3%	-17.0%
Denver	\$111,732,116	\$133,825,001	\$143,171,561	\$118,123,133	\$107,574,935	\$97,300,367	\$108,843,731	-2.6%	-17.2%
Park	\$747,565	\$929,243	\$1,015,491	\$881,214	\$850,525	\$952,559	\$724,837	-3.0%	-17.6%
Crowley	\$801,632	\$388,969	\$662,598	\$666,653	\$742,924	\$728,741	\$739,317	-7.8%	-21.7%
Clear Creek	\$1,234,010	\$1,594,724	\$1,441,438	\$1,276,761	\$1,165,088	\$1,179,824	\$1,108,728	-10.2%	-23.7%
Grand	\$790,614	\$903,899	\$1,010,681	\$824,732	\$691,539	\$916,448	\$708,764	-10.4%	-23.8%
Phillips	\$342,006	\$329,614	\$305,477	\$355,908	\$331,335	\$431,664	\$305,916	-10.6%	-24.0%
Jackson	\$131,693	\$137,129	\$207,101	\$143,958	\$151,184	\$142,980	\$115,165	-12.6%	-25.7%
Gilpin	\$560,399	\$424,652	\$555,851	\$445,695	\$574,211	\$504,767	\$474,098	-15.4%	-28.1%
Conejos	\$1,275,715	\$1,500,272	\$1,643,422	\$1,382,692	\$1,242,118	\$1,099,503	\$1,077,929	-15.5%	-28.2%
Mineral	\$25,836	\$29,672	\$25,720	\$46,009	\$17,381	\$15,067	\$15,119	-41.5%	-50.3%
San Juan	\$72,144	\$92,138	\$138,128	\$95,652	\$44,226	\$33,891	\$35,382	-51.0%	-58.3%
Broomfield	\$0	\$494,282	\$2,405,224	\$3,654,766	\$2,758,298	\$3,047,720	\$3,087,541	N/A	N/A
<b>Total</b>	<b>\$447,584,417</b>	<b>\$496,589,523</b>	<b>\$547,921,663</b>	<b>\$526,276,184</b>	<b>\$519,761,733</b>	<b>\$503,597,090</b>	<b>\$517,963,412</b>	<b>15.7%</b>	<b>-1.7%</b>

Note: Inflation adjustment is based on 2000 dollars; adjustment is according to U.S. Census Bureau adjustments for West-Urban areas; State Fiscal Year runs from July 1 to June 30 (e.g., SFY 2006 runs from July 1, 2005 - June 30, 2006).

Source: Colorado Department of Human Services, annual close-out reports.

## Appendix B: Supplemental County-Level Analyses of Colorado Works Reserve Funds

Exhibit B-1 displays the concentration of Colorado Works county reserves for SFY 2007 for all counties in the state. As shown in the exhibit, 18 counties had accumulated over \$1.0 million in reserves in SFY 2007, accounting for 85 percent of the \$80.0 million in county reserves for Colorado as a whole. Five counties – Denver (\$13.5 million), El Paso (\$8.0 million), Larimer (\$7.2 million), Boulder (7.1 million), and Arapahoe (\$5.8 million) – had in excess of \$5 million in county reserves and accounted for over half (52 percent) of all county reserves. As might be expected, the amounts of reserves accumulated were the greatest among large counties in the state (with large allocations and corresponding expenditures).

Exhibit B-2 shows the considerable year to year fluctuation in county reserve amounts and Exhibit B-3 shows the variation in county reserve as a percentage of Colorado Works allocation over an eight-year period (from SFY 2000 through SFY 2007). Exhibit B-2 is sorted in order by percentage change from 2000 to 2007. On average across all counties there was an increase of 22 percent in county reserve amounts between SFY 2000 to SFY 2007. Over this eight-year period, there was an increase in accumulated reserve in 51 counties versus a decrease in just 13 counties. As also shown in the exhibit, slightly over half of the counties experienced at least a doubling of their reserve from SFY 2000 to SFY 2007. The year to year variation – and fact that the reserve in 27 counties was zero in at least one year over the eight years (i.e., went to zero dollars) – attests to the fact that counties have used their reserve to manage year to year variations in expenses on benefits and need for transfer of funds between Colorado Works, child care, and child welfare (when necessary and appropriate).

