

CITY OF GLENDALE, COLORADO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Year Ended December 31, 2016

PREPARED BY:

**Finance Department
Linda Cassaday, Deputy City Manager/Finance Director**



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DIRECTORY OF CITY OFFICIALS

ELECTED OFFICIALS

Mayor
Mayor Pro-Tem
Council

Michael Dunafon
Doris Rigoni
Dario Katardzic
Lindsey Mintz
Scott Norquist
Scott Brock
Storm Gloor

APPOINTED OFFICIALS

City Manager
City Attorney
Municipal Judge
City Clerk
Planning Commission

Gerald Peters
Jeffrey Springer
Nancy Hopf
Sherry Frame
Michael Dunafon
Elizabeth Bonney
Tyler Mintz
David Camerucci
Ricky King
Joshua Bushner

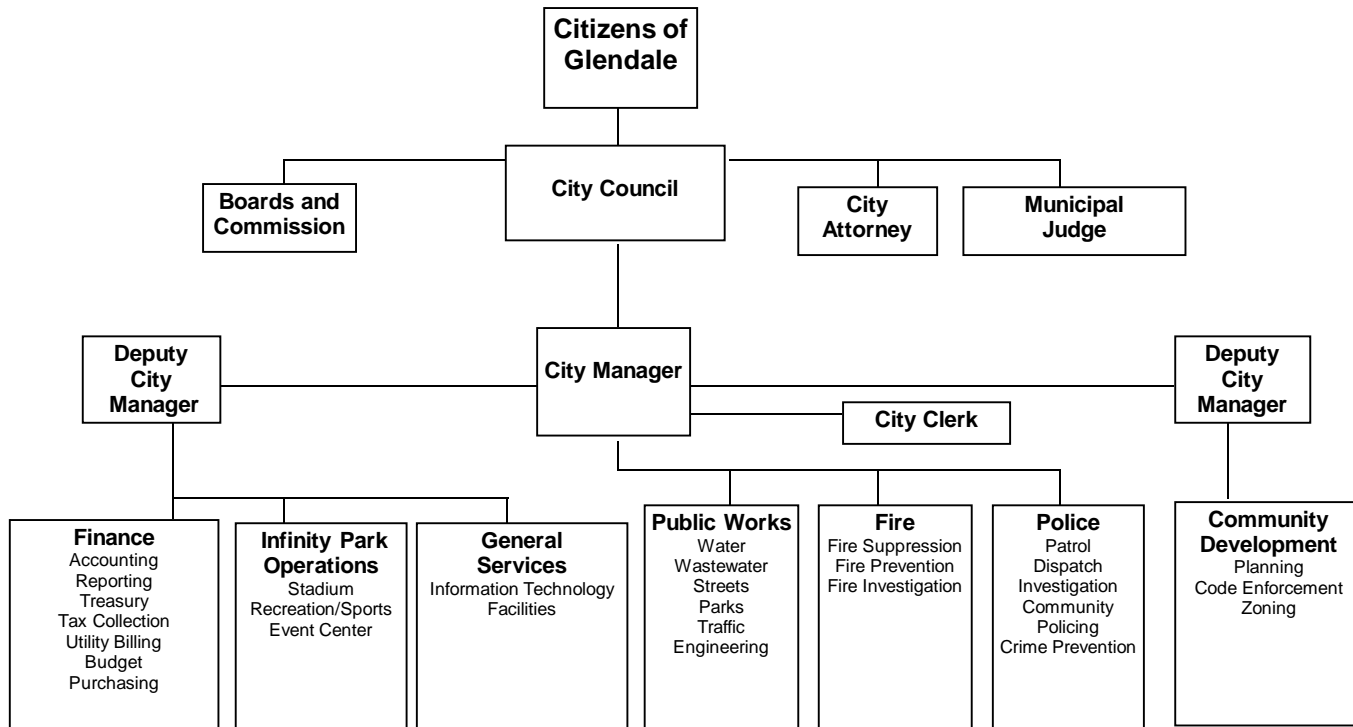
DEPARTMENT OFFICIALS

Deputy City Manager/
Director of Community Development
Deputy City Manager/Director of Finance
Director of Public Works
Director of Rugby
Director of Facilities/Director of Stadium Operations
General Manager – Infinity Park Event Center
Police Chief

Charles Line
Linda Cassaday
Josh Bertrand
Mark Bullock
Kieran Nelson
Bobbi Reed
William Haskins



ORGANIZATIONAL CHART



FINANCIAL SECTION



Honorable Mayor and Members of the City Council
City of Glendale
Glendale, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Glendale, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale as of December 31, 2016, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters (Required Supplementary Information)

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

Other Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Glendale’s basic financial statements. The introductory section, supplementary information, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



September 28, 2017



CITY OF GLENDALE

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2016

The City of Glendale's discussion and analysis is designed to: 1) assist the reader in focusing on significant financial issues; 2) provide an overview of the City's financial activity; 3) identify changes in the City's financial position; 4) identify any material deviations from the financial plan; and 5) identify individual fund issues or concerns. This analysis should be read in conjunction with the City's financial statements, beginning on page 1.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Glendale's basic financial statements, which are comprised of three parts: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported in this statement at the time they are earned, rather than when collected; and expenses are reported at the time the cost is incurred, rather than when paid.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

Governmental activities—Principally supported by taxes, this category includes most of the City's basic services, including police, fire, municipal court, public works, parks, recreation, community development, and general administration.

Business-type activities—This category includes the City's water and wastewater activities as it is expected that the City will recover all or most of the cost of providing these services through fees charged directly to the user.

The government-wide financial statements can be found on pages 1 – 2 of this report.



Fund financial statements: The fund financial statements provide detailed information about the most significant funds—not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Glendale, like other state and local governments, establishes funds to help it control and manage money for particular purposes. The City’s two kinds of funds—governmental and proprietary—use different accounting approaches.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

The City has three governmental funds—the General Fund, which accounts for most of the City’s basic services and tax revenues collected to support those services; the Open Space Fund, which accounts for the occupational privilege tax and other revenues that are restricted for use in acquiring, developing, and maintaining open space within the City; and a Special Revenue fund, which accounts for the activities of the Glendale Urban Renewal Authority (formerly known as the Glendale Economic Redevelopment Authority), a component unit of the City. The City adopts an annual budget for its General, Open Space, and Special Revenue Funds, and budgetary comparison statements have been provided to demonstrate compliance with these budgets.

Proprietary funds are used when the City charges customers for the services it provides. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City’s enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but the fund statements provide more detail and additional information, such as cash flows. The internal service fund (the other component of proprietary funds) is used to report activities that provide support for the City’s other programs. The City’s internal service fund accounts for health care benefits that are charged to the City’s other funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The City has two enterprise funds—the Water Fund and the Wastewater Fund, and one internal service fund—the Employee Benefit Fund. The City adopts annual budgets for each of these funds, and a budgetary comparison has been provided elsewhere in this report to demonstrate compliance with these budgets.

The fund financial statements can be found beginning on page 3 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 – 29 of this report.



Government-Wide Financial Analysis

As noted earlier, the difference between total assets and total liabilities may serve over time as a useful indicator of a government's financial position. As of December 31, 2016, the City's assets exceeded its liabilities by \$61,166,016, a change in the City's net position of \$5.9 million.

2016:

Net capital asset additions during 2016 totaled \$400,000, and depreciation of those assets totaled \$2.2 million, resulting in an overall decrease in capital assets of \$1.8 million.

The City's revenues exceeded its expenses by \$5.9 million, largely as a result of increased tax revenues of \$2.2 million, combined with significantly less spending on the development of the Glendale 180 project.

2015:

Both the 2006 Certificates of Participation and the 2008 Taxable Excise Tax Revenue Bonds were refunded in 2015 to take advantage of lower interest rates; however, these refundings resulted in a net accounting loss of \$1.9 million as the cash required to be placed in escrow to provide for future payments exceeded the existing outstanding debt balances. This accounting loss is reported as a "deferred outflow," and as such, results in an increase in net assets. The true savings will be seen in future years as the combined aggregate debt service payments have been decreased by \$4.8 million.

The City purchased land in the Riverwalk Urban Renewal Area for future development of the Glendale 180 site (recorded as land held for resale). The purchase price totaled \$2.8 million, of which \$2.4 million was funded through a loan from FirstBank.

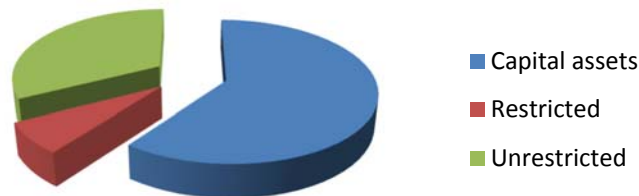
By far, the largest portion of the City's net position (60 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, infrastructure), less the related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those liabilities.

An additional portion of the City's net position (7 percent) represents resources that are subject to restrictions on how they may be used. Specifically, \$830,957 is restricted by the Taxpayer's Bill of Rights (TABOR) to be used for emergency purposes only; \$2,409,708 is restricted for future debt service; \$1,112,475 is restricted by State statutes and the City's voters for development and maintenance of open space; and \$9,148 represents forfeiture funds that, under Colorado State Statutes, must be spent for law enforcement activity. Of the remaining balance of net position of \$19,946,407, \$10,807,473 may be used to meet the City's ongoing obligations to provide general services, and \$9,139,934 is available for use in providing water and wastewater services (although \$3.7 million of the latter will be received over the next 10 years, as discussed in Note 5 to the Financial Statements). These "unrestricted" balances increased by a total of \$2.7 million or 16% from 2015 to 2016.

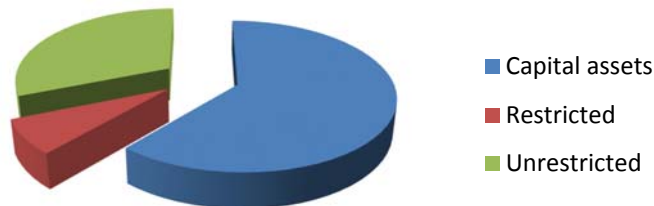


NET POSITION						
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 18,764,507	\$ 13,981,163	\$ 5,701,862	\$ 5,116,105	\$ 24,466,369	\$ 19,097,268
Interfund balances	(3,700,280)	(3,968,828)	3,700,280	3,968,828	--	--
Capital assets	62,153,992	63,679,364	13,430,816	13,738,335	75,584,808	77,417,699
Total assets	77,218,219	73,691,699	22,832,958	22,823,268	100,051,177	96,514,967
Dererred outflows of resources:						
Loss on debt refunding	1,737,688	1,885,814	--	--	1,737,688	1,885,814
Long-term liabilities outstanding	29,220,099	31,444,528	5,600,423	6,351,458	34,820,522	37,795,986
Other liabilities	1,675,380	1,342,400	220,556	230,841	1,895,936	1,573,241
Total liabilities	30,895,479	32,786,928	5,820,979	6,582,299	36,716,458	39,369,227
Deferred inflows of resources:						
Property taxes	3,906,391	3,725,985	--	--	3,906,391	3,725,985
Net position:						
Net investment in capital assets	28,984,276	26,536,231	7,873,045	7,415,614	36,857,321	33,951,845
Restricted	4,362,288	4,118,403	--	--	4,362,288	4,118,403
Unrestricted	10,807,473	8,409,966	9,138,934	8,825,355	19,946,407	17,235,321
Total net position	\$ 44,154,037	\$ 39,064,600	\$ 17,011,979	\$ 16,240,969	\$ 61,166,016	\$ 55,305,569

NET POSITION - 2016



NET POSITION - 2015





CHANGES IN NET POSITION						
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
REVENUES:						
Program revenues:						
Charges for services	\$ 2,254,471	\$ 2,443,935	\$ 3,221,080	\$ 3,036,635	\$ 5,475,551	\$ 5,480,570
Operating grants and contributions	154,639	163,092	--	--	154,639	163,092
Capital grants and contributions	174,677	141,409	36,729	21,503	211,406	162,912
General revenues:						
Sales taxes	17,971,315	15,938,420	--	--	17,971,315	15,938,420
Property taxes	3,808,921	3,361,766	--	--	3,808,921	3,361,766
Use taxes	1,194,933	1,618,053	--	--	1,194,933	1,618,053
Occupational privilege taxes	1,004,470	927,035	--	--	1,004,470	927,035
Lodging taxes	2,412,696	2,338,532	--	--	2,412,696	2,338,532
Other taxes	454,554	454,094	--	--	454,554	454,094
Grants and contributions not restricted	326,350	122,442	--	--	326,350	122,442
Interest	10,270	42,625	322,001	342,858	332,271	385,483
Other general revenues	8,495	38,188	11,566	9,200	20,061	47,388
Total revenues	29,775,791	27,589,591	3,591,376	3,410,196	33,367,167	30,999,787
EXPENSES:						
General government	5,307,179	4,423,308	--	--	5,307,179	4,423,308
Judicial	224,195	212,153	--	--	224,195	212,153
Public safety	6,962,331	6,833,290	--	--	6,962,331	6,833,290
Public works	1,205,705	1,128,109	--	--	1,205,705	1,128,109
Parks and recreation	2,686,955	2,670,955	--	--	2,686,955	2,670,955
Community development	921,116	3,553,949	--	--	921,116	3,553,949
Stadium	2,693,761	2,860,360	--	--	2,693,761	2,860,360
Event Center	1,791,682	1,775,682	--	--	1,791,682	1,775,682
Economic development	1,568,118	1,365,779	--	--	1,568,118	1,365,779
Debt issuance costs	--	455,516	--	--	-	455,516
Interest on long-term debt	1,325,312	1,778,186	--	--	1,325,312	1,778,186
Water	--	--	1,618,019	1,634,940	1,618,019	1,634,940
Wastewater	--	--	1,202,347	1,225,866	1,202,347	1,225,866
Total expenses	24,686,354	27,057,287	2,820,366	2,860,806	27,506,720	29,918,093
Increase (decrease) in net position before transfers	5,089,437	532,304	771,010	549,390	5,860,447	1,081,694
Transfers	--	--	--	--	--	--
Increase (decrease) in net position	5,089,437	532,304	771,010	549,390	5,860,447	1,081,694
Net position - beginning	39,064,600	38,532,296	16,240,969	15,691,579	55,305,569	54,223,875
Net position - ending	\$ 44,154,037	\$ 39,064,600	\$ 17,011,979	\$ 16,240,969	\$ 61,166,016	\$ 55,305,569

Analysis of governmental activities:

Tax collections for 2016 continued to be strong, with total tax collections again up by 9 percent, or \$2.2 million, over the prior year. The individual components of tax collections varied as follows:

Regular sales tax revenues increased by 6 percent as a result of new retail and restaurant locations opened in late 2015 and early 2016. However, revenues from sales tax audits increased by 95 percent as a result of the City's ongoing program to ensure compliance with its tax code. The overall increase in sales tax revenues was 13 percent for 2016.

Use tax revenues, particularly use tax on building permits, is a precursor to the increase in sales tax revenues. Use taxes increased significantly in 2015, spurring the growth seen in sales tax in 2016; but as expected, use tax revenues decreased by 26 percent in 2016 to a more normalized amount.



Occupational privilege tax revenues increased by 8 percent as a result of new development within the City.

Lodging tax revenues increased by 3 percent, indicating the continued strength of the area's hotels as a secondary market for users of Denver's convention center. That growth slowed as expected from the 8 percent growth of the prior year due to increased hotel development in the downtown Denver market.

Overall City spending for 2016 was comparable to the prior year except for the following areas:

In 2015, approximately \$3 million was spent in connection with the development of the new Glendale 180 project (formerly known as the Glendale Riverwalk), including architect and consultant fees and travel to meet with potential tenants (costs included in community development). In 2016, the City's focus shifted to an economic feasibility analysis to ensure that the City's objectives in developing this project could reasonably be achieved. As a result, spending on the project decreased to less than \$500,000 for 2016.

The cost of stadium operations varies year by year, depending on the number of games and other events scheduled. In 2016, the City moved the Women's Premier League (WPL) rugby games to the adjacent Infinity Park South pitch, resulting in a cost savings for stadium operations of approximately \$100,000.

