



City of
Golden

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2016

Golden, Colorado



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CITY OF
GOLDEN, COLORADO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDED DECEMBER 31, 2016

Jason T. Slowinski
City Manager

Prepared
by the
Finance Department

Jeffrey A. Hansen
Finance Director

City of Golden, Colorado
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2016

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Introductory Section



City of Golden

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FAX: 303-384-8001
WWW.CITYOFGOLDEN.NET

June 13, 2017

Honorable Mayor Sloan,
Members of City Council, and
Citizens of Golden, Colorado:

By State law, the City of Golden is required to publish a Comprehensive Annual Financial Report (CAFR) within seven months of the close of each fiscal year. The report shall be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In conformance with those requirements, we hereby submit the CAFR for the City of Golden for the fiscal year ended December 31, 2016.

This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the prepared data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City and results of the operations of its various funds. All necessary disclosures are included in this document, enabling the reader to gain a full understanding of the City's financial activities.

City management is responsible for establishing, implementing, and maintaining an internal control framework designed to ensure that City assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control framework is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

The City Charter requires an annual audit of the books of account, financial records, and transactions of all City administrative departments by independent certified public accountants selected by City Council. The 2016 audit was conducted by CliftonLarsonAllen LLP. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement. The independent auditor concluded that the City of Golden's financial statements for the fiscal year ended December 31, 2016 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the



MD&A and should be read in conjunction with it. The MD&A can be found in the financial section, immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Golden is situated in central Jefferson County, on the west edge of the Denver Metropolitan area at the foot of the Rocky Mountains. Golden is located along Interstate 70, U.S. Highways 6 and 40, and state highways 93 and 470, providing good highway access to the entire region, including Denver to the east, Boulder to the north and the mountains to the west. Its location, accessibility, views of the mountains and mesas, and “small town feel” combine to make Golden a desirable location to visit, live, work, and play.

The City has a rich history as part of the “Old West”. Golden was a mining town established in 1859, and served as the Colorado Territorial Capital from 1862-67. Golden incorporated in 1871 and became a home rule city in 1967. At December 31, 2016, Golden had an estimated population of 20,330 and a land area of 9.7 square miles.

The City operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of the Mayor and six other members. The Council is elected on a non-partisan basis for four-year staggered terms, with elections every two years. Four of the council members are elected by wards, two by districts (each encompassing two wards), and the Mayor is elected at large. The City Council is primarily responsible for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and direction of the Council, overseeing the day-to-day operations of the City, and appointing the heads of the various departments.

The City provides a full range of services including public safety (police and fire), streets, water, wastewater, drainage, public improvements, parks and recreation, planning and development, and general administrative services. The Parks and Recreation, Public Works, and Police Departments are all nationally accredited, with the City having the first municipal parks and recreation department in Colorado to achieve such distinction. The City is the seventh agency in the nation to achieve accreditation in all three departments. These distinctions are an indication of the quality of the City’s employees, operations, and services provided.

Component Units: The Golden Downtown General Improvement District (GDGID) was established to provide additional parking and parking improvements in the downtown area, and the Downtown Development Authority (DDA) was established to provide economic development support in and around the downtown area. Although they are separate legal entities, they function, in essence, as departments of the City and therefore, are included as an integral part of the City’s financial statements. The Golden Capital Leasing Corporation (GCLC) was formed in 2006 to facilitate an annually renewable lease-purchase agreement resulting from the issuance of Certificates of Participation (COP’s) to finance the construction of a new municipal shops facility and the reconstruction of Fire Station #1. The GCLC also functions as an integral part of the City and is reported as a blended component unit. The Golden Urban Renewal Authority (GURA) is included as a discretely presented component unit, as the City Council appoints the members of the GURA board and established the tax increment financing for GURA’s operations, of which sales tax increments are paid by the City.

Budget: The budget serves as the foundation for the City’s financial planning and control. While the City prepares a biennial budget document, the City Council formally adopts an annual budget and is required by the City Charter to adopt the final budget no later than the close of the prior fiscal year. The budget is prepared at the fund and department levels. Expenditures may not exceed appropriations at the fund level.

Management may make transfers within a fund. Any budget revisions that change the total expenditures of any fund must be approved by the City Council.

Economic Condition and Outlook

Local Economy: Compared to most of the nation, the City has experienced a quicker and stronger recovery from the recession of 2008-09. That recovery has continued in 2016 as sales tax revenues were up 6.3% after increasing 7.2% in 2015. While use tax collections were down 11.2% in 2016 and 10.8% in 2015. Some of this decline was anticipated after an extraordinarily large increase of 26.3% in 2014. 2016 use tax collections were slightly above 2013 levels.

The City maintains a good mix of retail, commercial, and industrial businesses. With Colorado School of Mines, Jefferson County offices, Interplaza, the Golden Town Center, Corporate Center, and the Coors Technology Center within the City's borders, and MillerCoors as our neighbor, Golden has a very strong and diversified employment base.

Major retailers include Home Depot, Kohl's, King Soopers, Safeway, Natural Grocers, Petco, and Staples, as well as several Starbucks and many of the major fast food chains. In addition, some of the larger local retail businesses include Briarwood Inn, Table Mountain Inn, the Golden Hotel, Bent Gate, and several automotive dealerships.

In the non-retail arena, the City has a wide variety of commercial, manufacturing and industrial businesses, especially in areas of energy and technology, including: Steelhead Composites, a manufacturer of hydraulic accumulators for hybrid trucks; Unisyn, a manufacturer in the medical imaging sector; an Audi test facility and offices; CoorsTek, Rocky Mountain Metal Container, and other businesses that support and complement the operations of the MillerCoors facility; Outlast Technologies, the leader in phase change materials to regulate temperature; Master Tech Services, a manufacturer of cooling towers/ventilation systems; bicycle manufacturers Yeti and Maverick; and several environmental engineering firms. Traxion, an accelerator for start-up businesses, was established in 2016 with facilities in downtown Golden.

Economic development efforts in the past that have proven successful in the strengthening of the City's revenue base continue to make a significant impact on the City's sales tax revenues, both keeping Golden citizens shopping in Golden and also bringing in customers from surrounding areas. On-going economic development efforts include small tax incentive shareback grants to assist commercial and industrial businesses move to Golden, expand their existing facilities, or invest in needed capital equipment.

Business activity in Golden in 2016 included: MIE Properties completed construction of a 110,000 square foot flex space building for several new tenants; CoorsTek, a world leader in industrial ceramics, continued with improvements at two locations at the Coors Tech Center in preparation for relocating their operations from the current facility in the downtown area; Harley Davidson began construction of a new dealership in the Gateway Village complex; Tequila's completed the reconstruction of their restaurant on South Golden Road; and New Terrain brewery completed construction of their production facility in the Coors Tech Center.

Residentially, construction was completed on Golden Vista, a mixed-use complex that includes 172 apartment units and 5,000 square feet of retail space. Golden Vista is located across Highway 6 from the light rail station, but is connected by a pedestrian bridge across the highway.

Year after year, Downtown Golden continues to be a regional draw for shopping and dining, as well as a gathering place for community events including Buffalo Bill Days, Fine Arts Festival, Christmas



Candlelight Walk and caroling, car shows, kayak competitions, and 4th of July events and fireworks, among others. These events also result in additional business for the downtown retailers and restaurants. Sales tax revenues in the downtown area increased 2.56% in 2016, on top of a 10.03% increase in 2015.

In 2013, voters approved the formation of the DDA to take over in 2015 for GURA, whose tax-increment financing expired for the downtown area at the end of 2014. GURA has established other urban renewal projects in the City, including a stretch of West Colfax Avenue and a commercial area near Golden High School that now houses the Natural Grocers store. Both GURA and DDA receive tax increment financing from the City.

The completion of the West Line of the metro area light rail system, which began operating in April 2013 and begins in Golden along the U.S. Highway 6 corridor, with various stops between Golden and Downtown Denver has had a positive impact on Golden. To complement the light rail and help move tourists and others between the light rail station and Downtown Golden, the City partnered with the Regional Transportation District (RTD) to provide a circulator bus and call-n-ride service in Golden.

City facilities also contribute significantly to the local economy, providing job opportunities (especially for the local youth) and bringing people to the Golden area where they might also frequent other local establishments. The City has several park complexes that host numerous baseball, softball, soccer, and lacrosse tournaments each year. The Splash at Fossil Trace is a very popular outdoor family aquatics park that operates from Memorial Day weekend through mid-to-late August. Fossil Trace Golf Club, designed by Jim Engh, provides a challenging golf experience as well as scenic views of the surrounding mesas, foothills and Rocky Mountains. The clubhouse, which includes an outdoor wedding area and a banquet/meeting room facility in addition to the restaurant area, provides sufficient room to allow catered events to be held year round. Fossil Trace opened in late July 2003 to rave reviews and has annually earned local and national recognition. Recent honors include: several People's Choice awards, including Best Denver/Front Range Course and Best Charity Tournament Venue (2013 and 2014), Best Service and Best Finishing Hole (2014) in *Colorado Avid Golfer Magazine*; Best Course in Denver by *Denver A-List* (2014, 2015, and 2016); Head Pro Jim Hajek was named the 2015 National PGA Merchandiser of the Year for public courses and also the Colorado Golf Hall of Fame's 2016 Person of the Year; and merchandiser Jane Schwab received the 2016 Platinum Award from the Association of Golf Merchandisers. On May 4, 2016, Fossil Trace was one of 6 courses nationally to host a live instruction hour on the Golf Channel, with nationally recognized instructor Hank Haney providing the instruction at Fossil Trace.

Prior to the recent recession, property tax revenues increased on an annual basis, primarily due to increases in assessed valuations, along with some new construction. The City has a growth restriction in place, limiting the number of residential building permits issued per year to .9% of the current number of residential units. Builders are allowed to accumulate permit allocations for larger projects to allow for cost efficiencies in the construction of the projects. The biennial reassessment that occurred in 2015 resulted in an increase of 14.2% over the 2014 valuation and resulted in an additional \$1.2 million in property tax revenues in 2016.

The City's diverse revenue structure has successfully seen the City through the tough economic recession and allows it to retain the small town character and high quality living environment, while continuing to maintain existing infrastructure and provide high level services.

Long-Term Financial Planning: The City's budget process includes the preparation of a 10-year capital improvement plan (CIP). The CIP identifies major construction and equipment needs that are on the horizon, as well as projections of those revenues dedicated for capital purchases. One-third of the City's three percent sales tax rate is dedicated to capital improvements. In addition, highway user's tax, lottery

funds, and the majority of the City's share of the county open space tax are all dedicated to capital improvements.

A key component of the CIP is the City's commitment to maintaining its current infrastructure. Streets, curbs, gutters, sidewalks, and the utility system are evaluated annually, with resources dedicated to keeping infrastructure at acceptable quality levels and avoiding more costly major repairs and reconstruction. The City adopted this infrastructure maintenance program over 20 years ago with Council's commitment that funding for the program is the highest priority in the CIP. Major repairs, reconstructions, and other capital needs are then prioritized from any remaining resources.

While the 10-year CIP is a planning tool that is subject to change, it allows the City to prepare for major capital needs and match those needs with the appropriate projected revenue sources. This process also helps the City plan for potential debt issuances to finance needed projects.

Relevant Financial Policies: The Colorado Constitutional Amendment passed in November 1992, commonly known as the Taxpayer Bill of Rights (TABOR), restricts growth in governmental spending and revenues, with those amounts adjusted annually for inflation and a local growth factor. In November 1995, Golden's voters approved a referendum that allowed the City to retain revenues that might otherwise have been refundable to citizens under the TABOR limits. As a result, the City is able to retain any "excess" revenues and spend them for capital improvements, municipal operations and services, and other public purposes. The City continues to be subject to other provisions of TABOR, including maintaining an emergency reserve equal to 3% of annual spending and the requirement for elections to approve any tax increase or debt issuance (except related to enterprise funds, *i.e.*, Water, Wastewater, or Drainage Utility operations).

Major Initiatives: The City dedicates a significant amount of resources toward maintaining and improving the quality of life for the citizens and visitors in Golden. Major initiatives in 2016 included:

The City received a grant award of \$20 million in funding from the State Department of Transportation for the construction of a grade separated interchange along Highway 6 at 19th Street. The project includes a \$5 million local match requirement, with the City contributing \$4 million and the Colorado School of Mines contributing \$1 million. Design and engineering was completed in 2015, with construction starting in February 2016. Completion is planned for late summer 2017.

In 2016, the City began construction on the replacement/expansion of the Ulysses Skate Park. Construction on the \$1 million project was completed in early 2017.

Construction also began on the 44th Avenue trail, that will connect downtown Golden to Gramscas Park and also provide another trail connection into Denver. Completion of the project is planned for summer 2017.

Structural Repairs were completed in 2016 on the Astor House Museum building. Museum staff is conducting feasibility study to look at repurposing the building into a beer museum/beer garden. Remodeling of the Astor House is anticipated to occur later in 2017.

Other Projects – The City invested in several other large capital construction projects during 2016. Investments in water, sewer, and storm drainage system improvements (\$4.2 million); street improvements (\$2.3 million); curb-gutter-sidewalks (\$1.0 million); and park and trail improvements (\$392,000) reflect



the City's commitment to maintaining the existing infrastructure. In addition, the City invested \$929,000 in replacement vehicles and heavy equipment and \$360,000 in technology equipment and software.

Looking Ahead – Future projects include the continuation of infrastructure maintenance/replacements, park and trail improvements, information technology and communication systems improvements, investments for energy savings and sustainability, vehicle replacements, and public safety equipment replacements. In 2017, the major project for the City will be the completion Highway 6 and 19th Street intersection. In addition to that and the continuation of on-going system improvements, the City has budgeted \$3.2 million for a “complete street” project on North Washington; \$575,000 for the purchase of a replacement fire engine; \$500,000 for a wildlife crossing under Highway 6; and \$257,000 for various software upgrades.

Awards and Acknowledgements

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Golden for its Comprehensive Annual Financial Report for the fiscal year December 31, 2015. This was the 25th consecutive year that the City of Golden has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

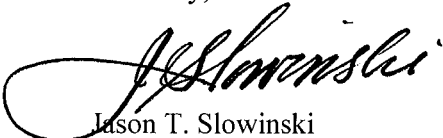
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

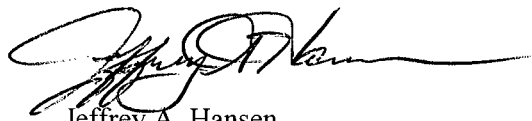
The City also received the GFOA Distinguished Budget Presentation Award for its 2015-2016 Biennial Budget. This marked the 13th consecutive period that the City has received this award.

Acknowledgments: The timely preparation of this report was made possible by the efficient and dedicated service of Assistant Finance Director Stephanie Novello, Accountant Maureen Wallen, and the entire Finance Department staff. Each member of the department has our sincere appreciation for their contributions in the preparation of this report.

In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Sincerely,


Jason T. Slowinski
City Manager


Jeffrey A. Hansen
Finance Director





City of
Golden

ELECTED AND APPOINTED OFFICIALS

Elected Officials

Mayor
Council Member – Ward 1
Mayor Pro-Tem – Ward 2
Council Member – Ward 3
Council Member – Ward 4
Council Member - District 1
Council Member – District 2

Marjorie Sloan
Marcia Claxton
Joe Behm
Pamela Gould
Laura Weinberg
Saoirse Charis-Graves
Marcie Miller

Appointed Officials

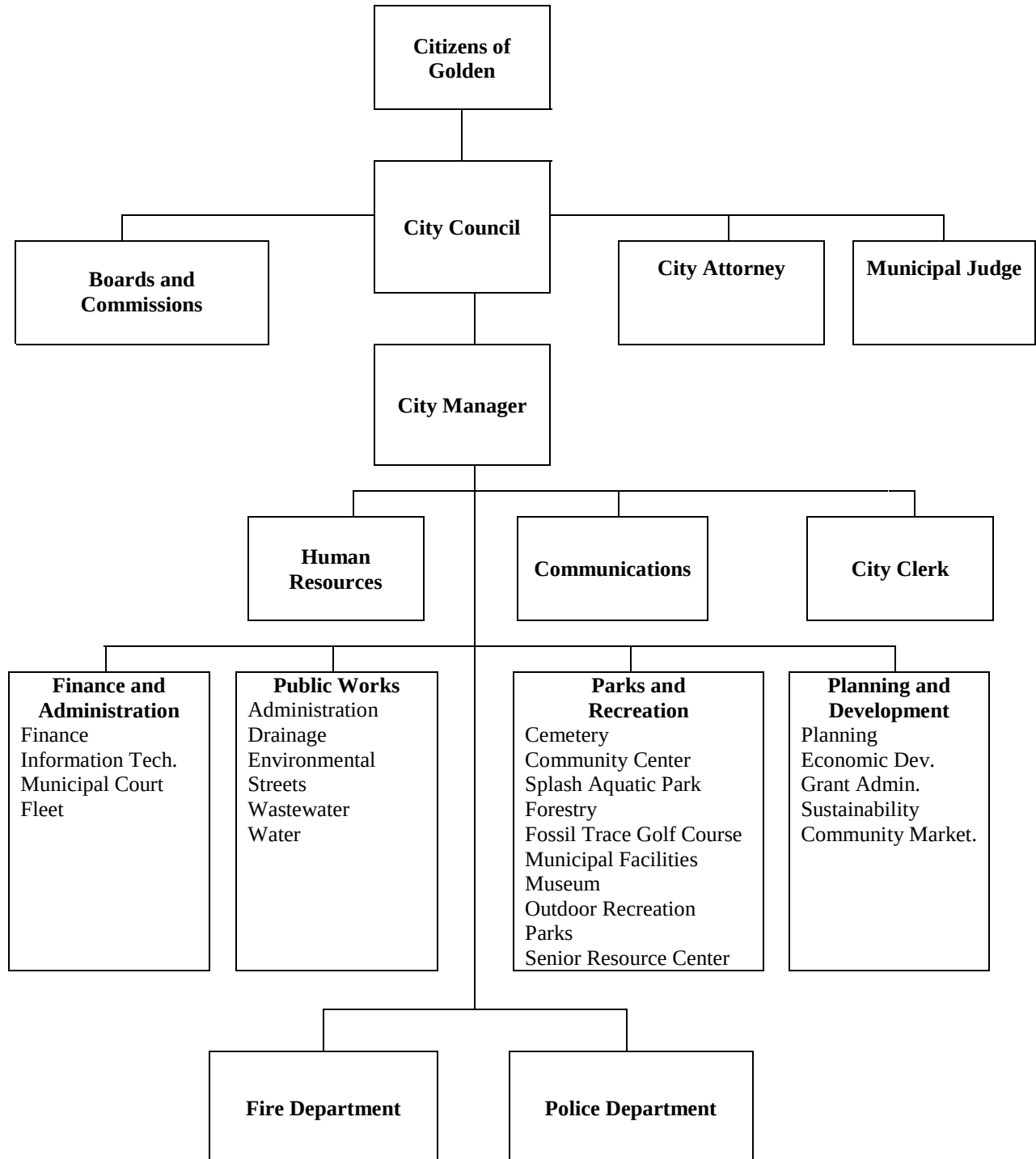
City Manager
City Attorney
City Clerk
Finance Director
Fire Chief
Human Resources Director
Planning and Development Director
Parks and Recreation Director
Police Chief
Public Works Director

Jason Slowinski
David Williamson, Esq
Susan Brooks
Jeff Hansen
John Bales
Teresa Reilly
Steve Glueck
Rod Tarullo
Bill Kilpatrick
Dan Hartman





Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Golden
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is fluid and cursive.

Executive Director/CEO







Financial Section

INDEPENDENT AUDITORS' REPORT

City Council
City of Golden
Golden, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Golden, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 entity's 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 entity's 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Golden as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison statement for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the City of Golden's 2015 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated May 31, 2016, prior to the identification of an error described in the "Emphasis of Matters" section below. Because the amounts relating to the correction of an error for revenue and related receivables for governmental activities as discussed in Note 13 to the financial statements and in the "Emphasis of Matters" section below were not applied to the 2015 financial statements, we express no opinion on the City of Golden's 2015 summarized comparative information presented herein.

Emphasis of Matters

Correction of an error

As discussed in Note 13 to the financial statements, the City of Golden restated its net position for governmental activities as of January 1, 2016 due to a correction of an error for revenue and related receivables. A summary of the restatement is presented in Note 13. Fiscal year 2015 was not restated for this correction of an error due to the fact that information was not available to the City of Golden on a summarized comparative basis.

Our auditors' opinions were not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis pension information on pages 4 - 16 and 61 - 62 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 required supplementary 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Golden's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the local highway finance report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section has 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2017, on our consideration of the City of Golden's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Golden's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 13, 2017

MANAGEMENT'S DISCUSSION & ANALYSIS

This discussion and analysis of the City of Golden's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2016. Please read it in conjunction with the transmittal letter and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City of Golden's financial position continues to be strong and improved during 2016.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2016 by \$205.6 million (net position). Of this amount, \$16.3 million or 7.9% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$6.9 million in 2016. Governmental Activities increased \$4.2 million, primarily related to the City's Net Investment in Capital Assets, which increased \$4.5 million. In the Governmental activities, Current and Other Assets increased by \$1.5 million primarily due to an increase in accounts receivable related to a grant reimbursement for the Highway 6 and 19th Street project. Capital assets increased \$1.9 million primarily related to the same project. Total net position for Business-type activities increased \$2.7 million, primarily related to the ongoing investment in Capital Assets.
- At December 31, 2016, the combined fund balance for the City's governmental funds was \$11.4 million, an increase of \$44,000. The fund balance of the General Fund increased \$1.4 million as a result of operations. The Sales and Use Tax Capital Improvement Fund (SUT Fund) decreased \$1.2 million, resulting in a negative fund balance due to the timing differences of capital project expenditures versus the grant reimbursement requests at year end.
- The unassigned fund balance for the General Fund was \$4.7 million, or 19.0% of the total General Fund expenditures. Total fund balance for the General Fund was 37.3% of expenditures.
- Total sales and use tax revenues, which include audit revenue and on-going sales and use tax remittances, increased 3.3% from 2015. Sales tax revenues increased 6.3% due to a robust local economy. Use tax was down 11.2% compared to 2015, which was anticipated due to larger than normal use tax collections from a couple of manufacturers in 2015.
- The City issued \$8.8 million of Refunding Certificates of Deposit in 2016, a current refunding of the 2006 Certificates of Deposit. For the year, the City's total debt principal decreased \$3.4 million to \$23.1 million.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the City of Golden's basic financial statements. The City's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The ***statement of net position*** presents the financial condition of the City as a whole at the end of the fiscal year by presenting information on all of the City's assets, deferred outflows and inflows of resources, and liabilities. The difference between the City's assets and deferred outflows of resources, less deferred inflows of resources and liabilities is reported as net position. Over time, increases or decreases 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 and

expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the City include general government, public safety (police and fire), public works, planning and economic development, parks and recreation. The Business-type Activities of the City include Water, Wastewater, Drainage, Fossil Trace Golf Club, Splash Aquatic Park, Community Center, Cemetery Operations, Rooney Road Sports Complex, and Museums.

The government-wide financial statements include not only the City of Golden, but also three component units, the Golden Downtown General Improvement District (GDGID), the Downtown Development Authority (DDA), and the Golden Urban Renewal Authority (GURA). Financial activities for the GDGID, which was formed to provide for parking improvements and maintenance in downtown Golden, and the DDA, which was formed to provide economic development support in the downtown area, are blended with the City activities. Financial information for GURA is reported separately from the financial information presented for the City itself. The Golden Capital Leasing Corporation (GCLC), which issued Certificates of Participation (COP's) for the construction of municipal facilities, is another component unit of the City. However, the GCLC is not reported in the financial statements as it has no financial balances or transactions outside of those reported by the City.

Fund Financial Statements

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. Some funds are required to be established by State law and bond covenants, however, City Council establishes other funds to help control and manage spendable resources for particular purposes (i.e. Community Center Fund). All of the City's funds can be divided into two categories: governmental funds and proprietary funds. The City does not currently have any fiduciary funds.

Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how spendable resources flow into and out of those funds and the balances left at year-end that are available for future years. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you 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.

Proprietary funds – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. 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 provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Fleet Management, Information Technology, and Insurance Funds.



Notes to 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 immediately after the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with non-major Governmental Funds and Internal Service Funds. Schedules that compare actual revenues and expenditures/expenses to budget amounts are also included. Combining and individual fund statements and schedules can be found after the Notes in the financial section.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$205.6 million at the close of 2016.

	Net Position					
	(in Thousands)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015*	2016	2015	2016	2015
Current and other assets	\$26,404	\$24,922	\$11,620	\$12,179	\$38,024	\$37,101
Capital assets	90,978	89,081	116,136	113,456	207,114	202,537
Total assets	117,382	114,003	127,756	125,635	245,138	239,638
Deferred outflows of resources	940	887	127	148	1,067	1,035
Long-term debt outstanding	14,580	17,285	4,755	5,655	19,335	22,940
Other liabilities	11,728	9,773	2,415	2,132	14,143	11,905
Total liabilities	26,308	27,058	7,170	7,787	33,478	34,845
Deferred inflows of resources	7,143	7,126	0	0	7,143	7,126
Net position:						
Net investment in capital assets	73,515	69,059	110,591	107,006	184,106	176,065
Restricted	4,358	4,347	799	796	5,157	5,143
Unrestricted	6,998	7,300	9,323	10,194	16,321	17,494
Total net position	84,871	80,706	120,713	117,996	205,584	198,702

* 2015 amounts were not restated for MD&A purposes. See Note 13 for further information.

By far the largest portion of the City of Golden's net position (89.6%) reflect its investment in capital assets (e.g. land, buildings, rec. campus, equipment, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets. 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 the related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

The restricted portion of net position (2.5%) represents resources that are subject to external restrictions as to how they may be used. The remaining balance of net position (\$16.3 million) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

The changes in Governmental Activities from 2015 to 2016 are primarily a result of normal operations (current and other assets), and the aforementioned changes to capital assets and net investment in capital



assets as a result of the Highway 6 and 19th Street project. Capital assets increased; long term debt decreased as debt was repaid; other liabilities increased due to year-end accounts payable on the project; and net investment in capital assets increased and unrestricted net position decreased as a result of the above factors.