**EXHIBIT B-1: COLORADO WORKS COUNTY RESERVES AS A PERCENTAGE OF  
TOTAL RESERVES ACCUMULATED IN THE STATE, SFY 2007**

<b>County</b>	<b>Reserve</b>	<b>Relative Percent</b>	<b>Cumulative Percent</b>
Denver	\$13,533,504	16.9%	16.9%
El Paso	\$8,002,266	10.0%	26.9%
Larimer	\$7,178,997	9.0%	35.9%
Boulder	\$7,101,133	8.9%	44.8%
Arapahoe	\$5,857,909	7.3%	52.1%
Jefferson	\$4,516,388	5.6%	57.7%
Mesa	\$3,850,787	4.8%	62.6%
Adams	\$3,631,866	4.5%	67.1%
Pueblo	\$2,530,169	3.2%	70.3%
Weld	\$1,889,596	2.4%	72.6%
Conejos	\$1,694,509	2.1%	74.7%
Delta	\$1,333,563	1.7%	76.4%
Otero	\$1,315,936	1.6%	78.1%
Montezuma	\$1,286,384	1.6%	79.7%
Alamosa	\$1,240,478	1.6%	81.2%
Fremont	\$1,140,872	1.4%	82.6%
Broomfield	\$1,126,217	1.4%	84.1%
Rio Grande	\$1,049,062	1.3%	85.4%
Las Animas	\$932,867	1.2%	86.5%
Montrose	\$812,339	1.0%	87.5%
Morgan	\$785,734	1.0%	88.5%
Bent	\$740,907	0.9%	89.5%
Crowley	\$671,177	0.8%	90.3%
Saguache	\$627,921	0.8%	91.1%
Logan	\$558,968	0.7%	91.8%
La Plata	\$468,720	0.6%	92.4%
Baca	\$426,800	0.5%	92.9%
Huerfano	\$407,637	0.5%	93.4%
Rio Blanco	\$387,290	0.5%	93.9%
Douglas	\$366,818	0.5%	94.4%
Prowers	\$331,553	0.4%	94.8%
Moffat	\$321,805	0.4%	95.2%
Teller	\$298,685	0.4%	95.5%
Costilla	\$291,865	0.4%	95.9%
Garfield	\$286,096	0.4%	96.3%
Eagle	\$264,488	0.3%	96.6%
Summit	\$252,361	0.3%	96.9%
Chaffee	\$243,775	0.3%	97.2%
Elbert	\$214,774	0.3%	97.5%
Lincoln	\$214,117	0.3%	97.8%

**EXHIBIT B-1: COLORADO WORKS COUNTY RESERVES AS A PERCENTAGE OF  
TOTAL RESERVES ACCUMULATED IN THE STATE, SFY 2007**

<b>County</b>	<b>Reserve</b>	<b>Relative Percent</b>	<b>Cumulative Percent</b>
Custer	\$202,883	0.3%	98.0%
Yuma	\$189,021	0.2%	98.2%
Routt	\$152,303	0.2%	98.4%
Clear Creek	\$146,340	0.2%	98.6%
Kit Carson	\$119,950	0.1%	98.8%
Grand	\$117,786	0.1%	98.9%
Archuleta	\$117,670	0.1%	99.1%
Ouray	\$100,190	0.1%	99.2%
Washington	\$83,318	0.1%	99.3%
San Miguel	\$71,341	0.1%	99.4%
San Juan	\$69,463	0.1%	99.5%
Gunnison	\$60,117	0.1%	99.5%
Jackson	\$50,190	0.1%	99.6%
Park	\$47,593	0.1%	99.7%
Pitkin	\$41,555	0.1%	99.7%
Mineral	\$39,723	0.0%	99.8%
Cheyenne	\$39,626	0.0%	99.8%
Lake	\$32,461	0.0%	99.9%
Sedgwick	\$29,395	0.0%	99.9%
Phillips	\$24,684	0.0%	99.9%
Gilpin	\$24,641	0.0%	100.0%
Dolores	\$18,965	0.0%	100.0%
Kiowa	\$15,428	0.0%	100.0%
Hinsdale	\$3,347	0.0%	100.0%
<b>Total</b>	<b>\$79,984,325</b>	<b>100.0%</b>	