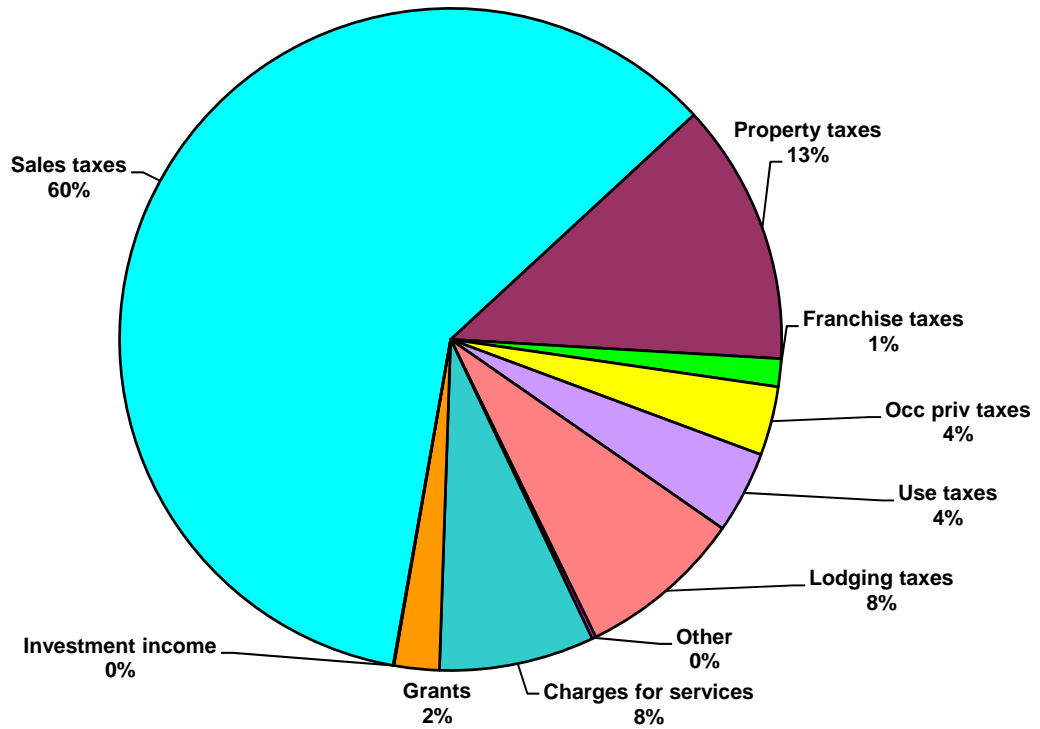
General government costs increased by approximately \$900,000, with the most significant variances due to maintenance of building systems (\$340,000) and increased tax audit costs (\$150,000).

The following table presents the cost of each of the City's largest programs—general government, public safety, parks and recreation, public works, community development, stadium operations, and event center operations—as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

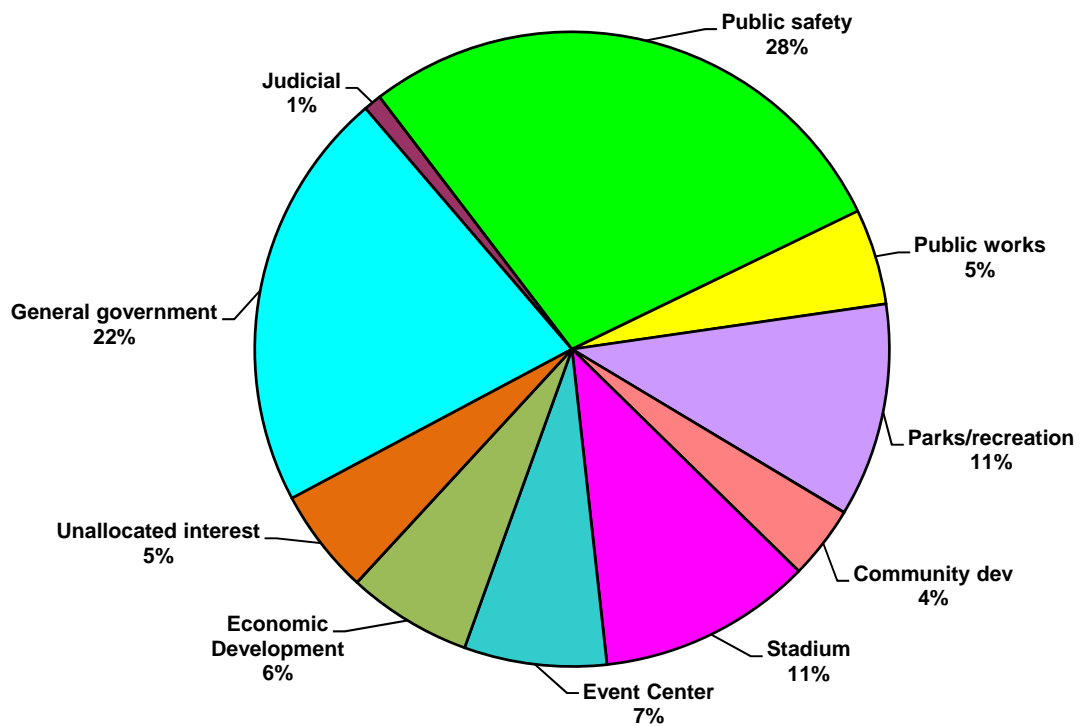
NET COST OF GOVERNMENTAL ACTIVITIES			
	2016	2016	2015
	Total cost of services	Net cost of services	Net cost of services
General government	\$ 5,307,179	\$ 5,158,665	\$ 4,240,796
Public safety	6,962,331	6,813,301	6,650,381
Public works	1,205,705	1,056,705	938,049
Parks and recreation	2,686,955	2,007,131	2,045,761
Community development	921,116	595,799	3,189,901
Stadium	2,693,761	2,375,694	2,608,729
Event Center	1,791,682	977,647	823,600
Economic development	1,568,118	1,568,118	1,365,779
All others (municipal court, debt issuance costs (2015 only), and unallocated interest on long-term debt)	1,549,507	1,549,507	2,445,855
Totals	\$ 24,686,354	\$ 22,102,567	\$ 24,308,851



Revenues by Source – Governmental Activities



Expenses by Type – Governmental Activities





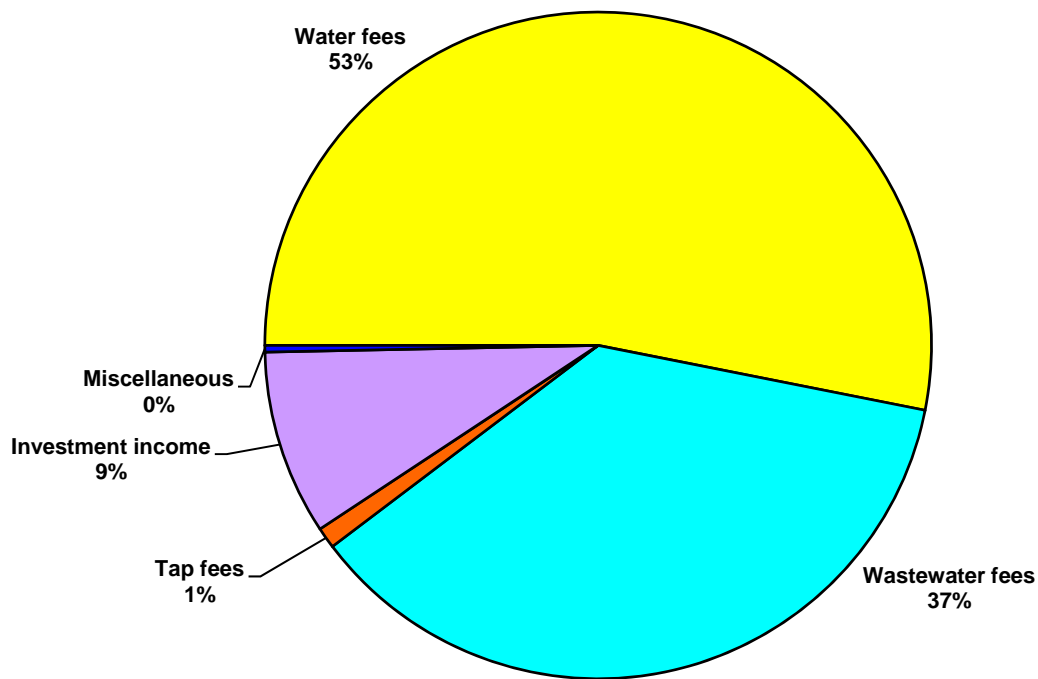
Analysis of business-type activities:

The City’s business-type activities include operation of the water and wastewater systems. The City’s water supply is purchased from the City of Denver and then resold to Glendale customers, and Glendale is responsible for maintaining its own water delivery system (water lines, etc.). In June 2007, the City connected its wastewater system to that of the Metro Wastewater Reclamation District. Following that connection, the wastewater treatment plant, offices, and ancillary buildings were demolished. However, the City is responsible for maintenance of its sewer lines.

To maintain its systems and keep pace with the cost increases passed through from Denver Water and Metro Wastewater Reclamation District, the City increased 2016 water and wastewater rates by 4 percent.

As the result of increased usage and the rate increase, water and wastewater revenues increased by seven percent and five percent, respectively. However, due to cost savings realized in the operations of these utility systems, total costs decreased slightly in 2016.

Revenues by Source – Business-Type Activities





Analysis of the City's funds:

At the end of 2016, the City's governmental funds (as presented in the balance sheet on page 3) reported a combined fund balance of \$17,006,918 compared to \$12,880,428 at the end of 2015. The more significant variances from the prior year include the following:

General Fund revenues increased by 7.5 percent in 2016, largely driven by higher sales and lodging tax collections and a result of the continued development within the City.

General Fund expenditures decreased by 10 percent in 2016, primarily as a result of the reduction in costs spent in the development of the Glendale 180 project and the one-time costs incurred in 2015 in connection with refunding of debt to achieve lower interest rates. The cost savings realized in 2016 as a result of this refunding totaled \$317,000.

Revenues of the Glendale Urban Renewal Authority (formerly known as the Glendale Economic Redevelopment Authority) are derived from incremental sales and property taxes collected within the urban renewal area. The City currently has commitments under the following two urban renewal reimbursement agreements:

The CitySet II development at Colorado Boulevard and Cherry Creek Drive South opened in 2013 with several new restaurants and a 125-room hotel. In connection with the development of this project, the City entered into an agreement with the CitySet Metropolitan District to contribute back to the District a portion of the property, sales, and lodging tax increments generated within this area to assist in the construction of various public facilities, including parking, sidewalks, and street improvements. The increment paid to the District in 2016 totaled \$705,780, up slightly from the \$692,112 paid in 2015.

The City has also entered into a reimbursement agreement with the developer of the Cherry Creek Corporate Center to contribute back to that metro district a portion of the property tax increment generated within that area to assist in the construction of public improvements, including the extension of Birch Street from Ohio to Cherry Creek Drive South. The increment paid to the Cherry Creek Corporate Center Metropolitan District in 2016 totaled \$487,756, a significant increase from the \$357,220 paid in 2015.

The Open Space Fund was established in 2004 to account for the City's occupational privilege tax and other revenues which are restricted to be spent for open space acquisition, development, and maintenance. In 2003 (and again in 2012), Arapahoe County voters approved collection of a ¼ percent sales and use tax to fund open space, and further required that a portion of this tax be "shared" with the various cities within the County according to each city's relative population. In 2016, Glendale received \$118,896 from the County under this "share-back" program. As these funds are restricted to be used for open space acquisition and development, they have been recorded in the Open Space Fund. A transfer of \$1 million was made from the Open Space Fund to the General Fund in 2016 to pay for park maintenance costs, an allowable and planned use of the occupational privilege tax revenues.

Activities of the City's Water and Wastewater Funds have been analyzed as part of the City's business-type activities above.



General Fund Budgetary Highlights

As part of the 2017 budget process, the City projected its revenues and expenditures for 2016, and amended the 2016 budget as needed. Budgeted revenues of the General Fund were increased by \$183,000 due to higher than expected lodging tax revenues. Budgeted expenditures were also increased by approximately \$47,000 for capital equipment purchased for the Event Center.

Actual revenues exceeded budgeted revenues (as amended) by approximately \$3 million, and actual expenditures were approximately \$850,000 less than budgeted expenditures (as amended).

Capital Asset and Debt Administration

Capital assets:

At the end of 2016, the City had over \$66 million invested in a broad range of capital assets, including equipment, buildings, park facilities, roads, bridges, and water and sewer lines. This amount represents a net decrease from 2015 (including additions, deletions, and depreciation) of approximately \$1.8 million. In accordance with the requirements of GASB 34, the City has capitalized the cost of its infrastructure assets, including streets, bridges, and traffic signals.

CAPITAL ASSETS AT YEAR END (NET OF DEPRECIATION)						
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 18,899,772	\$ 18,882,474	\$ 57,573	\$ 57,573	\$ 18,957,345	\$ 18,940,047
Construction in progress	104,742	104,742	--	--	104,742	104,742
Building and improvements	20,743,376	21,594,657	1,228,988	1,269,725	21,972,364	22,864,382
Park improvements	6,485,336	6,775,636	--	--	6,485,336	6,775,636
Equipment	2,175,650	2,445,944	236,773	212,075	2,412,423	2,658,019
Water and wastewater lines	--	--	5,116,094	5,303,888	5,116,094	5,303,888
Wastewater connection costs	--	--	6,791,388	6,895,074	6,791,388	6,895,074
Infrastructure	4,927,445	5,058,240	--	--	4,927,445	5,058,240
Totals	\$ 53,336,321	\$ 54,861,693	\$ 13,430,816	\$ 13,738,335	\$ 66,767,137	\$ 68,600,028

Government activities:

- In 2016, the City upgraded its document management system at a cost of \$106,000.
- The cardio equipment in the Glendale Sports Center was replaced at a cost of \$112,000.
- Various production equipment was added in the Event Center at a cost of \$160,000.
- A new merchandise area was built in the stadium at a cost of \$76,000.
- Additional capital purchases included police vehicles and maintenance equipment for the City's streets, parks, and stadium facilities.

Business-type activities: Equipment and vehicles purchased by the Public Works Department is typically allocated between water, wastewater, streets, and parks uses, unless the use is specific to a particular area. There were no significant purchases allocated solely to water and wastewater uses in 2016.



More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

Debt:

As of December 31, 2016 and 2015, the City had the following debt outstanding:

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
2015 Certificates of Participation	\$ 9,940,000	\$ 10,810,000	\$ --	\$ --	\$ 9,940,000	\$ 10,810,000
2015 Revenue Bonds	14,290,000	15,330,000	--	--	14,290,000	15,330,000
Note payable - FirstBank	2,403,800	2,403,800	--	--	2,403,800	2,403,800
Note payable - Denver	--	--	--	328,190	--	328,190
Note payable - CWRPDA	--	--	5,557,771	5,994,531	5,557,771	5,994,531
Capital leases	377,873	538,952	--	--	377,873	538,952
Totals	\$ 27,011,673	\$ 29,082,752	\$ 5,557,771	\$ 6,322,721	\$ 32,569,444	\$ 35,405,473

In 1994, the City connected its water system to that of Denver Water. The costs of this project were financed through a participation agreement with the City and County of Denver, and the final payment under this agreement was made in 2016.

In 2006, the City connected its wastewater system to that of the Metro Wastewater Reclamation District. The costs of this project were financed through a loan agreement with the Colorado Water Resources and Power Development Authority in the amount of \$10,034,562, dated October 2005.

In 2007 and 2008, the City completed construction of the Infinity Park Stadium and Event Center and the Glendale Sports Center. Property acquisition and construction were financed as follows:

- In March 2006, \$20,885,000 in Certificates of Participation were issued at a premium of \$950,958, which is being amortized on a straight-line basis over the 20-year life of the debt. These certificates were refunded in 2015 to achieve lower interest rates.
- In March 2008, \$18,065,000 in Taxable Revenue Bonds were issued at a discount of \$25,072, which is being amortized on a straight-line basis over the 20-year life of the debt. These bonds were refunded in 2015 to achieve lower interest rates.

In 2010, the City entered into a capital lease agreement in the amount of \$703,500 to finance HVAC and lighting system improvements in several of the City's buildings.

In 2012, the City entered into a capital lease agreement in the amount of \$425,652 to finance police dispatch communications equipment.

In 2015, the City entered into a three-year loan agreement with FirstBank to finance the acquisition of property held for resale in the redevelopment of the Glendale 180 project.

As of December 31, 2016, the City's accrued compensated absences totaled approximately \$770,000.

More detailed information about the City's long-term liabilities is presented in Note 5 to the financial statements.



Economic Factors and Next Year's Budgets and Rates

The City of Glendale covers an area of approximately ½ square mile (369 acres) with a population of approximately 5,200, but with a high concentration of commercial activities.