In the Business-Type Activities, the increase in net position is primarily due to an increase in net investment in capital assets in the utility funds. On-going operations, system development fees from new construction, and the reduction of long-term debt outstanding also contributed to the increase.

CHANGES IN NET POSITION

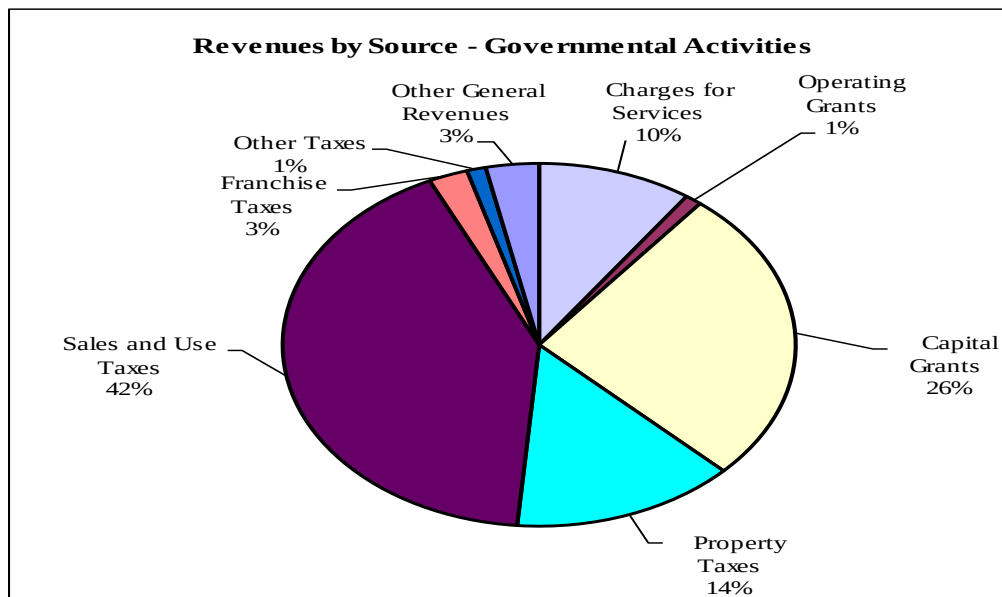
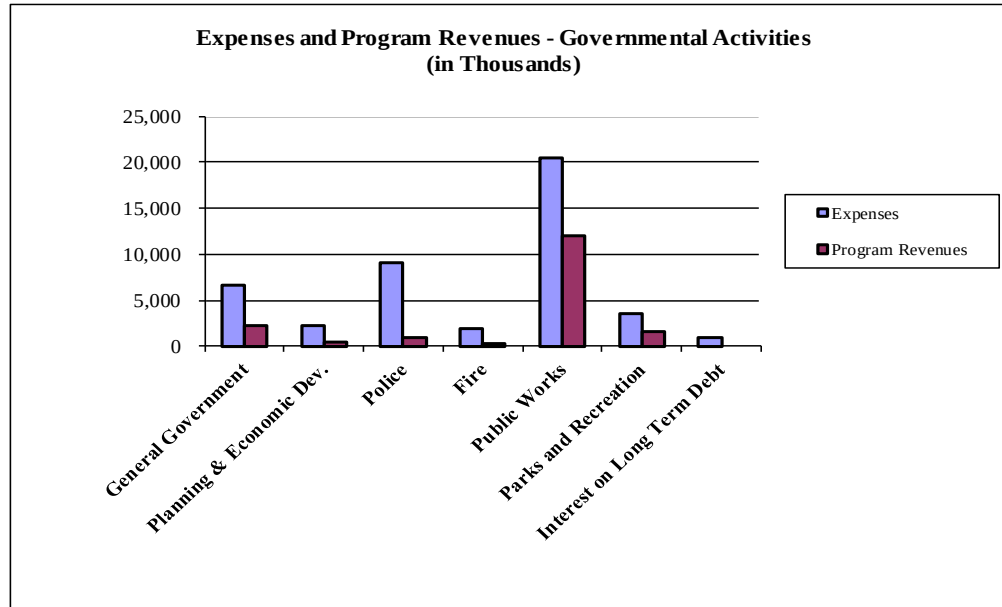
The City's total revenues of \$66.9 million exceeded program expenses of \$61.6 million. The total increase in net position for 2016 is \$6.9 million, primarily as a result of a capital grant from the State of Colorado for the Highway 6 and 19th Street Project and on-going operations across both governmental and business activities, and includes the effect of the prior period adjustment.

	Changes in Net Position (in Thousands)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Program revenues:						
Charges for services	\$4,630	\$4,065	\$16,270	\$15,643	\$20,900	\$19,708
Operating grants	501	435	74	54	575	489
Capital grants/Contributions	12,556	5,997	2,615	4,104	15,171	10,101
General revenues:						
Property taxes	6,719	5,540	0	0	6,719	5,540
Sales and use taxes	19,770	19,144	0	0	19,770	19,144
Franchise fees	1,176	1,213	0	0	1,176	1,213
Other taxes	566	537	0	0	566	537
Other general revenues	1,590	3,783	400	422	1,990	4,205
Total revenues	47,508	40,714	19,359	20,223	66,867	60,937
Program expenses:						
General Government	6,608	6,219	0	0	6,608	6,219
Planning & Economic Development	2,199	1,896	0	0	2,199	1,896
Police	9,121	7,917	0	0	9,121	7,917
Fire	1,968	1,863	0	0	1,968	1,863
Public Works	20,430	9,004	0	0	20,430	9,004
Parks and Recreation	3,615	3,439	0	0	3,615	3,439
Interest on Long-Term Debt	894	953	0	0	894	953
Water	0	0	5,853	5,522	5,853	5,522
Wastewater	0	0	2,058	1,905	2,058	1,905
Drainage	0	0	791	768	791	768
Fossil Trace Golf Course	0	0	3,343	3,147	3,343	3,147
Community Center	0	0	2,726	2,662	2,726	2,662
Aquatic Park	0	0	677	614	677	614
Cemetery Operations	0	0	497	483	497	483
Rooney Road Sports Complex	0	0	212	210	212	210
Museums	0	0	586	516	586	516
Total expenses	44,835	31,291	16,743	15,827	61,578	47,118
Excess before transfers	2,673	9,423	2,616	4,396	5,289	13,819
Transfers	(101)	(148)	101	148	0	0
Increase in net position	2,572	9,275	2,717	4,544	5,289	13,819
Beginning net position	80,706	81,524	117,996	100,155	198,702	181,679
Prior Period Adjustment	1,593	(10,093)	0	13,297	1,593	3,204
Ending net position	\$84,871	\$80,706	\$120,713	\$117,996	\$205,584	\$198,702



Governmental Activities

Total expenses exceeded Program Revenues for Governmental Activities by \$27.1 million for 2016, compared to \$20.8 million in 2015. The change in net position after transfers was an increase of \$2.6 million after an increase of \$9.3 million in 2015. Ending net position increased an additional \$1.6 million as a result of a prior period adjustment related to a grant receivable/revenue that should have been recognized in 2015. The following illustrates the Governmental Activities revenues and expenses:

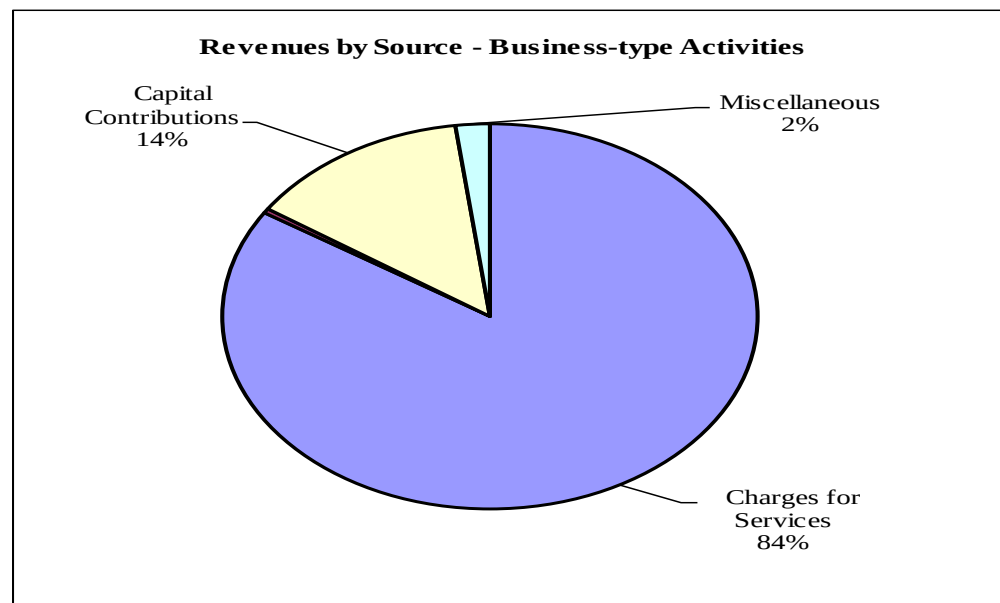
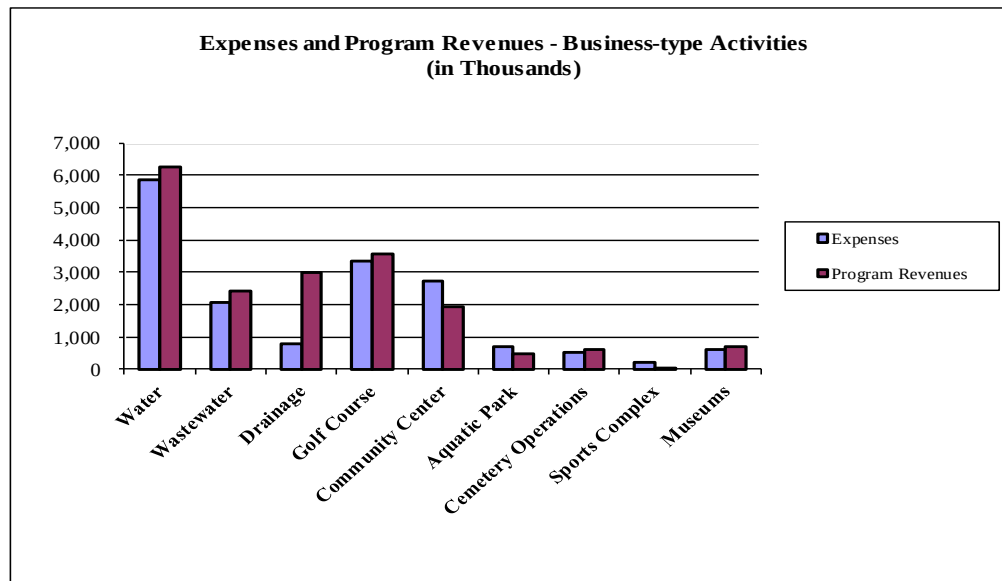


Sales and use tax revenue increased 3.3% in 2016, primarily due to an improved local economy. Property taxes increased as a result of the biennial valuation reassessment by the County Assessor's Office. Charges for services increased primarily due to plan check fees and other construction related revenues, and increased campground fees. Capital grants increased as a result of the State grant for the Highway 6 & 19th Street project. The decrease in other general revenues is from the receipt in 2015 of pension fund forfeitures that had accumulated over several years. Changes in all the other revenue sources were minimal.

Program expenses increased \$13.5 million from 2015. The increase in Public Works expenses is related to the portion of the Highway 6 and 19th Street project that will be owned and maintained by the State and is not part of the City's capital assets. The increase in Police expenses is a result of increased staffing and related operating expenses. Other changes are minimal and the result of normal operations.

Business-type Activities

Net position in Business-type Activities increased by \$2.7 million in 2016 compared to a \$4.5 million increase in 2015 prior to the effect of prior period adjustments (for 2015 only). The following illustrates the Business-type Activities revenues and expenses:



Charges for services for business-type activities increased \$627,000 compared to 2015. Operations in the Drainage, Fossil Trace Golf Course, and Cemetery funds were the primary contributors to the increase. Capital contributions decreased \$1.5 million as a result of the Solar PV project that impacted the Community Center, Fossil Trace Golf Course, and Splash Aquatic Park funds in 2015 and reduced system development fees in the Water and Wastewater funds.



Program expenses for business-type activities increased \$916,000 as a result of normal operations and increased depreciation expense across the funds.

The Community Center and Museums funds received transfers of \$375,000 and \$325,000 respectively, from the General Fund to subsidize operations.

THE CITY'S FUNDS

At year end, the City's Governmental Funds reported a combined fund balance of \$11.4 million, an increase of \$44,000 from 2015. The primary changes are an increase of \$1.4 million in the General Fund, as a result of operations; a decrease of \$1.2 million in the SUT Fund, which was a planned spend down of reserves, but shows a negative fund balance due to timing differences of expenditures and the grant reimbursement; and a cumulative decrease of \$155,000 from the other governmental funds, primarily a planned spend down for capital projects in the Conservation Trust, Open Space, and Capital Projects funds. Fund balances in the Governmental Funds are as follows (rounded):

General Fund:	
Unassigned	\$4,744,000
Assigned	1,898,000
Restricted	1,160,000
Nonspendable	1,488,000
Sales and Use Tax Capital Improvement Fund:	
Unassigned	(995,000)
Other Governmental Funds:	
Unassigned	(56,000)
Restricted	1,639,000
Nonspendable	1,559,000

The Enterprise Funds ended 2016 with a total unrestricted net position of \$9.3 million, a decrease of \$871,000 from 2015. The major changes occurred in the Water Fund, which decreased \$1.6 million in a planned spend down of reserves for needed capital improvements to the water system. Most other enterprise funds showed increases from on-going operations to offset a portion of the Water Fund decrease. Unrestricted net position balances in the Enterprise Funds are as follows (rounded):

Water Fund	\$3,048,000
Wastewater Fund	4,039,000
Drainage Fund	539,000
Fossil Trace Golf Course Fund	149,000
Community Center Fund	238,000
Other Proprietary Funds	1,310,000

GENERAL FUND BUDGETARY HIGHLIGHTS

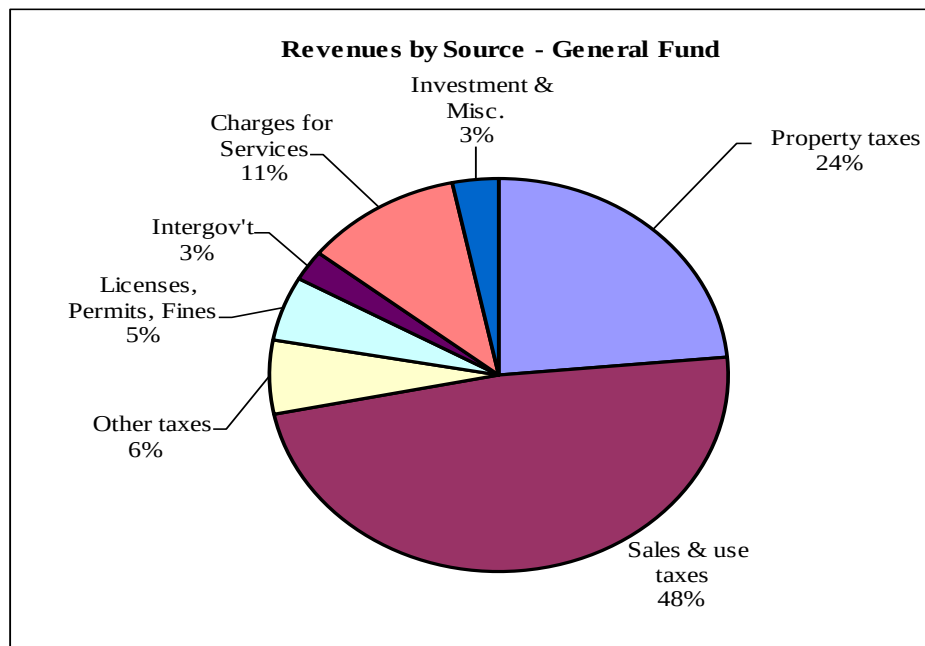
The General Fund accounts for all of the general services provided by the City of Golden. The 2016 Original and Final Budgets anticipated a use of fund balance of \$94,000 and \$100,000 respectively. However, at the end of 2016, the fund balance totaled \$9.3 million, an increase from 2015 of \$1.4 million. The year end fund balance is 35.7% of General Fund expenditures, including transfers out. The City's Budget Policy recommends a 20% level, but above 10% is considered acceptable. Given the



recent challenges in the economy, low interest rates, the ever increasing costs for personnel and insurance benefits, and continual pressure to subsidize the community's desires for improvements to infrastructure and other capital projects, the City's General Fund ended 2016 in a very strong financial position.

2016 General Fund revenues increased \$1.5 million from 2015. Tax revenues increased \$1.3 million; licenses and permits increased \$24,000; intergovernmental revenues increased \$57,000; charges for services increased \$284,000; fines and forfeitures increased \$180,000; and investment income increased \$39,000. Miscellaneous revenues decreased \$441,000. The overall increase in General Fund revenues is an indicator of a strong local economy.

The following illustrates revenues by source for the General Fund:

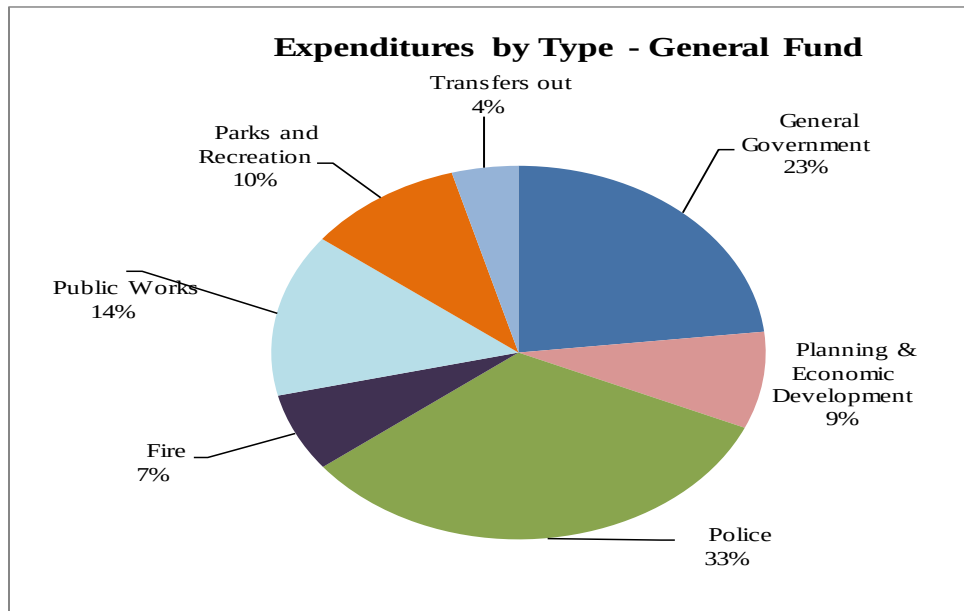


General Fund expenditures include all administrative functions of the City (i.e. Council, Clerk, Manager, Finance, Attorney, Human Resources, Municipal Facilities); public safety; streets and public works administration; planning and economic development; parks, outdoor recreation and administration; as well as a tax increment paid to the DDA and GURA for development projects and economic incentives/sharebacks.

Total General Fund expenditures (excluding transfers out) increased \$1.9 million in 2016. The increases are directly related to additions to staff and other increased personnel costs, as well as other operating costs in several areas. Transfers out decreased in 2016, primarily from a one-time transfer in 2015 to the SUT Fund of excess fund balance for the construction of a new skate park. General Fund expenditures (including transfers out) increased \$1.2 million compared to 2015.



The following illustrates expenditures by type for the General Fund:



All recommended amendments to the budget come through the Finance Department to the City Council via Ordinance as required by the City's Municipal Code. Ordinance enactment requires public hearing and the opportunity for public discussion. The Code does allow management to move budget amounts between departments and between line items within departments within the same fund, as long as the total budget for the fund remains unchanged.

For 2016, City Council approved two budget amendments that impacted various operating and capital funds. The amendments totaled \$1.5 million, spread over 13 different funds, primarily for projects and expenditures carried over from 2015, with some small adjustments at year-end based on expenditure projections. The net change to the General Fund was \$6,200. The original and final budgeted revenues (including transfers in) for the General Fund were \$26.2 million. Actual revenues of \$27.4 million were \$1.2 million greater than budgeted. Original and final budgeted expenditures (including transfers out) were \$26.3 million. Actual General Fund expenditures (including transfers out) totaled \$26.0 million. The year-end fund balance was \$1.5 million greater than the final budgeted amount.

CAPITAL ASSETS

In 2016, the City invested in a broad range of capital assets, including streets, water system, wastewater lines, storm drainage and other infrastructure improvements; various municipal facilities improvements; park and trail improvements; and various equipment and vehicles.

The following table provides a comparative summary of total capital assets at December 31, 2016 and 2015:

Capital Assets at Year-end
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	\$12,291	\$13,960	\$7,329	\$6,889	\$19,620	\$20,849
Land Improvements	9,864	10,480	8,820	9,729	18,684	20,209
Buildings	10,703	11,143	18,597	18,676	29,300	29,819
Artwork	926	926	7	7	933	933
Vehicles, Machinery & Equipment	7,537	8,045	5,443	5,163	12,980	13,208
Water rights	0	0	14,779	14,779	14,779	14,779
Infrastructure	43,081	42,150	58,761	57,190	101,842	99,340
Construction in progress	6,576	2,377	2,400	1,023	8,976	3,400
Totals	<u>\$90,978</u>	<u>\$89,081</u>	<u>\$116,136</u>	<u>\$113,456</u>	<u>\$207,114</u>	<u>\$202,537</u>

Major capital expenses during 2016 included:

Street Improvements	\$6,671,739
Water System Improvements	3,246,956
Park and Trail Improvements	1,608,965
Curb, Gutter and Sidewalks	1,022,945
Replacement Vehicles & Heavy Equipment	929,340
Building Improvements	791,070
Wastewater System Improvements	586,425
Golf Course Equipment	519,414
Storm Drainage System Improvements	363,220
I.T. Equipment/Software	360,189
Traffic Calming	321,576

The City remains committed to the upkeep and maintenance of the City's largest assets. More detailed information about the City's capital assets is presented in Notes 1 and 4 to the financial statements.

DEBT

Note 6 of the financial statements provides a summary of the City's long-term debt. At the end of 2016, the City had total debt outstanding of \$23.1 million. \$14.3 million is in revenue bonds, to be repaid only by specific tax and fee revenues. The capital lease, which covers the debt on the COP's, is to be repaid from sales and use tax revenues. The City's total debt decreased \$3.4 million in 2016 as a result of payments on the existing debt. In December 2016, the City issued 2016 Refunding Certificates of Participation that refunded the balance of the 2006 COP's. The City will realize the savings on the COP's beginning with the 2017 payments.

Outstanding Debt, at Year-end
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenue bonds and notes (backed by specific tax and fee revenues)	8,630	10,565	5,655	6,575	14,285	17,140
Certificates of Participation	8,795	9,340	0	0	8,795	9,340
Totals	<u>\$17,425</u>	<u>\$19,905</u>	<u>\$5,655</u>	<u>\$6,575</u>	<u>\$23,080</u>	<u>\$26,480</u>



ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Golden continues to maintain a strong financial position. City-wide reserves are at or above the levels required in the City's Budget Policy. In preparing the 2017 Budget, the City was conservatively optimistic in projecting revenue increases for sales and use taxes. The City continues to be cautious with its spending, delaying discretionary purchases as necessary and monitoring revenues to continually assess the City's financial position. The 2017 Budget reflects the City's continued commitment to capital replacement with maintenance of City infrastructure as a top priority.

The 2017 Budget anticipated sales and use tax revenues to increase 3.0% over projected 2016 amounts. Through March 2017 receipts, sales tax revenue is up 2.8%, with use tax down 9.3%. With other revenues projected to have modest increases and fund balance well above required levels, the 2017 General Fund budget continues to project solid financial footing, anticipating to end 2017 with a fund balance at 18.5% of operating expenditures.

The City's utility funds also remain in strong financial condition. For 2016 and 2017, utility rates were held at 2015 levels. Looking forward, the City has enough water resources, even in drought situations, to serve its citizens for many years to come. Rate increases are anticipated periodically for both the Water and Wastewater Funds as needed to cover operating costs and capital needs.

Rates for the Managerial Enterprise Funds - Community Center, the Splash Aquatic Park, Fossil Trace Golf Course, Rooney Road Sports Complex, and the Cemetery - are set to balance between competition and cost. The 2017 Budget includes funding for operations subsidy of the Community Center and Museums. The City's golf course, Fossil Trace Golf Club, has a full tournament schedule for 2017 and continues to sell out tee times on a daily basis during the prime golfing season. Generally, these rates are adjusted with each biennial budget. As such, some increases were implemented in 2017 as part of the 2017-18 biennial budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to show the City's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact the City's Finance Department at City of Golden, 911 10th Street, Golden, CO 80401, or at www.cityofgolden.net.