**EXHIBIT B-2: COLORADO WORKS COUNTY RESERVES, SFY 2000-2007**

County	2000	2001	2002	2003	2004	2005	2006	2007	Percent Change
Archuleta	\$212	\$3,328	\$0	\$0	\$0	\$0	\$0	\$117,670	55436%
Boulder	\$245,095	\$1,315,864	\$1,276,085	\$2,441,992	\$3,237,535	\$4,103,466	\$5,187,673	\$7,101,133	2797%
Pitkin	\$1,461	\$9,476	\$7,637	\$16,438	\$26,968	\$31,775	\$31,667	\$41,555	2744%
Montrose	\$30,863	\$246,958	\$0	\$265,873	\$542,554	\$374,206	\$565,200	\$812,339	2532%
Grand	\$5,695	\$15,078	\$0	\$728	\$728	\$0	\$44,445	\$117,786	1968%
Rio Grande	\$66,905	\$61,422	\$146,434	\$276,432	\$508,295	\$643,528	\$909,515	\$1,049,062	1468%
Yuma	\$13,044	\$33,624	\$0	\$53,320	\$81,913	\$81,913	\$157,768	\$189,021	1349%
Mineral	\$2,973	\$0	\$6,252	\$6,332	\$9,269	\$19,103	\$27,827	\$39,723	1236%
Crowley	\$62,760	\$154,466	\$186,341	\$347,049	\$461,436	\$506,211	\$528,811	\$671,177	969%
Summit	\$24,782	\$43,263	\$87,094	\$121,913	\$158,148	\$102,710	\$141,722	\$252,361	918%
Conejos	\$280,469	\$405,122	\$371,802	\$475,928	\$639,558	\$913,542	\$1,275,703	\$1,694,509	504%
Lincoln	\$41,646	\$40,700	\$0	\$3,543	\$27,034	\$52,840	\$0	\$214,117	414%
Ouray	\$19,632	\$12,587	\$11,755	\$19,307	\$27,166	\$54,080	\$76,014	\$100,190	410%
Baca	\$84,191	\$82,691	\$59,195	\$103,271	\$149,138	\$210,153	\$281,166	\$426,800	407%
La Plata	\$99,074	\$160,493	\$0	\$190,864	\$323,979	\$339,896	\$348,977	\$468,720	373%
Routt	\$34,131	\$76,378	\$31,838	\$0	\$27,829	\$72,375	\$111,918	\$152,303	346%
Kit Carson	\$27,672	\$34,204	\$0	\$30,993	\$58,114	\$90,533	\$112,429	\$119,950	333%
Jefferson	\$1,122,714	\$979,041	\$0	\$997,214	\$2,468,163	\$3,063,189	\$3,570,078	\$4,516,388	302%
Morgan	\$200,693	\$249,805	\$27,894	\$203,196	\$422,124	\$503,326	\$638,952	\$785,734	292%
Clear Creek	\$37,409	\$84,725	\$0	\$11,114	\$49,759	\$138,471	\$169,008	\$146,340	291%
Rio Blanco	\$108,549	\$87,205	\$98,368	\$127,498	\$157,813	\$348,368	\$380,679	\$387,290	257%
Garfield	\$82,361	\$175,960	\$55,020	\$55,021	\$216,851	\$75,392	\$116,925	\$286,096	247%
Eagle	\$80,217	\$46,535	\$323,304	\$155,680	\$252,464	\$321,674	\$290,637	\$264,488	230%
Washington	\$25,422	\$24,971	\$40,183	\$43,993	\$61,065	\$61,065	\$75,463	\$83,318	228%
Alamosa	\$395,725	\$201,890	\$195,627	\$195,627	\$246,456	\$450,249	\$733,289	\$1,240,478	213%
San Juan	\$24,225	\$14,807	\$13,117	\$17,041	\$26,750	\$45,461	\$66,509	\$69,463	187%
Logan	\$195,070	\$168,925	\$214,170	\$307,129	\$476,673	\$453,032	\$523,580	\$558,968	187%
Mesa	\$1,364,840	\$1,169,190	\$546,140	\$312,112	\$545,651	\$0	\$1,778,668	\$3,850,787	182%
Bent	\$285,830	\$181,719	\$98,091	\$237,404	\$260,722	\$474,648	\$679,528	\$740,907	159%
Custer	\$80,429	\$71,440	\$49,312	\$77,789	\$95,860	\$120,084	\$152,157	\$202,883	152%