The City has found ways to regionalize those operations which can be more efficiently and cost effectively performed on a larger scale, as evidenced by the intergovernmental agreements to transfer fire suppression services to Denver and wastewater management services to the Metro Wastewater Reclamation District. The fire suppression agreement with Denver is saving the City over \$1 million per year; and effective January 2012, that agreement was extended through December 2017. It is anticipated that this agreement will be further extended during 2017. Also, transfer of the wastewater management services to Metro Wastewater has relieved the City of making the significant upgrades to its existing wastewater treatment plant that would have been required to comply with upcoming environmental standards.

Infinity Park was developed to stimulate the local economy and create a new branding for the City of Glendale. Its success can be seen through the redevelopment of several major commercial properties within Glendale, including the new 125-room hotel which opened in February 2013, the 194-room hotel which reopened in late 2013 following significant reconstruction, and several restaurants and bars which opened spring and summer of 2013. In addition, many of the apartment buildings within the City have redeveloped, and a new 341-room apartment development opened in early 2016. Other new retail and restaurants opened in late 2015 and early 2016. As a result of these new developments, tax revenues continued to grow in 2016.

At the time the 2008 Revenue Bonds were issued, the City's Standard & Poor's rating was upgraded from "A" to "AA-," citing the City's "strategic location within the broad and diversified Denver area economy, drawing retail activity from a large population base, (and) high per capita retail sales activity." That rating was affirmed by Standard & Poor's in June 2014 and again when the refunding bonds were issued in December 2015. In 2014, Standard & Poor's also upgraded the underlying rating on the 2006 Certificates of Participation from "A" to "A+," and that rating was affirmed when the refunding certificates were issued in December 2015.

During 2010, the City began planning for a new development, Glendale 180 (formerly, the Glendale Riverwalk). This development will encompass 20 acres along Virginia Avenue, west of Cherry Street. Of this area, 10 acres will be devoted to open space, and the remaining 10 acres will be developed into an entertainment district centered around the Cherry Creek and bordered by cafes, bars, restaurants, and taverns. The City owns approximately 70 percent of the developable land, and all of the property within this new development is part of the existing urban renewal area.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's office at the City of Glendale, 950 S. Birch Street, Glendale, CO 80246.

BASIC FINANCIAL STATEMENTS

CITY OF GLENDALE, COLORADO

STATEMENT OF NET POSITION

December 31, 2016

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 9,883,086	\$ 4,819,723	\$ 14,702,809
Restricted Cash and Investments	2,409,708	-	2,409,708
Accounts Receivable	136,643	882,139	1,018,782
Property Taxes Receivable	3,906,391	-	3,906,391
Other Taxes Receivable	2,317,007	-	2,317,007
Internal Balances	(3,700,280)	3,700,280	-
Land Held for Resale	8,817,671	-	8,817,671
Capital Assets, Not Being Depreciated	19,004,514	57,573	19,062,087
Capital Assets, Net of Accumulated Depreciation	34,331,807	13,373,243	47,705,050
Net Pension Asset	111,672	-	111,672
TOTAL ASSETS	<u>77,218,219</u>	<u>22,832,958</u>	<u>100,051,177</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Debt Refunding, Net of Accumulated Amortization	<u>1,737,688</u>	<u>-</u>	<u>1,737,688</u>
LIABILITIES			
Accounts Payable	978,489	142,022	1,120,511
Accrued Liabilities	380,704	8,669	389,373
Unearned Revenues	202,075	-	202,075
Deposits	31,566	7,552	39,118
Accrued Interest Payable	82,546	62,313	144,859
Noncurrent Liabilities			
Due Within One Year	2,741,826	483,432	3,225,258
Due in More Than One Year	26,478,273	5,116,991	31,595,264
TOTAL LIABILITIES	<u>30,895,479</u>	<u>5,820,979</u>	<u>36,716,458</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	<u>3,906,391</u>	<u>-</u>	<u>3,906,391</u>
NET POSITION			
Net Investment in Capital Assets	28,984,276	7,873,045	36,857,321
Restricted for Emergencies	830,957	-	830,957
Restricted for Parks and Open Space	1,112,475	-	1,112,475
Restricted for Police Activities	9,148	-	9,148
Restricted for Debt Service	2,409,708	-	2,409,708
Unrestricted	<u>10,807,473</u>	<u>9,138,934</u>	<u>19,946,407</u>
TOTAL NET POSITION	<u>\$ 44,154,037</u>	<u>\$ 17,011,979</u>	<u>\$ 61,166,016</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 5,307,179	\$ 148,514	\$ -	\$ -
Judicial	224,195	-	-	-
Public Safety	6,962,331	114,075	34,955	-
Public Works	1,205,705	29,316	119,684	-
Parks and Recreation	2,686,955	505,147	-	174,677
Community Development	921,116	325,317	-	-
Stadium	2,693,761	318,067	-	-
Event Center	1,791,682	814,035	-	-
Economic Development	1,568,118	-	-	-
Interest on Long-Term Debt	1,325,312	-	-	-
Total Governmental Activities	<u>24,686,354</u>	<u>2,254,471</u>	<u>154,639</u>	<u>174,677</u>
Business-Type Activities				
Water	1,618,019	1,907,699	-	11,218
Wastewater	1,202,347	1,313,381	-	25,511
Total Business-Type Activities	<u>2,820,366</u>	<u>3,221,080</u>	<u>-</u>	<u>36,729</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 27,506,720</u>	<u>\$ 5,475,551</u>	<u>\$ 154,639</u>	<u>\$ 211,406</u>

GENERAL REVENUES

- Sales Taxes
- Property Taxes
- Specific Ownership Taxes
- Franchise Taxes
- Occupational Privilege Taxes
- Use Taxes
- Lodging Taxes
- Admissions Taxes
- Grants and Contributions not Restricted to Specific Programs
- Investment Income
- Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (5,158,665)	\$ -	\$ (5,158,665)
(224,195)	-	(224,195)
(6,813,301)	-	(6,813,301)
(1,056,705)	-	(1,056,705)
(2,007,131)	-	(2,007,131)
(595,799)	-	(595,799)
(2,375,694)	-	(2,375,694)
(977,647)	-	(977,647)
(1,568,118)	-	(1,568,118)
(1,325,312)	-	(1,325,312)
<u>(22,102,567)</u>	<u>-</u>	<u>(22,102,567)</u>
-	300,898	300,898
<u>-</u>	<u>136,545</u>	<u>136,545</u>
-	437,443	437,443
<u>(22,102,567)</u>	<u>437,443</u>	<u>(21,665,124)</u>
17,971,315	-	17,971,315
3,586,674	-	3,586,674
222,247	-	222,247
405,634	-	405,634
1,004,470	-	1,004,470
1,194,933	-	1,194,933
2,412,696	-	2,412,696
48,920	-	48,920
326,350	-	326,350
10,270	322,001	332,271
8,495	11,566	20,061
<u>27,192,004</u>	<u>333,567</u>	<u>27,525,571</u>
5,089,437	771,010	5,860,447
<u>39,064,600</u>	<u>16,240,969</u>	<u>55,305,569</u>
<u>\$ 44,154,037</u>	<u>\$ 17,011,979</u>	<u>\$ 61,166,016</u>

CITY OF GLENDALE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016

	<u>GENERAL</u>	URBAN RENEWAL AUTHORITY	NONMAJOR OPEN SPACE	<u>TOTAL</u>
ASSETS				
Cash and Investments	\$ 7,757,235	\$ -	\$ 686,863	\$ 8,444,098
Restricted Cash and Investments	2,409,708	-	-	2,409,708
Accounts Receivable	136,643	-	-	136,643
Property Taxes Receivable	2,516,927	1,389,464	-	3,906,391
Other Taxes Receivable	2,163,778	-	153,229	2,317,007
Interfund Receivables	332,442	-	-	332,442
Land Held for Resale	<u>2,775,756</u>	<u>6,041,915</u>	<u>-</u>	<u>8,817,671</u>
TOTAL ASSETS	<u>\$ 18,092,489</u>	<u>\$ 7,431,379</u>	<u>\$ 840,092</u>	<u>\$ 26,363,960</u>
LIABILITIES				
Accounts Payable	\$ 961,507	\$ 16,916	\$ 66	\$ 978,489
Accrued Liabilities	205,799	-	-	205,799
Unearned Revenues	202,075	-	-	202,075
Deposits	31,566	-	-	31,566
Interfund Payables	<u>-</u>	<u>4,032,722</u>	<u>-</u>	<u>4,032,722</u>
TOTAL LIABILITIES	<u>1,400,947</u>	<u>4,049,638</u>	<u>66</u>	<u>5,450,651</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	<u>2,516,927</u>	<u>1,389,464</u>	<u>-</u>	<u>3,906,391</u>
FUND BALANCES				
Nonspendable Land Held for Resale	2,775,756	6,041,915	-	8,817,671
Restricted for Emergencies	830,957	-	-	830,957
Restricted for Parks and Open Space	272,449	-	840,026	1,112,475
Restricted for Police Activities	9,148	-	-	9,148
Restricted for Debt Service	2,409,708	-	-	2,409,708
Unrestricted, Unassigned	<u>7,876,597</u>	<u>(4,049,638)</u>	<u>-</u>	<u>3,826,959</u>
TOTAL FUND BALANCES	<u>14,174,615</u>	<u>1,992,277</u>	<u>840,026</u>	<u>17,006,918</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 18,092,489</u>	<u>\$ 7,431,379</u>	<u>\$ 840,092</u>	<u>\$ 26,363,960</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION

December 31, 2016

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances of Governmental Funds	\$ 17,006,918
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	53,336,321
The net pension asset is not a current financial resource and, therefore, is not reported in governmental funds.	111,672
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds. These include bonds payable (\$14,290,000), certificates of participation (\$9,940,000), premium (\$1,481,860), loan payable (\$2,403,800), capital leases (\$377,873), accrued interest payable (\$82,546), loss on debt refunding \$1,737,688, and compensated absences payable (\$726,566).	(27,564,957)
An internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	<u>1,264,083</u>
Total Net Position of Governmental Activities	\$ <u><u>44,154,037</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2016

	<u>GENERAL</u>	<u>URBAN RENEWAL AUTHORITY</u>	<u>NONMAJOR OPEN SPACE</u>	<u>TOTAL</u>
REVENUES				
Taxes	\$ 23,899,282	\$ 1,943,137	\$ 1,004,470	\$ 26,846,889
Licenses and Permits	415,809	-	-	415,809
Intergovernmental	536,770	-	118,896	655,666
Charges for Services	1,712,516	4,029	-	1,716,545
Court Revenues	55,687	-	-	55,687
Investment Income	10,103	-	-	10,103
Miscellaneous	8,495	-	-	8,495
TOTAL REVENUES	<u>26,638,662</u>	<u>1,947,166</u>	<u>1,123,366</u>	<u>29,709,194</u>
EXPENDITURES				
Current				
General Government	5,445,970	-	-	5,445,970
Judicial	224,195	-	-	224,195
Public Safety	6,678,791	-	-	6,678,791
Public Works	967,440	-	-	967,440
Parks and Recreation	2,060,497	-	-	2,060,497
Community Development	921,116	-	-	921,116
Stadium	2,209,380	-	-	2,209,380
Event Center	1,438,495	-	-	1,438,495
Economic Development	-	1,568,118	-	1,568,118
Capital Outlay	688,759	-	-	688,759
Debt Service				
Principal	2,071,079	-	-	2,071,079
Interest and Fiscal Charges	986,863	322,001	-	1,308,864
TOTAL EXPENDITURES	<u>23,692,585</u>	<u>1,890,119</u>	<u>-</u>	<u>25,582,704</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,946,077</u>	<u>57,047</u>	<u>1,123,366</u>	<u>4,126,490</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,000,000	-	-	1,000,000
Transfers Out	-	-	(1,000,000)	(1,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	3,946,077	57,047	123,366	4,126,490
FUND BALANCES, Beginning	<u>10,228,538</u>	<u>1,935,230</u>	<u>716,660</u>	<u>12,880,428</u>
FUND BALANCES, Ending	<u>\$ 14,174,615</u>	<u>\$ 1,992,277</u>	<u>\$ 840,026</u>	<u>\$ 17,006,918</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances of Governmental Funds	\$ 4,126,490
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$2,206,800) and disposals (\$7,331) exceeded capital outlays \$688,759 in the current year.	(1,525,372)
The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. These include payments on bonds \$1,040,000, certificates of participation \$870,000, and capital leases \$161,079.	2,071,079
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items: amortization of loss on refunding (\$148,126) and amortization of premium \$164,651.	16,525
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in net pension asset (\$5,046), accrued compensated absences (\$11,301), and accrued interest payable (\$32,973).	(49,320)
An internal service fund is used by management to charge the costs of health insurance to individual funds. The net revenues of the internal service fund are reported with governmental activities in the statement of activities.	<u>450,035</u>
Change in Net Position of Governmental Activities	<u>\$ 5,089,437</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
 December 31, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL
	ENTERPRISE FUNDS			ACTIVITIES
	WATER	WASTEWATER	TOTAL	INTERNAL SERVICE
ASSETS				
CURRENT ASSETS				
Cash and Investments	\$ 851,419	\$ 3,968,304	\$ 4,819,723	\$ 1,438,988
Accounts Receivable	498,041	384,098	882,139	-
TOTAL CURRENT ASSETS	1,349,460	4,352,402	5,701,862	1,438,988
NONCURRENT ASSETS				
Interfund Receivables	-	3,700,280	3,700,280	-
Capital Assets, Not Being Depreciated	57,573	-	57,573	-
Capital Assets, Net of Accumulated Depreciation	5,171,960	8,201,283	13,373,243	-
TOTAL NONCURRENT ASSETS	5,229,533	11,901,563	17,131,096	-
TOTAL ASSETS	6,578,993	16,253,965	22,832,958	1,438,988
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable	114,970	27,052	142,022	-
Accrued Liabilities	4,370	4,299	8,669	174,905
Deposits	7,552	-	7,552	-
Accrued Interest Payable	-	62,313	62,313	-
Compensated Absences Payable, Current Portion	17,883	17,870	35,753	-
Loans Payable, Current Portion	-	447,679	447,679	-
TOTAL CURRENT LIABILITIES	144,775	559,213	703,988	174,905
LONG-TERM LIABILITIES				
Compensated Absences Payable	3,451	3,448	6,899	-
Loans Payable	-	5,110,092	5,110,092	-
TOTAL LONG-TERM LIABILITIES	3,451	5,113,540	5,116,991	-
TOTAL LIABILITIES	148,226	5,672,753	5,820,979	174,905
NET POSITION				
Net Investment in Capital Assets	5,229,533	2,643,512	7,873,045	-
Unrestricted	1,201,234	7,937,700	9,138,934	1,264,083
TOTAL NET POSITION	\$ 6,430,767	\$ 10,581,212	\$ 17,011,979	\$ 1,264,083