BASIC FINANCIAL STATEMENTS



City of Golden, Colorado
STATEMENT OF NET POSITION
December 31, 2016
With Comparative Totals for December 31, 2015

	Primary Government				Component Unit
	Governmental	Business-Type	Totals		
	Activities	Activities	2016	2015	
ASSETS					
Cash and Investments	\$ 13,994,076	\$ 8,921,313	\$ 22,915,389	\$ 23,802,481	\$ 2,284,131
Property Taxes Receivable	6,820,311	-	6,820,311	6,637,199	461,484
Accounts Receivable	5,018,151	1,719,046	6,737,197	4,704,922	4,032
Internal Balances	(42,616)	42,616	-	-	-
Prepaid Expenses	22,097	-	22,097	22,097	-
Inventory	19,626	137,761	157,387	187,311	-
Restricted Cash and Investments	572,010	799,406	1,371,416	1,746,632	-
Capital Assets not being depreciated	19,793,686	24,514,897	44,308,583	39,961,797	-
Capital Assets (Net of Accumulated Depreciation)	71,184,605	91,621,259	162,805,864	162,574,764	-
TOTAL ASSETS	117,381,946	127,756,298	245,138,244	239,637,203	2,749,647
DEFERRED OUTFLOWS OF RESOURCES					
Amount on Refunding of Bonds	594,515	126,949	721,464	816,436	-
Change in Investment Earnings	142,640	-	142,640	18,189	-
Change in Experience	53,325	-	53,325	80,802	-
Contributions Subsequent to the Measurement Date	150,000	-	150,000	120,000	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	940,480	126,949	1,067,429	1,035,427	-
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 3,925,822	\$ 777,408	\$ 4,703,230	\$ 2,060,034	63,240
Accrued Interest Payable	2,312	25,719	28,031	117,815	-
Escrow Deposits and Other	574,197	161,365	735,562	1,135,901	-
Claims Payable	352,750	-	352,750	376,825	-
Unearned Revenue	120,061	219,029	339,090	306,057	-
Noncurrent Liabilities					
Due Within One Year	2,870,000	958,914	3,828,914	3,626,085	-
Due in More Than One Year	16,441,535	5,028,059	21,469,594	25,344,623	-
Net Pension Liability	2,021,568	-	2,021,568	1,877,608	-
TOTAL LIABILITIES	26,308,245	7,170,494	33,478,739	34,844,948	63,240
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	6,820,311	-	6,820,311	6,637,199	461,484
Change in Assumptions	322,564	-	322,564	488,777	-
TOTAL DEFERRED INFLOWS OF RESOURCES	7,142,875	-	7,142,875	7,125,976	461,484
NET POSITION					
Net Investment in Capital Assets	73,515,028	110,590,571	184,105,599	176,064,401	-
Restricted for					
Parks & Recreation	356,394	-	356,394	851,512	-
Capital Projects	352,112	-	352,112	334,991	-
Cemetery Perpetual Care (Nonexpendable)	1,559,109	-	1,559,109	1,444,806	-
Cemetery Perpetual Care (Expendable)	262,689	-	262,689	247,411	-
Downtown Improvements	668,126	-	668,126	418,433	-
Debt Service	-	799,406	799,406	795,954	-
Emergency	1,160,000	-	1,160,000	1,050,000	-
Unrestricted	6,997,848	9,322,776	16,320,624	17,494,198	2,224,923
TOTAL NET POSITION	\$ 84,871,306	\$ 120,712,753	\$ 205,584,059	\$ 198,701,706	\$ 2,224,923

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



City of Golden, Colorado
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 6,607,850	\$ 2,267,007	\$ -	\$ 50,000
Planning & Economic Development	2,199,152	519,859	-	-
Police	9,121,177	779,999	185,603	-
Fire	1,967,865	316,668	-	-
Public Works	20,430,241	84,525	315,565	11,645,922
Parks and Recreation	3,615,213	661,990	-	859,829
Unallocated Interest on Long-Term Debt	894,056	-	-	-
Total Governmental Activities	44,835,554	4,630,048	501,168	12,555,751
Business-Type Activities				
Water	5,852,719	5,928,882	-	335,772
Wastewater	2,057,625	2,330,085	-	86,398
Drainage	790,573	1,472,465	-	1,525,957
Fossil Trace Golf Course	3,342,963	3,403,841	-	148,161
Community Center	2,726,206	1,879,838	3,719	33,757
Splash Aquatic Park	677,476	442,023	-	15,900
Cemetery Operations	496,697	608,985	-	-
Rooney Road Sports Complex	212,441	49,403	-	-
Museums	586,226	154,345	70,000	469,364
Total Business-Type Activities	16,742,926	16,269,867	73,719	2,615,309
TOTAL PRIMARY GOVERNMENT	\$ 61,578,480	\$ 20,899,915	\$ 574,887	\$ 15,171,060
COMPONENT UNIT				
Golden Urban Renewal Authority	\$ 300,789	\$ -	\$ -	\$ -
GENERAL REVENUES				
Taxes				
Property				
Sales and Use				
Franchise Fees				
Other				
Grants and Contributions not Restricted to Specific Programs				
Investment Income				
Miscellaneous				
Gain on Disposal of Capital Assets				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET POSITION				
NET POSITION, Beginning				
Prior Period Adjustments (see Note 14), for 2016 only				
NET POSITION, Beginning as restated, for 2016				
NET POSITION, Ending				

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

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Totals		Component Unit
		2016	2015	
\$ (4,290,843)	\$ -	\$ (4,290,843)	\$ (3,806,495)	\$ -
(1,679,293)	-	(1,679,293)	(1,605,281)	-
(8,155,575)	-	(8,155,575)	(7,177,136)	-
(1,651,197)	-	(1,651,197)	(1,522,128)	-
(8,384,229)	-	(8,384,229)	(3,728,996)	-
(2,093,394)	-	(2,093,394)	(2,000,432)	-
(894,056)	-	(894,056)	(952,831)	-
(27,148,587)	-	(27,148,587)	(20,793,299)	-
-	411,935	411,935	2,423,967	-
-	358,858	358,858	867,982	-
-	2,207,849	2,207,849	777,364	-
-	209,039	209,039	462,289	-
-	(808,892)	(808,892)	(505,769)	-
-	(219,553)	(219,553)	494,791	-
-	112,288	112,288	(60,779)	-
-	(163,038)	(163,038)	(157,770)	-
-	107,483	107,483	(328,996)	-
-	2,215,969	2,215,969	3,973,079	-
(27,148,587)	2,215,969	(24,932,618)	(16,820,220)	-
-	-	-	-	(300,789)
6,719,185	-	6,719,185	5,539,584	220,767
19,769,759	-	19,769,759	19,144,391	66,691
1,176,729	-	1,176,729	1,213,140	-
565,893	-	565,893	536,823	-
181,303	-	181,303	1,910,865	-
163,709	74,204	237,913	123,746	14,902
1,244,913	326,153	1,571,066	2,073,761	-
-	-	-	96,298	-
(100,456)	100,456	-	-	-
29,721,035	500,813	30,221,848	30,638,608	302,360
2,572,448	2,716,782	5,289,230	13,818,388	1,571
80,705,735	117,995,971	198,701,706	181,679,148	2,223,352
1,593,123	-	1,593,123	3,204,170	-
82,298,858	117,995,971	200,294,829	184,883,318	2,223,352
\$ 84,871,306	\$ 120,712,753	\$ 205,584,059	\$ 198,701,706	\$ 2,224,923

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



City of Golden, Colorado
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016
With Comparative Totals for December 31, 2015

	General	Sales and Use Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds	
				2016	2015
ASSETS					
Cash and Investments	\$ 7,293,334	\$ 589,888	\$ 2,407,161	\$ 10,290,383	\$ 11,573,372
Property Taxes Receivable	6,548,549	-	271,762	6,820,311	6,637,199
Accounts and Taxes Receivable	2,010,995	713,364	1,755	2,726,114	2,690,304
Prepaid Items	13,397	-	-	13,397	13,397
Inventories	19,626	-	-	19,626	40,099
Advance to Other Funds	1,454,900	-	1,212,416	2,667,316	2,860,071
Due from Other Governments	93,839	2,031,678	157,686	2,283,203	169,771
Restricted Cash and Investments	572,010	-	-	572,010	950,678
Total Assets	<u>\$ 18,006,650</u>	<u>\$ 3,334,930</u>	<u>\$ 4,050,780</u>	<u>\$ 25,392,360</u>	<u>\$ 24,934,891</u>
LIABILITIES					
Liabilities					
Accounts Payable and Retainage Payable	1,316,862	1,617,264	637,109	3,571,235	1,190,230
Accrued Liabilities	160,643	-	-	160,643	136,550
Escrow Deposits and Other	574,197	-	-	574,197	963,011
Advances from Other Funds	-	2,709,932	-	2,709,932	4,379,268
Unearned Revenue	117,414	2,647	-	120,061	237,061
Total Liabilities	<u>2,169,116</u>	<u>4,329,843</u>	<u>637,109</u>	<u>7,136,068</u>	<u>6,906,120</u>
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	6,548,549	-	271,762	6,820,311	6,637,199
Total Deferred Inflows of Resources	<u>6,548,549</u>	<u>-</u>	<u>271,762</u>	<u>6,820,311</u>	<u>6,637,199</u>
Fund Balance					
Nonspendable:					
Prepaid Items	13,397	-	-	13,397	13,397
Inventories	19,626	-	-	19,626	40,099
Permanent Fund Principal	-	-	1,559,109	1,559,109	1,444,806
Advance to Other Funds	1,454,900	-	-	1,454,900	1,560,039
Restricted for:					
TABOR Reserve	1,160,000	-	-	1,160,000	1,050,000
Parks & Recreation	-	-	356,394	356,394	169,509
Parking Improvements	-	-	352,112	352,112	187,422
Cemetery Maintenance	-	-	262,689	262,689	247,411
Downtown Improvements	-	-	668,126	668,126	418,433
Capital Projects	-	-	-	-	194,081
Assigned for:					
Street Improvements	-	-	-	-	147,569
Parks & Recreation	-	-	-	-	682,003
Future Year Expenditures	1,897,571	-	-	1,897,571	1,246,000
Unassigned	4,743,491	(994,913)	(56,521)	3,692,057	3,990,803
Total Fund Balance	<u>9,288,985</u>	<u>(994,913)</u>	<u>3,141,909</u>	<u>11,435,981</u>	<u>11,391,572</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 18,006,650</u>	<u>\$ 3,334,930</u>	<u>\$ 4,050,780</u>	<u>\$ 25,392,360</u>	<u>\$ 24,934,891</u>

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

City of Golden, Colorado
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2016

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$ 11,435,981
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets for internal service funds of \$4,876,777 have been deducted from total governmental Net Capital Assets of \$90,978,291.	86,101,513
Internal Service Funds are used by management to charge the costs of certain activities to individual funds, such as insurance, fleet and information technology management. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The compensated absences for internal service funds have been removed from this section and shown below for presentation purposes.	8,051,311
Long-term liabilities, including bonds payable (\$8,630,000), bond premium (\$673,184), certificates of participation (\$8,795,000), compensated absences (\$1,253,757), accrued interest on long-term debt (\$2,312), deferred refunding \$594,515, bond discount \$40,406 are not due and payable in the current period and therefore are not reported in the funds.	(18,719,332)
Net pension liability is not due and payable in the current period and , therefore, is not reported in the funds.	(2,021,568)
Deferred outflows of resources used in governmental activites are not financial resources and, therefore, are not reported in the funds.	
Change in investment earnings	142,640
Change in Experience	53,325
Contributions subsequent to the measurement date	150,000
Deferred inflows of resources used in governmental activities are not due and payable in the current year and, therefore, are not reported in the funds.	
Change in assumptions	(322,564)
	<u>\$ 84,871,306</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	

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



City of Golden, Colorado
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015

	General	Sales and Use Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds	
				2016	2015
REVENUES					
Taxes	\$ 21,265,482	\$ 6,581,305	\$ 384,779	\$ 28,231,566	\$ 26,546,438
Licenses and Permits	670,890	-	-	670,890	647,273
Intergovernmental	682,472	12,483,612	1,447,387	14,613,471	3,279,422
Charges for Services	3,028,700	-	156,846	3,185,546	2,825,003
Fines and Forfeitures	773,612	-	-	773,612	593,135
Investment Income	78,046	22,637	32,405	133,088	60,848
Miscellaneous	810,847	215,269	218,800	1,244,916	1,694,702
TOTAL REVENUES	<u>27,310,049</u>	<u>19,302,823</u>	<u>2,240,217</u>	<u>48,853,089</u>	<u>35,646,821</u>
EXPENDITURES					
Current					
General Government	6,044,578	-	344,158	6,388,736	5,871,381
Planning & Economic Development	2,182,856	-	-	2,182,856	1,879,107
Police	8,571,358	-	-	8,571,358	7,715,395
Fire	1,765,554	-	-	1,765,554	1,655,874
Public Works	3,673,183	-	-	3,673,183	3,485,518
Parks and Recreation	2,667,961	-	-	2,667,961	2,628,759
Debt Service					
Principal	-	2,620,000	-	2,620,000	2,535,000
Interest and Other Charges	-	924,600	-	924,600	979,844
Capital Outlay	-	18,297,028	3,266,073	21,563,101	7,305,459
TOTAL EXPENDITURES	<u>24,905,490</u>	<u>21,841,628</u>	<u>3,610,231</u>	<u>50,357,349</u>	<u>34,056,337</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,404,559</u>	<u>(2,538,805)</u>	<u>(1,370,014)</u>	<u>(1,504,260)</u>	<u>1,590,484</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	117,000	1,250,030	1,591,800	2,958,830	3,511,730
Transfers (Out)	(1,132,912)	(1,516,800)	(377,030)	(3,026,742)	(3,619,263)
Proceeds from Sale of Assets	-	1,476,581	-	1,476,581	-
Proceeds from Debt	-	8,795,000	-	8,795,000	-
Payment to Refunded Bond Escrow Agent	-	(8,655,000)	-	(8,655,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,015,912)</u>	<u>1,349,811</u>	<u>1,214,770</u>	<u>1,548,669</u>	<u>(107,533)</u>
NET CHANGE IN FUND BALANCES	1,388,647	(1,188,994)	(155,244)	44,409	1,482,951
FUND BALANCES, Beginning	<u>7,900,338</u>	<u>194,081</u>	<u>3,297,153</u>	<u>11,391,572</u>	<u>9,908,621</u>
FUND BALANCES, Ending	<u>\$ 9,288,985</u>	<u>\$ (994,913)</u>	<u>\$ 3,141,909</u>	<u>\$ 11,435,981</u>	<u>\$ 11,391,572</u>

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

City of Golden, Colorado
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 44,409
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital additions \$9,035,236, developer contributions \$63,767, GURA conveyance \$40,924, plus book value of dispositions (\$1,942,108) and Internal Service Fund capital additions (\$1,228,535), exceed depreciation (\$4,856,533) and contributions to other funds (\$439,469) less Internal Service Fund depreciation \$1,229,758.	1,903,040
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term debt liabilities in the Statement of Net Position. These include bond payments \$1,935,000, Certificate of participation \$545,000, amortization of bond premium \$162,532, amortization of loss on refunding (\$73,646), accrued interest on outstanding debt \$91,747, amortization of bond discount (\$10,095) and a decrease in accrued compensated absences of \$82,322.	2,732,860
Receipt of payment of receivable is not reported as revenues in the Statement of Activities.	(1,593,123)
Internal Service Funds are used by management to charge the costs of certain activities to funds, such as insurance, fleet and information technology management. The net revenue (expense) of the internal service funds is reported with governmental activities.	(663,965)
Some items reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of: Pension (expense) income	149,227
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,572,448</u>

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



City of Golden, Colorado
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015

	Budgeted Amounts			Variance with Final Budget	Actual
	Original	Final	Actual	Positive (Negative)	2015
Budgetary Fund Balance, Beginning	\$ 6,211,407	\$ 7,900,338	\$ 7,900,338	\$ -	\$ 6,822,633
Resources (Inflows)					
Taxes	21,050,012	21,050,012	21,265,482	215,470	19,921,855
Licenses and Permits	491,900	491,900	670,890	178,990	647,273
Intergovernmental	617,800	617,800	682,472	64,672	625,154
Charges for Services	2,629,450	2,629,450	3,028,700	399,250	2,744,895
Fines and Forfeitures	612,000	612,000	773,612	161,612	593,135
Investment Income	75,000	75,000	78,046	3,046	39,153
Miscellaneous	646,060	646,060	810,847	164,787	1,251,693
Transfers In	117,000	117,000	117,000	-	113,600
Total Resources	26,239,222	26,239,222	27,427,049	1,187,827	25,936,758
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>\$ 32,450,629</u>	<u>\$ 34,139,560</u>	<u>\$ 35,327,387</u>	<u>\$ 1,187,827</u>	<u>\$ 32,759,391</u>
Charges to Appropriations (Outflows)					
Current					
General Government	6,649,482	6,710,853	6,044,578	666,275	5,636,867
Planning & Economic Development	1,545,746	1,579,366	2,182,856	(603,490)	1,879,107
Police	8,546,213	8,546,213	8,571,358	(25,145)	7,715,395
Fire	1,801,569	1,801,569	1,765,554	36,015	1,655,874
Public Works	3,782,090	3,782,090	3,673,183	108,907	3,485,518
Parks and Recreation	2,768,132	2,768,132	2,667,961	100,171	2,628,759
Transfers Out	1,246,000	1,151,000	1,132,912	18,088	1,857,533
Total Charges to Appropriations	26,339,232	26,339,223	26,038,402	300,821	24,859,053
Budgetary Fund Balance, Ending	6,111,397	7,800,337	9,288,985	1,488,648	7,900,338
TOTAL APPROPRIATIONS	<u>\$ 32,450,629</u>	<u>\$ 34,139,560</u>	<u>\$ 35,327,387</u>	<u>\$ 1,187,827</u>	<u>\$ 32,759,391</u>

BUDGET-TO-GAAP RECONCILIATION

Resources (Inflows)

Actual amounts (budgetary basis) available for appropriation	\$ 35,327,387	\$ 32,759,391
Differences - budget to GAAP		
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	(7,900,338)	(6,822,633)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(117,000)	(113,600)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 27,310,049</u>	<u>\$ 25,823,158</u>

Charges to Appropriations (Outflows)

Actual amount (budgetary basis) of total charges to appropriations	26,038,402	24,859,053
Differences - budget to GAAP		
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(1,132,912)	(1,857,533)
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 24,905,490</u>	<u>\$ 23,001,520</u>

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



City of Golden, Colorado
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2016
With Comparative Totals for December 31, 2015

		Business-Type Activities - Enterprise Funds		
		Water Fund	Wastewater Fund	Drainage Fund
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$	2,601,700	3,810,587	416,792
Accounts Receivable		923,562	401,895	229,437
Prepaid Expenses		-	-	-
Inventory		6,814	-	-
Due From Other Funds		-	-	-
Restricted Cash and Cash Equivalents		624,406	-	175,000
Total Current Assets		4,156,482	4,212,482	821,229
Non-Current Assets				
Advances to Other Funds		-	42,616	-
Capital Assets Not Being Depreciated		21,023,894	-	1,101,117
Capital Assets (Net of Accumulated Depreciation)		44,664,857	11,931,831	14,027,823
Total Non-Current Assets		65,688,751	11,974,447	15,128,940
TOTAL ASSETS		69,845,233	16,186,929	15,950,169
DEFERRED OUTFLOWS OF RESOURCES				
Amount on Refunding of Bonds		95,963	-	30,986
TOTAL DEFERRED OUTFLOWS OF RESOURCES		95,963	-	30,986
LIABILITIES				
Current Liabilities				
Accounts Payable and Retainage Payable		347,315	170,133	83,273
Accrued Liabilities		36,348	763	-
Accrued Interest Payable		22,432	-	3,287
Due To Other Funds		-	-	-
Claims Payable		-	-	-
Unearned Revenue		-	-	-
Compensated Absences, Current Portion		14,124	8,109	3,694
Bonds Payable, Current Portion		600,000	-	300,000
Total Current Liabilities		1,020,219	179,005	390,254
Non-Current Liabilities				
Accrued Compensated Absences		64,344	36,941	16,829
Bonds Payable, Long-Term Portion (Net of Unamortized Premium)		4,275,000	-	497,534
Total Non-Current Liabilities		4,339,344	36,941	514,363
TOTAL LIABILITIES		5,359,563	215,946	904,617
NET POSITION				
Net Investment in Capital Assets		60,909,714	11,931,831	14,362,392
Restricted for Debt Service		624,406	-	175,000
Unrestricted		3,047,513	4,039,152	539,146
TOTAL NET POSITION	\$	64,581,633	15,970,983	15,076,538

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

Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2016	2015	
251,991	420,844	\$ 1,419,399	\$ 8,921,313	\$ 7,932,606	\$ 3,703,693
27,255	4,854	132,043	1,719,046	1,783,539	8,835
-	-	-	-	-	8,700
124,024	-	6,923	137,761	147,212	-
-	-	-	-	150,000	-
-	-	-	799,406	795,954	-
403,270	425,698	1,558,365	11,577,526	10,809,311	3,721,228
-	-	-	42,616	1,519,197	-
2,024,661	182,900	182,325	24,514,897	22,698,031	-
6,688,567	6,663,437	7,644,744	91,621,259	90,758,026	4,876,777
8,713,228	6,846,337	7,827,069	116,178,772	114,975,254	4,876,777
9,116,498	7,272,035	9,385,434	127,756,298	125,784,565	8,598,005
-	-	-	126,949	148,275	-
-	-	-	126,949	148,275	-
60,049	87,125	29,513	777,408	583,487	193,944
94,057	29,648	549	161,365	172,890	-
-	-	-	25,719	23,756	-
-	-	-	-	150,000	-
-	-	-	-	-	352,750
10,297	18,325	190,407	219,029	68,996	-
16,195	9,411	7,381	58,914	61,085	-
-	-	-	900,000	920,000	-
180,598	144,509	227,850	2,142,435	1,980,214	546,694
73,778	42,871	20,762	255,525	278,276	79,435
-	-	-	4,772,534	5,678,379	-
73,778	42,871	20,762	5,028,059	5,956,655	79,435
254,376	187,380	248,612	7,170,494	7,936,869	626,129
8,713,228	6,846,337	7,827,069	110,590,571	107,005,953	4,876,777
-	-	-	799,406	795,954	-
148,894	238,318	1,309,753	9,322,776	10,194,064	3,095,099
\$ 8,862,122	\$ 7,084,655	\$ 9,136,822	\$ 120,712,753	\$ 117,995,971	\$ 7,971,876

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



City of Golden, Colorado
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015

	Business-Type Activities - Enterprise Funds		
	Water Fund	Wastewater Fund	Drainage Fund
OPERATING REVENUES			
Charges for Services	\$ 5,928,882	\$ 2,330,085	\$ 1,472,465
Intergovernmental	-	-	-
Miscellaneous	139,230	-	1,721
TOTAL OPERATING REVENUES	6,068,112	2,330,085	1,474,186
OPERATING EXPENSES			
Personnel Services	1,408,431	420,903	211,740
Operating	2,624,568	1,145,230	127,887
Depreciation and Amortization	1,591,954	410,859	412,246
Claims	-	-	-
Premiums	-	-	-
TOTAL OPERATING EXPENSES	5,624,953	1,976,992	751,873
Operating Income (Loss)	443,159	353,093	722,313
NONOPERATING REVENUES (EXPENSES)			
Investment Income	29,977	25,145	2,462
Interest Expense	(119,084)	-	(38,700)
Gain (Loss) on Sale of Capital Assets	(108,682)	(80,633)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(197,789)	(55,488)	(36,238)
Income (Loss) Before Transfers and Capital Contributions	245,370	297,605	686,075
Transfers In	-	-	-
Transfers (Out)	-	-	-
Capital Contributions	335,772	86,398	1,525,957
Change in Net Position	581,142	384,003	2,212,032
NET POSITION, Beginning	64,000,491	15,586,980	12,864,506
Prior Period Adjustments, for 2015 only	-	-	-
NET POSITION, Beginning as restated, for 2015	64,000,491	15,586,980	12,864,506
NET POSITION, Ending	\$ 64,581,633	\$ 15,970,983	\$ 15,076,538

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

Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2016	2015	
\$ 3,403,841	\$ 1,879,838	\$ 1,254,756	\$ 16,269,867	\$ 15,642,848	\$ 6,380,496
-	3,719	70,000	73,719	53,567	56,753
160,685	718	23,799	326,153	379,062	59,087
<u>3,564,526</u>	<u>1,884,275</u>	<u>1,348,555</u>	<u>16,669,739</u>	<u>16,075,477</u>	<u>6,496,336</u>
1,298,891	1,488,217	812,294	5,640,476	5,465,654	1,133,763
1,316,689	867,765	693,294	6,775,433	6,162,672	1,491,718
727,383	370,224	467,252	3,979,918	3,842,266	1,229,758
-	-	-	-	-	2,352,069
-	-	-	-	-	<u>1,211,665</u>
<u>3,342,963</u>	<u>2,726,206</u>	<u>1,972,840</u>	<u>16,395,827</u>	<u>15,470,592</u>	<u>7,418,973</u>
<u>221,563</u>	<u>(841,931)</u>	<u>(624,285)</u>	<u>273,912</u>	<u>604,885</u>	<u>(922,637)</u>
4,542	2,474	9,604	74,204	42,802	30,623
-	-	-	(157,784)	(254,696)	-
<u>148,161</u>	<u>-</u>	<u>-</u>	<u>(41,154)</u>	<u>(101,753)</u>	<u>102,221</u>
<u>152,703</u>	<u>2,474</u>	<u>9,604</u>	<u>(124,734)</u>	<u>(313,647)</u>	<u>132,844</u>
374,266	(839,457)	(614,681)	149,178	291,238	(789,793)
-	475,456	325,000	800,456	848,491	42,912
(700,000)	-	-	(700,000)	(700,000)	(75,456)
-	33,757	485,264	2,467,148	4,103,705	158,372
<u>(325,734)</u>	<u>(330,244)</u>	<u>195,583</u>	<u>2,716,782</u>	<u>4,543,434</u>	<u>(663,965)</u>
9,187,856	7,414,899	8,941,239	117,995,971	100,155,494	8,635,841
-	-	-	-	13,297,043	-
<u>9,187,856</u>	<u>7,414,899</u>	<u>8,941,239</u>	<u>117,995,971</u>	<u>113,452,537</u>	<u>8,635,841</u>
<u>\$ 8,862,122</u>	<u>\$ 7,084,655</u>	<u>\$ 9,136,822</u>	<u>\$ 120,712,753</u>	<u>\$ 117,995,971</u>	<u>\$ 7,971,876</u>

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



City of Golden, Colorado
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2016
Increase (Decrease) in Cash and Cash Equivalents
With Comparative Totals for December 31, 2015