**EXHIBIT B-2: COLORADO WORKS COUNTY RESERVES, SFY 2000-2007**

County	2000	2001	2002	2003	2004	2005	2006	2007	Percent Change
Montezuma	\$563,400	\$227,893	\$140,463	\$307,692	\$567,719	\$742,186	\$1,025,667	\$1,286,384	128%
<b>Arapahoe</b>	<b>\$2,699,223</b>	<b>\$665,659</b>	<b>\$307,114</b>	<b>\$632,131</b>	<b>\$1,822,554</b>	<b>\$0</b>	<b>\$304,578</b>	<b>\$5,857,909</b>	<b>117%</b>
Teller	\$144,191	\$162,783	\$216,899	\$287,245	\$392,928	\$280,247	\$286,361	\$298,685	107%
Delta	\$737,929	\$464,520	\$0	\$0	\$260,526	\$359,621	\$858,891	\$1,333,563	81%
Saguache	\$393,113	\$282,981	\$166,082	\$206,136	\$307,391	\$397,767	\$512,971	\$627,921	60%
Sedgwick	\$18,479	\$38,282	\$54,401	\$18,048	\$33,238	\$26,545	\$42,079	\$29,395	59%
Gunnison	\$38,401	\$30,954	\$0	\$0	\$29,899	\$60,685	\$60,117	\$60,117	57%
Jackson	\$35,507	\$21,337	\$11,998	\$875	\$875	\$0	\$26,183	\$50,190	41%
Fremont	\$829,732	\$896,803	\$608,453	\$413,657	\$618,648	\$298,829	\$147,284	\$1,140,872	37%
<b>El Paso</b>	<b>\$5,991,070</b>	<b>\$6,442,886</b>	<b>\$535,753</b>	<b>\$0</b>	<b>\$2,040,920</b>	<b>\$2,652,435</b>	<b>\$4,068,108</b>	<b>\$8,002,266</b>	<b>34%</b>
Elbert	\$164,644	\$118,058	\$26,761	\$31,307	\$45,060	\$31,882	\$65,976	\$214,774	30%
San Miguel	\$59,024	\$32,999	\$14,712	\$22,008	\$29,600	\$50,387	\$58,548	\$71,341	21%
Costilla	\$241,788	\$204,431	\$80,637	\$126,559	\$196,834	\$230,320	\$238,368	\$291,865	21%
Prowers	\$275,808	\$0	\$0	\$202,883	\$202,883	\$0	\$117,366	\$331,553	20%
Huerfano	\$342,057	\$257,142	\$194,967	\$172,532	\$126,216	\$96,782	\$247,913	\$407,637	19%
Dolores	\$16,797	\$0	\$0	\$7,919	\$16,160	\$16,448	\$16,334	\$18,965	13%
Phillips	\$24,409	\$20,360	\$25,138	\$25,138	\$31,644	\$14,810	\$13,935	\$24,684	1%
Moffat	\$319,568	\$287,115	\$189,690	\$217,126	\$188,437	\$250,978	\$300,643	\$321,805	1%
Otero	\$1,416,517	\$821,132	\$302,363	\$413,514	\$475,473	\$591,752	\$893,918	\$1,315,936	-7%
Kiowa	\$17,976	\$17,723	\$10,672	\$2,042	\$0	\$0	\$0	\$15,428	-14%
<b>Denver</b>	<b>\$17,714,033</b>	<b>\$7,028,527</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,668,072</b>	<b>\$8,877,752</b>	<b>\$14,147,896</b>	<b>\$13,533,504</b>	<b>-24%</b>
Douglas	\$518,837	\$348,170	\$144,769	\$0	\$67,162	\$119,227	\$147,325	\$366,818	-29%
Las Animas	\$1,339,402	\$889,033	\$323,927	\$342,341	\$441,408	\$615,299	\$671,291	\$932,867	-30%
Chaffee	\$418,413	\$255,243	\$93,124	\$105,814	\$178,826	\$245,507	\$204,944	\$243,775	-42%
Cheyenne	\$72,433	\$43,355	\$18,721	\$31,597	\$44,012	\$30,510	\$38,703	\$39,626	-45%
Gilpin	\$47,286	\$51,253	\$13,114	\$9,664	\$8,330	\$11,572	\$14,491	\$24,641	-48%
Lake	\$71,405	\$69,108	\$0	\$17,783	\$0	\$0	\$0	\$32,461	-55%
<b>Adams</b>	<b>\$9,552,541</b>	<b>\$7,073,730</b>	<b>\$4,197,493</b>	<b>\$1,651,356</b>	<b>\$0</b>	<b>\$4,032,815</b>	<b>\$4,032,815</b>	<b>\$3,631,866</b>	<b>-62%</b>
Park	\$133,865	\$53,972	\$85,334	\$55,688	\$38,886	\$48,784	\$48,784	\$47,593	-64%
<b>Weld</b>	<b>\$5,650,684</b>	<b>\$3,791,829</b>	<b>\$1,032,062</b>	<b>\$676,291</b>	<b>\$67,948</b>	<b>\$0</b>	<b>\$1,659,669</b>	<b>\$1,889,596</b>	<b>-67%</b>
<b>Pueblo</b>	<b>\$11,504,678</b>	<b>\$6,325,995</b>	<b>\$1,686,968</b>	<b>\$1,469,374</b>	<b>\$1,312,280</b>	<b>\$993,191</b>	<b>\$1,349,563</b>	<b>\$2,530,169</b>	<b>-78%</b>
Larimer	-\$629,053	\$487,680	\$0	\$0	\$0	\$0	\$0	\$7,178,997	N/A