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

Year Ended December 31, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL
	ENTERPRISE FUNDS			ACTIVITIES
	WATER	WASTEWATER	TOTAL	INTERNAL SERVICE
OPERATING REVENUES				
Charges for Services	\$ 1,907,699	\$ 1,313,381	\$ 3,221,080	\$ 1,891,726
Other Income	9,480	2,086	11,566	-
TOTAL OPERATING REVENUES	1,917,179	1,315,467	3,232,646	1,891,726
OPERATING EXPENSES				
Personnel Services	194,400	192,400	386,800	-
Professional Services	13,221	11,288	24,509	46,680
Supplies	3,418	2,485	5,903	-
Maintenance and Repairs	29,131	14,746	43,877	-
Utilities	32,162	631,930	664,092	-
Water Purchases	1,131,910	-	1,131,910	-
Claims	-	-	-	986,552
Insurance Premiums	-	-	-	401,811
Miscellaneous	15	-	15	6,815
Depreciation	211,942	183,081	395,023	-
TOTAL OPERATING EXPENSES	1,616,199	1,035,930	2,652,129	1,441,858
NET OPERATING INCOME	300,980	279,537	580,517	449,868
NONOPERATING REVENUES (EXPENSES)				
Investment Income	-	322,001	322,001	167
Interest Expense	(1,820)	(166,417)	(168,237)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,820)	155,584	153,764	167
NET INCOME BEFORE CAPITAL CONTRIBUTIONS	299,160	435,121	734,281	450,035
CAPITAL CONTRIBUTIONS				
Tap Fees	11,218	25,511	36,729	-
CHANGE IN NET POSITION	310,378	460,632	771,010	450,035
NET POSITION, Beginning	6,120,389	10,120,580	16,240,969	814,048
NET POSITION, Ending	\$ <u>6,430,767</u>	\$ <u>10,581,212</u>	\$ <u>17,011,979</u>	\$ <u>1,264,083</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Increase (Decrease) in Cash and Cash Equivalents
Year Ended December 31, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL
	ENTERPRISE FUNDS			ACTIVITIES
	WATER	WASTEWATER	TOTAL	INTERNAL SERVICE
Cash Flows From Operating Activities				
Cash Received from Customers	\$ 1,870,544	\$ 1,259,850	\$ 3,130,394	\$ 1,891,726
Cash Paid to Suppliers	(1,236,977)	(667,153)	(1,904,130)	(53,495)
Cash Paid to Employees	(139,914)	(149,364)	(289,278)	-
Cash Paid for Claims and Premiums	-	-	-	(1,404,661)
Net Cash Provided by Operating Activities	493,653	443,333	936,986	433,570
Cash Flows From Noncapital Financing Activities				
Payments from Other Funds	-	268,548	268,548	-
Cash Flows From Capital and Related Financing Activities				
Tap Fees Received	11,218	25,511	36,729	-
Construction and Acquisition of Capital Assets	(53,501)	(34,003)	(87,504)	-
Debt Principal Payments	(328,190)	(436,760)	(764,950)	-
Debt Interest Payments	(14,443)	(190,907)	(205,350)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(384,916)	(636,159)	(1,021,075)	-
Cash Flows From Investing Activities				
Interest Received	-	322,001	322,001	167
Net Change in Cash and Cash Equivalents	108,737	397,723	506,460	433,737
CASH AND CASH EQUIVALENTS, Beginning	742,682	3,570,581	4,313,263	1,005,251
CASH AND CASH EQUIVALENTS, Ending	\$ 851,419	\$ 3,968,304	\$ 4,819,723	\$ 1,438,988
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Net Operating Income	\$ 300,980	\$ 279,537	\$ 580,517	\$ 449,868
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation	211,942	183,081	395,023	-
Changes in Assets and Liabilities				
Accounts Receivable	(46,635)	(55,617)	(102,252)	-
Accounts Payable	17,226	27,052	44,278	-
Accrued Liabilities	(106)	(389)	(495)	(16,298)
Deposits	6,000	-	6,000	-
Compensated Absences Payable	4,246	9,669	13,915	-
Net Cash Provided by Operating Activities	\$ 493,653	\$ 443,333	\$ 936,986	\$ 433,570

The accompanying notes are an integral part of the financial statements.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Glendale, Colorado (the “City”) is part of the Denver metropolitan area and was incorporated in 1952. In May 1972, the citizens voted to become a home rule city, as authorized by Article 20 of the State Constitution. The City operates under a Council/Manager form of government with City Council consisting of six members and a mayor elected by the community at large for four-year terms.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the City. Based on the application of these criteria, the City includes the following component units in its financial statements. Separate financial statements for the component units are not available.

The *Glendale Building Authority* (the “Building Authority”) was established by City Council to lease educational and recreational facilities to the City. The governing board of the Building Authority consists of three members, one of whom is the City Manager. The Building Authority’s debt was refunded in 2015, and the Building Authority is not a party to the refunding debt. Therefore, the Building Authority has no financial activity.

The *Glendale Urban Renewal Authority* (the “Urban Renewal Authority”) was established to undertake urban renewal plans, projects, programs, works, or activities within the City. Although the Urban Renewal Authority is legally separate from the City, its primary revenue source, tax increment financing, can only be established by the City. The City Council acts as the governing board of the Urban Renewal Authority and management of the City has operational responsibility for the Urban Renewal Authority. For financial reporting purposes, the Urban Renewal Authority is blended into the City’s financial statements as a special revenue fund.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for a specific use, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those accounted for in another fund.

The *Glendale Urban Renewal Authority* performs urban renewal functions on behalf of the City financed by tax increment revenues.

The City reports the following major enterprise funds:

The *Water Fund* accounts for the financial activities associated with the acquisition of water, and the operation and maintenance of the water distribution system.

The *Wastewater Fund* accounts for the financial activities related to the provision of wastewater services within the City limits.

Additionally, the City reports the following fund type:

The *Internal Service Fund* accounts for the partially self-insured health plan the City provides to employees.

Assets, Liabilities and Net Position/Fund Balances

Cash and Investments - For purposes of the statement of cash flows, cash equivalents include investments with original maturities of three months or less. Investments in pooled cash are considered cash equivalents.

Receivables - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Land Held for Resale - Property that is held with the intention to sell has been reported in the financial statements as land held for resale at cost, which approximates fair value.

Capital Assets - Capital assets, which include property, plant, equipment and all infrastructure owned by the City, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	10 - 40 years
Park Improvements	5 - 40 years
Equipment	5 - 10 years
Infrastructure	20 - 75 years
Water and Wastewater Lines	5 - 40 years
Wastewater Connection	30 - 75 years

Unearned Revenues - Unearned revenues include event fees collected in advance.

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year.

Compensated Absences - The City's policy allows employees to accumulate unused vacation and sick leave up to certain limitations. Employees begin earning vacation and sick leave at the date of hire. City personnel may accumulate up to 320 hours of vacation, depending on years of service. Upon separation of employment, an employee is paid for all unused vacation leave.

City personnel can accumulate up to 480 hours of sick leave. Upon separation, employees hired before January 1, 1989, are paid for 50% to 100% of accumulated sick leave, depending on years of service. All employees hired after January 1, 1989, and completing five years of service will be paid for 50% of accrued sick leave upon separation from the City.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

These compensated absences are expensed when earned in the proprietary funds and when paid in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

Long-Term Debt - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts, and refunding losses are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Pensions - The City maintains the Volunteer Fire Department Pension Plan, an agent multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from the Plan's fiduciary net position have been determined using the same basis as the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. The City Council establishes a fund balance commitment through passage of an ordinance and is authorized to informally assign amounts to a specific purpose.

The City has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the City uses restricted fund balances first, followed by committed, assigned, and unassigned balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2016, follows:

Petty Cash	\$ 16,170
Cash Deposits	11,845,944
Investments	<u>5,250,403</u>
Total	<u>\$ 17,112,517</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	\$ 14,702,809
Restricted Cash and Investments	<u>2,409,708</u>
Total	<u>\$ 17,112,517</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2016, the City had bank deposits of \$11,768,786 collateralized with securities held by the financial institutions' agents but not in the City's name.

Investments

The City is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

At December 31, 2016, the City had the following investments:

<u>Investment Type</u>	<u>Rating</u>	<u>Investment Maturities (in Years)</u>		<u>Total</u>
		<u>Less Than 1</u>	<u>1 - 5</u>	
Local Government Investment Pool	AAAm	\$ 1,068,914	\$ -	\$ 1,068,914
Money Market Fund	Not Rated	18,810	-	18,810
U.S. Agency Securities	AA+	<u>3,278,356</u>	<u>884,323</u>	<u>4,162,679</u>
Total		<u>\$ 4,366,080</u>	<u>\$ 884,323</u>	<u>\$ 5,250,403</u>

Local Government Investment Pool - At December 31, 2016, the City had \$1,068,914 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating Colotrust. Colotrust operates in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at \$1. Colotrust is rated AAAm by Standard and Poor's. Investments of Colotrust are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Fair Value Measurements - The City reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2016, the City's investments in U.S. Agency securities were measured utilizing quoted prices in active markets for similar investments (Level 2 inputs). Colotrust was reported at the net asset value per share, measured utilizing quoted prices in active markets for similar investments (Level 2 inputs). The money market fund was reported at the net asset value per share, measured using amortized cost.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations.

Concentration of Credit Risk - State statutes do not limit the amount the City may invest in a single issuer, except for corporate securities. At December 31, 2016, the City's investment in the Federal National Mortgage Association and the Federal Home Loan Bank represented 55% and 24%, respectively, of total investments.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Restricted Cash and Investments

Cash and investments of \$2,409,708 are restricted in the General Fund as collateral for the FirstBank loan (See Note 5).

NOTE 3: INTERFUND BALANCES AND TRANSACTIONS

At December 31, 2016, the General Fund had temporarily subsidized the negative cash balance of the Urban Renewal Authority in the amount of \$332,442.

In January, 2006, and January, 2008, the City, through its Wastewater Enterprise Fund, sold land to the Urban Renewal Authority for \$4,305,734 and \$1,724,266, respectively. The Urban Renewal Authority will repay these amounts as tax increment revenues are received over a period of 20 years, including interest at the rate of 8.25%. The land will be used by the Urban Renewal Authority for future development and is, therefore, classified in the financial statements as *Land Held for Resale*. For the year ended December 31, 2016, the Urban Renewal Authority made principal payments on the loan of \$268,548, leaving an outstanding balance at December 31, 2016, of \$3,700,280.

During the year ended December 31, 2016, the Open Space Fund transferred occupational privilege taxes of \$1,000,000 to the General Fund for park maintenance.

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, is summarized below.

	<u>Balances</u> <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/16</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 18,882,474	\$ 17,298	\$ -	\$ 18,899,772
Construction in Progress	<u>104,742</u>	<u>-</u>	<u>-</u>	<u>104,742</u>
Total Capital Assets, Not Being Depreciated	<u>18,987,216</u>	<u>17,298</u>	<u>-</u>	<u>19,004,514</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	31,694,691	75,835	-	31,770,526
Park Improvements	9,436,327	19,250	-	9,455,577
Equipment	7,900,922	576,376	269,497	8,207,801
Infrastructure	<u>7,341,399</u>	<u>-</u>	<u>-</u>	<u>7,341,399</u>
Total Capital Assets, Being Depreciated	<u>56,373,339</u>	<u>671,461</u>	<u>269,497</u>	<u>56,775,303</u>

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 4: CAPITAL ASSETS (Continued)

	<u>Balances</u> 12/31/15	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> 12/31/16
Governmental Activities (Continued)				
Less Accumulated Depreciation				
Buildings and Improvements	10,100,034	927,116	-	11,027,150
Park Improvements	2,660,691	309,550	-	2,970,241
Equipment	5,454,978	839,339	262,166	6,032,151
Infrastructure	<u>2,283,159</u>	<u>130,795</u>	-	<u>2,413,954</u>
Total Accumulated Depreciation	<u>20,498,862</u>	<u>2,206,800</u>	<u>262,166</u>	<u>22,443,496</u>
Total Capital Assets Being Depreciated, Net	<u>35,874,477</u>	<u>(1,535,339)</u>	<u>7,331</u>	<u>34,331,807</u>
Governmental Activities Capital Assets, Net	<u>\$ 54,861,693</u>	<u>\$ (1,518,041)</u>	<u>\$ 7,331</u>	<u>\$ 53,336,321</u>
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	<u>\$ 57,573</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,573</u>
Capital Assets, Being Depreciated				
Water and Wastewater Lines	10,481,543	-	-	10,481,543
Wastewater Connection	7,776,398	-	-	7,776,398
Buildings	1,672,114	-	-	1,672,114
Equipment	<u>609,199</u>	<u>87,504</u>	<u>114,388</u>	<u>582,315</u>
Total Capital Assets, Being Depreciated	<u>20,539,254</u>	<u>87,504</u>	<u>114,388</u>	<u>20,512,370</u>
Less Accumulated Depreciation				
Water and Wastewater Lines	5,177,655	187,794	-	5,365,449
Wastewater Connection	881,324	103,686	-	985,010
Buildings	402,389	40,737	-	443,126
Equipment	<u>397,124</u>	<u>62,806</u>	<u>114,388</u>	<u>345,542</u>
Total Accumulated Depreciation	<u>6,858,492</u>	<u>395,023</u>	<u>114,388</u>	<u>7,139,127</u>
Total Capital Assets Being Depreciated, Net	<u>13,680,762</u>	<u>(307,519)</u>	<u>-</u>	<u>13,373,243</u>
Business-Type Activities Capital Assets, Net	<u>\$ 13,738,335</u>	<u>\$ (307,519)</u>	<u>\$ -</u>	<u>\$ 13,430,816</u>

Depreciation expense was charged to programs of the City as follows:

Governmental Activities	
General Government	\$ 226,015
Public Safety	278,494
Public Works	238,265
Parks and Recreation	626,458
Stadium	484,381
Event Center	<u>353,187</u>
Total	<u>\$ 2,206,800</u>

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT

Following is a summary of the long-term debt transactions for the year ended December 31, 2016:

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/16</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities					
2015 Revenue Bonds	\$ 15,330,000	\$ -	\$ 1,040,000	\$ 14,290,000	\$ 1,035,000
2015 COPs	10,810,000	-	870,000	9,940,000	930,000
Premium	1,646,511	-	164,651	1,481,860	-
2015 FirstBank Loan	2,403,800	-	-	2,403,800	-
2012 Capital Lease	178,717	-	87,887	90,830	90,830
2010 Capital Lease	360,235	-	73,192	287,043	76,948
Compensated Absences	<u>715,265</u>	<u>470,077</u>	<u>458,776</u>	<u>726,566</u>	<u>609,048</u>
Total	<u>\$ 31,444,528</u>	<u>\$ 470,077</u>	<u>\$ 2,694,506</u>	<u>\$ 29,220,099</u>	<u>\$ 2,741,826</u>
Business-Type Activities					
1995 Denver Loan	\$ 328,190	\$ -	\$ 328,190	\$ -	\$ -
2005 CWRPDA Loan	5,994,531	-	436,760	5,557,771	447,679
Compensated Absences	<u>28,737</u>	<u>39,610</u>	<u>25,695</u>	<u>42,652</u>	<u>35,753</u>
Total	<u>\$ 6,351,458</u>	<u>\$ 39,610</u>	<u>\$ 790,645</u>	<u>\$ 5,600,423</u>	<u>\$ 483,432</u>

Taxable Excise Tax Revenue Refunding Bonds

In December 2015, the City issued \$15,330,000 Taxable Excise Tax Revenue Refunding Bonds, Series 2015, to refund the Taxable Excise Tax Revenue Bonds, Series 2008, originally issued to finance certain park, recreation, and entertainment improvements within the City. Interest accrues on the outstanding balance of the bonds at rates ranging from 0.99% to 4.16% per annum. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2028. These bonds are payable solely from the revenue derived from a sales tax at the rate of 3.5%, a use tax at the rate of 3.75%, and a lodging tax at the rate of 6.5% reported in the General Fund. During the year ended December 31, 2016, pledged revenues of \$19,715,452 were available to pay annual debt service of \$1,473,213.

Debt service requirements to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,035,000	\$ 443,066	\$ 1,478,066
2018	1,050,000	426,776	1,476,776
2019	1,065,000	407,676	1,472,676
2020	1,095,000	383,850	1,478,850
2021	1,120,000	355,524	1,475,524
2022 - 2026	6,150,000	1,237,861	7,387,861
2027 - 2028	<u>2,775,000</u>	<u>172,944</u>	<u>2,947,944</u>
Total	<u>\$ 14,290,000</u>	<u>\$ 3,427,697</u>	<u>\$ 17,717,697</u>

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT (Continued)

Certificates of Participation

In December 2015, \$10,810,000 Refunding Certificates of Participation (COPs), Series 2015, were issued to refund the outstanding Certificates of Participation, Series 2006, originally issued to construct a rugby stadium, purchase open space, and renovate the existing recreation center. The COPs represent proportionate interests in the base rentals under an annually renewable lease purchase agreement between Zions First National Bank, as trustee, and the City. Under the lease agreement, the City's municipal building will be leased to the trustee and will then be leased back to the City. The COPs are payable solely from the base rentals required by the lease agreement, which equal the required debt service on the COPs. Interest accrues on the outstanding balance of the COPs at rates ranging from 2% to 5% per annum. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2025.

Debt service requirements to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 930,000	\$ 458,850	\$ 1,388,850
2018	960,000	430,950	1,390,950
2019	995,000	392,550	1,387,550
2020	1,035,000	352,750	1,387,750
2021	1,090,000	301,000	1,391,000
2022 - 2025	<u>4,930,000</u>	<u>631,250</u>	<u>5,561,250</u>
Total	<u>\$ 9,940,000</u>	<u>\$ 2,567,350</u>	<u>\$ 12,507,350</u>

FirstBank Loan

In October 2015, the City obtained a loan from FirstBank in the amount of \$2,403,800. Proceeds of the loan were used to purchase a parcel of land for future development. Quarterly interest payments are due on the loan through September 28, 2018. Interest accrues by adding 2.5% to the one-month London Interbank Offered Rate (LIBOR). At December 31, 2016, the LIBOR rate was 0.77167%. The City has deposited collateral for this loan in the amount of \$2,409,708 (See Note 2). All principal and any accrued interest is due in full on September 28, 2018.