	Business-Type Activities - Enterprise Funds		
	Water Fund	Wastewater Fund	Drainage Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers/Users	\$ 6,284,177	\$ 2,328,292	\$ 1,468,156
Cash Paid to Suppliers	(2,501,091)	(1,156,829)	(51,020)
Cash Paid to Employees	(1,441,941)	(425,967)	(206,005)
Cash Paid to Providers	-	-	-
Cash Paid to Claimants	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,341,145</u>	<u>745,496</u>	<u>1,211,131</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to Other Funds	-	-	-
Transfers from Other Funds	-	-	-
Repayment of Interfund Loan	150,000	1,476,581	(150,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>150,000</u>	<u>1,476,581</u>	<u>(150,000)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchase of Capital Assets	(3,200,447)	(568,012)	(358,274)
Proceeds from Sale of Capital Assets	-	-	-
Proceeds from Issuance of Debt	-	-	-
Interest Paid	(116,392)	-	(39,450)
Principal Payments	(620,000)	-	(300,000)
Contributed Capital	234,853	43,348	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(3,701,986)</u>	<u>(524,664)</u>	<u>(697,724)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	29,977	25,145	2,462
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>29,977</u>	<u>25,145</u>	<u>2,462</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,180,864)</u>	<u>1,722,558</u>	<u>365,869</u>
CASH AND CASH EQUIVALENTS, Beginning	<u>4,406,970</u>	<u>2,088,029</u>	<u>225,923</u>
CASH AND CASH EQUIVALENTS, Ending	<u><u>\$ 3,226,106</u></u>	<u><u>\$ 3,810,587</u></u>	<u><u>\$ 591,792</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 443,159	\$ 353,093	\$ 722,313
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	1,591,954	410,859	412,246
Changes in Assets and Liabilities			
Accounts Receivable	216,065	(1,793)	(6,030)
Prepaid Expenses	-	-	-
Inventory	24,132	-	-
Accounts Payable	103,217	(11,599)	76,867
Accrued Liabilities	(3,872)	-	-
Claims Payable	-	-	-
Unearned Revenue	-	-	-
Accrued Compensated Absences	(33,510)	(5,064)	5,735
Total Adjustments	<u>1,897,986</u>	<u>392,403</u>	<u>488,818</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 2,341,145</u></u>	<u><u>\$ 745,496</u></u>	<u><u>\$ 1,211,131</u></u>
NON-CASH TRANSACTIONS			
Capital Assets Contributed	<u><u>\$ 100,919</u></u>	<u><u>\$ 43,050</u></u>	<u><u>\$ 1,525,957</u></u>

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



Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2016	2015	
\$ 3,527,983	\$ 1,884,075	\$ 1,391,598	\$ 16,884,281	\$ 16,285,119	\$ 6,548,810
(1,322,600)	(859,192)	(692,869)	(6,583,601)	(6,390,044)	(1,447,541)
(1,291,660)	(1,484,406)	(815,396)	(5,665,375)	(5,475,109)	(1,140,437)
-	-	-	-	-	(1,211,665)
-	-	-	-	-	(2,376,144)
913,723	(459,523)	(116,667)	4,635,305	4,419,966	373,023
(700,000)	-	-	(700,000)	(700,000)	(75,456)
-	475,456	325,000	800,456	848,491	42,912
-	-	-	1,476,581	-	-
(700,000)	475,456	325,000	1,577,037	148,491	(32,544)
(519,413)	-	-	(4,646,146)	(2,809,075)	(1,070,163)
149,400	-	-	149,400	3,000	106,251
-	-	-	-	3,300,000	-
-	-	-	(155,842)	(256,030)	-
-	-	-	(920,000)	(3,915,000)	-
-	-	-	278,201	2,291,468	-
(370,013)	-	-	(5,294,387)	(1,385,637)	(963,912)
4,542	2,474	9,604	74,204	42,802	30,623
4,542	2,474	9,604	74,204	42,802	30,623
(151,748)	18,407	217,937	992,159	3,225,622	(592,810)
403,739	402,437	1,201,462	8,728,560	5,502,938	4,296,503
\$ 251,991	420,844	\$ 1,419,399	\$ 9,720,719	\$ 8,728,560	\$ 3,703,693
\$ 221,563	(841,931)	\$ (624,285)	\$ 273,912	\$ 604,885	\$ (922,637)
727,383	370,224	467,252	3,979,918	3,842,266	1,229,758
(15,841)	(1,982)	(125,901)	64,518	197,221	52,474
(16,743)	-	2,062	9,451	(29,349)	44,177
19,367	7,706	(1,637)	193,921	(179,796)	-
(8,535)	867	23	(11,517)	(19,599)	-
-	-	-	-	-	(24,075)
(20,702)	1,782	168,944	150,024	12,421	-
7,231	3,811	(3,125)	(24,922)	(8,083)	(6,674)
692,160	382,408	507,618	4,361,393	3,815,081	1,295,660
\$ 913,723	(459,523)	\$ (116,667)	\$ 4,635,305	\$ 4,419,966	\$ 373,023
\$ -	33,757	\$ 485,264	\$ 2,188,947	\$ 1,812,237	\$ 158,372

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



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Golden (the City) is a Colorado Home Rule City operating under a charter provided by the authority of the Constitution of the State of Colorado, and adopted by its citizens on November 7, 1967. The City operates under a Council-Manager form of government as authorized by its charter. The City provides the following services: public safety (police and fire), street maintenance, water treatment and distribution, wastewater and storm drainage transmission, parks and recreation, cemetery, planning and development, public improvements, historic preservation and general administrative services.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

Management has considered all potential component units in defining the City for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the City of Golden (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City:

Blended Component Units

The Golden Downtown General Improvement District (GDGID) (Special Revenue Fund) was established by City ordinance on May 12, 1963, for the purpose of constructing certain parking improvements in and around the Golden downtown area. Although it is legally separate from the City, the Golden Downtown General Improvement District is reported as if it were part of the primary government because the City Council is the Board of Directors for GDGID. Additionally, the City provides financial support to GDGID.

The Golden Capital Leasing Corporation (GCLC) was established by City ordinance on December 8, 2005, for the purpose of issuing Certificates of Participation for the construction of municipal shop facilities and fire station #1. The majority of its board is comprised of City staff that is appointed by City Council and City staff is responsible for operations of GCLC. Although it is legally separate from the City, GCLC is reported as if it were part of the primary government because it provides services solely to the City. GCLC has no financial balances or transactions outside of those reported by the City, and therefore, are not reported separately in the financial statements. GCLC does not issue separate financial statements.

The Downtown Development Authority (DDA) (Special Revenue Fund) accounts for monies received from the City of Golden and from collection of incremental sales and property tax revenues generated within the DDA boundaries. Expenditures are used to provide economic development support in and around the Golden downtown area. While the DDA is a separate legal entity from the City, it is blended with the City's financial statements per the requirements of state statute that the City control its budget. City Council appoints the DDA Board of Directors and must approve the annual budget. Additionally, the City provides financial support to DDA and DDA provides its services primarily to the City.

Discretely Presented Component Unit The component unit column in the government-wide financial statements includes the financial data of the Golden Urban Renewal Authority (GURA); the City's only other component unit. It is reported in a separate column to emphasize that it is legally separate from the City. However, all nine members of GURA's governing body are appointed by the Mayor and the diversion of incremental sales



CITY OF GOLDEN, COLORADO

Notes to Financial Statements

December 31, 2016

taxes from the City to GURA constitutes a financial burden on the City. GURA was established in accordance with Colorado State Statute by City resolution on June 26, 1989, for the purpose of revitalizing the downtown core. GURA does not issue separate financial statements.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide and Fund Financial Statements The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present financial information for the City as a whole, excluding fiduciary activity. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is 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 funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are presented with an economic resources measurement focus and the accrual basis of accounting, as are the proprietary and trust fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

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 period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 and claims and judgments, are recorded only when payment is due.

The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund This is the City's primary operating fund. It accounts for all activities of the government, except those required to be accounted for in another fund.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Sales and Use Tax Capital Improvement Fund This fund accounts for revenues collected from a 1-cent sales and use tax restricted for capital improvements by citizen election.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. The City also recognizes as operating revenue in the Water Fund the portion of tap fees intended to recover the cost of connecting new customers to the system. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major proprietary funds:

Water Fund This fund accounts for all activities necessary for the provision of water services to City residents.

Wastewater Fund This fund accounts for all activities necessary for the provision of wastewater (sewer) services to City residents.

Drainage Fund This fund accounts for capital improvements for storm water drainage funded by a charge for all impervious property within City limits.

Fossil Trace Golf Course Fund This fund accounts for all activities necessary for the operation of the City's golf course.

Community Center Fund This fund accounts for all activities necessary for the operation of the City's community center.

Additionally, the City reports the following fund types:

Internal Service Funds These funds account for the risk management, information technology and fleet management services provided to other departments or agencies of the City on a cost reimbursement basis.

Certain eliminations have been made in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Reconciliation of the Governmental Fund financial statements to the Government-Wide financial statements is provided within the statements to explain the differences created by the integrated approach of GASB Statement No. 34.

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



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

C. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are payable in two installments, on February 28 and June 15, or in total on April 30. Property taxes are billed and collected by Jefferson County, Colorado. Taxes for the following year are levied January 1 and are recorded as a receivable with a corresponding offset to deferred inflows of resources at December 31.

D. Budgets and Budgetary Accounting

The City follows these procedures each year in establishing the budget as reflected in the financial statements:

1. In early fall, the City Manager submits to City Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget is prepared by fund, department and division and includes actual data from the prior year, current year budget, revenue estimates and requested appropriations. City departments are subject to this Council-appropriated budget exclusively. No other budget is utilized.
2. The City Council holds public hearings at regular Council meetings to obtain taxpayer comments prior to adoption.
3. On or before December 15, the budget is legally enacted and the required mill levy is adopted through the passage of a resolution. The mill levy is then certified to the County Commissioners.
4. On or before December 31, the expenditures are appropriated for the ensuing year. The appropriation is at the total fund level and lapses at year end.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds, Permanent Fund and the Proprietary Funds.
6. Budgets for the General, Special Revenue, Capital Projects (except for the Sales and Use Tax Fund), and Permanent Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budgets for the Proprietary Funds are adopted on a basis consistent with GAAP except that capital expenditures and debt principal are treated as expenditures, and depreciation is not budgeted. The budgets for the Sales and Use Tax Fund is adopted on an available resources basis. This is in accordance with Colorado Budget Law.
7. Management may approve budget revisions except those that change total appropriations at the fund level. Appropriations revising the total expenditures of any fund must be approved by the City Council.
8. Colorado Budget Law and the Golden City Charter require that expenditures of a fund not exceed the appropriations for that fund. Appropriations for contingencies may not be expended or transferred except by ordinance approved by City Council.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

E. Cash and Investments

For purposes of the statement of cash flows, the City defines cash and cash equivalents as amounts in demand deposits as well as short-term, highly liquid investments with original maturities of three months or less. Cash equivalents are both readily convertible to cash and are so near their maturity that they present insignificant risk of change in value due to interest rate changes. Investments are stated at fair value and amortized cost.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "interfund receivables" or "interfund payables" on the balance sheet. Residual balances between governmental activities and business-type activities are reported as internal balances on the statement of net assets.

G. Inventories

In governmental-type funds, inventories (when they exist) are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed, rather than when purchased. In proprietary-type funds, inventories are valued at the lower of cost or market using the FIFO method.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are recorded as expenditures when consumed rather than when purchased. Prepaid items are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

I. Capital Assets

All purchased capital assets are valued at cost where historical records are available, or at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received. The City's policy is to record all assets over \$5,000. Interest costs for governmental funds are expensed as incurred and therefore, not capitalized. Significant interest costs in proprietary funds are capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. All public domain ("infrastructure") capital assets consisting of roads, streets and sidewalks, bridges, drainage systems, and lighting and traffic signal systems are capitalized as a separate category.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Estimated useful lives for asset types are as follows:

Land Improvements	20 years
Buildings	45 years
Machinery, Equipment and Vehicles	5 to 20 years
Infrastructure	20 to 45 years
Water Line Infrastructure	70 years
Sewer Line Infrastructure	80 years

J. Deferred Outflows of Resources

The City reports deferred outflows of resources, which are future decreases in net position or fund equity that relate to future periods, in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The City has deferred losses on refunding bonds that will be amortized over time. The City also reports certain items in this category related to its defined benefit pension plan (Note 9).

K. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources, which are future increases in net position or fund equity that apply to future periods. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the City's year) under the modified accrual basis of accounting. The City also reports certain items in this category related to its defined benefit pension plan (Note 9).

L. Compensated Absences

City employees are allowed to accumulate unused vacation leave, compensatory time and vested sick leave. Employees are limited in the amount of vacation time they are allowed to accrue, depending on years of service. Sick leave may accrue to 480 hours. If more than 480 hours of sick leave is accrued, it must be converted to retirement health savings at the rate of 3 for 1. These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the government fund types. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences. The liability includes the related FICA and pension benefits.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method.

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures/expenses.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

N. New Accounting Pronouncements

The City implemented GASB Statement No. 72, *Fair Value Measurement and Application*, effective for the fiscal year ended December 31, 2016. GASB Statement No. 72 provides guidance for determining a fair value measurement for financial reporting purposes. This Statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. (Note 2).

O. Net Pension Liability

The City reports a net pension liability for its unfunded pension liability (see Note 10).

P. Fund Balances

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. In the fund financial statements, the governmental fund balance is presented in five possible categories:

- a) Nonspendable—resources which cannot be spent because they are either 1) not in spendable form or; 2) legally or contractually required to be maintained intact.
- b) Restricted—resources with constraints placed on the use of resources which are either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.
- c) Committed—resources which are subject to limitations the City imposes upon itself by action of the City Council. Commitments may be established, modified, or rescinded only through ordinances approved by City Council.
- d) Assigned—resources neither restricted nor committed for which a City has a stated intended use as established by the City Council or the City Manager to which the City Council has delegated the authority to assign amounts for specific purposes pursuant to the budgetary and fund balance policies.
- e) Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

Q. Summarized Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

comparative data has not been reported since its inclusion would make the financial statements unduly complex and difficult to read. Certain balances from the prior year have been reclassified to conform to current year presentation. This summarized comparative data for the prior year has not been updated to reflect the correction of an error for a receivable, as discussed in Note 13.

NOTE 2: DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds of the City.

Cash and investments at December 31, 2016, consisted of the following:

Petty Cash	\$ 8,120
Deposits	3,417,356
Investments	23,145,460
Total	<u>\$ 26,570,936</u>

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

Primary Government Cash and Investments	\$ 22,915,389
Primary Government Restricted Cash and Investments	1,371,416
Component Unit Cash and Investments (the Authority)	2,284,131
Total	<u>\$ 26,570,936</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a fair value equal to at least 102 percent of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. The carrying amount of the cash deposits are \$1,133,225 and \$2,284,131 at December 31, 2016 for the City and the Authority respectively.

Cash and Investments

The City's investment policies generally require the investment activities to be in accordance with State Statutes. The policy further defines authorized investments for use by the City as follows: certificates of deposit, government obligations and securities, repurchase agreements, commercial paper, corporate notes and bonds, bankers' acceptances, certain money market and mutual funds, and local government investment pools.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

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

Investment Type	S&P Rating	Investment Maturities (in Years)		Fair Value
		Less Than 1 Year	1 - 5 Years	
CSAFE Investment Pool	AAAm	\$ 9,891,602	-	\$ 9,891,602
Corporate Bonds	AA	560,291	498,836	1,059,127
Corporate Bonds	AA-	2,002,189	1,501,235	3,503,424
Corporate Bonds	A+	-	1,005,565	1,005,565
Commercial Paper	A-1	497,672	-	497,672
U.S. Treasury Notes	AA+	504,780	678,184	1,182,964
FHLB	AA+	998,461	-	998,461
FHLMC	AA+	-	500,540	500,540
FFCB	AA+	1,001,008	497,515	1,498,523
FNMA	AA+	539,552	1,961,743	2,501,295
Certificates of Deposit	NR	-	506,287	506,287
Total		<u>\$ 15,995,555</u>	<u>\$ 7,149,905</u>	<u>\$ 23,145,460</u>

Credit Risk – State statute limits investments in commercial paper so that at the time of purchase, it is rated in its highest rating category and corporate bonds must be at least AA- or Aa3 by two or more nationally recognized organizations (NRSROs). It is the City's policy to limit investments at the time of purchase in these types of instruments to ratings of at least A1 and A+ respectively. The City also requires that U.S. Agency Securities have the highest possible rating. Money Market Funds must have a rating of AAAm, AAA or AAA/V-1.

Interest Rate Risk – State statute limits investments in U.S. Agency Securities to a maximum 5 year maturity and Corporate Bonds to 3 years. The City of Golden is a Home Rule City and its investment policy is less restrictive than the State statutes and allows investments in Corporate Bonds with maturities not exceeding five years from the date of trade settlement.

Custodial Risk – At December 31, 2016, the City's investments were held in safekeeping at Wells Fargo Brokerage Services. To be eligible for designation as the City's safekeeping and custodian bank, a financial institution shall qualify as a depository of public funds in the State of Colorado as defined in CRS 24-75-603 et seq. and be a Federal Reserve member financial institution. Furthermore, the City prefers the financial institution to have a Highline Data Bank Credit Rating of 30 or higher, Wells Fargo's rating as of December 31, 2016 was 47.

Concentration of Credit Risk – State statutes generally do not limit the amount the City may invest in one issuer. At December 31, 2016, the City's investment in FNMA and FFCB represented 10.81% and 6.47% of total investments respectively.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Local Government Investment Pool – At December 31, 2016, the City had \$9,891,602 invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating CSAFE. CSAFE operates similarly to money market funds and each share is equal in value to \$1.00. CSAFE is rated AAAM by Standard and Poor's. Investments 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. The City's investment in CSAFE is measured at amortized cost.

Restricted Cash and Investments

Cash and investments of \$292,507, \$331,899 and \$175,000 representing debt service required reserves, are restricted in the Water Enterprise Fund and Drainage Enterprise Fund respectively, and \$572,010 representing escrow deposits held by the City are restricted in the General Fund.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has the following fair value measurements as of December 31, 2016:

Investments by Fair Value Level	12/31/2016	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 1,182,964	\$ 1,182,964	\$ -	\$ -
Commercial Paper	497,672	-	497,672	-
Mortgage-Backed Securities	5,498,820	-	5,498,820	-
Corporate Bonds	5,568,115	-	5,568,115	-
Certificates of Deposit	506,287	-	506,288	-
Total Investments Measured at Fair Value Level	<u>\$ 13,253,858</u>	<u>\$ 1,182,964</u>	<u>\$ 12,070,895</u>	<u>\$ -</u>

For investments categorized as Level 1, prices are determined using quoted prices in active markets for identical securities. For investments categorized as level 2, prices are determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use by pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted market prices for similar assets, quotes prices for identical or similar assets in markets that are not active or other quotes prices that are not observable. For investments categorized as Level 3, prices are determined using inputs that are unobservable, of which the City has none for the year ended December 31, 2016.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

NOTE 3: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of inter-fund balances as of December 31, 2016, is as follows:

	Payable Fund:	
	Sales & Use Tax Capital Imp. Fund	Total
Receivable Fund:		
General Fund	\$ 1,454,900	\$ 1,454,900
Cemetery Perpetual Care Fund	1,212,416	1,212,416
Wastewater	42,616	42,616
Total	<u>\$ 2,709,932</u>	<u>\$ 2,709,932</u>

The composition of interfund receivables and payables are;

- 1) The balance of an advance from the Wastewater Fund to the Sales and Use Tax Fund is for the purchase of land for the shops facilities. The City purchased excess land as part of the transaction. As this land is sold, it will be used to repay the loan. The Sales and Use Tax Fund is paying interest annually to the Wastewater Fund that is calculated based on the annualized return year-to-date net of fees of the Insight Investment portfolio. The interest rate for 2016 was .87%.
- 2) The balance of an advance from the General Fund and the Cemetery Perpetual Care Fund is for the solar project. The Sales and Use Tax Fund will repay the advance. The Sales and Use Tax Fund is paying interest annually to the General Fund and Cemetery Perpetual Care Fund that is calculated based on the annualized return year-to-date net of fees of the Insight Investment portfolio. The interest rate for 2016 was .87%.

Interfund Transfers:

	Transfers Out:					Total
	General Fund	Sales and Use Tax Capital Fund	Fossil Trace Golf Course Fund	Other Governmental Funds	Internal Services Funds	
Transfers In:						
General Fund	\$ -	\$ -	\$ -	\$ 117,000	\$ -	\$ 117,000
Sales and Use Tax Capital Improvement Fund	290,000	-	700,000	260,030	-	1,250,030
Community Center Fund	375,000	25,000	-	-	75,456	475,456
Other Governmental Funds	100,000	1,491,800	-	-	-	1,591,800
Nonmajor Proprietary Funds	325,000	-	-	-	-	325,000
Internal Service Funds	42,912	-	-	-	-	42,912
Total	<u>\$ 1,132,912</u>	<u>\$ 1,516,800</u>	<u>\$ 700,000</u>	<u>\$ 377,030</u>	<u>\$ 75,456</u>	<u>\$ 3,802,198</u>



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Transfers are used to;

- 1) Move revenues from the Open Space Fund and Fossil Trace Golf Course Fund for proportionate share of debt obligations to the Sales and Use Tax Capital Improvement Fund, which is responsible for the payment of principal and interest on outstanding debt.
- 2) Move unrestricted funds from the General Fund to the Community Center Fund and Museum Fund to assist with costs not covered by charges for services.
- 3) Move funds from the Open Space Fund to cover ongoing maintenance of parks, trails and open space in the General Fund.
- 4) Move revenues from the Sales and Use Tax Capital Improvement Fund to the Capital Programs Fund for use in on-going capital projects.
- 5) Move unrestricted funds from the General Fund to the Sales and Use Tax Capital Improvement Fund for capital projects.
- 6) Move revenues from the Medical Benefit Fund to the Community Center Fund for employee annual passes as part of the City's wellness program.
- 7) Move unrestricted funds from the General Fund to the Fleet Fund to cover the purchase of additional police vehicles.
- 8) Move unrestricted funds from the General Fund to the DDA Fund to provide initial financial support.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, was as follows:

	Balance 12/31/2015	Transfers Out	Additions	Deletions	Balance 12/31/2016
Governmental Activities					
Capital Assets, Not Being Depreciated					
Land	\$ 13,959,890	\$ 439,469	\$ 16,320	\$ 1,246,198	\$ 12,290,543
Construction in Progress	2,377,162	-	4,209,728	10,461	6,576,429
Artwork	926,714	-	-	-	926,714
Total Capital Assets, Not Being Depreciated	17,263,766	439,469	4,226,048	1,256,659	19,793,686
Capital Assets, Being Depreciated					
Land Improvements	20,103,108	-	252,090	-	20,355,198
Buildings	17,479,396	-	151,299	10,000	17,620,695
Vehicles	8,442,170	-	845,645	301,805	8,986,010
Machinery and Equipment	11,838,077	-	309,072	238,796	11,908,353
Infrastructure	60,808,270	-	3,355,773	713,537	63,450,506
Total Capital Assets, Being Depreciated	118,671,021	-	4,913,879	1,264,138	122,320,762
Total Capital Assets	135,934,787	439,469	9,139,927	2,520,797	142,114,448
Less Accumulated Depreciation For					
Land Improvements	9,623,406	-	867,939	-	10,491,345
Buildings	6,336,770	-	589,448	8,062	6,918,156
Vehicles	5,741,746	-	837,812	300,679	6,278,879
Machinery and Equipment	6,493,543	-	800,422	215,926	7,078,039
Infrastructure	18,658,818	-	1,760,912	49,992	20,369,738
Total Accumulated Depreciation	46,854,283	-	4,856,533	574,659	51,136,157
Total Capital Assets, Being Depreciated, Net	71,816,738	-	57,346	689,479	71,184,605
Total Capital Assets, Net	\$ 89,080,504	\$ 439,469	\$ 4,283,394	\$ 1,946,138	\$ 90,978,291

The transfers reported are for assets paid for by the governmental funds to be used in the business –type activities in their operations.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

	Balance 12/31/2015	Transfers	Additions	Deletions	Balance 12/31/2016
Business-Type Activities					
Capital Assets, Not Being Depreciated					
Land	\$ 6,889,344	\$ 439,469	\$ -	\$ -	\$ 7,328,813
Construction in Progress	1,022,672	-	2,400,069	1,022,672	2,400,069
Water Rights	14,779,180	-	-	-	14,779,180
Artwork	6,835	-	-	-	6,835
Total Capital Assets, Not Being Depreciated	22,698,031	439,469	2,400,069	1,022,672	24,514,897
Capital Assets, Being Depreciated					
Land Improvements	21,164,435	-	-	8,408	21,156,027
Buildings	29,144,526	-	552,083	-	29,696,609
Machinery and Equipment	10,245,652	-	926,227	52,259	11,119,620
Infrastructure	87,270,200	-	3,539,927	524,637	90,285,489
Total Capital Assets, Being Depreciated	147,824,813	-	5,018,237	585,304	152,257,745
Total Capital Assets	170,522,844	439,469	7,418,306	1,607,976	176,772,642
Less Accumulated Depreciation For					
Land Improvements	11,435,607	-	908,882	8,408	12,336,081
Buildings	10,468,347	-	631,143	-	11,099,490
Machinery and Equipment	5,083,005	-	639,753	45,873	5,676,885
Infrastructure	30,079,828	-	1,784,662	340,460	31,524,030
Total Accumulated Depreciation	57,066,787	-	3,964,440	394,741	60,636,486
Total Capital Assets, Being Depreciated, Net	90,758,026	-	1,053,797	190,563	91,621,259
Total Capital Assets, Net	\$ 113,456,057	\$ 439,469	\$ 3,453,866	\$ 1,213,235	\$ 116,136,156



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
Component Unit Activities				
Capital Assets, Being Depreciated				
Office Equipment	14,365	-		14,365
Signage	16,980	-		16,980
Infrastructure	-	40,924	40,924	-
Total Capital Assets, Being Depreciated	31,345	40,924	40,924	31,345
 Less Accumulated Depreciation For				
Office Equipment	(14,365)	-		(14,365)
Signage	(16,980)	-		(16,980)
Total Accumulated Depreciation	(31,345)	-	-	(31,345)
 Total Capital Assets, Being Depreciated, Net	-	40,924	40,924	-
 Total Capital Assets, Net	\$ -	\$ 40,924	\$ 40,924	\$ -



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

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

Governmental Activities

General Government	\$ 344,598
Police	95,457
Fire	291,209
Public Works	2,202,803
Parks and Recreation	692,708
Internal Service Funds	
Fleet Service	1,106,365
Information Technology	123,393
Total Governmental Activities	<u>\$ 4,856,533</u>

Business-Type Activities

Water	\$ 1,580,959
Wastewater	410,859
Drainage	407,762
Golf Course	727,383
Community Center	370,224
Splash Aquatic Park	230,492
Cemetery Operations	35,445
Rooney Road Sports Complex	178,721
Museum	22,595
Total Business-Type Activities	<u>\$ 3,964,440</u>

NOTE 5: CONSTRUCTION COMMITMENTS

As of December 31, 2016, the City has several construction projects in progress. These include on-going road and pedestrian projects, and other Parks and Recreation projects.