**EXHIBIT B-2: COLORADO WORKS COUNTY RESERVES, SFY 2000-2007**

County	2000	2001	2002	2003	2004	2005	2006	2007	Percent Change
Broomfield	N/A	\$0	\$338,943	\$124,323	\$270,988	\$744,013	\$959,534	\$1,126,217	N/A
Hinsdale	\$0	\$0	\$0	\$985	\$0	\$0	\$3,347	\$3,347	N/A
<b>Total</b>	<b>\$65,768,248</b>	<b>\$43,562,821</b>	<b>\$14,666,218</b>	<b>\$14,666,827</b>	<b>\$29,044,928</b>	<b>\$35,471,635</b>	<b>\$51,539,912</b>	<b>\$79,984,325</b>	<b>22%</b>

Source: CDHS Internal Working Document. The 10 largest counties in terms of TANF allocation are highlighted in bold.

**EXHIBIT B-3: TANF/COLORADO WORKS COUNTY RESERVES AS A PERCENT OF ALLOCATION, SFY 2000-2007**

County	2000	2001	2002	2003	2004	2005	2006	2007	% Point Difference 2000 to 2007
Mineral	28%	0%	30%	39%	53%	123%	173%	283%	254%
Ouray	37%	29%	28%	44%	58%	130%	206%	264%	227%
Rio Blanco	65%	53%	60%	76%	87%	216%	233%	257%	192%
Conejos	31%	46%	38%	52%	66%	105%	143%	208%	177%
Custer	55%	72%	63%	78%	89%	125%	153%	227%	172%
Baca	36%	33%	23%	41%	54%	86%	112%	188%	152%
San Miguel	60%	81%	33%	52%	65%	125%	164%	192%	133%
Summit	12%	24%	29%	61%	73%	53%	72%	142%	130%
Rio Grande	6%	5%	13%	20%	34%	48%	64%	131%	125%
Crowley	12%	25%	37%	55%	68%	100%	95%	122%	109%
<b>Boulder</b>	<b>4%</b>	<b>18%</b>	<b>20%</b>	<b>33%</b>	<b>41%</b>	<b>59%</b>	<b>72%</b>	<b>108%</b>	<b>104%</b>
Montezuma	50%	32%	16%	31%	54%	79%	103%	153%	103%
San Juan	47%	28%	23%	32%	46%	88%	129%	149%	102%
Grand	5%	13%	0%	1%	1%	0%	34%	98%	93%
Larimer	-8%	5%	0%	0%	0%	0%	0%	76%	84%
Kit Carson	16%	30%	0%	18%	36%	63%	74%	93%	77%
Pitkin	4%	16%	14%	28%	43%	57%	54%	78%	75%
Bent	56%	51%	22%	32%	32%	66%	93%	127%	71%
Yuma	4%	14%	0%	18%	27%	30%	56%	74%	71%
Alamosa	27%	17%	15%	14%	16%	33%	51%	97%	70%
Saguache	64%	52%	40%	37%	51%	74%	92%	127%	64%
Jackson	88%	80%	24%	2%	2%	0%	58%	146%	58%