Following is a summary of debt service requirements for the loan, to maturity, assuming a variable rate of 3.27167% per annum.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 78,644	\$ 78,644
2018	<u>2,403,800</u>	<u>58,983</u>	<u>2,462,783</u>
Total	<u>\$ 2,403,800</u>	<u>\$ 137,627</u>	<u>\$ 2,541,427</u>

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT (Continued)

Capital Leases

During 2012, the City entered into a capital lease in the amount of \$425,652 to finance the purchase of police dispatch communications equipment. Annual principal and interest payments of \$93,874 are due on March 1, through 2017. Interest accrues at 3.35% per annum. Assets of \$425,652 less accumulated depreciation of \$252,731 are reported under this lease.

During 2010, the City entered into a capital lease in the amount of \$703,500 to finance the purchase of an HVAC and lighting system for two City buildings. Semi-annual principal and interest payments of \$45,266 are due on March 1 and September 1, through March 2020. Interest accrues at 5.068% per annum. Assets of \$703,500 less accumulated depreciation of \$303,728 are reported under this lease.

Capital lease payments, to maturity, are as follows:

Year Ended December 31,

2017	\$ 184,406
2018	90,532
2019	90,532
2020	<u>45,266</u>
Total Minimum Lease Payments	410,736
Less: Interest Portion	<u>(32,863)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 377,873</u></u>

Compensated Absences

Compensated absences of the governmental activities are expected to be liquidated with revenues of the General Fund.

Business-Type Activities Loans

In July, 1994, and as amended on November 21, 1995, the City entered into a participation agreement with the City and County of Denver through its Board of Water Commissioners to finance improvements to the Denver water system that would allow the City to be connected to the Denver water system. Payments of principal and interest were due annually on February 15, through 2016. During the year ended December 31, 2016, the loan was paid in full.

In October, 2005, the City entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA). Loan proceeds were used to connect the City's wastewater system with the wastewater system of the Metropolitan Wastewater Reclamation District, to demolish the City's existing wastewater treatment plant, and to construct a public works administration building. Payments of principal and interest are due semi-annually on February 1 and August 1, through August, 2027. Interest accrues at rates ranging from 2.8% to 4.5%.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT (Continued)

Business-Type Activities Loans (Continued)

This loan is payable solely from revenues of the wastewater utility system, after deduction of operating expenses. During the year ended December 31, 2016, net revenues of \$1,078,678 were available to pay annual debt service of \$627,667. Debt service requirements to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 447,679	\$ 200,790	\$ 648,469
2018	458,598	192,190	650,788
2019	464,058	183,380	647,438
2020	474,977	174,040	649,017
2021	485,896	164,262	650,158
2022 - 2026	2,615,099	609,226	3,224,325
2027	<u>611,464</u>	<u>34,616</u>	<u>646,080</u>
Total	<u>\$ 5,557,771</u>	<u>\$ 1,558,504</u>	<u>\$ 7,116,275</u>

During the year ended December 31, 2016, the CWRPDA refunded their bonds and are expected to provide refunding credits to the City in future years.

NOTE 6: VOLUNTEER FIRE DEPARTMENT PENSION PLAN

General Information

Effective December 31, 2004, the City contracted with the City and County of Denver for Denver to provide all fire suppression services within the City limits. As such, the City no longer employs either paid or volunteer firefighters. However, individuals who previously served the City as volunteer firefighters may be eligible to participate in the Volunteer Fire Department Pension Plan.

Plan Description - The Volunteer Fire Department Pension Plan is an agent multiple-employer defined benefit pension plan for volunteer firefighters as authorized by State statutes. The City Council serves as the Plan's Board of Trustees. The Board of Trustees establishes and is authorized to amend the Plan provisions, and determines the contributions made by the City. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). The annual financial report of FPPA may be obtained at www.fppaco.org.

Benefits Provided - Any volunteer firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a monthly pension of \$100. Monthly survivor benefits after retirement of the beneficiary are \$50. A firefighter who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year, shall be compensated in an amount determined by the Board of Trustees.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: VOLUNTEER FIRE DEPARTMENT PENSION PLAN (Continued)

General Information (Continued)

Plan Membership - Plan membership consists solely of thirteen retired volunteer firefighters and their beneficiaries. The Plan is closed to new entrants.

Contributions - The Plan may receive contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by its Legislature, the State of Colorado may provide a matching contribution of ninety percent of the City's contribution. Contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial valuation as of January 1, 2015, indicated that the current level of contributions to the Plan are adequate to support on an actuarially sound basis the prospective benefits for the current Plan. For the year ended December 31, 2016, the City and the State were not required to, and did not, contribute to the Plan.

Net Pension Asset

At December 31, 2016, the City reported a net pension asset of \$111,672. The net pension asset was measured at December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015.

Actuarial Assumptions - The total pension liability in the actuarial valuation as of January 1, 2015, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation - 3%

Salary Increases - NA

Investment Rate of Return - 7.5%

Retirement Age - 50% per year of eligibility until 100% at age 65

Pre-retirement and post-retirement mortality rates were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment. In addition, pre-retirement mortality rates used a 40% multiplier for off-duty mortality. Disabled mortality rates were based on the RP-2000 Disabled Mortality Table. All tables are projected with Scale AA.

The actuarial assumptions used in the January 1, 2015, valuation were based on the results of an actuarial experience study conducted for the period January 1, 2007, to December 31, 2011, adopted by the FPPA Board of Directors in July, 2011.

A five-year smoothing methodology is used in the determination of the actuarial value of assets. The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: VOLUNTEER FIRE DEPARTMENT PENSION PLAN (Continued)

Net Pension Asset (Continued)

The best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Managed Futures	4%	3.0%
Cash	2%	0.0%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to follow the current funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.5% was applied to all periods of projected benefit payments to determine the total pension liability.

For the year ended December 31, 2016, changes in the net pension asset of the City were as follows.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at December 31, 2015	\$ 107,777	\$ 224,495	\$ 116,718
Interest	7,635	-	(7,635)
Net Investment Income	-	4,054	4,054
Benefit Payments	(12,180)	(12,180)	-
Administrative Expenses	-	(1,465)	(1,465)
Balances at December 31, 2016	\$ 103,232	\$ 214,904	\$ 111,672

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: VOLUNTEER FIRE DEPARTMENT PENSION PLAN (Continued)

Net Pension Asset (Continued)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate - The following presents the City's net pension asset calculated using the discount rate of 7.5%, as well as the City's net pension asset if it were calculated using a discount that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate, as follows:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
City's Net Pension Asset	<u>\$ 104,175</u>	<u>\$ 111,672</u>	<u>\$ 118,257</u>

Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

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

For the year ended December 31, 2016, the City recognized pension expense of \$5,046. The net difference between projected and actual earnings on investments was recorded in pension expense. Because the difference was not significant, it will not be recognized as pension expense over multiple years.

NOTE 7: OTHER RETIREMENT COMMITMENTS

Police Pension Plan

The City contributes to a single-employer defined contribution pension plan on behalf of full-time sworn police officers. Employees must participate in the Plan on the date of employment. The City and the employees contribute 9% and 7% of the employee's base salary, respectively. The participants are fully vested in their contributions after five years with partial vesting beginning after one year. The City Council is authorized to amend the Plan provisions, and determines the contributions made by the City. During the year ended December 31, 2016, the City and employees made contributions to the Plan of \$157,880 and \$122,796, respectively. Forfeitures in the amount of \$11,802 were used by the City for contributions to the Plan. All Plan investments are managed by the International City/County Management Association - Retirement Corporation (ICMA-RC).

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 7: OTHER RETIREMENT COMMITMENTS (Continued)

City Manager Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of the City Manager. The City contributes 10% of the participant's eligible income. Contributions vest immediately. The participant is not required to contribute to the Plan, although after-tax contributions are allowed, subject to certain limitations. The City Council is authorized to amend the Plan provisions, and determines the contributions made by the City. During the year ended December 31, 2016, the City contributed \$17,500 to the Plan. The Plan investments are managed by the ICMA-RC.

General Employees Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of all full-time employees not covered by either the Police Pension Plan or the City Manager Plan. Employees must participate in the Plan on the date of employment. The City contributes 8% of each participant's eligible salary. Employees are not required to contribute to the Plan. The City Council is authorized to amend the Plan provisions, and determines the contributions made by the City. During the year ended December 31, 2016, the City contributed \$249,777 to the Plan. Forfeitures in the amount of \$53,057 were used by the City for contributions to the Plan. The Plan investments are managed by the ICMA-RC.

NOTE 8: RISK-RELATED ACTIVITIES

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Public Entity Risk Pool

The City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 8: RISK-RELATED ACTIVITIES (Continued)

Employee Health Insurance

The City has established a self-insurance program for employee health benefits. Premiums are paid by the General, Water, and Wastewater Funds. Transactions of the self-insurance program are reported in the Employee Health Benefits Internal Service Fund. Excess coverage insurance policies cover individual claims in excess of \$105,000, and aggregate annual claims in excess of \$1,548,444 for the year ended December 31, 2016. No settlements have exceeded the City's insurance coverage in each of the past three fiscal years.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements and the internal service fund if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Other than current amounts, the City does not believe that IBNR claims can be reasonably estimated. Therefore, no long-term liability is reported in the financial statements.

Changes in claims payable for the past two years were as follows:

Claims Payable, December 31, 2014	\$ 116,685
Claims and Changes in Provisions	1,412,620
Claims Payments	<u>(1,338,102)</u>
Claims Payable, December 31, 2015	191,203
Claims and Changes in Provisions	986,552
Claims Payments	<u>(1,002,850)</u>
Claims Payable, December 31, 2016	<u><u>\$ 174,905</u></u>

NOTE 9: COMMITMENTS AND CONTINGENCIES

Grants

Grants from governmental entities are governed by various rules and regulations of the grantor agencies. Under the terms of the grants, costs charged to the grant programs are subject to audit and adjustment by the grantor agency. Such audit could lead to reimbursement to the grantor agency. Management believes there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grants the City has received. Therefore, no provision has been reported in the accompanying financial statements for such contingencies.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)

Settlement

The City was identified as a responsible party at the Superfund site known as the Lowry Landfill by the United States Environmental Protection Agency (EPA). The City has entered into an agreement with the primary party responsible for the Lowry Landfill. The primary party will be responsible for the actual clean up of the site and will respond, on the City's behalf, to all inquiries or notifications received by the EPA. The City has deposited \$214,000 in a trust fund established for the sole purpose of paying claims related to the Superfund cleanup. Additional payments may be required of the City if the total covered costs at the site exceed \$319 million in 1992 dollars. The City has agreed to pay and be liable for .1% of the costs in excess of \$319 million. Based on estimates provided during the settlement process, City management does not believe additional cleanup costs will be necessary.

Litigation

From time to time, the City is involved in various litigation. Management believes the outcome of any litigation will not have a significant effect on the City's financial position.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation.

In November, 2003, voters agreed to allow the City to spend all revenues generated during 2003 and each subsequent year for public safety, municipal services, transportation and other public improvements, park and recreational facilities, and any other lawful public purpose, without limitation. The City believes it is in compliance with the requirements of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2016, the reserve was reported as restricted fund balance in the General Fund, in the amount of \$830,957.

The Urban Renewal Authority is not subject to the Amendment. See: *Marian L. Olson v. City of Golden*, et. al., 53 P.3d 747 (Co. App.), certiorari denied.

Intergovernmental Agreement

The City entered into an intergovernmental agreement with the City and County of Denver to provide fire suppression services within the City beginning December 30, 2004. The City was required to make monthly payments of \$150,000 under this agreement, through May, 2012. In December, 2011, the agreement was amended and renewed through December, 2017, with initial monthly payments of \$166,700 beginning in January, 2012, and annual increases of 3% per year.

CITY OF GLENDALE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)

Urban Renewal Reimbursement Agreements

On August 30, 2011, the Urban Renewal Authority entered into an agreement with the CitySet Metropolitan District No. 1 (the "District") to reimburse the District for public improvements constructed by the District. The estimated eligible public improvement costs are \$15,877,983. In accordance with the agreement, the City will remit a portion of the property, sales, and lodging tax increments generated within the urban renewal area to the District. The agreement will terminate upon repayment of the related debt or when the right to receive the revenues expires on August 30, 2036. During the year ended December 31, 2016, the City paid \$705,780 to the District under this agreement. Payments since inception totaled \$2,218,341 at December 31, 2016.

On July 20, 2012, the Urban Renewal Authority entered into an agreement with the developer of the Cherry Creek Corporate Center (the "Corporate Center") to reimburse the developer for public improvements constructed by the developer. The estimated eligible public improvement costs are \$16,317,190. In accordance with the agreement, the City will remit the property tax increment generated in the Corporate Center urban renewal area to the developer. The agreement will terminate upon the earlier of repayment of the related debt or expiration of the time permitted for collection of the property tax increment, which is July 20, 2037. During the year ended December 31, 2016, the City paid \$487,756 to the developer under this agreement. Payments since inception totaled \$1,291,007 at December 31, 2016.

NOTE 10: CONCENTRATION OF RISK

For the year ended December 31, 2016, approximately 42% of the City's sales tax revenue was collected from three taxpayers. A reduction in this revenue, if it were to occur, may have a significant effect on the City's programs and activities.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GLENDALE, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
VOLUNTEER FIRE DEPARTMENT PENSION PLAN

December 31, 2016

	<u>12/31/15</u>	<u>12/31/14</u>
TOTAL PENSION LIABILITY		
Interest	\$ 7,635	\$ 7,685
Differences Between Expected and Actual Experience	-	3,825
Benefit Payments	<u>(12,180)</u>	<u>(12,180)</u>
Net Change in Total Pension Liability	(4,545)	(670)
Total Pension Liability, Beginning	<u>107,777</u>	<u>108,447</u>
Total Pension Liability, Ending	\$ <u>103,232</u>	\$ <u>107,777</u>
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ -	\$ -
Contributions - Employee	-	-
Net Investment Income	4,054	14,834
Benefit Payments	(12,180)	(12,180)
Administrative Expenses	<u>(1,465)</u>	<u>(723)</u>
Net Change in Plan Fiduciary Net Position	(9,591)	1,931
Plan Fiduciary Net Position, Beginning	<u>224,495</u>	<u>222,564</u>
Plan Fiduciary Net Position, Ending	\$ <u>214,904</u>	\$ <u>224,495</u>
CITY'S NET PENSION LIABILITY (ASSET)	\$ <u>(111,672)</u>	\$ <u>(116,718)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	208%	208%
Covered Payroll	NA	NA
City's Net Pension Asset as a Percentage of Covered Payroll	NA	NA

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 21,118,617	\$ 21,301,617	\$ 23,899,282	\$ 2,597,665
Licenses and Permits	302,500	302,500	415,809	113,309
Intergovernmental	306,000	306,000	536,770	230,770
Charges for Services	1,636,807	1,636,807	1,712,516	75,709
Court Revenues	60,000	60,000	55,687	(4,313)
Investment Income	40,000	40,000	10,103	(29,897)
Miscellaneous	10,000	10,000	8,495	(1,505)
TOTAL REVENUES	<u>23,473,924</u>	<u>23,656,924</u>	<u>26,638,662</u>	<u>2,981,738</u>
EXPENDITURES				
Current				
General Government	5,174,304	5,174,304	5,445,970	(271,666)
Judicial	232,265	232,265	224,195	8,070
Public Safety	6,884,487	6,884,487	6,678,791	205,696
Public Works	986,160	986,160	967,440	18,720
Parks and Recreation	2,418,141	2,418,141	2,060,497	357,644
Community Development	830,089	830,089	921,116	(91,027)
Stadium	2,290,773	2,290,773	2,209,380	81,393
Event Center	1,448,785	1,448,785	1,438,495	10,290
Capital Outlay	1,210,751	1,257,775	688,759	569,016
Debt Service				
Principal	2,101,079	2,101,079	2,071,079	30,000
Interest and Fiscal Charges	918,206	918,206	986,863	(68,657)
TOTAL EXPENDITURES	<u>24,495,040</u>	<u>24,542,064</u>	<u>23,692,585</u>	<u>849,479</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,021,116)</u>	<u>(885,140)</u>	<u>2,946,077</u>	<u>3,831,217</u>
OTHER FINANCING SOURCES				
Transfers In	1,100,000	1,100,000	1,000,000	(100,000)
NET CHANGE IN FUND BALANCE	<u>78,884</u>	<u>214,860</u>	<u>3,946,077</u>	<u>3,731,217</u>
FUND BALANCE, Beginning	<u>8,500,006</u>	<u>8,585,160</u>	<u>10,228,538</u>	<u>1,643,378</u>
FUND BALANCE, Ending	<u>\$ 8,578,890</u>	<u>\$ 8,800,020</u>	<u>\$ 14,174,615</u>	<u>\$ 5,374,595</u>

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE

URBAN RENEWAL AUTHORITY

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Property Tax Increment	\$ 1,190,450	\$ 1,190,450	\$ 1,105,309	\$ (85,141)
Sales and Lodging Tax Increment	831,000	831,000	837,828	6,828
Charges for Services	<u>6,340</u>	<u>6,340</u>	<u>4,029</u>	<u>(2,311)</u>
TOTAL REVENUES	<u>2,027,790</u>	<u>2,027,790</u>	<u>1,947,166</u>	<u>(80,624)</u>
EXPENDITURES				
Economic Development	1,698,000	1,648,000	1,568,118	79,882
Debt Service				
Principal	268,548	268,548	268,548	-
Interest and Fiscal Charges	<u>322,002</u>	<u>322,002</u>	<u>322,001</u>	<u>1</u>
TOTAL EXPENDITURES	<u>2,288,550</u>	<u>2,238,550</u>	<u>2,158,667</u>	<u>79,883</u>
NET CHANGE IN FUND BALANCE, Budgetary Basis	(260,760)	(210,760)	(211,501)	(741)
ADJUSTMENTS TO GAAP BASIS				
Principal Payments on Interfund Loans	<u>268,548</u>	<u>268,548</u>	<u>268,548</u>	<u>-</u>
NET CHANGE IN FUND BALANCE, GAAP Basis	7,788	57,788	57,047	(741)
FUND BALANCE, Beginning	<u>1,935,228</u>	<u>1,935,228</u>	<u>1,935,230</u>	<u>2</u>
FUND BALANCE, Ending	<u>\$ 1,943,016</u>	<u>\$ 1,993,016</u>	<u>\$ 1,992,277</u>	<u>\$ (739)</u>

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2016

NOTE 1: SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS

The Volunteer Fire Department Pension Plan's net pension asset and associated amounts are measured at December 31, 2015, based on an actuarial valuation as of January 1, 2015, which is a one-year lag compared to the City's fiscal year ended December 31, 2016.