Project	2016 Expenditures	Remaining Commitment	Project Total
Public Works Construction Projects	\$ 15,262,728	\$ 2,674,072	\$ 17,936,800
Parks and Recreation On-going Projects	163,632	118,368	282,000
Finance/Court/Planning Software	6,136	208,399	214,535
Police/Fire Software	122,267	82,733	205,000
Total	<u>\$ 15,554,763</u>	<u>\$ 3,083,572</u>	<u>\$ 18,638,335</u>



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

NOTE 6: LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Balance 12/31/15	Additions	Payments/ Reductions	Balance 12/31/16	Due within one year
Governmental-Type Activities					
Revenue Bonds	\$ 10,565,000	\$ -	\$ 1,935,000	\$ 8,630,000	\$ 2,030,000
Premium	835,716	-	162,532	673,184	-
Discount	(50,501)	-	(10,095)	(40,406)	-
Certificates of Participation	9,340,000	8,795,000	9,340,000	8,795,000	815,000
Compensated Absences	1,342,753	1,286,586	1,375,582	1,253,757	25,000
Total	<u>\$ 22,032,968</u>	<u>\$ 10,081,586</u>	<u>\$ 12,803,019</u>	<u>\$ 19,311,535</u>	<u>\$ 2,870,000</u>

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

	Balance 12/31/15	Additions	Payments/ Reductions	Balance 12/31/16	Due within one year
Business-Type Activities					
Revenue Bonds	\$ 6,575,000	\$ -	\$ 920,000	\$ 5,655,000	\$ 900,000
Premium	23,378	-	5,845	17,533	-
Compensated Absences	339,362	372,695	399,623	312,434	58,553
Total	<u>\$ 6,937,740</u>	<u>\$ 372,695</u>	<u>\$ 1,325,468</u>	<u>\$ 5,984,967</u>	<u>\$ 958,553</u>

Revenue Bonds

The City issued revenue bonds in its Sales and Use Tax Capital Improvement Fund, Water Utility Enterprise Fund and Drainage Utility Enterprise Fund to provide funds for major capital acquisitions and construction. Sales and Use Tax Refunding Revenue bonds pledge 1-cent of the City's 3-cent sales tax for debt service. During the year ended December 31, 2016, pledged sales and use tax revenues of \$6,581,305 were available to pay annual debt service of \$2,406,900. Remaining Sales and Use Tax Revenue Bonds debt service at December 31, 2016 was \$9,630,150. The Drainage Utility Refunding Bonds pledge drainage utility fees for payment of debt service; net drainage utility revenues of \$622,307 were available to pay annual debt service of \$339,450. Remaining Drainage Utility Refunding Bond debt service at December 31, 2016 was \$835,700. The Water Revenue Bonds pledge water utility fees for payment of debt service. During the year ended December 31, 2016, net water revenues of \$1,886,898 were available to pay annual debt service of \$736,488. Remaining Water Revenue Bond debt service at December 31, 2016 was \$5,380,106.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Revenue bonds outstanding at December 31, 2016, are as follows:

2010 Sales and Use Tax Refunding Revenue Bonds; interest ranging from 2.5% to 5.0% payable semiannually; bond principal payable annually beginning in 2010 with final payment in 2020.	\$ 8,630,000
2009 Drainage Utility Enterprise Revenue Refunding Bonds; interest ranging from 2.0% to 4.0% payable semiannually; bond principal payable annually beginning in 2009 with final payment in 2019.	780,000
2013 Water Revenue Bonds; interest 2.45% payable semiannually; bond principal payable annually beginning in 2014 with final payment in 2022.	1,860,000
2015 Water Revenue Bonds; interest 2.03% payable semiannually; bond principal payable annually beginning in 2016 with final payment in 2025	<u>3,015,000</u>
Total Revenue Bonds	<u>\$ 14,285,000</u>

The following schedule represents the City's debt service requirements to maturity for outstanding revenue bonded debt at December 31, 2016:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 2,030,000	\$ 375,150	\$ 900,000	\$ 136,474
2018	2,100,000	308,000	850,000	112,472
2019	2,200,000	213,500	715,000	88,080
2020	2,300,000	103,500	555,000	69,188
2021	-	-	565,000	56,872
2022-2026	-	-	2,070,000	97,720
	<u>\$ 8,630,000</u>	<u>\$ 1,000,150</u>	<u>\$ 5,655,000</u>	<u>\$ 560,806</u>



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Certificates of Participation

In March, 2006, the City entered into an annually-renewable lease purchase agreement with Golden Capital Leasing Corporation (GCLC) for the purpose of financing City shop facilities and improvements to a fire station. Certificates of Participation in the lease, representing assignments of GCLC's interest in the City's rental payments, were sold to investors, with the net proceeds of \$14,360,000 being used for construction of the improvements. GCLC also assigned its interest in the leased property to the trustee for the Certificate holders. While the lease does not constitute an indebtedness of the City for state law purposes because it is subject to annual appropriation, it is treated as a capital lease for financial reporting purposes pursuant to generally accepted accounting principles applicable to governmental units. The rentals under the lease consist of separately identified principal and interest components. Payments of the principal component are due semiannually on December 1, through 2026. The interest component accrues at rates ranging from 4.0% to 4.5% and is payable semiannually on June 1 and December 1. The City issued \$8,655,000 of Certificates of Participation in December of 2016, to current refund the remaining 2006 COPs, realizing a present value savings of \$1,221,075 and a total savings of \$1,325,788 on the transaction.

The following schedule represents the City's debt service requirements to maturity for outstanding certificates of participation debt at December 31, 2016:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2017	\$ 815,000	\$ 141,600
2018	830,000	128,478
2019	845,000	115,115
2020	860,000	101,510
2021	870,000	87,665
2022-2026	4,575,000	223,387
	<u>\$ 8,795,000</u>	<u>\$ 797,755</u>

Net book value of capital assets acquired as part of the Certificates of Participation are as follows:

<u>Asset Type</u>	<u>Governmental Activities</u>
Land Improvements	\$ 2,731,985
Building and Building Improvements	6,637,018
Furniture & Fixtures	67,690
Machinery & Tools	50,181
Total	<u>\$ 9,486,874</u>



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

NOTE 7: POLICE SEIZURE FUNDS

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. The law further provides that these funds are not subject to appropriation by City Council. The City of Golden Police Department may spend the funds of law enforcement activities at its discretion. On December 31, 2016, the City had \$15,186 in trust for police seizure funds, which was recorded as unearned revenue in the General Fund.

NOTE 8: COMMITMENTS AND CONTINGENCIES

A. Water and Sewage Treatment Agreement with the Adolph Coors Company

The City entered into an agreement with the Adolph Coors Company (Coors) on December 27, 1979, whereby the City of Golden and Coors agreed to maximize the use of and yield from its respective Clear Creek water rights and minimize cash outlay by the City. Coors treats all of the City's sewage deliverable to the Coors wastewater treatment system and the City provides Coors as much developed nontributary or reusable storage water as possible. This agreement has been modified by subsequent amendments and, in general, provides that the amount of payment Coors receives, whether by the provision of water or by the payment of money for the provision of sewage treatment and disposal, shall be determined by component prices as originally accepted and adjusted quarterly. The adjustment is made on the basis of the value of money at the adjustment date as reflected by the consumer price index of the U.S. Department of Commerce. The term of this agreement extends for so long as Coors continues to operate a brewery near Golden, Colorado. In the unlikely event that Coors should not maintain a brewery near the City, the City would be obligated to purchase the wastewater treatment system from the company. For the year ended December 31, 2016, the City sold \$522,342 of water under this agreement and incurred \$488,296 in sewage treatment expense. The City reflects the revenue from these transactions in its Water Enterprise Fund and the expense in its Wastewater Enterprise Fund.

B. Risk Management

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. The City uses Internal Service Funds to account for these various risks. Property and liability self-insurance is accounted for in the Insurance Fund. The Medical Benefit Plan Fund accounts for self-insurance of employee medical claims. The Workers' Compensation Insurance Fund accounts for employee workers' compensation claims. Each fund reduces loss exposure by purchasing individual and aggregate stop-loss insurance. On December 31, 2016 there were claims liabilities of \$31,930 in the Insurance Fund, \$108,077 in the Workers' Compensation Insurance Fund, and \$212,743 in the Medical Benefit Plan Fund which reflect incurred but not reported claims that may be expected to be paid out of future resources but represent liabilities to the fund in the current year. Each reserve was computed based on a historical review of claim experience.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Changes in claims payable for the years ended December 31, 2015, and 2016, were as follows:

	Property & Liability Insurance	Medical Benefit Plan	Workers' Compensation Insurance
Claims Payable 12/31/2014	\$ 19,556	\$ 228,440	\$ 175,092
2015 Claims and Changes in Estimate	111,093	1,874,012	124,493
Claim Payments	(124,699)	(1,850,054)	(181,108)
Claims Payable 12/31/2015	5,950	252,398	118,477
2016 Claims and Changes in Estimate	127,100	2,105,437	119,532
Claim Payments	(101,120)	(2,145,092)	(129,932)
Claims Payable, 12/31/2016	\$ 31,930	\$ 212,743	\$ 108,077

The City self-insures for health benefit claims up to a maximum of \$75,000 per claim and up to an annual aggregate of \$2,000,000. Insurance policies have been purchased to cover losses above these limits. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA) for property, liability and workers' compensation coverage. CIRSA is a separate and legal entity that was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, 29-1-201 et. seq., 29-13-102, 84-44-101(1)(c) and (3), and 84-44-204, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is generally restricted to Colorado municipalities that are members of the Colorado Municipal League.

The purposes of CIRSA are to provide property, liability and workers' compensation coverages and related services for its member municipalities through joint self-insurance and excess insurance.

It is the intent of the members of CIRSA to create an entity in perpetuity that 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 or 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. The board of directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

The deductible paid by the City for property and liability per occurrence is \$5,000 and \$100,000, respectively. The auto liability deductible is \$50,000 and the auto physical damage deductible is \$2,500 per occurrence.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

The deductible paid by the City for workers' compensation in each incident is \$100,000. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to \$400,000 and provides coverage to statutory limits for the State of Colorado. The statutory limit for employer liability is \$1,000,000.

D. Litigation

The City is a defendant in several lawsuits. The City attorney estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

NOTE 9: RETIREMENT COMMITMENTS

A. City of Golden Police and Fire Pension Plan

The City of Golden contributes to a single-employer defined contribution money purchase plan on behalf of certain designated police and fire department employees who have reached the age of 21-years and are full-time, paid, sworn police officers or who are full-time, paid firefighters. The City contributes 13% and employees contribute 10% of the employee's base salary. This contribution rate and other provisions are established and may be amended by City Council. During the year ended December 31, 2016, the City's pension expenditure/expense was \$687,708. The five-year vesting schedule is as follows: 0% at 1 year full-time service; 40% at 2 years; 60% at 3 years; 80% at 4 years; and 100% at 5 years. In 1988, an amendment was made to the Plan Document to incorporate loans as an investment option. Participants may borrow up to 50% of vested balances as an investment option. Loans outstanding at December 31, 2016, are \$262,165. Authority for establishing or amending the plan's provisions rests with the City Council.

All of the Police and Fire Pension Plan investments as of December 31, 2016 totaling \$20,381,448 are managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

B. City of Golden City Pension Plan

All City employees outside of sworn Police and Fire personnel participate in social security. Additionally, the City of Golden contributes to a single-employer defined contribution money purchase plan on behalf of all full-time permanent employees outside of the Police and Fire departments. The City contributes 5% and employees contribute 2% of the employee's base salary. The City also contributes a matching percentage for employees that participate in the deferred compensation plan up to 3%. The contribution rates and other provisions are established and may be amended by City Council. During the year ended December 31, 2016, employees and the City made the required contributions to the plan of \$197,914 and \$739,677 respectively. The vesting schedule is as follows: a plan participant will be vested 20% from the date of hire, 40% after one full year of service, 60% after two full years of service, 80% after three full years of service and 100% after four full years of service for the City's contribution. Additionally, loans to participants of up to 50% of vested balances are available for hardship withdrawals. Loans outstanding at December 31, 2016, are \$278,888. Authority for establishing or amending the plan's provisions rests with the City Council.

All of the City Pension Plan cash and investments as of December 31, 2016 totaling \$14,814,843 are managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

C. City of Golden Volunteer Firefighters Pension Plan

Plan Description - The City has established an agent multi employer defined benefit pension plan for volunteer firefighters as authorized by State of Colorado statute. The plan is administered by the Fire and Police Pension Association (FPPA). Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. The Plan has 80 retirees and beneficiaries; 7 inactive and non-retired and 31 active, for a total of 118 members. Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. A firefighter who is disabled in the line of duty and whose disability is considered permanent shall be compensated in an amount determined by the Board of Trustees to be reasonable and proper considering the financial condition of the fund. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute. Effective January 1, 2011, the plan was closed to new volunteer firefighters. The annual financial report of FPPA may be obtained by contacting FPPA at www.fppaco.org.

Funding Policy - The Volunteer Firefighters Pension Plan receives contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by the Legislature, the State of Colorado contributes up to 90% of the City's contribution and the City recognizes the State's contribution as an on-behalf payment of fringe benefits. The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial study as of January 1, 2015, indicated that the current levels of contributions to the fund are not adequate to support the prospective benefits for the present plan on an actuarially sound basis. The City has since increased its annual contribution.

Contributions - For the year ended December 31, 2016, the City and State actual contributions were \$150,000 and \$77,940, respectively. The required contribution was determined as part of the January 1, 2015, actuarial valuation using the entry age normal cost method.

Actuarial assumptions included the following:

- Interest rate – 7.5% per annum, compounded annually, net of operating expenses
- Inflation rate – 3%
- Retirement - Age 50 and 20 years of service, minimum vesting at 10 years
- Disability - Graduated rates for all disabilities
- Mortality – RP-2000 Generational Mortality Tables
- Separation - Graduated rates for all withdrawals
- Marital Status - 90% married
- Asset Valuation – Five year smoothed fair value method

Based on an amortization period of 20 years using the level dollar method on an open basis, the plan's expected contributions exceed the amount recommended to eliminate the unfunded actuarial accrued liability.

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

At December 31, 2016, the City reported a net pension liability of \$2,021,568. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2015.

For the year ended December 31, 2016, the City recognized the following changes in the net pension liability:

Measurement period ending December 31,	2015	2014
Total Pension Liability		
Service Cost	\$ 39,930	\$ 78,811
Interest on the Total Pension Liability	346,874	326,723
Difference between Expected and Actual Experience	-	108,279
Assumption Changes	-	(654,990)
Benefit Payments	(380,417)	(389,110)
Net Change in Total Pension Liability	6,387	(530,287)
Total Pension Liability - Beginning	4,792,151	5,322,438
Total Pension Liability - Ending (a)	<u>\$4,798,538</u>	<u>\$4,792,151</u>

For the year ended December 31, 2016, the City recognized pension income of \$149,227. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	\$ 53,325	\$ -	\$ 53,325
Assumption Changes	-	(322,564)	(322,564)
Net Difference between projected and actual earnings on pension plan investments	142,640	-	142,640
Contributions subsequent to the measurement date	150,000	-	150,000
Total	<u>\$ 345,965</u>	<u>\$ (322,564)</u>	<u>\$ 23,401</u>

The City's contributions subsequent to the measurement date of \$150,000 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended December 31, 2017.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

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

<u>Year Ending December 31</u>	<u>Net Deferred Outflows/(Inflows) of Resources</u>
2016	\$ (101,939)
2017	\$ (93,706)
2018	\$ 36,798
2019	\$ 32,248
2020	\$ -
Thereafter	\$ -
Total	\$ (126,599)

As of the most recent analysis of the long-term expected rate of return, the target allocation and 5 year real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annualized 5 Year Return Percentage</u>
Global Equity	37%	6.50%
Illiquid Alternatives	10%	4.70%
Fixed Income	20%	8.00%
Absolute Return	16%	1.50%
Equity Long/Short	11%	4.10%
Managed Futures	4%	3.00%
Cash	2%	0.00%

The following presents the net pension liability calculated using the discount rate of 7.5%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

<u>1% Decrease 6.5%</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase 8.5%</u>
\$ 2,568,187	\$ 2,021,568	\$ 1,568,892



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

D. Deferred Compensation Plan

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to all City employees and permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Investments are held in trust exclusively for the benefit of the employees and are managed by the trustees under a number of investment options. The choice of investment option(s) is made by the participant. The plan is managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

E. Retirement Health Saving Plan (VantageCare)

The City enrolls employees into the Retirement Health Savings upon eligibility. VantageCare RHS is a retirement health benefit savings vehicle that gives participants the opportunity to accumulate assets to pay for medical expenses (e.g., health insurance and prescription expenses) in retirement on a tax-free basis. The plan utilizes excess sick leave placed into an employee's account at the end of each year and upon separation from employment. Funds are available for use upon separation from employment to pay for medical expenses. Investments are held in trust exclusively for the benefit of the employees and are managed by the trustees under a number of investment options. The choice of investment option(s) is made by the participant. The plan is managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

F. Volunteer Firefighter Length of Service Award Defined Contribution Plan

The City of Golden contributes to a Volunteer Firefighter Length of Service Award Plan (LOSAP), which accumulates resources for benefit payments to qualified volunteer firefighters. The LOSAP is considered a defined contribution plan according to GASB Statement No. 67. An individual account is provided for each member, the plan terms define the amount of contributions that the employer is required to make to an active plan member's account for the periods in which the plan member renders service, and the award that the plan member receives depends only on the contributions to the plan.

During the year ended December 31, 2016, the City's pension expenditures/expense was \$111,621.

NOTE 10: TAXPAYER BILL OF RIGHTS (TABOR) AMENDMENT TO THE COLORADO CONSTITUTION

On November 3, 1992, Colorado voters approved the Taxpayer Bill of Rights (TABOR) amendment to the Colorado Constitution. This measure contains both revenue and spending limits.

Annual property tax increases and spending increases are limited to the increase in the Consumer Price Index for the Denver - Boulder area plus a local annual growth factor determined by net new construction on real property. Additionally, the measure requires voter approval for any new bonded debt. The measure applies to all City funds except the Conservation Trust Fund, the Water Enterprise Fund, the Wastewater Enterprise Fund, and the Drainage Enterprise Fund.

On November 7, 1995, Golden voters approved the retention by the City of all revenues generated and received during 1995 and subsequent years from sales and use taxes, property taxes, fees, fines, charges, grants, donation

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

and interest earnings notwithstanding the revenue and spending limits contained in the TABOR Amendment to the Colorado Constitution. Management believes the City is in compliance with the TABOR Amendment.

For 2016, the City was required to reserve 3% of its fiscal year spending as “emergency reserves.” The TABOR emergency reserve of \$1,160,000 has been recorded as restricted fund balance in the General Fund.

NOTE 11: DISCRETELY PRESENTED COMPONENT UNIT

The Golden Urban Renewal Authority (the Authority) is a body corporate and politic of the State of Colorado. Organized on June 26, 1989, the Authority was created by Part 1 of Article 25 of Title 13 C.R.S. to acquire, clear, rehabilitate, conserve and develop or redevelop one or more slum or blighted areas existing within the City of Golden (the City).

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are payable the following year in two installments, on February 28 and June 15, or in total on April 30. Property taxes are billed and collected by Jefferson County, Colorado. Taxes for the following year are levied January 1 and recorded as a receivable with a corresponding offset to deferred revenue at December 31.

Budgets and Budgetary Accounting

An annual budget is adopted on the modified accrual basis of accounting. In accordance with Colorado State Budget Law, expenditures may not exceed appropriations for the fund.

Cash and Investments

The Authority’s cash and investments are both readily convertible to cash and are so near their maturity that they present insignificant risk of change in value due to interest rate changes.

Deferred Inflow of Resources

The Authority’s governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The Authority will not recognize the related revenue until a future event occurs. Property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year.

Deposits and Investments

The Authority pools its cash deposits with the City of Golden. As such, at December 31, 2016, all cash deposits are covered by federal depository insurance and collateralized with securities held by a third party in the name of the Public Depository Protection Act, as the agent for the City of Golden.

The Authority pools its investments with the City of Golden. Colorado revised statutes and the City’s investment policy specifies investment instruments meeting defined rating and risk criteria in which the City may invest.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2016

Commitments

Effective September 1, 2014, the Authority entered into an intergovernmental agreement with the Downtown Development Authority (DDA) in which the Authority shall assist DDA with the initial financial support totaling \$500,000. The Authority made an initial \$300,000 payment in January 2015, with annual payments of \$50,000 payable on or before January 10 from 2016 to 2019. The remaining commitment is \$150,000 as of December 31, 2016.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City carries insurance that covers the Authority. Settled claims have not exceeded this coverage during the past three years.

Other Agreements

Owner Participation Agreements – The Authority has entered into various agreements to assist in carrying out the Golden Downtown Redevelopment Plan. Under these agreements, the Authority agrees to reimburse certain developers (of developers lenders) from that portion of the revenue produced by the ad valorem property tax valuation or municipal sales tax increments in excess of the base valuation for such tax valuation and sales tax proceeds (as determined by the Authority) to be produced and available from eligible improvements made to the development sites. The developers agree to develop the approved property according to the plans and specification prepared and submitted by the developer and approved by the Authority and the City. Due to the nature of these agreements, no liability is recorded in the financial statements until the related increment taxes have been received by the Authority. As of December 31, 2016, the Authority has entered into agreements with a total value of \$2,343,000 and had remitted \$240,351 under such agreements. The remaining potential obligation under the owner participation agreements at December 31, 2016 is \$2,295,000.

Intergovernmental Co-Operating Agreement

On June 1, 2014, the Authority entered into an agreement with the City, whereby the City performs certain administrative tasks and shares costs of those city employees that serve roles within the Authority, from the agreement date through December 31, 2017. Throughout the term of this agreement and extensions thereof, the City Director of Community and Economic Development shall serve as the Executive Director and Secretary to the Board for the Authority. Commencing January 1, 2015, the City Finance Department has provided all auditing, accounting. Accounts payable and receivable and budget monitoring services for the Authority. The Authority will continue to fund all other direct operational, programming and project costs out of its operating budget.

NOTE 12: COMPLIANCE AND ACCOUNTABILITY

During the year ended December 31, 2016, actual expenses exceeded appropriations for the Fossil Trace Golf Course Fund by \$25,376, the Museum Fund by \$5,661 and the Medical Benefit Fund by \$147,624 due to operating expenses. The over-expense was funded with available net position.

During the year ended December 31, 2016, the Sales and Use Tax Fund and the Capital Programs Fund ended with a negative fund balance as a result of timing between revenues and expenditures.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements

December 31, 2016

NOTE 13: RESTATEMENT OF NET POSITION/FUND BALANCE

The City also restated beginning net position as a result of a receivable and related revenue that was not recorded in 2015. Restated net position for the Governmental Activities is as follows.

Net position, December 31, 2015, as previously reported:	\$ 80,705,735
Effect of prior period adjustment due to understatement of accounts receivable as of December 31, 2015:	<u>1,593,123</u>
Net Position, December 31, 2015, as Restated:	<u>\$ 82,298,858</u>



Required Supplementary Information

City of Golden, Colorado
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/ (ASSET) AND RELATED RATIOS MULTIYEAR
VOLUNTEER FIREFIGHTERS' PENSION PLAN
For the Year Ended December 31, 2016*

Measurement period ending December 31,	2015	2014*
Total Pension Liability		
Service Cost	\$ 39,930	\$ 78,811
Interest on the Total Pension Liability	346,874	326,723
Difference between Expected and Actual Experience	-	108,279
Assumption Changes	-	(654,990)
Benefit Payments	(380,417)	(389,110)
Net Change in Total Pension Liability	6,387	(530,287)
Total Pension Liability - Beginning	4,792,151	5,322,438
Total Pension Liability - Ending (a)	<u>\$ 4,798,538</u>	<u>\$ 4,792,151</u>
Plan Fiduciary Net Position		
Employer Contributions	\$ 120,000	\$ 120,000
Pension Plan Net Investment Income	50,420	189,147
Benefit Payments	(380,417)	(389,110)
Pension Plan Administrative Expense	(5,516)	(4,714)
State of Colorado supplemental discretionary payment	77,940	77,940
Net Change in Polan Fiduciary Net Position	(137,573)	(6,737)
Plan Fiduciary Net Position - Beginning	2,914,543	2,921,280
Plan Fiduciary Net Position - Ending (b)	<u>2,776,970</u>	<u>2,914,543</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	2,021,568	1,877,608
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	57.87%	60.82%
Covered Employee Payroll	N/A	N/A
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A

* The amount presented for the fiscal year was determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.



Required Supplementary Information

City of Golden, Colorado SCHEDULE OF CONTRIBUTIONS MULTIYEAR

For the Year Ended December 31, 2016

FY Ending December 31,*	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2014	\$ 254,207	\$ 197,940	\$ 56,267	N/A	N/A
2015	\$ 254,207	\$ 197,940	\$ 56,267	N/A	N/A
2016	\$ 254,207	\$ 227,940	\$ 26,267	N/A	N/A

* The amounts presented for each fiscal year were determined as of December 31. Information earlier than 2014 was not available.



GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Conservation Trust Fund - accounts for lottery proceeds received from the State government. Spending is restricted to the development or improvement of City parks. The City's share is determined primarily by population data.

Golden Downtown General Improvement District (GDGID) Fund - accounts for monies received from the collection of tax revenues generated through the assessment of an annual mill levy. Expenditures are for the purchase of parking lots and the construction of parking improvements in and around the Golden downtown area. While a separate legal entity from the City, the GDGID is blended with the City's financial statements since City Council acts as the GDGID Board of Directors.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for revenues and expenditures dedicated to capital improvements projects.

Capital Programs Fund - accounts for capital projects and resources which are not required to be accounted for in another fund.

Open Space Fund - accounts for parkland acquisition and development projects funded from the City's attributable share of Jefferson County's Open Space Program. Funding for the Program comes from a 1/2 cent county wide sales tax.

Sales and Use Tax Capital Improvements Fund - accounts for revenues collected from a 1 cent sales and use tax earmarked for capital improvements voted in by electors in 1991.

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care Fund – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain the City's cemetery.



City of Golden, Colorado
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2016

		Special Revenue Funds		
		Golden Downtown General Improvement District	Downtown Development Authority	Total
ASSETS	Conservation Trust			
Cash and Investments	\$ 198,380	\$ 414,643	\$ 720,479	\$ 1,333,502
Accounts Receivable		417	1,128	1,545
Property Taxes Receivable	-	31,149	240,613	271,762
Due from Other Governments	-	-	1,587	1,587
Interfund Receivable	-	-	-	-
TOTAL ASSETS	\$ 198,380	\$ 446,209	\$ 963,807	\$ 1,608,396
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable and Retainage Payable	110,849	62,948	55,068	228,865
Accrued Liabilities	-	-	-	-
Total Liabilities	110,849	62,948	55,068	228,865
Deferred Inflows of Resources				
Deferred Property Taxes	-	31,149	240,613	271,762
Total Deferred Inflows of Resources	-	31,149	240,613	271,762
Fund Balances				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Parks & Recreation	87,531	-	-	87,531
Parking Improvements	-	352,112	-	352,112
Cemetery Maintenance	-	-	-	-
Downtown Improvements	-	-	668,126	668,126
Unassigned	-	-	-	-
Total Fund Balances	87,531	352,112	668,126	1,107,769
TOTAL LIABILITIES AND FUND BALANCES	\$ 198,380	\$ 446,209	\$ 963,807	\$ 1,608,396

Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
Capital Programs	Open Space	Total	Cemetery Perpetual Care	2016
\$ 232,852	\$ 231,635	\$ 464,487	\$ 609,172	\$ 2,407,161
-	-	-	210	1,755
-	-	-	-	271,762
41,322	114,777	156,099	-	157,686
-	-	-	1,212,416	1,212,416
<u>\$ 274,174</u>	<u>\$ 346,412</u>	<u>\$ 620,586</u>	<u>\$ 1,821,798</u>	<u>\$ 4,050,780</u>
330,695	77,549	408,244	-	637,109
-	-	-	-	-
<u>330,695</u>	<u>77,549</u>	<u>408,244</u>	<u>-</u>	<u>637,109</u>
-	-	-	-	271,762
-	-	-	-	<u>271,762</u>
-	-	-	1,559,109	1,559,109
-	268,863	268,863	-	356,394
-	-	-	-	352,112
-	-	-	262,689	262,689
-	-	-	-	668,126
(56,521)	-	(56,521)	-	(56,521)
<u>(56,521)</u>	<u>268,863</u>	<u>212,342</u>	<u>1,821,798</u>	<u>3,141,909</u>
<u>\$ 274,174</u>	<u>\$ 346,412</u>	<u>\$ 620,586</u>	<u>\$ 1,821,798</u>	<u>\$ 4,050,780</u>



City of Golden, Colorado
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2016

	Special Revenue Funds			
	Conservation Trust	Golden Downtown General Improvement District	Downtown Development Authority	Total
REVENUES				
Taxes	\$ -	\$ 31,614	\$ 353,165	\$ 384,779
Intergovernmental	222,633	-	50,000	272,633
Charges for Services	-	-	-	-
Investment Income	889	1,340	3,622	5,851
Miscellaneous	-	218,300	500	218,800
TOTAL REVENUES	<u>223,522</u>	<u>251,254</u>	<u>407,287</u>	<u>882,063</u>
EXPENDITURES				
Current				
General Government	-	86,564	257,594	344,158
Capital Outlay	305,500	-	-	305,500
Transfers	-	-	-	-
TOTAL EXPENDITURES	<u>305,500</u>	<u>86,564</u>	<u>257,594</u>	<u>649,658</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(81,978)</u>	<u>164,690</u>	<u>149,693</u>	<u>232,405</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	100,000	100,000
Transfers (Out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCES	<u>(81,978)</u>	<u>164,690</u>	<u>249,693</u>	<u>332,405</u>
FUND BALANCES, Beginning	<u>169,509</u>	<u>187,422</u>	<u>418,433</u>	<u>775,364</u>
FUND BALANCES, Ending	<u>\$ 87,531</u>	<u>\$ 352,112</u>	<u>\$ 668,126</u>	<u>\$ 1,107,769</u>

Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
Capital Programs	Open Space	Total	Cemetery Perpetual Care	Funds 2016
\$ -	\$ -	\$ -	\$ -	\$ 384,779
537,558	637,196	1,174,754	-	1,447,387
45,941	-	45,941	110,905	156,846
3,053	4,825	7,878	18,676	32,405
-	-	-	-	218,800
586,552	642,021	1,228,573	129,581	2,240,217
-	-	-	-	344,158
2,282,442	678,131	2,960,573	-	3,266,073
-	-	-	-	-
2,282,442	678,131	2,960,573	-	3,610,231
(1,695,890)	(36,110)	(1,732,000)	129,581	(1,370,014)
1,491,800	-	1,491,800	-	1,591,800
-	(377,030)	(377,030)	-	(377,030)
1,491,800	(377,030)	1,114,770	-	1,214,770
(204,090)	(413,140)	(617,230)	129,581	(155,244)
147,569	682,003	829,572	1,692,217	3,297,153
\$ (56,521)	\$ 268,863	\$ 212,342	\$ 1,821,798	\$ 3,141,909



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
SALES AND USE TAX CAPITAL PROJECTS FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 6,534,081	\$ 6,534,081	\$ 6,581,305	\$ 47,224
Intergovernmental	15,225,000	16,345,000	12,483,612	(3,861,388)
Investment Income	6,000	6,000	22,637	16,637
Miscellaneous	186,152	186,152	215,269	29,117
TOTAL REVENUES	<u>21,951,233</u>	<u>23,071,233</u>	<u>19,302,823</u>	<u>(3,768,410)</u>
EXPENDITURES				
Debt Service	5,255,026	5,255,026	3,544,600	1,710,426
Capital Outlay	21,951,105	22,414,365	18,297,028	4,117,337
TOTAL EXPENDITURES	<u>27,206,131</u>	<u>27,669,391</u>	<u>21,841,628</u>	<u>5,827,763</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,254,898)</u>	<u>(4,598,158)</u>	<u>(2,538,805)</u>	<u>2,059,353</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	960,030	960,030	1,250,030	290,000
Transfers Out	(1,516,800)	(1,516,800)	(1,516,800)	-
Proceeds from Sale of Assets	1,519,197	1,519,197	1,476,581	(42,616)
Proceeds from Debt	-	-	8,795,000	8,795,000
Bond Refunding Deposited in Escrow	-	-	(8,655,000)	(8,655,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>962,427</u>	<u>962,427</u>	<u>1,349,811</u>	<u>387,384</u>
(USE)/ACCUMULATION OF SURPLUS FUNDS	<u>(4,292,471)</u>	<u>(3,635,731)</u>	<u>(1,188,994)</u>	<u>2,446,737</u>
AVAILABLE RESOURCES, Beginning Budgetary Basis	<u>5,038,522</u>	<u>4,882,809</u>	<u>2,904,013</u>	<u>(1,978,796)</u>
AVAILABLE RESOURCES, Ending Budgetary Basis	<u>\$ 746,051</u>	<u>\$ 1,247,078</u>	<u>1,715,019</u>	<u>\$ 467,941</u>
BUDGET-TO-GAAP RECONCILIATION				
AVAILABLE RESOURCES, Beginning Budgetary Basis			2,904,013	
Advances from other funds for the year ended December 31, 2016			(2,709,932)	
FUND BALANCE, Beginning per GAAP			194,081	
(USE)/ACCUMULATION OF SURPLUS FUNDS			<u>(1,188,994)</u>	
FUND BALANCE, Ending per GAAP			<u>\$ (994,913)</u>	

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 346,950	\$ 196,950	\$ 222,633	\$ 25,683
Investment Income	1,000	1,000	889	(111)
TOTAL REVENUES	<u>347,950</u>	<u>197,950</u>	<u>223,522</u>	<u>25,572</u>
EXPENDITURES				
Capital Outlay	<u>550,000</u>	<u>675,000</u>	<u>305,500</u>	<u>369,500</u>
TOTAL EXPENDITURES	<u>550,000</u>	<u>675,000</u>	<u>305,500</u>	<u>369,500</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>60,000</u>	<u>310,000</u>	<u>-</u>	<u>(310,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>60,000</u>	<u>310,000</u>	<u>149,693</u>	<u>(160,307)</u>
NET CHANGE IN FUND BALANCE	(202,050)	(167,050)	(81,978)	85,072
FUND BALANCE, Beginning	<u>204,569</u>	<u>169,509</u>	<u>169,509</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 2,519</u>	<u>\$ 2,459</u>	<u>\$ 87,531</u>	<u>\$ 85,072</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
GOLDEN DOWNTOWN GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 32,544	\$ 32,544	\$ 31,614	\$ (930)
Investment Income	1,000	1,000	1,340	340
Miscellaneous	3,500	3,500	218,300	214,800
TOTAL REVENUES	<u>37,044</u>	<u>37,044</u>	<u>251,254</u>	<u>214,210</u>
EXPENDITURES				
Current				
General Government	26,420	96,420	86,564	9,856
TOTAL EXPENDITURES	<u>26,420</u>	<u>96,420</u>	<u>86,564</u>	<u>9,856</u>
NET CHANGE IN FUND BALANCE	10,624	(59,376)	164,690	204,354
FUND BALANCE, Beginning	<u>45,113</u>	<u>187,422</u>	<u>187,422</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 55,737</u>	<u>\$ 128,046</u>	<u>\$ 352,112</u>	<u>\$ 204,354</u>

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
GOLDEN DOWNTOWN DEVELOPMENT AUTHORITY
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 230,925	\$ 230,925	\$ 353,165	\$ 122,240
Investment Income	200	200	3,622	3,422
Intergovernmental	115,000	115,000	50,000	(65,000)
Miscellaneous	1,000	1,000	500	(500)
TOTAL REVENUES	<u>347,125</u>	<u>347,125</u>	<u>407,287</u>	<u>60,162</u>
EXPENDITURES				
Current				
General Government	<u>527,326</u>	<u>527,326</u>	<u>257,594</u>	<u>269,732</u>
TOTAL EXPENDITURES	<u>527,326</u>	<u>527,326</u>	<u>257,594</u>	<u>269,732</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(80,201)	(80,201)	249,693	(209,570)
FUND BALANCE, Beginning	<u>288,925</u>	<u>418,433</u>	<u>418,433</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 208,724</u>	<u>\$ 338,232</u>	<u>\$ 668,126</u>	<u>\$ (209,570)</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROGRAMS FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 518,400	\$ 518,400	\$ 537,558	\$ 19,158
Charge for Services	25,000	25,000	45,941	20,941
Investment Income	2,000	2,000	3,053	1,053
TOTAL REVENUES	<u>545,400</u>	<u>545,400</u>	<u>586,552</u>	<u>41,152</u>
EXPENDITURES				
Capital Outlay	<u>2,038,800</u>	<u>2,163,650</u>	<u>2,282,442</u>	<u>(118,792)</u>
TOTAL EXPENDITURES	<u>2,038,800</u>	<u>2,163,650</u>	<u>2,282,442</u>	<u>(118,792)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,493,400)</u>	<u>(1,618,250)</u>	<u>(1,695,890)</u>	<u>(77,640)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>1,491,800</u>	<u>1,491,800</u>	<u>1,491,800</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,491,800</u>	<u>1,491,800</u>	<u>1,491,800</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,600)	(126,450)	(204,090)	(77,640)
FUND BALANCE, Beginning	<u>3,236</u>	<u>147,569</u>	<u>147,569</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 1,636</u>	<u>\$ 21,119</u>	<u>\$ (56,521)</u>	<u>\$ (77,640)</u>

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
OPEN SPACE FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,138,107	\$ 1,138,107	\$ 637,196	\$ (500,911)
Investment Income	1,500	1,500	4,825	3,325
TOTAL REVENUES	<u>1,139,607</u>	<u>1,139,607</u>	<u>642,021</u>	<u>(497,586)</u>
EXPENDITURES				
Capital Outlay	930,000	1,129,150	678,131	451,019
TOTAL EXPENDITURES	<u>930,000</u>	<u>1,129,150</u>	<u>678,131</u>	<u>451,019</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>209,607</u>	<u>10,457</u>	<u>(36,110)</u>	<u>(46,567)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(377,030)</u>	<u>(377,030)</u>	<u>(377,030)</u>	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(377,030)</u>	<u>(377,030)</u>	<u>(377,030)</u>	-
NET CHANGE IN FUND BALANCE	(167,423)	(366,573)	(413,140)	(46,567)
FUND BALANCE, Beginning	<u>268,637</u>	<u>682,003</u>	<u>682,003</u>	-
FUND BALANCE, Ending	<u>\$ 101,214</u>	<u>\$ 315,430</u>	<u>\$ 268,863</u>	<u>\$ (46,567)</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
CEMETERY PERPETUAL CARE FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 53,000	\$ 53,000	\$ 110,905	\$ 57,905
Investment Income	20,000	20,000	18,676	(1,324)
TOTAL REVENUES	<u>73,000</u>	<u>73,000</u>	<u>129,581</u>	<u>56,581</u>
NET CHANGE IN FUND BALANCE	73,000	73,000	129,581	56,581
FUND BALANCE, Beginning	<u>1,680,524</u>	<u>1,692,217</u>	<u>1,692,217</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 1,753,524</u>	<u>\$ 1,765,217</u>	<u>1,821,798</u>	<u>\$ 56,581</u>



PROPRIETARY FUNDS

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following Non-major proprietary funds:

Splash Aquatic Park Fund - accounts for all activities necessary for the operation of the City's aquatic park.

Cemetery Operations Fund - accounts for all activities necessary for the operation of the City's cemetery.

Rooney Road Sports Complex Fund - accounts for all activities necessary for the construction and operation of the City's sports complex.

Museum Fund - accounts for all activities necessary for the operation of the City's museums.



City of Golden, Colorado
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 December 31, 2016

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2016
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 15,745	\$ 252,838	\$ 983,051	\$ 167,765	\$ 1,419,399
Accounts Receivable	5,006	2,315	-	124,722	132,043
Inventory	-	-	-	6,923	6,923
Total Current Assets	<u>20,751</u>	<u>255,153</u>	<u>983,051</u>	<u>299,410</u>	<u>1,558,365</u>
Non-Current Assets					
Capital Assets Not Being Depreciated	182,325	-	-	-	182,325
Capital Assets (Net of Accumulated Depreciation)	<u>4,225,168</u>	<u>470,450</u>	<u>1,946,182</u>	<u>1,002,944</u>	<u>7,644,744</u>
Total Non-Current Assets	<u>4,407,493</u>	<u>470,450</u>	<u>1,946,182</u>	<u>1,002,944</u>	<u>7,827,069</u>
TOTAL ASSETS	<u>4,428,244</u>	<u>725,603</u>	<u>2,929,233</u>	<u>1,302,354</u>	<u>9,385,434</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	2,388	8,736	1,689	16,700	29,513
Accrued Liabilities	549	-	-	-	549
Compensated Absences, Current Portion	-	-	-	7,381	7,381
Interfund Payable					
Unearned Revenue	-	9	-	190,398	190,407
Total Current Liabilities	<u>2,937</u>	<u>8,745</u>	<u>1,689</u>	<u>214,479</u>	<u>227,850</u>
Non-Current Liabilities					
Accrued Compensated Absences	-	-	-	20,762	20,762
TOTAL LIABILITIES	<u>2,937</u>	<u>8,745</u>	<u>1,689</u>	<u>235,241</u>	<u>248,612</u>
NET POSITION					
Investment in Capital Assets	4,407,493	470,450	1,946,182	1,002,944	7,827,069
Unrestricted	<u>17,814</u>	<u>246,408</u>	<u>981,362</u>	<u>64,169</u>	<u>1,309,753</u>
TOTAL NET POSITION	<u>\$ 4,425,307</u>	<u>\$ 716,858</u>	<u>\$ 2,927,544</u>	<u>\$ 1,067,113</u>	<u>\$ 9,136,822</u>

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2016

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2016
OPERATING REVENUES					
Charges for Services	\$ 442,023	\$ 608,985	\$ 49,403	\$ 154,345	\$ 1,254,756
Intergovernmental	-	-	-	70,000	70,000
Miscellaneous	108	1,744	-	21,947	23,799
TOTAL OPERATING REVENUES	<u>442,131</u>	<u>610,729</u>	<u>49,403</u>	<u>246,292</u>	<u>1,348,555</u>
OPERATING EXPENSES					
Personnel Services	189,125	219,887	10,908	392,374	812,294
Operating	257,859	241,365	22,813	171,257	693,294
Depreciation and Amortization	230,492	35,445	178,720	22,595	467,252
TOTAL OPERATING EXPENSES	<u>677,476</u>	<u>496,697</u>	<u>212,441</u>	<u>586,226</u>	<u>1,972,840</u>
Operating Income (Loss)	<u>(235,345)</u>	<u>114,032</u>	<u>(163,038)</u>	<u>(339,934)</u>	<u>(624,285)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment Income	300	1,373	7,026	905	9,604
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>300</u>	<u>1,373</u>	<u>7,026</u>	<u>905</u>	<u>9,604</u>
Income (Loss) Before Transfers and Capital Contributions	(235,045)	115,405	(156,012)	(339,029)	(614,681)
Transfers In	-	-	-	325,000	325,000
Capital Contributions	15,900	-	-	469,364	485,264
Change in Net Position	(219,145)	115,405	(156,012)	455,335	195,583
NET POSITION, Beginning	<u>4,644,452</u>	<u>601,453</u>	<u>3,083,556</u>	<u>611,778</u>	<u>8,941,239</u>
NET POSITION, Ending	<u>\$ 4,425,307</u>	<u>\$ 716,858</u>	<u>\$ 2,927,544</u>	<u>\$ 1,067,113</u>	<u>\$ 9,136,822</u>



City of Golden, Colorado
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2016
Increase (Decrease) in Cash and Cash Equivalents

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2016
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers/Users	\$ 437,125	\$ 614,556	49,403	290,514	\$ 1,391,598
Cash Paid to Suppliers	(258,039)	(244,828)	(25,914)	(164,088)	(692,869)
Cash Paid to Employees	(189,102)	(232,092)	(10,908)	(383,294)	(815,396)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(10,016)	137,636	12,581	(256,868)	(116,667)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from Other Funds	-	-	-	325,000	325,000
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	-	-	-	325,000	325,000
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	300	1,373	7,026	905	9,604
NET CASH PROVIDED BY INVESTING ACTIVITIES	300	1,373	7,026	905	9,604
NET INCREASE (DECREASE) IN CASH	(9,716)	139,009	19,607	69,037	217,937
CASH AND CASH EQUIVALENTS, Beginning	25,461	113,829	963,444	98,728	1,201,462
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 15,745</u>	<u>\$ 252,838</u>	<u>\$ 983,051</u>	<u>\$ 167,765</u>	<u>\$ 1,419,399</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO					
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating (Loss)	\$ (235,345)	\$ 114,032	\$ (163,038)	\$ (339,934)	\$ (624,285)
Adjustments to Reconcile Operating Income (Loss) to					
Net Cash Provided (Used) by Operating Activities					
Depreciation Expense	230,492	35,445	178,720	22,595	467,252
Changes in Assets and Liabilities					
Accounts Receivable	(5,006)	3,827	-	(124,722)	(125,901)
Inventory	-	-	-	2,062	2,062
Accounts Payable	(180)	(3,463)	(3,101)	5,107	(1,637)
Accrued Liabilities	23	-	-	-	23
Unearned Revenue	-	-	-	168,944	168,944
Accrued Compensated Absences	-	(12,205)	-	9,080	(3,125)
Total Adjustments	225,329	23,604	175,619	83,066	507,618
NET CASH PROVIDED (USED) BY					
OPERATING ACTIVITIES	<u>\$ (10,016)</u>	<u>\$ 137,636</u>	<u>\$ 12,581</u>	<u>\$ (256,868)</u>	<u>\$ (116,667)</u>
NON-CASH TRANSACTIONS					
Capital Assets Contributed	<u>\$ 15,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 469,364</u>	<u>\$ 485,264</u>

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
WATER FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 6,216,000	\$ 6,216,000	\$ 5,928,882	\$ (287,118)
Miscellaneous	32,000	32,000	139,230	107,230
Investment Income	8,000	8,000	29,977	21,977
Capital Contributions	-	-	335,772	335,772
TOTAL REVENUES	<u>\$ 6,256,000</u>	<u>\$ 6,256,000</u>	<u>\$ 6,433,861</u>	<u>\$ 177,861</u>
EXPENSES				
Personnel Services	\$ 1,545,920	\$ 1,545,920	\$ 1,408,431	\$ 137,489
Operating	6,285,636	6,599,066	2,624,568	3,974,498
Debt Service Principal	756,457	756,457	756,457	-
Debt Service Interest	-	-	119,084	(119,084)
Capital Outlay	-	-	3,200,447	(3,200,447)
TOTAL EXPENSES	<u>\$ 8,588,013</u>	<u>\$ 8,901,443</u>	<u>\$ 8,108,987</u>	<u>\$ 792,456</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 6,068,112
Plus: Investment Income	29,977
Plus: Contributed Capital	335,772
Budgetary Revenues	<u>\$ 6,433,861</u>
GAAP Operating Expenses	\$ 5,624,953
Less: Depreciation and Amortization Expense	(1,591,954)
Plus: Debt Service Principal	756,457
Plus: Debt Service Interest	119,084
Plus: Capital Outlay	3,200,447
Budgetary Expenses	<u>\$ 8,108,987</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
WASTEWATER FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 2,309,000	\$ 2,309,000	\$ 2,330,085	\$ 21,085
Investment Income	21,000	21,000	25,145	4,145
Capital Contributions	-	-	86,398	86,398
TOTAL REVENUES	<u>\$ 2,330,000</u>	<u>\$ 2,330,000</u>	<u>\$ 2,441,628</u>	<u>\$ 111,628</u>
EXPENSES				
Personnel Services	\$ 463,900	\$ 463,900	\$ 420,903	\$ 42,997
Operating	1,777,678	1,845,268	1,145,230	700,038
Capital Outlay	-	-	568,012	(568,012)
TOTAL EXPENSES	<u>\$ 2,241,578</u>	<u>\$ 2,309,168</u>	<u>\$ 2,134,145</u>	<u>\$ 175,023</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 2,330,085
Plus: Investment Income	25,145
Plus: Contributed Capital	86,398
Budgetary Revenues	<u>\$ 2,441,628</u>
GAAP Operating Expenses	\$ 1,976,992
Less: Depreciation and Amortization Expense	(410,859)
Plus: Capital Outlay	568,012
Budgetary Expenses	<u>\$ 2,134,145</u>

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
DRAINAGE FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,144,480	\$ 1,144,480	\$ 1,472,465	\$ 327,985
Miscellaneous	-	-	1,721	1,721
Investment Income	1,000	1,000	2,462	1,462
Capital Contributions	-	-	1,525,957	1,525,957
TOTAL REVENUES	<u>\$ 1,145,480</u>	<u>\$ 1,145,480</u>	<u>\$ 3,002,605</u>	<u>\$ 1,857,125</u>
EXPENSES				
Personnel	\$ 196,080	\$ 196,080	\$ 211,740	\$ (15,660)
Operating	333,831	333,831	127,887	205,944
Debt Service Principal	300,000	300,000	300,000	-
Debt Service Interest	39,450	39,450	38,700	750
Capital Outlay	203,920	255,420	358,274	(102,854)
TOTAL EXPENSES	<u>\$ 1,073,281</u>	<u>\$ 1,124,781</u>	<u>\$ 1,036,601</u>	<u>\$ 88,180</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,474,186
Plus: Investment Income	2,462
Plus: Capital Contributions	1,525,957
Budgetary Revenues	<u>\$ 3,002,605</u>
GAAP Operating Expenses	\$ 751,873
Less: Depreciation and Amortization Expense	(412,246)
Plus: Debt Service Principal	300,000
Plus: Debt Service Interest	38,700
Plus: Capital Outlay	358,274
Budgetary Expenses	<u>\$ 1,036,601</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
FOSSIL TRACE GOLF COURSE FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 3,292,000	\$ 3,381,000	\$ 3,403,841	\$ 22,841
Miscellaneous	115,000	115,000	160,685	45,685
Investment Income	800	800	4,542	3,742
Transfers In	325,000	-	-	-
Sale of Capital Assets	133,300	133,300	-	(133,300)
TOTAL REVENUES	<u>\$ 3,866,100</u>	<u>\$ 3,630,100</u>	<u>\$ 3,569,068</u>	<u>\$ (61,032)</u>
EXPENSES				
Personnel Services	\$ 1,272,620	\$ 1,272,620	\$ 1,298,891	\$ (26,271)
Operating	1,855,263	1,855,263	1,316,689	538,574
Loss on Sale of Assets	-	-	18,266	(18,266)
Capital Outlay	-	-	519,413	(519,413)
Transfers Out	700,000	700,000	700,000	-
TOTAL EXPENSES	<u>\$ 3,827,883</u>	<u>\$ 3,827,883</u>	<u>\$ 3,853,259</u>	<u>\$ (25,376)</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 3,564,526
Plus: Investment Income	4,542
Budgetary Revenues	<u>\$ 3,569,068</u>
GAAP Operating Expenses	\$ 3,342,963
Less: Depreciation Expense	(727,383)
Plus: Loss on Sale of Assets	18,266
Plus: Capital Outlay	519,413
Plus: Transfers Out	700,000
Budgetary Expenses	<u>\$ 3,853,259</u>