Montrose	2%	16%	0%	17%	33%	25%	37%	58%	56%
Clear Creek	21%	40%	0%	5%	22%	67%	81%	77%	55%
Morgan	13%	21%	2%	17%	32%	43%	52%	69%	55%
Washington	12%	18%	23%	31%	40%	45%	54%	66%	54%
Routt	13%	29%	13%	0%	10%	28%	43%	63%	50%
Logan	14%	19%	17%	31%	46%	49%	54%	64%	50%
Delta	63%	45%	0%	0%	17%	26%	59%	110%	47%
Costilla	40%	53%	35%	32%	47%	62%	62%	82%	42%

**EXHIBIT B-3: TANF/COLORADO WORKS COUNTY RESERVES AS A PERCENT OF ALLOCATION, SFY 2000-2007**

County	2000	2001	2002	2003	2004	2005	2006	2007	% Point Difference 2000 to 2007
Mesa	22%	18%	8%	5%	8%	0%	27%	64%	42%
Otero	71%	65%	27%	31%	33%	46%	66%	108%	38%
Archuleta	0%	1%	0%	0%	0%	0%	0%	37%	37%
Eagle	27%	20%	48%	29%	44%	63%	56%	62%	34%
Jefferson	11%	9%	0%	9%	21%	30%	32%	44%	33%
La Plata	10%	14%	0%	16%	25%	30%	29%	42%	32%
Moffat	43%	59%	43%	44%	36%	53%	61%	72%	30%
Lincoln	28%	50%	0%	2%	16%	26%	0%	58%	30%
Teller	22%	28%	42%	49%	62%	50%	49%	47%	25%
Huerfano	49%	43%	35%	28%	19%	15%	36%	69%	19%
Las Animas	81%	86%	47%	33%	39%	62%	63%	98%	16%
Arapahoe	22%	6%	2%	5%	14%	0%	2%	37%	14%
Gunnison	18%	23%	0%	0%	14%	31%	30%	32%	14%
Hinsdale	0%	0%	0%	4%	0%	0%	14%	13%	13%
Garfield	7%	12%	4%	4%	13%	5%	8%	20%	13%
Fremont	30%	45%	31%	20%	28%	15%	7%	42%	12%
Sedgwick	34%	46%	69%	74%	37%	33%	51%	46%	12%
Phillips	19%	26%	22%	29%	34%	18%	16%	30%	11%
Dolores	36%	0%	0%	17%	33%	38%	36%	44%	8%
El Paso	30%	27%	3%	0%	8%	12%	17%	36%	6%
Elbert	64%	77%	27%	20%	27%	22%	15%	67%	2%
Prowers	21%	0%	0%	13%	12%	0%	8%	22%	1%
Chaffee	66%	58%	25%	24%	38%	58%	47%	60%	-7%
Denver	44%	16%	0%	0%	16%	21%	33%	34%	-10%
Kiowa	36%	47%	36%	4%	0%	0%	0%	25%	-11%
Gilpin	47%	58%	19%	11%	9%	14%	17%	30%	-18%
Douglas	97%	94%	65%	0%	17%	33%	39%	79%	-19%
Lake	40%	54%	0%	9%	0%	0%	0%	18%	-23%
Park	66%	63%	32%	44%	28%	36%	36%	39%	-27%
Adams	59%	53%	36%	12%	0%	32%	31%	31%	-28%