Contributions

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2015, determines the contribution amounts for 2016 and 2017.

The actuarial valuation as of January 1, 2015, determined that no contributions to the Plan were required to support on an actuarially sound basis the prospective benefits for the current Plan. In addition, covered payroll is not applicable for volunteers. Therefore, no contribution or covered payroll information is presented in the accompanying schedule.

Significant actuarial methods and assumptions used to determine the contribution rates for the Volunteer Fire Department Pension Plan are as follows.

- Actuarial Cost Method - Entry Age Normal
- Amortization Method - Level Dollar, Open
- Remaining Amortization Period - 20 years
- Asset Valuation Method - 5-Year Smoothed Fair Value
- Inflation - 3%
- Salary Increases - NA
- Investment Rate of Return - 7.5%
- Retirement Age - 50% per year of eligibility until 100% at age 65
- Mortality -
 - Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off-duty mortality
 - Post-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment
 - Disabled: RP-2000 Disabled Mortality Table
 - All tables projected with Scale AA

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

State statutes require that all funds have legally adopted budgets and appropriations. Total expenditures for each fund may not exceed the amount appropriated.

CITY OF GLENDALE, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2016

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgets and Budgetary Accounting (Continued)

Budgets are adopted for all funds of the City. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for certain transactions affecting only balance sheet accounts, which are budgeted as revenues and expenditures. Budgetary comparisons for the proprietary funds are presented on a non-GAAP budgetary basis. Capital outlay and debt service principal are budgeted as expenditures and depreciation is not budgeted. The City follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of an ordinance.
- Total expenditures, which include transfers out, may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the City Council.
- All appropriations lapse at fiscal year end.

SUPPLEMENTARY INFORMATION

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE

OPEN SPACE FUND

Year Ended December 31, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Occupational Privilege Taxes	\$ 915,000	\$ 1,004,470	\$ 89,470
Intergovernmental	95,000	118,896	23,896
TOTAL REVENUES	<u>1,010,000</u>	<u>1,123,366</u>	<u>113,366</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	10,000	123,366	113,366
FUND BALANCE, Beginning	<u>604,626</u>	<u>716,660</u>	<u>112,034</u>
FUND BALANCE, Ending	<u>\$ 614,626</u>	<u>\$ 840,026</u>	<u>\$ 225,400</u>

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE

WATER FUND

Year Ended December 31, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Water Fees	\$ 2,015,500	\$ 1,907,699	\$ (107,801)
Tap Fees	-	11,218	11,218
Other Income	4,500	9,480	4,980
 TOTAL REVENUES	 <u>2,020,000</u>	 <u>1,928,397</u>	 <u>(91,603)</u>
EXPENSES			
Personnel Services	212,002	194,400	17,602
Professional Services	16,696	13,221	3,475
Supplies	14,733	3,418	11,315
Maintenance and Repairs	86,668	29,131	57,537
Utilities	39,400	32,162	7,238
Water Purchases	1,204,600	1,131,910	72,690
Miscellaneous	500	15	485
Capital Outlay	95,500	53,501	41,999
Debt Service	342,634	330,010	12,624
 TOTAL EXPENSES	 <u>2,012,733</u>	 <u>1,787,768</u>	 <u>224,965</u>
 CHANGE IN NET POSITION, Budgetary Basis	 <u>\$ 7,267</u>	 140,629	 <u>\$ 133,362</u>
ADJUSTMENTS TO GAAP BASIS			
Depreciation		(211,942)	
Capital Outlay		53,501	
Debt Principal		328,190	
 CHANGE IN NET POSITION, GAAP Basis		 <u>310,378</u>	
NET POSITION, Beginning		<u>6,120,389</u>	
NET POSITION, Ending		<u>\$ 6,430,767</u>	

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE

WASTEWATER FUND

Year Ended December 31, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Wastewater Fees	\$ 1,348,000	\$ 1,313,381	\$ (34,619)
Tap Fees	-	25,511	25,511
Other Income	5,000	2,086	(2,914)
Investment Income	<u>590,550</u>	<u>322,001</u>	<u>(268,549)</u>
 TOTAL REVENUES	 <u>1,943,550</u>	 <u>1,662,979</u>	 <u>(280,571)</u>
EXPENSES			
Personnel Services	200,202	192,400	7,802
Professional Services	30,809	11,288	19,521
Supplies	11,883	2,485	9,398
Maintenance and Repairs	102,668	14,746	87,922
Utilities	622,600	631,930	(9,330)
Miscellaneous	300	-	300
Capital Outlay	89,500	34,003	55,497
Debt Service	<u>645,541</u>	<u>603,177</u>	<u>42,364</u>
 TOTAL EXPENSES	 <u>1,703,503</u>	 <u>1,490,029</u>	 <u>213,474</u>
 CHANGE IN NET POSITION, Budgetary Basis	 <u>\$ 240,047</u>	 172,950	 <u>\$ (67,097)</u>
ADJUSTMENTS TO GAAP BASIS			
Depreciation		(183,081)	
Capital Outlay		34,003	
Debt Principal		<u>436,760</u>	
 CHANGE IN NET POSITION, GAAP Basis		 460,632	
NET POSITION, Beginning		<u>10,120,580</u>	
NET POSITION, Ending		<u>\$ 10,581,212</u>	

See the accompanying Independent Auditors' Report.

CITY OF GLENDALE, COLORADO

BUDGETARY COMPARISON SCHEDULE
EMPLOYEE HEALTH BENEFITS FUND
 Year Ended December 31, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Charges for Services	\$ 1,883,296	\$ 1,891,726	\$ 8,430
Investment Income	100	167	67
TOTAL REVENUES	<u>1,883,396</u>	<u>1,891,893</u>	<u>8,497</u>
EXPENSES			
General Government	<u>1,883,396</u>	<u>1,441,858</u>	<u>441,538</u>
TOTAL EXPENSES	<u>1,883,396</u>	<u>1,441,858</u>	<u>441,538</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	450,035	450,035
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
CHANGE IN NET POSITION	(100,000)	450,035	550,035
NET POSITION, Beginning	<u>774,170</u>	<u>814,048</u>	<u>39,878</u>
NET POSITION, Ending	<u>\$ 674,170</u>	<u>\$ 1,264,083</u>	<u>\$ 589,913</u>

See the accompanying Independent Auditors' Report.

STATISTICAL SECTION

PAGE

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and position have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue sources.

44 - 49

Debt Capacity

These schedules present information to help the reader assess the City's ability to service current levels of outstanding debt and the City's ability to issue additional debt in the future.

50 - 53

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

54 - 55

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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CITY OF GLENDALE, COLORADO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 20,742,931	\$ 21,689,234	\$ 23,411,580	\$ 25,353,111	\$ 25,313,422	\$ 25,130,056	\$ 25,144,565	\$ 26,014,545	\$ 26,536,231	\$ 28,984,276
Restricted	4,553,808	5,403,676	7,315,353	2,820,210	4,250,928	4,561,064	4,991,754	3,643,277	4,118,403	4,362,288
Unrestricted	5,113,659	1,792,876	557,726	3,790,935	3,510,337	4,084,327	5,892,262	8,874,474	8,409,966	10,807,473
Total net position - governmental activities	\$ 30,410,398	\$ 28,885,786	\$ 31,284,659	\$ 31,964,256	\$ 33,074,687	\$ 33,775,447	\$ 36,028,581	\$ 38,532,296	\$ 39,064,600	\$ 44,154,037
Business-type activities										
Net investment in capital assets	\$ 6,233,298	\$ 6,814,626	\$ 5,089,216	\$ 5,312,160	\$ 5,652,315	\$ 6,060,660	\$ 6,562,557	\$ 6,979,142	\$ 7,415,614	\$ 7,873,045
Unrestricted	6,441,231	6,083,437	7,838,133	7,787,863	8,003,651	8,229,742	8,454,773	8,712,437	8,825,355	9,138,934
Total net position - business-type activities	\$ 12,674,529	\$ 12,898,063	\$ 12,927,349	\$ 13,100,023	\$ 13,655,966	\$ 14,290,402	\$ 15,017,330	\$ 15,691,579	\$ 16,240,969	\$ 17,011,979
Primary government										
Net investment in capital assets	\$ 26,976,229	\$ 28,503,860	\$ 28,500,796	\$ 30,665,271	\$ 30,965,737	\$ 31,190,716	\$ 31,707,122	\$ 32,993,687	\$ 33,951,845	\$ 36,857,321
Restricted	4,553,808	5,403,676	7,315,353	2,820,210	4,250,928	4,561,064	4,991,754	3,643,277	4,118,403	4,362,288
Unrestricted	11,554,890	7,876,313	8,395,859	11,578,798	11,513,988	12,314,069	14,347,035	17,586,911	17,235,321	19,946,407
Total net position	\$ 43,084,927	\$ 41,783,849	\$ 44,212,008	\$ 45,064,279	\$ 46,730,653	\$ 48,065,849	\$ 51,045,911	\$ 54,223,875	\$ 55,305,569	\$ 61,166,016

CITY OF GLENDALE, COLORADO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 4,102,777	\$ 4,718,228	\$ 4,157,978	\$ 3,910,414	\$ 3,976,828	\$ 4,063,182	\$ 5,021,700	\$ 4,107,098	\$ 4,423,308	\$ 5,307,179
Judicial	204,814	208,690	206,005	205,440	205,961	200,959	194,161	202,154	212,153	224,195
Public safety	5,434,828	5,473,070	5,508,291	5,741,582	5,648,567	6,173,905	6,318,582	6,633,439	6,833,290	6,962,331
Public works	933,169	864,846	705,099	851,827	900,433	1,028,727	751,639	1,013,543	1,128,109	1,205,705
Parks and recreation	940,119	1,501,339	1,932,335	2,094,312	2,467,047	2,566,962	2,473,786	2,443,674	2,670,955	2,686,955
Community development	296,725	313,222	381,718	533,326	343,857	573,823	1,304,495	1,492,314	3,553,949	921,116
Stadium	615,654	1,997,143	2,172,004	2,155,423	2,109,559	2,553,397	2,341,462	2,305,439	2,860,360	2,693,761
Economic development	170	--	--	--	202,585	94,351	306,457	1,160,023	1,365,779	1,568,118
Event Center	--	503,977	1,297,495	1,495,915	1,442,726	1,628,480	1,525,944	1,531,977	1,775,682	1,791,682
Debt issuance costs	--	--	--	--	--	--	--	--	455,516	--
Interest on long-term debt	1,291,066	2,090,990	2,602,774	2,102,726	2,196,723	2,132,273	2,043,213	1,944,026	1,778,186	1,325,312
Total governmental activities expenses	13,819,322	17,671,505	18,963,699	19,090,965	19,494,286	21,016,059	22,281,439	22,833,687	27,057,287	24,686,354
Business-type activities:										
Water	1,244,817	1,274,906	1,270,867	1,328,381	1,474,860	1,701,145	2,187,914	1,644,903	1,634,940	1,618,019
Wastewater ⁽¹⁾	1,668,357	979,353	955,825	933,928	909,365	998,842	1,145,967	1,261,719	1,225,866	1,202,347
Total business-type activities	2,913,174	2,254,259	2,226,692	2,262,309	2,384,225	2,699,987	3,333,881	2,906,622	2,860,806	2,820,366
Total primary government expenses	<u>\$ 16,732,496</u>	<u>\$ 19,925,764</u>	<u>\$ 21,190,391</u>	<u>\$ 21,353,274</u>	<u>\$ 21,878,511</u>	<u>\$ 23,716,046</u>	<u>\$ 25,615,320</u>	<u>\$ 25,740,309</u>	<u>\$ 29,918,093</u>	<u>\$ 27,506,720</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 162,103	\$ 177,072	\$ 158,917	\$ 166,716	\$ 222,881	\$ 182,323	\$ 181,630	\$ 182,078	\$ 182,512	\$ 148,514
Public safety	274,445	256,298	261,569	310,804	280,685	197,993	219,710	227,691	143,251	114,075
Public works	6,905	4,925	9,101	20,478	15,706	39,379	68,706	38,563	66,626	29,316
Parks and recreation	26,878	74,526	301,856	307,491	365,020	425,080	401,636	467,690	483,785	505,147
Community development	170,738	189,611	226,873	233,934	204,985	346,593	549,070	233,677	364,048	325,317
Stadium	103,371	232,754	263,494	273,004	367,199	365,884	389,916	251,408	251,631	318,067
Event Center	--	34,224	359,983	630,783	505,877	694,386	592,703	691,027	952,082	814,035
Operating grants and contributions	66,432	59,715	62,612	151,481	275,808	144,238	144,366	195,587	163,092	154,639
Capital grants and contributions	148,395	148,081	4,170,835	518,892	133,207	312,688	685,967	282,186	141,409	174,677
Total governmental activities program revenues	959,267	1,177,206	5,815,240	2,613,583	2,371,368	2,708,564	3,233,704	2,569,907	2,748,436	2,583,787
Business-type activities:										
Charges for services:										
Water	1,019,188	1,066,577	1,061,114	1,216,807	1,475,290	1,777,225	1,664,684	1,758,983	1,784,106	1,907,699
Wastewater	693,927	693,274	736,371	777,119	844,960	944,924	1,059,228	1,228,557	1,252,529	1,313,381
Capital grants and contributions	--	--	--	--	--	--	751,030	--	21,503	36,729
Total business-type activities program revenues	1,713,115	1,759,851	1,797,485	1,993,926	2,320,250	2,722,149	3,474,942	2,987,540	3,058,138	3,257,809
Total primary government program revenues	<u>\$ 2,672,382</u>	<u>\$ 2,937,057</u>	<u>\$ 7,612,725</u>	<u>\$ 4,607,509</u>	<u>\$ 4,691,618</u>	<u>\$ 5,430,713</u>	<u>\$ 6,708,646</u>	<u>\$ 5,557,447</u>	<u>\$ 5,806,574</u>	<u>\$ 5,841,596</u>
Net (Expense)/Revenue										
Governmental activities	\$ (12,860,055)	\$ (16,494,299)	\$ (13,148,459)	\$ (16,477,382)	\$ (17,122,918)	\$ (18,307,495)	\$ (19,047,735)	\$ (20,263,780)	\$ (24,308,851)	\$ (22,102,567)
Business-type activities	(1,200,059)	(494,408)	(429,207)	(268,383)	(63,975)	22,162	141,061	80,918	197,332	437,443
Total primary government net expense	<u>\$ (14,060,114)</u>	<u>\$ (16,988,707)</u>	<u>\$ (13,577,666)</u>	<u>\$ (16,745,765)</u>	<u>\$ (17,186,893)</u>	<u>\$ (18,285,333)</u>	<u>\$ (18,906,674)</u>	<u>\$ (20,182,862)</u>	<u>\$ (24,111,519)</u>	<u>\$ (21,665,124)</u>