City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
COMMUNITY CENTER FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,843,900	\$ 1,843,900	\$ 1,879,838	\$ 35,938
Miscellaneous	-	-	4,437	4,437
Investment Income	3,600	3,600	2,474	(1,126)
Transfers In	475,000	475,000	475,456	456
TOTAL REVENUES	<u>\$ 2,322,500</u>	<u>\$ 2,322,500</u>	<u>\$ 2,362,205</u>	<u>\$ 39,705</u>
EXPENSES				
Personnel Services	\$ 1,577,040	\$ 1,577,040	\$ 1,488,217	\$ 88,823
Operating	867,209	867,209	867,765	(556)
Gain/(Loss) on Sale of Capital Assets	-	-	15,296	(15,296)
TOTAL EXPENSES	<u>\$ 2,444,249</u>	<u>\$ 2,444,249</u>	<u>\$ 2,371,278</u>	<u>\$ 72,971</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,884,275
Plus: Investment Income	2,474
Plus: Transfers In	475,456
Budgetary Revenues	<u>\$ 2,362,205</u>
GAAP Operating Expenses	\$ 2,726,206
Less: Depreciation Expense	(370,224)
Plus: Loss on Sale of Assets	15,296
Budgetary Expenses	<u>\$ 2,371,278</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
SPLASH AQUATIC PARK FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 422,500	\$ 430,500	\$ 442,023	\$ 11,523
Miscellaneous	-	-	108	108
Investment Income	400	400	300	(100)
TOTAL REVENUES	<u>\$ 422,900</u>	<u>\$ 430,900</u>	<u>\$ 442,431</u>	<u>\$ 11,531</u>
EXPENSES				
Personnel Services	\$ 186,700	\$ 186,700	\$ 189,125	\$ (2,425)
Operating	252,692	260,692	257,859	2,833
TOTAL EXPENSES	<u>\$ 439,392</u>	<u>\$ 447,392</u>	<u>\$ 446,984</u>	<u>\$ 408</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 442,131
Plus: Investment Income	300
Budgetary Revenues	<u>\$ 442,431</u>
GAAP Operating Expenses	\$ 677,476
Less: Depreciation Expense	(230,492)
Budgetary Expenses	<u>\$ 446,984</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
CEMETERY OPERATIONS FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 401,000	\$ 401,000	\$ 608,985	\$ 207,985
Miscellaneous	-	-	1,744	1,744
Investment Income	300	300	1,373	1,073
Transfers In	80,000	80,000	-	(80,000)
TOTAL REVENUES	<u>\$ 481,300</u>	<u>\$ 481,300</u>	<u>\$ 612,102</u>	<u>\$ 130,802</u>
EXPENSES				
Personnel Services	\$ 244,780	\$ 244,780	\$ 219,887	\$ 24,893
Operating	241,597	241,597	241,365	232
TOTAL EXPENSES	<u>\$ 486,377</u>	<u>\$ 486,377</u>	<u>\$ 461,252</u>	<u>\$ 25,125</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 610,729
Plus: Investment Income	1,373
Budgetary Revenues	<u>\$ 612,102</u>
GAAP Operating Expenses	\$ 496,697
Less: Depreciation Expense	(35,445)
Budgetary Expenses	<u>\$ 461,252</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
ROONEY ROAD SPORTS COMPLEX FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 62,000	\$ 62,000	\$ 49,403	\$ (12,597)
Investment Income	7,000	7,000	7,026	26
TOTAL REVENUES	<u>\$ 69,000</u>	<u>\$ 69,000</u>	<u>\$ 56,429</u>	<u>\$ (12,571)</u>
EXPENSES				
Personnel Services	\$ 12,600	\$ 12,600	\$ 10,908	\$ 1,692
Operating	26,156	26,156	22,813	3,343
TOTAL EXPENSES	<u>\$ 38,756</u>	<u>\$ 38,756</u>	<u>\$ 33,721</u>	<u>\$ 5,035</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 49,403
Plus: Investment Income	7,026
Budgetary Revenues	<u>\$ 56,429</u>
GAAP Operating Expenses	\$ 212,441
Less: Depreciation Expense	(178,720)
Budgetary Expenses	<u>\$ 33,721</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
MUSEUM FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 112,200	\$ 112,200	\$ 154,345	\$ 42,145
Intergovernmental	50,000	50,000	70,000	20,000
Miscellaneous	26,600	26,600	21,947	(4,653)
Investment Income	800	800	905	105
Capital Contributions	-	-	9,899	9,899
Transfers In	330,000	330,000	325,000	(5,000)
TOTAL REVENUES	<u>\$ 519,600</u>	<u>\$ 519,600</u>	<u>\$ 582,096</u>	<u>\$ 62,496</u>
EXPENSES				
Personnel Services	\$ 386,080	\$ 387,880	\$ 392,374	\$ (4,494)
Operating	170,090	170,090	171,257	(1,167)
TOTAL EXPENSES	<u>\$ 556,170</u>	<u>\$ 557,970</u>	<u>\$ 563,631</u>	<u>\$ (5,661)</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 246,292
Plus: Investment Income	905
Plus: Contributed Capital	9,899
Plus: Transfers In	325,000
Budgetary Revenues	<u>\$ 582,096</u>
GAAP Operating Expenses	\$ 586,226
Less: Depreciation Expense	(22,595)
Budgetary Expenses	<u>\$ 563,631</u>





INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Insurance Fund - accounts for property and liability self-insurance activities. Premiums are charged monthly to the General, Water, Wastewater, Cemetery Operations, Community Center, Fleet Management, and Information Systems Funds.

Medical Benefit Fund - a self-insurance fund for the payment of medical claims for employees and their covered dependents. Funding is obtained through monthly premiums charged to each department based on type of coverage and number of employees.

Fleet Management Fund - accounts for repair, maintenance and replacement of all City vehicles except most Fire Department vehicles. Funding is established through base rates charged to each department on a monthly basis for each vehicle in use.

Information Technology Fund - accounts for repair, maintenance and replacement of all City computer equipment. Funding is established through base rates charged to each department on a monthly basis for each computer in use.

Workers' Compensation Fund - accounts for workers' compensation and unemployment insurance activity. Premiums are charged monthly to the General, Water, Wastewater, Cemetery Operations, Community Center, Fleet Management, and Information Systems Funds.



City of Golden, Colorado
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2016
 With Comparative Totals for December 31, 2015

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,017,520	\$ 1,036,891	\$ 288,317
Accounts Receivable	-	-	2,033
Prepaid Expenses		8,700	-
Total Current Assets	1,017,520	1,045,591	290,350
Capital Assets			
Capital Assets (Net of Accumulated Depreciation)	-	-	4,012,982
TOTAL ASSETS	1,017,520	1,045,591	4,303,332
LIABILITIES			
Current Liabilities			
Accounts Payable	13,143	35,957	31,414
Accrued Liabilities		-	-
Claims Payable	31,930	212,743	-
Total Current Liabilities	45,073	248,700	31,414
Non-Current Liabilities			
Accrued Compensated Absences			37,788
Total Non-Current Liabilities	-	-	37,788
TOTAL LIABILITIES	45,073	248,700	69,202
NET POSITION			
Net Investment in Capital Assets	-	-	4,012,982
Unrestricted	972,447	796,891	221,148
TOTAL NET POSITION	\$ 972,447	\$ 796,891	\$ 4,234,130

Information Technology Fund	Workers' Compensation Fund	Totals	
		2016	2015
\$ 545,805	\$ 815,160	\$ 3,703,693	\$ 4,296,503
6,802	-	8,835	61,308
-	-	8,700	8,700
552,607	815,160	3,721,228	4,366,511
863,795	-	4,876,777	4,882,031
1,416,402	815,160	8,598,005	9,248,542
112,142	1,288	193,944	149,767
-	-	-	-
-	108,077	352,750	376,825
112,142	109,365	546,694	526,592
41,647	-	79,435	86,109
41,647	-	79,435	86,109
153,789	109,365	626,129	612,701
863,795	-	4,876,777	4,882,031
398,818	705,795	3,095,099	3,753,810
\$ 1,262,613	\$ 705,795	\$ 7,971,876	\$ 8,635,841



City of Golden, Colorado
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Year Ended December 31, 2016
 With Comparative Totals for December 31, 2015

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
OPERATING REVENUES			
Charges for Services	\$ 388,779	\$ 2,404,263	\$ 1,306,638
Intergovernmental	-	-	-
Miscellaneous	59,082	-	-
TOTAL OPERATING REVENUES	<u>447,861</u>	<u>2,404,263</u>	<u>1,306,638</u>
OPERATING EXPENSES			
Personnel Services	-	-	328,470
Operating	-	81,059	406,880
Depreciation	-	-	1,106,365
Claims	127,100	2,105,437	-
Premiums	276,360	770,672	-
TOTAL OPERATING EXPENSES	<u>403,460</u>	<u>2,957,168</u>	<u>1,841,715</u>
Operating Income (Loss)	<u>44,401</u>	<u>(552,905)</u>	<u>(535,077)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Income	6,702	12,814	3,123
Gain (Loss) on Sale of Capital Assets	-	-	104,120
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>6,702</u>	<u>12,814</u>	<u>107,243</u>
Net Income (Loss) before Transfers and Capital Contributions	51,103	(540,091)	(427,834)
Transfers In	-	-	42,912
Transfers Out	-	(75,456)	-
Capital Contributions	<u>-</u>	<u>-</u>	<u>47,647</u>
Change In Net Position	51,103	(615,547)	(337,275)
NET POSITION, Beginning	<u>921,344</u>	<u>1,412,438</u>	<u>4,571,405</u>
NET POSITION, Ending	<u><u>\$ 972,447</u></u>	<u><u>\$ 796,891</u></u>	<u><u>\$ 4,234,130</u></u>

Information Technology Fund	Workers' Compensation Fund	Totals	
		2016	2015
\$ 1,948,130	\$ 332,686	\$ 6,380,496	\$ 5,913,548
56,753	-	56,753	66,244
5	-	59,087	133,368
<u>2,004,888</u>	<u>332,686</u>	<u>6,496,336</u>	<u>6,113,160</u>
805,293	-	1,133,763	831,915
1,002,433	1,346	1,491,718	1,328,297
123,393	-	1,229,758	1,083,657
-	119,532	2,352,069	2,109,598
-	164,633	1,211,665	1,160,696
<u>1,931,119</u>	<u>285,511</u>	<u>7,418,973</u>	<u>6,514,163</u>
<u>73,769</u>	<u>47,175</u>	<u>(922,637)</u>	<u>(401,003)</u>
2,259	5,725	30,623	20,096
(1,899)	-	102,221	96,298
<u>360</u>	<u>5,725</u>	<u>132,844</u>	<u>116,394</u>
74,129	52,900	(789,793)	(284,609)
-	-	42,912	32,533
-	-	(75,456)	(73,491)
<u>110,725</u>	<u>-</u>	<u>158,372</u>	<u>1,171,892</u>
184,854	52,900	(663,965)	846,325
<u>1,077,759</u>	<u>652,895</u>	<u>8,635,841</u>	<u>7,789,516</u>
<u>\$ 1,262,613</u>	<u>\$ 705,795</u>	<u>\$ 7,971,876</u>	<u>\$ 8,635,841</u>



City of Golden, Colorado
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2016
Increase (Decrease) in Cash and Cash Equivalents
With Comparative Totals for December 31, 2015

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Users	\$ 447,861	\$ 2,404,263	\$ 1,306,915
Cash Paid to Suppliers	12,277	(83,588)	(396,030)
Cash Paid to Employees	-	-	(332,244)
Cash Paid to Providers	(276,360)	(770,672)	-
Cash Paid to Claimants	(101,120)	(2,145,092)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>82,658</u>	<u>(595,089)</u>	<u>578,641</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (to) Other Funds	-	(75,456)	-
Transfers from Other Funds	-	-	42,912
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>(75,456)</u>	<u>42,912</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchase of Capital Assets	-	-	(929,340)
Proceeds from Sale of Capital Assets	-	-	105,246
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(824,094)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	6,702	12,814	3,124
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>6,702</u>	<u>12,814</u>	<u>3,124</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	89,360	(657,731)	(199,417)
CASH AND CASH EQUIVALENTS, Beginning	<u>928,160</u>	<u>1,694,622</u>	<u>487,734</u>
CASH AND CASH EQUIVALENTS, Ending	<u><u>\$ 1,017,520</u></u>	<u><u>\$ 1,036,891</u></u>	<u><u>\$ 288,317</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 44,401	\$ (552,905)	\$ (535,077)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	-	-	1,106,365
Changes in Assets and Liabilities			
Accounts Receivable	-	-	277
Accounts Payable	12,277	(2,529)	10,850
Claims Payable	25,980	(39,655)	-
Accrued Compensated Absences	-	-	(3,774)
Total Adjustments	<u>38,257</u>	<u>(42,184)</u>	<u>1,113,718</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 82,658</u></u>	<u><u>\$ (595,089)</u></u>	<u><u>\$ 578,641</u></u>
NON-CASH TRANSACTIONS			
Capital Assets Contributed	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 47,647</u></u>



Information Technology Fund	Workers' Compensation Fund	Totals	
		2016	2015
\$ 2,057,085	\$ 332,686	\$ 6,548,810	\$ 6,120,525
(947,511)	(32,689)	(1,447,541)	(1,372,197)
(808,193)	-	(1,140,437)	(839,317)
-	(164,633)	(1,211,665)	(1,160,696)
-	(129,932)	(2,376,144)	(2,155,861)
<u>301,381</u>	<u>5,432</u>	<u>373,023</u>	<u>592,454</u>
-	-	(75,456)	(73,491)
-	-	42,912	32,533
<u>-</u>	<u>-</u>	<u>(32,544)</u>	<u>(40,958)</u>
(140,823)	-	(1,070,163)	-
1,005	-	106,251	134,777
<u>(139,818)</u>	<u>-</u>	<u>(963,912)</u>	<u>134,777</u>
2,258	5,725	30,623	20,096
<u>2,258</u>	<u>5,725</u>	<u>30,623</u>	<u>20,096</u>
163,821	11,157	(592,810)	706,369
<u>381,984</u>	<u>804,003</u>	<u>4,296,503</u>	<u>4,776,259</u>
<u>\$ 545,805</u>	<u>\$ 815,160</u>	<u>\$ 3,703,693</u>	<u>\$ 5,482,628</u>
<u>\$ 73,769</u>	<u>\$ 47,175</u>	<u>\$ (922,637)</u>	<u>\$ (401,003)</u>
123,393	-	1,229,758	1,083,657
52,197	-	52,474	7,365
54,922	(31,343)	44,177	(43,900)
-	(10,400)	(24,075)	(46,263)
(2,900)	-	(6,674)	(7,402)
<u>227,612</u>	<u>(41,743)</u>	<u>1,295,660</u>	<u>993,457</u>
<u>\$ 301,381</u>	<u>\$ 5,432</u>	<u>\$ 373,023</u>	<u>\$ 592,454</u>
<u>\$ 110,725</u>	<u>\$ -</u>	<u>\$ 158,372</u>	<u>\$ 1,171,892</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
INSURANCE FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 388,773	\$ 388,773	\$ 388,779	\$ 6
Miscellaneous	10,000	10,000	59,082	49,082
Investment Income	5,000	5,000	6,702	1,702
TOTAL REVENUES	<u>\$ 403,773</u>	<u>\$ 403,773</u>	<u>\$ 454,563</u>	<u>\$ 50,790</u>
OPERATING EXPENSES				
Insurance Claims	\$ 150,000	\$ 150,000	\$ 127,100	\$ 22,900
Insurance Premiums	285,000	285,000	276,360	8,640
TOTAL EXPENSES	<u>\$ 435,000</u>	<u>\$ 435,000</u>	<u>\$ 403,460</u>	<u>\$ 31,540</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 447,861
Plus: Investment Income	<u>6,702</u>
Budgetary Revenues	<u>\$ 454,563</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
MEDICAL BENEFIT FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 2,559,374	\$ 2,559,374	\$ 2,404,263	\$ (155,111)
Miscellaneous Income	10,000	10,000	-	(10,000)
Investment Income	4,000	4,000	12,814	8,814
TOTAL REVENUES	<u>\$ 2,573,374</u>	<u>\$ 2,573,374</u>	<u>\$ 2,417,077</u>	<u>\$ (156,297)</u>
EXPENSES				
Operating	\$ 210,000	\$ 210,000	\$ 81,059	\$ 128,941
Medical Claims	1,900,000	1,900,000	2,105,437	(205,437)
Medical Premiums	775,000	775,000	770,672	4,328
Transfers Out	-	-	75,456	(75,456)
TOTAL EXPENSES	<u>\$ 2,885,000</u>	<u>\$ 2,885,000</u>	<u>\$ 3,032,624</u>	<u>\$ (147,624)</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 2,404,263
Plus: Investment Income	12,814
Budgetary Revenues	<u>\$ 2,417,077</u>
GAAP Operating Expenses	2,957,168
Plus: Transfers Out	75,456
Budgetary Expenses	<u>\$ 3,032,624</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
FLEET MANAGEMENT FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,541,218	\$ 1,547,558	\$ 1,306,638	\$ (240,920)
Investment Income	4,500	4,500	3,123	(1,377)
Transfers In	41,000	41,000	42,912	1,912
Gain/(Loss) on Sale of Capital Assets	50,000	50,000	104,120	54,120
TOTAL REVENUES	<u>\$ 1,636,718</u>	<u>\$ 1,643,058</u>	<u>\$ 1,456,793</u>	<u>\$ (186,265)</u>
EXPENSES				
Personnel Services	\$ 359,360	\$ 359,360	\$ 328,470	\$ 30,890
Operating	1,458,952	1,465,292	406,880	1,058,412
Capital Outlay	-	-	929,340	(929,340)
TOTAL EXPENSES	<u>\$ 1,818,312</u>	<u>\$ 1,824,652</u>	<u>\$ 1,664,690</u>	<u>\$ 159,962</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,306,638
Plus: Investment Income	3,123
Plus: Gain/(Loss) on Sale of Capital Assets	104,120
Plus: Transfers In	42,912
Budgetary Revenues	<u>\$ 1,456,793</u>
GAAP Operating Expenses	\$ 1,841,715
Less: Depreciation Expense	(1,106,365)
Plus: Capital Outlay	929,340
Budgetary Expenses	<u>\$ 1,664,690</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
INFORMATION TECHNOLOGY FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,897,189	\$ 1,897,178	\$ 1,948,130	\$ 50,952
Miscellaneous	-	-	56,758	56,758
Investment Income	2,000	2,000	2,259	259
Capital Contributions	-	-	45,775	45,775
Gain/(Loss) on Sale of Capital Assets	-	-	(1,899)	(1,899)
TOTAL REVENUES	<u>\$ 1,899,189</u>	<u>\$ 1,899,178</u>	<u>\$ 2,051,023</u>	<u>\$ 151,845</u>
EXPENSES				
Personnel Services	\$ 825,400	\$ 825,400	\$ 805,293	\$ 20,107
Operating	1,127,104	1,177,104	1,002,433	174,671
Capital Outlay	-	-	140,823	(140,823)
TOTAL EXPENSES	<u>\$ 1,952,504</u>	<u>\$ 2,002,504</u>	<u>\$ 1,948,549</u>	<u>\$ 53,955</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 2,004,888
Plus: Investment Income	2,259
Plus: Capital Contributions	45,775
Plus: Gain/(Loss) on Sale of Capital Assets	(1,899)
Budgetary Revenues	<u>\$ 2,051,023</u>
GAAP Operating Expenses	\$ 1,931,119
Less: Depreciation Expense	(123,393)
Plus: Capital Outlay	140,823
Budgetary Expenses	<u>\$ 1,948,549</u>



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
WORKERS' COMPENSATION FUND
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 325,650	\$ 325,650	\$ 332,686	\$ 7,036
Interest	3,500	3,500	5,725	2,225
TOTAL REVENUES	<u>\$ 329,150</u>	<u>\$ 329,150</u>	<u>\$ 338,411</u>	<u>\$ 9,261</u>
EXPENSES				
Operating	\$ 4,000	\$ 4,000	\$ 1,346	\$ 2,654
Medical Claims	155,000	255,000	119,532	135,468
Medical Premiums	195,000	195,000	164,633	30,367
TOTAL EXPENSES	<u>\$ 354,000</u>	<u>\$ 454,000</u>	<u>\$ 285,511</u>	<u>\$ 168,489</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 332,686
Plus: Investment Income	5,725
Budgetary Revenues	<u>\$ 338,411</u>



COMPONENT UNIT
GOLDEN URBAN RENEWAL AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUND (GENERAL FUND)
December 31, 2016

ASSETS	
Cash and Investments	\$ 2,284,131
Property taxes receivable	461,484
Due from other governments	-
Total assets	<u>\$ 2,749,647</u>
LIABILITIES	
Accounts payable	<u>\$ 63,240</u>
Total liabilities	<u>63,240</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax revenue	<u>461,484</u>
Total deferred inflows of resources	<u>461,484</u>
FUND BALANCE	
Assigned for:	
Subsequent year expenditures	<u>2,224,923</u>
Total fund balance	<u>2,224,923</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,749,647</u>

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



COMPONENT UNIT
 GOLDEN URBAN RENEWAL AUTHORITY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND (GENERAL FUND)
 For the Year Ended December 31, 2016

REVENUES	
Property tax revenue	\$ 220,766
Sales tax revenue	66,691
Investment income	14,903
Total revenues	<u>302,360</u>
EXPENDITURES	
Current:	
General government	<u>300,789</u>
Total expenditures	<u>300,789</u>
NET CHANGE IN FUND BALANCE	1,571
FUND BALANCE, Beginning	<u>2,223,352</u>
FUND BALANCE, Ending	<u><u>\$ 2,224,923</u></u>

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



COMPONENT UNIT
 GOLDEN URBAN RENEWAL AUTHORITY
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND (GENERAL FUND)
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2016

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUND	\$ 1,571
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions (\$40,924) exceeds depreciation expense (\$0).	40,924
Conveyance of Authority owned property to City of Golden is an expenditure in the statement of activities, but is not a use of current year funds. This is not a current year expenditure for fund level financials.	<u>(40,924)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,571</u>

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



City of Golden, Colorado
BUDGETARY COMPARISON SCHEDULE
GOLDEN URBAN RENEWAL AUTHORITY
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 273,000	208,000	\$ 287,457	\$ 79,457
Investment Income	2,000	2,000	14,903	12,903
Miscellaneous	74,500	-	-	-
TOTAL REVENUES	<u>349,500</u>	<u>210,000</u>	<u>302,360</u>	<u>92,360</u>
EXPENDITURES				
Current				
General Government	830,600	761,350	250,789	510,561
TOTAL EXPENDITURES	<u>830,600</u>	<u>761,350</u>	<u>250,789</u>	<u>510,561</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(50,000)	(50,000)	(50,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(531,100)	(601,350)	1,571	(418,201)
FUND BALANCE, Beginning	<u>2,119,292</u>	<u>2,223,352</u>	<u>2,223,352</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 1,588,192</u>	<u>\$ 1,622,002</u>	<u>\$ 2,224,923</u>	<u>\$ (418,201)</u>





Statistical Section



Statistical Section

This section of the City of Golden Comprehensive Annual Financial Report presents detailed data as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

Contents	Schedules	Pages
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the City's financial condition has changed over time.	1-4	107-111
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the City's largest revenue source, sales and use taxes.	5-7	112-114
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue debt in the future.	8-11	115-118
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	12	119
Note: The City of Golden does not track employment data, and is therefore not available so the Principal Employers schedule has been omitted		
<u>Operating Information</u> These schedules contain service data to help the reader understand how information in the financial report relates to the services the City provides and the activities it performs.	13-15	120-122

Schedule 1
City of Golden, Colorado
Net Position, Last Ten Years
(accrual basis of accounting)

	<u>Fiscal Year</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities											
Net Investment in Capital Assets		\$ 23,694,684	\$ 29,160,435	\$ 44,353,119	\$ 48,666,221	\$ 51,383,273	\$ 55,426,009	\$ 60,696,499	\$ 68,762,301	\$ 69,058,448	\$ 73,515,028
Restricted		8,282,036	5,611,049	4,276,796	3,369,864	3,478,867	3,871,381	4,020,193	3,626,546	4,347,153	4,358,430
Unrestricted		7,249,786	7,475,163	8,721,440	8,951,693	8,594,148	10,565,878	11,095,657	9,134,807	7,300,134	6,997,848
Total governmental activities net position		\$ 39,226,506	\$ 42,246,647	\$ 57,351,355	\$ 60,987,778	\$ 63,456,288	\$ 69,863,268	\$ 75,812,349	\$ 81,523,654	\$ 80,705,735	\$ 84,871,306
Business-type Activities											
Net Investment in Capital Assets		\$ 87,415,593	\$ 87,563,599	\$ 87,045,968	\$ 87,095,908	\$ 88,397,393	\$ 89,676,943	\$ 92,370,199	\$ 92,423,864	\$ 107,005,953	\$ 110,590,572
Restricted		-	467,500	640,683	589,683	539,183	486,683	663,144	465,371	795,954	799,406
Unrestricted		5,788,411	6,622,369	7,112,499	6,781,845	6,155,390	4,985,570	3,948,328	7,266,259	10,194,064	9,322,775
Total business-type activities net position		\$ 93,204,004	\$ 94,653,468	\$ 94,799,150	\$ 94,467,436	\$ 95,091,966	\$ 95,149,196	\$ 96,981,671	\$ 100,155,494	\$ 117,995,971	\$ 120,712,753
Primary Government											
Net Investment in Capital Assets		\$ 111,110,277	\$ 116,724,034	\$ 131,399,087	\$ 135,762,129	\$ 139,780,666	\$ 145,102,952	\$ 153,066,698	\$ 161,186,165	\$ 176,064,401	\$ 184,105,600
Restricted		8,282,036	5,611,049	4,276,796	3,959,547	4,018,050	4,358,064	4,683,337	4,091,917	5,143,107	5,157,836
Unrestricted		13,038,197	14,097,532	15,833,939	15,733,538	14,749,538	15,551,448	15,043,985	16,401,066	17,494,198	16,320,623
Total primary governmental net position		\$ 132,430,510	\$ 136,432,615	\$ 151,509,822	\$ 155,455,214	\$ 158,548,254	\$ 165,012,464	\$ 172,794,020	\$ 181,679,148	\$ 198,701,706	\$ 205,584,059