**EXHIBIT B-3: TANF/COLORADO WORKS COUNTY RESERVES AS A PERCENT OF ALLOCATION, SFY 2000-2007**

<b>County</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>% Point Difference 2000 to 2007</b>
<b>Cheyenne</b>	115%	130%	90%	46%	59%	46%	56%	74%	-40%
<b>Pueblo</b>	84%	90%	25%	21%	17%	15%	19%	38%	-47%
<b>Weld</b>	101%	86%	26%	15%	1%	0%	38%	47%	-54%
<b>Broomfield</b>	N/A	N/A	23%	15%	31%	96%	121%	169%	N/A
<b>Total</b>	39%	27%	9%	9%	16%	22%	31%	50%	11%

Source: CDHS Internal Working Document. The 10 largest counties in terms of TANF allocation are highlighted in bold

Exhibit B-4 provides results from regression analyses discussed in the main text of the report. The dependent variable in this analysis is “County Colorado Works Reserve Amount as a Percentage of Colorado Works Allocation, SFY2007.” The three models shown in the exhibit begin to examine potential factors (i.e., independent variables) associated with the reserve rate at the county level, including: change in basic cash assistance (BCA) caseloads, county share of expenditures, poverty rate, expenditures per TANF case, county size (i.e., counties caseloads of less than 200 cases); and regions of the state. The results of the three models suggest that county share of expenditures is a significant factor (at the 1 percent level of statistical significance) associated (positively) with reserve rates at the county level.

**EXHIBIT B-4: REGRESSION RESULTS: COUNTY COLORADO WORKS  
RESERVE RATES**

Dependent Measure: County Colorado Works Reserve Amount

as a % of Colorado Works Allocation, SFY2007

	Unstandardized Coefficients (Std. Error)		
	Model 1	Model 2	Model 3
(Constant)	-.615 ** (.275)	-.503 (.321)	-.804*** (.388)
% change BCA cases (2004-06)	.108 (.168)	.123 (.175)	.199 (.200)
County share of expends (2006)	6.358 *** (1.269)	5.868 *** (1.379)	6.338*** (1.489)
Poverty Rate (2006)	2.199 * (1.248)	1.259 (1.602)	2.034 (1.714)
Expenditure per TANF case, 2006			.001 (.001)
County Less Than 200 cases, 2006			.121 (.171)
<b>Regions<sup>1</sup></b>			
Central Mountains		.122 (.227)	.031 (.252)
Eastern Plains		-.032 (.210)	-.144 (.241)
San Luis Valley		.433 (.325)	.284 (.350)
Western Slope		.138 (.188)	-.004 (.214)
Number of observations	62	62	62
R-squared	.347	.388	.415
Adj. R-squared (std. error or the estimate)	.314 (.4957513)	.309 (.4973263)	.313 (.4958722)

<sup>1</sup>Note: Front Range is the omitted regional variable (value=0) for analytic comparisons

\* significant at the 10% level    \*\* significant at the 5% level    \*\*\*significant at the 1% level