(Continued)

CITY OF GLENDALE, COLORADO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
(continued from previous page)										
Governmental activities:										
Taxes:										
Property	\$ 2,192,549	\$ 2,620,770	\$ 2,537,055	\$ 2,407,726	\$ 2,768,553	\$ 2,500,978	\$ 2,518,115	\$ 3,350,039	\$ 3,361,766	\$ 3,808,921
Sales, lodging and use	10,787,650	12,174,833	11,427,743	13,251,559	14,282,753	15,329,540	17,575,878	17,945,493	19,895,005	21,578,944
Occupational privilege	805,567	789,117	773,991	796,917	790,009	804,650	864,220	899,035	927,035	1,004,470
Franchise	303,474	367,884	332,797	366,678	371,007	378,463	367,691	418,307	405,463	405,634
Admissions	--	--	34,636	34,811	58,030	45,253	41,021	50,665	48,631	48,920
Other	189,799	187,425	--	--	--	--	--	--	--	--
Grants and contributions not restricted to										
specific programs	105,514	103,501	259,512	143,424	60,169	62,906	60,498	56,475	122,442	326,350
Investment earnings	1,128,728	572,385	181,598	136,619	57,171	53,611	50,597	63,989	42,625	10,270
Miscellaneous	21,124	83,034	--	19,245	45,657	32,854	22,849	69,375	38,188	8,495
Transfers	(342,634)	--	--	--	(200,000)	(200,000)	(200,000)	(200,000)	--	--
Gain (loss) on sale of capital assets	--	(1,929,262)	--	--	--	--	--	--	--	--
Total governmental activities	15,191,771	14,969,687	15,547,332	17,156,979	18,233,349	19,008,255	21,300,869	22,653,378	24,841,155	27,192,004
Business-type activities:										
Investment earnings	422,179	495,595	456,300	438,791	416,078	396,201	379,836	362,094	342,858	322,001
Miscellaneous	16,240	33,245	2,193	2,266	3,840	16,073	6,031	31,237	9,200	11,566
Gain on sale of capital assets	--	189,102	--	--	--	--	--	--	--	--
Transfers	342,634	--	--	--	200,000	200,000	200,000	200,000	--	--
Total business-type activities	781,053	717,942	458,493	441,057	619,918	612,274	585,867	593,331	352,058	333,567
Total primary government	\$ 15,972,824	\$ 15,687,629	\$ 16,005,825	\$ 17,598,036	\$ 18,853,267	\$ 19,620,529	\$ 21,886,736	\$ 23,246,709	\$ 25,193,213	\$ 27,525,571
Change in Net Position										
Governmental activities	\$ 2,331,716	\$ (1,524,612)	\$ 2,398,873	\$ 679,597	\$ 1,110,431	\$ 700,760	\$ 2,253,134	\$ 2,389,598	\$ 532,304	\$ 5,089,437
Business-type activities	(419,006)	223,534	29,286	172,674	555,943	634,436	726,928	674,249	549,390	771,010
Total primary government, as originally stated	1,912,710	(1,301,078)	2,428,159	852,271	1,666,374	1,335,196	2,980,062	3,063,847	1,081,694	5,860,447
Cumulative change in accounting principle ⁽²⁾	--	--	--	--	--	--	--	114,117	--	--
Total primary government, restated	\$ 1,912,710	\$ (1,301,078)	\$ 2,428,159	\$ 852,271	\$ 1,666,374	\$ 1,335,196	\$ 2,980,062	\$ 3,177,964	\$ 1,081,694	\$ 5,860,447

- (1) Total expenses of both governmental and business-type activities have been restated retroactively for all years presented for the adoption of Governmental Accounting Standards Board Statement No. 65 requiring that debt issuance costs be expensed when incurred.
- (2) The net position of governmental activities at December 31, 2014, was restated. However, certain balances of deferred outflows of resources and deferred inflows of resources related to pensions at December 31, 2014, were not available, and thus, not reported in the 2014 and prior financial statements.

CITY OF GLENDALE, COLORADO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund ⁽⁴⁾										
Restricted ⁽³⁾	\$ 8,605,104	\$ 5,307,603	\$ 5,292,895	\$ 2,659,956	\$ 2,720,500	\$ 2,745,692	\$ 2,840,189	\$ 3,052,947	\$ 3,401,743	\$ 6,298,018
Unrestricted	5,558,599	2,280,177	1,235,900	3,360,950	4,021,257	4,585,385	5,974,861	6,927,358	6,826,795	7,876,597
Total General Fund	\$ 14,163,703	\$ 7,587,780	\$ 6,528,795	\$ 6,020,906	\$ 6,741,757	\$ 7,331,077	\$ 8,815,050	\$ 9,980,305	\$ 10,228,538	\$ 14,174,615
All Other Governmental Funds										
Nonspendable ⁽¹⁾	\$ 4,667,649	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915	\$ 6,041,915
Restricted for: ⁽²⁾⁽⁴⁾										
Open Space	2,847,621	2,971,766	2,024,353	160,254	268,425	349,363	500,751	590,330	716,660	840,026
Unrestricted, Unassigned ⁽⁴⁾	(3,962,604.00)	(5,337,934.00)	(5,175,892.00)	(5,001,018.00)	(4,779,912)	(4,575,906)	(4,391,101)	(4,107,292)	(4,106,685)	(4,049,638)
Total all other Governmental Funds	\$ 3,552,666	\$ 3,675,747	\$ 2,890,376	\$ 1,201,151	\$ 1,530,428	\$ 1,815,372	\$ 2,151,565	\$ 2,524,953	\$ 2,651,890	\$ 2,832,303
Total All Governmental Funds	\$ 17,716,369	\$ 11,263,527	\$ 9,419,171	\$ 7,222,057	\$ 8,272,185	\$ 9,146,449	\$ 10,966,615	\$ 12,505,258	\$ 12,880,428	\$ 17,006,918

(1) Nonspendable fund balance as of December 31, 2007 and forward, includes land held for resale, which was purchased through an advance from the Wastewater Enterprise Fund (resulting in a negative unreserved fund balance).

(2) The Glendale Urban Renewal Authority/Special Revenue Fund was established 2005 (formerly known as the Glendale Economic Redevelopment Authority).

(3) Restricted fund balance as of December 31, 2007, includes the unspent proceeds of the 2006 Certificates of Participation.

(4) Classifications in this schedule have been changed and presented in accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement was adopted for the year ended December 31, 2011.

CITY OF GLENDALE, COLORADO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 14,279,039	\$ 16,140,029	\$ 15,266,259	\$ 16,857,691	\$ 18,270,352	\$ 19,508,884	\$ 21,123,290	\$ 22,907,174	\$ 24,637,900	26,846,889
Licenses and permits	245,753	255,369	306,686	341,092	302,257	459,615	685,549	336,545	513,513	415,809
Intergovernmental	309,401	310,571	4,280,069	813,797	469,184	519,832	810,066	615,013	426,943	655,666
Charges for services	370,971	535,647	1,156,385	1,414,444	1,424,510	1,621,118	1,646,289	1,617,266	1,793,078	1,716,545
Court Revenues	114,930	99,424	91,498	99,937	101,323	78,040	66,003	72,408	62,095	55,687
Investment earnings	1,117,876	566,710	180,651	136,136	56,987	53,331	50,436	63,856	42,436	10,103
Other revenues	21,124	83,034	16,149	26,778	117,527	58,611	22,849	69,375	38,188	8,495
Total revenues	16,459,094	17,990,784	21,297,697	19,689,875	20,742,140	22,299,431	24,404,482	25,681,637	27,514,153	29,709,194
Expenditures										
General government	3,929,039	4,113,744	4,067,357	3,605,220	3,850,722	3,875,746	4,595,233	4,227,188	4,436,380	5,445,970
Judicial	204,814	208,690	206,005	205,440	205,961	200,959	194,161	202,154	212,153	224,195
Public safety	5,193,843	5,223,949	5,232,435	5,479,353	5,445,838	5,906,821	6,033,009	6,332,022	6,537,170	6,678,791
Public works	756,908	681,743	520,893	667,473	698,911	823,064	549,074	801,844	903,582	967,440
Parks and recreation	791,831	1,259,981	1,488,597	1,501,213	1,816,925	1,907,417	1,856,816	1,877,053	2,094,101	2,060,497
Community development	296,725	313,222	381,718	533,326	343,857	573,823	1,304,495	1,492,314	3,553,949	921,116
Stadium	522,727	1,690,870	1,858,749	1,814,527	1,740,501	2,177,009	1,970,118	1,887,729	2,330,548	2,209,380
Event Center	--	423,030	808,714	1,006,912	952,476	1,131,640	1,049,545	1,231,657	1,439,442	1,438,495
Economic development	170	--	--	--	202,585	544,351	306,457	1,160,023	1,365,779	1,568,118
Capital outlay	10,733,464	24,895,360	5,106,666	4,081,554	500,968	901,604	1,785,786	1,067,625	1,093,023	688,759
Debt service:										
Principal	729,581	1,144,913	1,328,976	1,400,751	1,484,616	1,434,913	1,587,602	1,663,502	1,744,656	2,071,079
Interest	1,338,614	2,137,284	2,341,943	2,294,720	2,248,652	2,173,472	2,098,993	1,999,883	1,916,743	1,308,864
Debt issuance costs	--	535,768	--	--	--	--	--	--	455,516	--
Total expenditures	24,497,716	42,628,554	23,342,053	22,590,489	19,492,012	21,650,819	23,331,289	23,942,994	28,083,042	25,582,704
Excess of revenues over (under) expenditures	(8,038,622)	(24,637,770)	(2,044,356)	(2,900,614)	1,250,128	648,612	1,073,193	1,738,643	(568,889)	4,126,490
Other Financing Sources (Uses)										
Proceeds from borrowing	--	18,039,928	--	--	--	--	--	--	30,190,311	--
Proceeds from capital lease	504,310	--	--	703,500	--	425,652	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--	--	--	946,973	--	--	--
Payments to escrow agent	--	--	--	--	--	--	--	--	(29,446,252)	--
Operating transfers in	--	835,000	550,000	1,875,283	750,000	800,000	800,000	900,000	1,100,000	1,000,000
Operating transfers out	(342,634)	(690,000)	(350,000)	(1,875,283)	(950,000)	(1,000,000)	(1,000,000)	(1,100,000)	(900,000)	(1,000,000)
Total other financing sources (uses)	161,676	18,184,928	200,000	703,500	(200,000)	225,652	746,973	(200,000)	944,059	--
Net change in fund balances	\$ (7,876,946)	\$ (6,452,842)	\$ (1,844,356)	\$ (2,197,114)	\$ 1,050,128	\$ 874,264	\$ 1,820,166	\$ 1,538,643	\$ 375,170	\$ 4,126,490
Debt service as a percentage of noncapital expenditures	15.0%	21.5%	20.1%	20.0%	19.7%	17.4%	17.1%	16.0%	15.3%	13.6%

CITY OF GLENDALE, COLORADO
SALES/USE TAX⁽²⁾ COLLECTIONS BY CATEGORY
LAST TEN FISCAL YEARS

	Fiscal Year										% of Total City Sales/Use Tax Revenue
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2016
Retail - multi-line and other	\$ 7,022,100	\$ 7,151,382	\$ 7,019,968	\$ 7,176,664	\$ 7,076,143	\$ 7,486,273	\$ 8,044,282	\$ 7,954,509	\$ 8,590,687	\$ 8,405,480	50.5%
Restaurant/bar	1,050,743	896,469	780,021	1,283,738	1,479,916	1,498,459	1,791,678	2,078,823	2,042,127	2,218,180	13.3%
Hotel/motel	909,003	1,890,206	1,497,337	843,165	901,690	944,083	1,095,862	1,458,632	1,439,475	1,562,562	9.4%
Grocery	134,094	151,332	133,378	304,309	877,430	1,099,384	1,287,237	1,289,231	1,390,257	1,446,908	8.7%
Marijuana ⁽³⁾	--	--	--	--	--	--	--	--	--	1,111,589	6.7%
Utilities	548,096	701,323	579,125	939,082	737,990	652,163	616,908	639,943	596,474	562,491	3.4%
Financial services/leasing	207,860	213,998	421,900	294,529	211,558	258,484	238,744	287,034	567,432	552,951	3.3%
Automotive	251,285	262,680	275,247	278,735	297,730	310,154	387,473	381,968	345,041	323,926	1.9%
Service	205,165	269,524	247,278	450,825	147,862	192,749	167,365	183,185	331,819	219,125	1.3%
Other	32,357	134,221	61,685	105,487	40,554	59,582	87,277	72,742	108,321	155,623	0.9%
Retail - liquor	111,932	74,592	71,556	74,292	69,734	78,808	77,033	75,707	80,028	90,735	0.5%
Total all categories	\$ 10,472,635	\$ 11,745,727	\$ 11,087,495	\$ 11,750,826	\$ 11,840,607	\$ 12,580,138	\$ 13,793,859	\$ 14,421,774	\$ 15,491,661	\$ 16,649,570	100.0%
City direct sales tax rate ⁽¹⁾	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	

(1) Effective July 1, 2004, the City's sales tax rate increased by 1/4%.

(2) Includes general use tax only and does not include use tax on motor vehicles or building permits.

(3) Marijuana sales became legal in Colorado and implemented in 2014; and has been separately categorized beginning in 2016.

NOTE: The City is legally prohibited from disclosing sales and use tax information for individual taxpayers. Therefore, revenue capacity has been identified by category to assist users in understanding the degree to which the City's primary source revenue is concentrated.

**CITY OF GLENDALE, COLORADO
DIRECT AND OVERLAPPING SALES AND USE TAX RATES
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City direct rate ⁽¹⁾⁽²⁾	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Overlapping rates:										
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Arapahoe County	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Football Stadium District	0.10%	0.10%	0.10%	0.10%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%
Cultural District	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Regional Transportation District	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	<u>8.10%</u>	<u>8.10%</u>	<u>8.10%</u>	<u>8.10%</u>	<u>8.10%</u>	<u>8.00%</u>	<u>8.00%</u>	<u>8.00%</u>	<u>8.00%</u>	<u>8.00%</u>

(1) Effective July 1, 2004, the City's sales tax rate was increased by 1/4%, and those revenues are restricted for water-related purposes.

(2) The City's sales tax rate may be increased only by a majority vote of the City's residents.

CITY OF GLENDALE, COLORADO
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

(In thousands of dollars)

Year of Collection	Taxable Real and Personal Property					Total Taxable Assessed Value	Total Direct Tax Rate	Assessment Rates		Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Personal Property	Vacant Land	State Assessed Property			Residential	All Other		
2007	\$ 15,195,020	\$ 74,251,440	\$ 8,951,230	\$ 2,228,790	\$ 8,044,310	\$ 108,670,790	18.67	7.96%	29.00%	\$ 488,448,893	22.25%
2008	\$ 15,195,430	\$ 94,869,540	\$ 9,836,300	\$ 2,103,380	\$ 7,182,780	\$ 129,187,430	18.67	7.96%	29.00%	\$ 485,601,623	26.60%
2009	\$ 19,916,980	\$ 89,915,070	\$ 9,402,860	\$ 281,630	\$ 9,055,940	\$ 128,572,480	18.67	7.96%	29.00%	\$ 612,678,079	20.99%
2010	\$ 13,320,500	\$ 99,685,950	\$ 8,174,560	\$ 571,900	\$ 8,857,220	\$ 130,610,130	18.67	7.96%	29.00%	\$ 588,645,678	22.19%
2011	\$ 18,484,410	\$ 92,985,660	\$ 8,433,860	\$ 339,730	\$ 8,790,390	\$ 129,034,050	18.67	7.96%	29.00%	\$ 546,232,585	23.62%
2012	\$ 18,034,030	\$ 80,916,960	\$ 10,025,230	\$ 339,730	\$ 9,222,030	\$ 118,537,980	18.67	7.96%	29.00%	\$ 544,145,943	21.78%
2013	\$ 17,942,070	\$ 79,959,390	\$ 9,986,730	\$ 625,490	\$ 10,884,910	\$ 119,398,590	18.67	7.96%	29.00%	\$ 540,685,199	22.08%
2014	\$ 19,395,980	\$ 93,080,800	\$ 10,181,030	\$ 555,110	\$ 12,107,710	\$ 135,320,630	18.67	7.96%	29.00%	\$ 604,739,344	22.38%
2015	\$ 19,906,427	\$ 87,537,717	\$ 12,287,116	\$ 1,094,369	\$ 13,231,108	\$ 134,056,737	18.67	7.96%	29.00%	\$ 602,090,455	22.27%
2016	\$ 24,033,752	\$ 101,322,850	\$ 11,310,568	\$ 1,854,517	\$ 8,553,400	\$ 147,075,087	18.67	7.96%	29.00%	\$ 702,462,958	20.94%

Notes:

- (1) Property in Arapahoe County is reassessed every two years and is based on the market value calculated as of January 1 of the preceding year.
- (2) This schedule excludes property which is exempt from taxation.
- (3) "Other Property" includes state-assessed properties.
- (4) All property except residential is assessed at 29% of the estimated actual value. The residential assessment rate is established by the State Legislature every two years in order to maintain the tax burden balance between residential property and all other property.

CITY OF GLENDALE, COLORADO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$1,000 of Assessed Value)

SCHEDULE 8

	Fiscal Year										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
City direct rate	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670
Overlapping rates ⁽¹⁾											
Arapahoe County ⁽²⁾	15.217	15.609	15.672	15.949	17.316	17.150	17.130	16.950	16.460	15.950	15.950
Cherry Creek School District #5	47.397	49.569	48.825	50.947	54.367	58.037	57.492	56.702	52.340	53.950	53.950
Arapahoe Library District	4.814	4.827	4.783	4.869	4.981	4.903	4.861	4.794	6.230	5.926	5.926
Urban Drainage and Flood Control	0.568	0.550	0.569	0.576	0.623	0.599	0.672	0.700	0.580	0.559	0.559

Note: The City's property tax rate may be increased only by a majority vote of the City's residents.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Glendale.

(2) Arapahoe County Tax Levy Percentage includes Developmental Disability rate of 1.000

**CITY OF GLENDALE, COLORADO
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Galleria Acquisition, Inc.	\$ 12,047,059	1	9.41%	\$ 11,599,990	1	10.67%
AA Cherry Creek LLC	\$ 8,990,001	2	7.02%			N/A
Corum Cherry Creek LLC	\$ 6,921,170	3	5.40%	\$ 8,462,720	2	N/A
Dayton Hudson	\$ 4,900,420	4	3.83%	\$ 3,899,220	7	N/A
DV Colorado	\$ 4,768,180	5	3.72%			0.00%
H Creek Apartments	\$ 4,322,280	6	3.37%			0.00%
KMC-O Property	\$ 4,177,741	7	3.26%	\$ 3,770,000	8	N/A
Behringer Harvard Cherry Creek	\$ 4,113,967	8	3.21%			0.00%
Cherry Creek Lodging, LLC	\$ 3,993,138	9	3.12%			N/A
New One Cherry, LP	\$ 3,944,925	10	3.08%			N/A
Campus Creek			N/A	\$ 7,211,910		6.64%
Mountain Tower Properties			N/A	\$ 6,815,000	4	6.27%
Cherry Tree LLC			N/A	\$ 6,299,570	5	5.80%
Cherry Creek Tower Apartments			N/A	\$ 5,970,000	6	5.49%
Crown-Denver IV			N/A	\$ 3,367,130	9	3.10%
Loews Cherry Creek Hotel Corp			N/A	\$ 3,077,510	10	2.83%

**CITY OF GLENDALE, COLORADO
PROPERTY TAX LEVIES AND COLLECTIONS⁽¹⁾
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for Collection in the Fiscal Year	Less City tax increment paid to Urban Renewal Authority	Net Taxes Levied for Collection by City ⁽²⁾	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2007	\$ 2,028,884	\$ --	\$ 2,028,884	\$ 2,007,935	98.97%
2008	\$ 2,411,929	\$ 9,475	\$ 2,402,454	\$ 2,382,246	99.16%
2009	\$ 2,400,448	\$ --	\$ 2,400,448	\$ 2,358,264	98.24%
2010	\$ 2,438,491	\$ --	\$ 2,438,491	\$ 2,242,535	91.96%
2011	\$ 2,409,066	\$ 60,597	\$ 2,348,469	\$ 2,331,088	99.26%
2012	\$ 2,213,104	\$ 48,976	\$ 2,164,128	\$ 2,104,609	97.25%
2013	\$ 2,229,172	\$ 41,915	\$ 2,187,256	\$ 2,140,319	97.85%
2014	\$ 2,526,436	\$ 169,090	\$ 2,357,346	\$ 2,276,810	96.58%
2015	\$ 2,502,839	\$ 169,678	\$ 2,333,161	\$ 2,292,128	98.24%
2016	\$ 2,745,892	\$ 236,627	\$ 2,509,265	\$ 2,481,365	98.89%

Note: Arapahoe County is the collection agent for the City of Glendale and does not provide data indicating to which levy year delinquent tax collections relate. Further, typically less than 3% of the total taxes levied each year are delinquent. Therefore, delinquent taxes are not shown separately here.

- (1) This schedule excludes specific ownership taxes, which is a personal property tax assessed on motor vehicles.
- (2) Excludes tax increment of other taxing authorities within the Urban Renewal Authority areas, which taxes are collectible by the Urban Renewal Authority.

CITY OF GLENDALE, COLORADO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds	Revenue Bonds	Certificates of Participation	Capital Leases	Water Revenue Loan	Wastewater Revenue Loan			
2007	\$ --	\$ --	\$ 19,830,000	\$ 412,824	\$ 2,504,288	\$ 9,253,853	\$ 32,000,965	13.18%	6,716
2008	\$ --	\$ 17,670,000	\$ 19,175,000	\$ 309,816	\$ 2,271,038	\$ 8,866,228	\$ 48,292,082	19.20%	10,073
2009	\$ --	\$ 17,120,000	\$ 18,495,000	\$ 210,840	\$ 2,027,685	\$ 8,478,605	\$ 46,332,130	22.10%	9,567
2010	\$ --	\$ 16,555,000	\$ 17,790,000	\$ 783,589	\$ 1,773,771	\$ 8,080,061	\$ 44,982,421	22.31%	10,751
2011	\$ --	\$ 15,970,000	\$ 17,055,000	\$ 618,973	\$ 1,508,818	\$ 7,676,056	\$ 42,828,847	18.78%	8,803
2012	\$ --	\$ 15,360,000	\$ 16,290,000	\$ 984,712	\$ 1,232,322	\$ 7,266,595	\$ 41,133,629	18.11%	9,225
2013	\$ --	\$ 14,725,000	\$ 15,480,000	\$ 842,110	\$ 943,758	\$ 6,851,673	\$ 38,842,541	17.36%	9,021
2014	\$ --	\$ 14,065,000	\$ 14,625,000	\$ 693,608	\$ 642,574	\$ 6,425,832	\$ 36,452,014	16.58%	8,079
2015	\$ 2,403,800	\$ 15,330,000	\$ 10,810,000	\$ 538,952	\$ 328,190	\$ 5,994,531	\$ 35,405,473	14.52%	7,077
2016	\$ 2,403,800	\$ 14,290,000	\$ 9,940,000	\$ 377,873	\$ --	\$ 5,557,771	\$ 32,569,444	12.86%	6,266

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

(1) See Schedule 15 for personal income and population data.

CITY OF GLENDALE, COLORADO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General bonded debt outstanding:										
General obligation bonds ⁽¹⁾	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2,403,800	\$ 2,403,800
Percentage of estimated actual property value ⁽²⁾	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.40%	0.34%
Per capita ⁽³⁾	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 480	\$ 462
Legal debt limit ⁽⁴⁾	\$ 14,653,467	\$ 14,568,049	\$ 18,380,342	\$ 17,659,370	\$ 16,386,978	\$ 16,324,378	\$ 16,220,556	\$ 18,142,180	\$ 18,062,714	\$ 21,073,889
Legal debt margin ⁽⁵⁾	\$ 14,653,467	\$ 14,568,049	\$ 18,380,342	\$ 17,659,370	\$ 16,386,978	\$ 16,324,378	\$ 16,220,556	\$ 18,142,180	\$ 15,658,914	\$ 18,670,089
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	86.69%	88.59%

(1) No amounts have been restricted to the repayment of the principal of general obligation bonds.

(2) Property value data can be found in Schedule 7, Assessed Value and Actual Value of Taxable Property

(3) Population data can be found in Schedule 15, Economic and Demographic Indicators.

(4) State statutes limit the City's outstanding general obligation debt to no more than 3% of the estimated actual property value.

(5) The legal debt margin is the City's available borrowing authority under state statutes and is calculated by subtracting the net debt applicable to the legal debt limit (general obligation debt) from the legal debt limit.

**CITY OF GLENDALE, COLORADO
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2016**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping debt:			
Arapahoe County	\$ 1,990,094,600	1.58%	\$ 31,401,524
Arapahoe Library District	8,415,000	2.87%	241,647
Cherry Creek School District	497,198,000	2.74%	13,634,294
Subtotal, overlapping debt	2,495,707,600		45,277,466
City direct debt	32,569,444	100.00%	\$ 32,569,444
Total direct and overlapping debt	\$ 2,528,277,044		\$ 77,846,910

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

**CITY OF GLENDALE, COLORADO
 PLEDGED-REVENUE COVERAGE
 CURRENT YEAR**

Fiscal Year	Wastewater Fund Resources ⁽¹⁾	General and Event Center Fund Resources	Debt Service		Coverage
			Principal	Interest(2)	
2016	\$ 1,078,678	\$ --	\$ 436,760	\$ 190,907	1.72
2016	\$ --	\$ 19,715,452	\$ 1,040,000	\$ 433,213	13.38

(1) Wastewater Fund resources includes repayment of the advance from the Glendale Economic Redevelopment Authority (recorded as interfund advances).

(2) Interest is presented on a cash basis for purposes of this schedule.

**CITY OF GLENDALE, COLORADO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS**

SCHEDULE 15

<u>Fiscal Year</u>	<u>Population⁽¹⁾</u>	<u>Personal Income⁽²⁾</u>	<u>Per Capita Personal Income⁽²⁾</u>	<u>Unemployment Rate (%)⁽³⁾</u>
2007	4,765	\$ 242,762,455	\$ 50,947	4.7
2008	4,794	\$ 251,565,150	\$ 52,475	6.3
2009	4,843	\$ 209,605,040	\$ 43,280	7.7
2010	4,184	\$ 201,647,880	\$ 48,195	6.6
2011	4,865	\$ 228,027,415	\$ 46,871	8.8
2012	4,459	\$ 227,123,624	\$ 50,936	6.9
2013	4,306	\$ 223,718,230	\$ 51,955	6.2
2014	4,512	\$ 219,869,760	\$ 48,730	4.5
2015	5,003	\$ 270,076,949	\$ 53,983	4.5
2016	5,198	\$ 253,298,540	\$ 48,730	2.6

NOTES:

- (1) Source: Colorado Department of Local Affairs.
- (2) Source: Bureau of Economic Analysis (2013 income derived using inflation adjustment); data is for Denver-Aurora-Lakewood
- (3) Source: Colorado Department of Labor and Employment; data is for Arapahoe County.

**CITY OF GLENDALE, COLORADO
 PRINCIPAL EMPLOYERS
 CURRENT YEAR**

Employer	2016		
	Employees	Rank	Percentage of Total City Employment
Colorado Department of Public Health and Environment	1,367	1	16.08%
Lenderlive Network	445	2	5.24%
Janus Management Holding	306	3	3.60%
Target	302	4	3.55%
The Denver Hospice	266	5	3.13%
Murray BMW of Denver	215	6	2.53%
The Home Depot	209	7	2.46%
King Soopers	197	8	2.32%
Department of Veterans Affairs	146	9	1.72%
Petsmart Inc	131	10	1.54%

**CITY OF GLENDALE, COLORADO
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY DEPARTMENT
 LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City Manager's Office	2.35	2.35	2.50	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Planning and Development	1.59	1.58	1.75	1.75	1.25	1.25	1.25	1.25	1.35	1.35
Human Resources	1.00	1.00	1.00	1.00	--	--	--	--	--	-
Finance	4.40	4.93	4.75	5.00	5.00	5.50	5.50	5.50	5.40	5.30
Administrative Services	2.11	3.30	2.05	1.85	2.65	3.35	3.35	3.35	3.90	3.40
Municipal Court	1.10	1.33	1.00	1.00	1.30	1.10	1.10	1.10	1.10	1.10
Police - Non-Sworn	12.00	12.00	11.00	11.00	11.00	10.00	9.00	10.00	9.00	11.00
Police - Sworn	23.00	23.10	27.00	25.30	24.70	26.00	24.60	25.60	25.00	21.50
Fire Department	0.40	0.40	0.40	0.25	0.45	0.65	0.65	0.65	0.65	0.65
Public Works	12.40	12.40	11.70	12.00	12.40	11.80	12.80	9.35	12.60	12.10
Facilities	0.40	0.35	1.20	1.40	1.60	1.50	3.20	3.20	3.50	4.50
Recreation and Stadium ⁽¹⁾	0.25	3.38	4.55	3.75	3.75	5.15	4.55	5.00	4.50	4.50
Event Center ⁽²⁾	--	--	4.00	4.00	4.00	4.00	5.00	4.00	6.00	7.00
Total	61.00	66.12	72.90	70.30	69.10	71.30	72.00	70.00	74.00	73.40

(1) The Infinity Park Stadium was completed in September 2007; and the Glendale Sports Center opened in July 2008.

(2) The Infinity Park Event Center opened in November 2008.

**CITY OF GLENDALE, COLORADO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Building Department										
Permits issued:										
Building	67	58	55	63	92	92	98	76	73	103
Other (electrical, plumbing, mechanical, sign, misc)	260	216	225	365	248	307	288	277	272	452
Municipal Court										
Citations and Municipal Code violations filed	791	793	630	595	469	408	440	478	505	630
Cases heard in court (filed in current and previous years)	569	459	374	471	479	387	374	414	460	642
Public Safety										
Overall change in crime rate - increase/decrease	7.0%	8.4%	-33.8%	8.4%	1.9%	2.6%	6.3%	8.6%	5.2%	5.6%
Ticketed violations	1,418	745	628	595	469	414	440	478	502	474
Public Works										
Potable Water - billed consumption (gallons) ⁽¹⁾	N/A	276,842,000	252,067,000	258,067,000	271,437,000	271,437,000	244,703,400	267,374,000	260,370,000	270,890,000
Sewer - treated - total (gallons)	243,600,000	200,970,000	177,160,000	173,690,000	181,000,000	188,690,000	215,885,735	195,910,000	210,290,000	218,480,000

(1) Information in this format is not available (N/A) for year indicated.

CITY OF GLENDALE, COLORADO
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Area - acres	355	355	355	369	369	369	369	369	369	369
Public Safety										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Highways and Streets										
Streets (miles)	5.5	5.5	5.5	5.5	6.9	6.9	7.1	7.1	7.1	7.1
Traffic signals entirely in the City of Glendale	7	7	7	7	7	7	7	7	7	7
Traffic signals partially in the City of Glendale	6	6	6	6	6	6	6	6	6	6
Water										
Domestic Water taps	215	258	258	258	258	275	276	275	275	274
Non-potable taps	10	6	6	6	6	2	2	2	2	2
Fire Standby Water taps ⁽¹⁾	N/A	88	88	88	88	97	98	100	100	100
Water mains (potable and non-potable) - miles	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7
Sewer										
Number of taps	220	224	224	224	224	228	229	229	229	229
Sewer mains - miles	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Stormwater										
Stormwater mains - miles	7.0	7.0	7.0	7.0	10.1	10.1	10.1	10.1	10.1	10.1
Culture and Recreation										
Number of parks	6	6	7	7	7	7	7	7	7	7
Parks/open space acreage	34	34	42	42	42	42	42	42	42	42
Rugby/sports stadium	1	1	1	1	1	1	1	1	1	1
Artificial turf field	--	--	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Basketball courts	1	1	1	1	1	1	1	1	1	1
Recreation centers	1	1	1	1	1	1	1	1	1	1
Event centers	--	1	1	1	1	1	1	1	1	1

(1) Information in this format is not available (N/A) for year indicated.