Source: Current and prior years' financial statements





Schedule 2
City of Golden, Colorado
Changes in Net Position, Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses										
Governmental Activities:										
General Government	\$ 4,817,642	\$ 4,506,258	\$ 5,177,505	\$ 4,869,996	\$ 5,500,012	\$ 6,355,983	7,170,606	7,480,751	6,219,076	6,607,850
Planning & Economic Development	1,304,805	1,465,776	1,369,737	1,508,834	1,382,978	1,691,531	1,661,333	1,915,287	1,895,845	2,193,152
Police	6,309,764	6,891,703	6,708,952	7,510,972	7,425,961	6,960,353	7,456,650	7,520,766	7,916,701	9,121,177
Fire	1,405,429	1,730,747	1,641,196	1,679,083	1,745,639	1,866,043	1,861,319	1,733,106	1,863,105	1,967,865
Public Works	4,929,887	5,409,722	5,904,355	5,215,528	6,052,699	5,911,551	5,880,920	5,692,087	9,004,171	20,430,241
Parks and Recreation	2,639,123	3,219,073	2,862,860	3,140,486	3,027,771	2,906,184	2,976,540	3,345,295	3,439,110	3,615,213
Interest on Long-Term Debt	1,878,313	1,783,158	1,662,301	1,439,222	1,250,874	1,185,983	1,100,795	1,032,257	952,831	894,056
Total governmental activities expenses	23,284,963	25,006,437	25,326,906	25,364,121	26,385,934	26,877,628	28,108,163	28,719,549	31,290,839	44,835,554
Business-type Activities:										
Water	5,166,199	5,265,393	5,015,706	5,034,206	5,184,993	5,050,660	5,187,505	5,192,955	5,521,900	5,852,719
Wastewater	1,739,040	1,680,177	1,800,782	1,680,328	1,688,415	1,612,250	1,729,759	1,745,956	1,905,150	2,057,625
Drainage	658,855	765,790	688,114	746,306	722,895	703,348	748,555	709,625	768,362	790,573
Fossil Trace Golf Course	3,117,330	2,856,814	2,777,396	2,842,321	3,246,913	3,068,085	3,072,239	3,089,033	3,146,486	3,342,963
Community Center	2,009,580	2,221,468	2,242,511	2,252,136	2,397,638	2,323,726	2,331,446	2,663,568	2,662,205	2,726,206
Splash Aquatic Park	488,854	558,347	543,739	560,403	563,162	599,632	564,345	569,265	613,989	677,476
Cemetery Operations	449,144	492,491	405,231	463,207	469,231	519,664	495,176	481,036	482,573	496,697
Rooney Road Sports Complex	4,642	75,040	429,611	218,047	224,028	210,984	202,745	230,882	209,887	212,441
Museums	-	-	-	221,704	482,821	484,514	563,082	508,265	516,489	586,226
Total business-type activities expenses	13,633,644	13,915,520	13,903,090	14,018,658	14,980,096	14,572,863	14,894,852	15,190,585	15,827,041	16,742,926
Total primary governmental expenses	\$ 36,918,607	\$ 38,921,957	\$ 39,229,996	\$ 39,382,779	\$ 41,366,030	\$ 41,450,491	\$ 43,003,015	\$ 43,910,134	\$ 47,117,880	\$ 61,578,480
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 1,127,166	\$ 1,250,927	\$ 1,200,019	\$ 1,723,496	\$ 1,847,935	\$ 1,831,455	2,044,000	2,039,950	2,112,581	2,267,007
Planning & Economic Development	227,686	250,438	193,281	250,503	224,140	183,903	390,231	284,859	290,564	519,859
Police	424,444	520,778	487,604	511,695	505,398	559,379	631,301	717,166	603,963	779,999
Fire	286,513	266,957	90,423	67,197	66,832	206,092	210,705	198,872	340,977	316,668
Public Works	39,865	38,485	24,475	266,032	204,427	83,025	83,250	81,750	84,300	84,525
Parks and Recreation	593,108	564,284	574,066	523,103	587,907	526,835	514,664	553,876	633,026	661,990
Operating grants and contributions	1,051,029	1,054,024	684,415	1,004,169	1,324,893	1,242,350	1,009,456	692,729	434,797	501,168
Capital grants and contributions	648,195	653,740	784,822	944,014	657,761	812,640	1,410,544	2,028,122	5,997,332	12,555,751
Total governmental activities program revenues	4,398,006	4,599,633	4,039,105	5,290,209	5,419,293	5,445,679	6,294,151	6,597,324	10,497,540	17,686,967

Schedule 2
City of Golden, Colorado
Changes in Net Position, Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-type Activities:										
Water	5,242,732	5,421,192	5,120,162	5,577,631	5,196,576	5,596,503	5,136,052	5,668,271	5,979,736	5,928,882
Wastewater	1,450,345	1,440,329	1,370,846	1,463,566	1,518,208	1,731,358	1,872,216	2,312,333	2,303,640	2,330,085
Drainage	790,264	807,845	875,074	944,425	929,285	931,646	942,604	959,494	1,170,925	1,472,465
Fossil Trace Golf Course	3,247,816	3,177,675	2,851,431	2,822,063	2,935,738	3,172,538	2,966,052	3,318,353	3,339,201	3,403,841
Community Center	1,384,465	1,511,712	1,542,138	1,572,965	1,671,282	1,726,489	1,751,272	1,798,031	1,856,549	1,879,838
Splash Aquatic Park	419,841	363,055	348,031	406,553	411,203	412,288	388,834	403,566	394,859	442,023
Cemetery Operations	382,568	340,517	360,008	344,737	386,302	360,375	329,166	450,091	421,794	608,985
Rooney Road Sports Complex	6,624	41,326	71,841	50,066	58,553	63,834	66,711	70,476	52,117	49,403
Museums	-	-	-	29,407	78,845	87,845	98,543	101,621	124,027	154,345
Operating grants and contributions	-	-	-	4,620	71,412	37,603	56,808	57,096	53,567	73,719
Capital grants and contributions	4,249,182	252,592	1,758,531	1,229,504	1,771,594	335,568	2,940,432	2,910,729	4,103,705	2,615,309
Total business-type activities program revenues	17,173,837	13,356,243	14,298,062	14,445,537	15,028,998	14,556,047	16,548,690	18,050,061	19,800,120	18,958,895
Total primary government program revenues	21,571,843	17,955,876	18,337,167	19,735,746	20,448,291	20,001,726	22,842,841	24,647,385	30,297,660	36,645,862
Net (Expense)/Revenue										
Governmental activities	\$ (18,886,957)	\$ (20,406,804)	\$ (21,287,801)	\$ (20,073,912)	\$ (20,966,641)	\$ (21,431,949)	\$ (21,814,012)	\$ (22,122,225)	\$ (20,793,299)	\$ (27,148,587)
Business-type activities	3,540,193	(559,277)	394,972	426,879	48,902	(16,816)	1,653,838	2,859,476	3,973,079	2,215,969
Total primary government net expenses	\$ (15,346,764)	\$ (20,966,081)	\$ (20,892,829)	\$ (19,647,033)	\$ (20,917,739)	\$ (21,448,765)	\$ (20,160,174)	\$ (19,262,749)	\$ (16,820,220)	\$ (24,932,618)
Taxes										
Property taxes	\$ 3,759,246	\$ 3,933,004	\$ 4,507,619	\$ 4,918,182	\$ 4,977,820	\$ 4,973,794	5,074,134	5,241,397	5,539,584	6,719,185
Sales and use taxes	15,424,457	15,470,174	15,751,182	15,100,688	15,666,953	19,209,249	17,505,037	18,457,400	19,144,391	19,769,757
Franchise Fees	-	-	-	-	-	1,067,572	1,224,798	1,256,630	1,213,140	1,176,729
Other taxes	1,356,450	1,483,706	1,333,663	1,319,110	1,305,542	368,061	394,656	433,758	536,823	565,893
Unrestricted grants and contributions	283,677	312,501	1,274,517	961,563	489,795	438,838	2,536,149	1,195,717	1,910,865	181,303
Investment income	1,065,071	465,012	371,821	192,814	109,887	117,153	6,549	153,032	80,944	163,711
Miscellaneous	1,831,451	1,294,886	751,527	685,278	754,859	770,646	837,458	982,143	1,694,699	1,244,913
Gain (Loss) on sale of capital assets	-	-	-	-	-	144,964	247,685	104,477	96,298	-
Transfers	(1,653,295)	467,662	876,000	532,700	130,295	329,086	99,657	8,976	(148,491)	(100,456)
Total governmental activities	22,067,057	23,426,945	24,866,329	23,710,335	23,435,151	27,419,363	27,926,123	27,833,530	30,068,253	29,721,035
Business-type activities:										
Investment income	\$ 441,047	\$ 346,310	\$ 174,057	\$ 91,675	\$ 67,841	\$ 41,493	\$ 12,639	\$ 51,514	\$ 42,802	\$ 74,204
Miscellaneous	204,222	168,370	279,470	323,115	638,082	361,639	491,737	271,809	379,062	326,153
Gain (Loss) on sale of capital assets	568,455	1,494,223	-	-	-	-	-	-	-	-
Transfers	1,653,295	(467,662)	(876,000)	(532,700)	(130,295)	(329,086)	(99,657)	(8,976)	148,491	100,456
Total business-type activities	2,867,019	1,541,241	(422,473)	(117,910)	575,628	74,046	404,719	314,347	570,355	500,813
Total primary government	\$ 24,934,076	\$ 24,968,186	\$ 24,443,856	\$ 23,592,425	\$ 24,010,779	\$ 27,493,409	\$ 28,330,842	\$ 28,147,877	\$ 30,638,608	\$ 30,221,848
Changes in Net Position										
Governmental activities	\$ 3,180,100	\$ 3,020,141	\$ 3,578,528	\$ 3,636,423	\$ 2,468,510	\$ 5,987,414	\$ 6,112,111	\$ 5,711,305	\$ 9,274,954	\$ 2,572,448
Business-type activities	6,407,212	981,964	(27,501)	308,969	624,530	57,230	2,058,557	3,173,823	4,543,434	2,716,782
Total primary government	\$ 9,587,312	\$ 4,002,105	\$ 3,551,027	\$ 3,945,392	\$ 3,093,040	\$ 6,044,644	\$ 8,170,668	\$ 8,885,128	\$ 13,818,388	\$ 5,289,230

Source: Current and prior year's financial statements





Schedule 3
City of Golden, Colorado
Fund Balances, Governmental Funds, Last Ten Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011 (a)	2012	2013	2014	2015	2016
General Fund											
Reserved	\$ 770,000	\$ 830,000	\$ 820,000	\$ 860,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-spending											
Prepaid Items							257,555	257,555	13,397	13,397	13,397
Inventory	-	-	-	-	93,832	129,436	133,597	34,449	45,784	40,099	19,626
Advance to Other Funds	-	-	-	-	-	-	-	1,800,000	1,717,611	1,560,039	1,454,900
Restricted											
TABOR Reserve	-	-	-	-	810,000	830,000	980,000	940,000	980,000	1,050,000	1,160,000
Committed											
Assigned											
Public Works Building Renovation	-	-	-	-	900,000	-	-	-	-	-	-
Future Year Expenditures	-	-	-	-	-	-	-	1,610,812	1,300,000	1,246,000	1,897,571
Unassigned					4,478,139	5,281,594	5,589,311	1,877,683	2,765,841	3,990,803	4,743,491
Unreserved	4,028,508	4,755,200	5,043,365	5,038,642	-	-	-	-	-	-	-
Total general fund	\$ 4,798,508	\$ 5,585,200	\$ 5,863,365	\$ 5,899,606	\$ 6,281,971	\$ 6,241,030	\$ 6,960,463	\$ 6,520,499	\$ 6,822,633	\$ 7,900,338	\$ 9,288,985
All other Governmental Funds											
Reserved	\$ 12,219,749	\$ 7,452,036	\$ 4,791,049	\$ 3,849,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-spending											
Sales and Use Tax fund prepaid expenditures	-	-	-	-	-	390,600	-	-	-	-	-
Permanent fund principal	-	-	-	-	1,154,385	1,221,970	1,272,366	1,312,664	1,379,766	1,444,806	1,559,109
Advance to Other Funds	-	-	-	-	-	-	-	187,336	102,870	-	-
Restricted											
Parks & Recreation	-	-	-	-	121,488	190,546	258,977	306,383	73,541	169,509	356,394
Parking Improvements	-	-	-	-	24,498	34,974	50,975	65,946	33,678	187,422	352,112
Cemetery Maintenance	-	-	-	-	436,094	383,351	326,950	94,781	133,888	247,411	262,689
Downtown Improvements	-	-	-	-	-	-	-	-	-	418,433	668,126
Capital Projects	-	-	-	-	-	-	773,704	2,149,387	439,442	194,081	-
Debt Service	-	-	-	-	-	-	50,975	250,430	-	-	-
Committed											
Assigned											
Infrastructure	-	-	-	-	229,211	-	-	-	-	-	-
Street Improvements	-	-	-	-	284,188	247,256	80,891	124,475	205,136	147,569	-
Parks & Recreation	-	-	-	-	618,686	570,770	901,222	988,608	717,667	682,003	-
Unassigned	-	-	-	-	-	(618,250)	-	-	-	-	(1,051,434)
Unreserved, reports in:											
Special revenue funds	142,228	71,283	1,719	10,589	-	-	-	-	-	-	-
Capital projects funds	269,302	118,046	44,640	48,686	-	-	-	-	-	-	-
Total all other governmental funds	\$ 12,631,279	\$ 7,641,365	\$ 4,837,408	\$ 3,909,091	\$ 2,868,550	\$ 2,421,217	\$ 3,716,060	\$ 5,480,010	\$ 3,085,988	\$ 3,491,234	\$ 2,146,996

(a) In fiscal year 2011, the City adopted GASB 54 which changed fund balance classifications

Source: Current and prior year's financial statements

Schedule 4
City of Golden, Colorado
Changes in Fund Balances, Governmental Funds, Last Ten Years
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues										
Taxes	\$ 20,540,153	\$ 20,886,884	\$ 21,592,464	\$ 21,075,480	\$ 21,950,315	\$ 25,718,676	24,248,625	25,439,185	26,546,438	28,231,566
Licenses, fees and permits	399,506	497,159	408,720	753,713	592,813	463,112	673,820	599,978	647,273	670,890
Intergovernmental	1,982,901	1,993,520	2,743,756	2,909,746	2,357,731	2,481,733	4,010,367	2,638,583	3,279,422	14,613,471
Charges for services	1,881,894	1,882,222	1,689,893	2,085,335	2,347,764	2,376,162	2,576,195	2,567,036	2,825,003	3,185,546
Fines and penalties	417,382	512,488	471,253	502,978	496,062	551,415	624,136	709,459	593,135	773,612
Investment Income	887,426	372,418	277,730	146,447	74,222	90,375	2,539	111,447	60,848	133,088
Sale of Assets	-	-	-	-	-	30,000	-	-	-	-
Miscellaneous	1,824,678	1,294,886	751,527	685,278	754,859	770,646	837,458	982,143	1,694,702	1,244,916
Total revenues	27,933,940	27,439,577	27,935,343	28,158,977	28,573,766	32,482,119	32,973,140	33,047,831	35,646,821	48,853,089
Expenditures										
General Government	4,329,837	4,297,011	4,493,789	5,004,402	5,784,476	5,921,726	5,761,247	6,404,491	5,871,381	6,388,736
Planning & Economic Development	1,276,160	1,390,685	1,372,685	1,500,018	958,132	1,707,737	1,630,787	1,918,795	1,879,107	2,182,856
Police	5,984,639	6,595,491	6,540,684	7,180,681	7,180,012	6,787,524	7,143,867	7,224,732	7,715,395	8,571,358
Fire	1,193,304	1,300,760	1,391,733	1,491,259	1,492,412	1,537,001	1,535,326	1,452,762	1,655,874	1,765,554
Public Works	3,388,969	3,615,899	3,786,083	3,245,651	3,566,271	3,754,843	3,553,887	3,343,061	3,485,518	3,673,183
Parks and Recreation	1,928,013	2,435,339	2,028,967	2,262,389	2,190,495	2,322,771	2,290,432	2,502,871	2,628,759	2,667,961
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Capital outlay	10,781,237	7,457,230	6,119,745	5,426,645	4,834,826	5,826,168	6,776,520	8,869,386	7,305,459	21,563,101
Debt Service	-	-	-	-	-	-	-	-	-	-
Interest	1,878,313	1,783,158	1,683,333	1,553,674	1,255,711	1,190,134	1,126,117	1,058,617	979,844	924,600
Principal	1,705,000	1,775,000	1,855,000	1,930,000	1,930,000	2,000,000	2,050,000	2,450,000	2,535,000	2,620,000
Total expenditures	32,465,472	30,650,573	29,272,019	29,594,719	29,192,335	31,047,904	31,868,183	35,224,715	34,056,337	50,357,349
Excess of revenues over (under) expenditures	(4,531,532)	(3,210,996)	(1,336,676)	(1,435,742)	(618,569)	1,434,215	1,104,957	(2,176,884)	1,590,484	(1,504,260)
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	-	21,540,924	-	-	-	-	-	8,795,000
Payment to Refunded Escrow Agent	-	-	-	(21,316,758)	-	-	-	-	-	(8,655,000)
Transfers in	1,938,314	2,872,194	2,392,210	1,622,477	2,308,700	3,436,035	3,872,424	3,203,692	3,511,730	2,958,830
Transfers out	(1,610,004)	(2,186,990)	(1,947,610)	(1,069,077)	(2,178,405)	(2,906,949)	(3,702,420)	(3,118,696)	(3,619,263)	(3,026,742)
Proceeds from Sale of Assets	-	-	-	-	-	-	100,000	-	-	1,476,581
Total other financing sources (uses)	328,310	685,204	444,600	777,566	130,295	529,086	270,004	84,996	(107,533)	1,548,669
Net change in fund balances	\$ (4,203,222)	\$ (2,525,792)	\$ (892,076)	\$ (658,176)	\$ (488,274)	\$ 1,963,301	\$ 1,374,961	\$ (2,091,888)	\$ 1,482,951	\$ 44,409
Debt service as a percentage of noncapital expenditures	16.5%	15.3%	15.3%	14.4%	13.1%	12.6%	12.7%	13.3%	13.1%	8.8%

Source: Current and prior year's financial statements



Schedule 5
City of Golden, Colorado
Sales and Use Tax Revenue by Type of Industry
Last Ten Fiscal Years

Fiscal Year	General Merchandise	Grocery	Restaurants	Automotive	Professional Service Entertainment	Business Service Supply	Manufacturing Production	Accommodations	Utilities	Penalties, Interest, Audit and Refunds	Total Sales and Use Tax	Total Direct Tax Rate
2007	3,763,806	1,764,332	942,213	1,653,227	209,021	1,570,467	1,997,471	544,192	1,758,856	1,220,872	15,424,457	3.00%
2008	3,623,634	1,872,238	1,063,091	1,517,506	219,142	1,603,657	1,794,141	577,002	1,792,379	914,320	14,977,110	3.00%
2009	3,194,223	1,821,959	1,114,154	1,419,891	202,481	1,385,679	1,908,278	511,440	1,495,509	2,697,568	15,751,182	3.00%
2010	3,474,560	1,852,014	1,207,334	1,413,191	220,409	1,425,246	1,548,668	568,214	1,367,912	2,023,140	15,100,688	3.00%
2011	3,536,704	1,966,836	1,308,285	1,517,602	462,754	1,257,469	1,991,188	587,972	1,472,531	1,303,111	15,404,452	3.00%
2012	3,727,945	2,101,032	1,442,026	1,884,673	289,703	1,312,312	1,966,953	652,177	1,351,683	4,161,750	18,890,254	3.00%
2013	3,972,140	2,271,135	1,462,911	1,961,438	341,743	1,295,763	1,774,480	726,932	1,466,629	2,424,215	17,697,386	3.00%
2014	4,020,365	2,313,480	1,598,377	2,173,268	286,192	1,416,801	3,192,562	796,917	1,318,748	1,340,690	18,457,400	3.00%
2015	4,454,253	2,609,300	1,722,939	2,386,567	328,243	1,398,236	2,662,456	847,257	1,236,239	1,498,901	19,144,391	3.00%
2016	4,330,779	2,632,834	1,891,948	1,368,795	244,314	1,396,706	1,108,942	939,014	1,153,595	4,702,832	19,769,759	3.00%

Source: City of Golden Sales and Use Tax Reports



Schedule 6
City of Golden, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate		Overlapping Rates						Total	
	City of Golden	Total Direct Sales Tax Rate	State of Colorado	Jefferson County	Rapid Transit District		Cultural Facilities District	Football Stadium District	Overlapping Sales Tax Rate	
					RTD					
2007	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	0.10%	7.60%	
2008	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	0.10%	7.60%	
2009	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	0.10%	7.60%	
2010	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	0.10%	7.60%	
2011	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	0.10%	7.60%	
2012	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	-	7.50%	
2013	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	-	7.50%	
2014	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	-	7.50%	
2015	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	-	7.50%	
2016	3.00%	3.00%	2.90%	0.50%	1.00%		0.10%	-	7.50%	

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

Source: City of Golden Sales and Use Tax Reports





Schedule 7
City of Golden, Colorado
Principal Sales and Use Tax Payers
Last Ten Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Aggregate top ten filers ^{1, 2}	\$ 5,497,506	\$ 5,928,670	\$ 5,385,593	\$ 5,254,407	\$ 4,935,469	\$ 6,601,244	\$ 6,067,530	\$ 6,821,844	\$ 6,669,734	\$ 6,783,988
Aggregate all other filers ²	7,758,698	8,573,901	8,944,193	8,069,717	8,402,397	8,127,260	9,205,642	10,294,866	10,975,757	11,410,650
Total sales and use tax ²	\$ 13,256,204	\$ 14,502,571	\$ 14,329,786	\$ 13,324,124	\$ 13,337,866	\$ 14,728,504	\$ 15,273,172	\$ 17,116,710	\$ 17,645,491	\$ 18,194,638
Top ten filers as a percentage of total sales tax	41.47%	40.88%	37.58%	39.44%	37.00%	44.82%	39.73%	39.85%	37.80%	37.29%

¹ Colorado State Statutes and City of Golden Ordinances prohibit disclosure of individual sales tax returns, therefore the current year top ten filers are listed in alphabetical order as follows: Coors Tek, Home Depot #1522, Golden Hotel Mgt, Jefferson County, King Soopers, Kohl's Department Store, Martin Marietta Materials, Safeway #322, Table Mountain Inn, and Xcel Energy.

² Excludes building use tax, audit revenue, penalties, interest and refunds

Source: City of Golden Sales and Use Tax Reports

Schedule 8
City of Golden, Colorado
Ratio of Outstanding Debt, by Type
Last Ten Fiscal Years

Gross Debt									
Governmental Activities			Business-Type Activities						
Fiscal Year	Sales Tax Revenue Bonds ¹	Capital Leases	General Obligation Water Bonds ²	Water Revenue Bonds	Drainage Revenue Bonds	Total Primary Government	Percentage of Personal Income ³	Per Capita ³	
2007	22,545,000	13,885,000	870,000	10,125,000	2,915,000	50,340,000	8.43%	2,811	
2008	21,260,000	13,395,000	445,000	9,815,000	2,710,000	47,625,000	7.59%	2,660	
2009	19,915,000	12,885,000	-	9,505,000	2,705,000	45,010,000	7.21%	2,505	
2010	18,515,000	12,355,000	-	8,700,000	2,455,000	42,025,000	6.73%	2,339	
2011	17,140,000	11,800,000	-	7,890,000	2,205,000	39,035,000	5.98%	2,069	
2012	15,720,000	11,220,000	-	7,045,000	1,930,000	35,915,000	5.35%	1,887	
2013	14,270,000	10,620,000	-	6,510,000	1,655,000	33,055,000	4.86%	1,723	
2014	12,445,000	9,995,000	-	5,810,000	1,380,000	29,630,000	4.29%	1,528	
2015	10,565,000	9,340,000	-	5,495,000	1,080,000	26,480,000	3.95%	1,350	
2016	8,630,000	8,795,000	-	4,875,000	780,000	23,080,000	3.27%	1,135	

Debt Net of Premium Discounts									
Governmental Activities			Business-Type Activities						
Fiscal Year	Sales Tax Revenue Bonds ¹	Capital Leases	General Obligation Water Bonds ²	Water Revenue Bonds	Drainage Revenue Bonds	Total Primary Government	Percentage of Personal Income ³	Per Capita ³	
2007	24,466,548	13,968,115	870,000	10,125,000	2,900,467	52,330,130	8.76%	2,922	
2008	23,033,736	13,473,497	445,000	9,815,000	2,696,798	49,464,021	7.88%	2,762	
2009	21,540,924	12,958,879	-	9,505,000	2,763,448	46,768,251	7.49%	2,603	
2010	18,672,910	12,424,261	-	8,700,000	2,507,603	42,304,774	6.91%	2,347	
2011	18,470,300	11,864,643	-	7,890,000	2,251,758	40,476,701	6.20%	2,145	
2012	16,902,488	11,280,025	-	7,045,000	1,970,913	37,198,426	5.55%	1,954	
2013	15,304,676	10,675,407	-	6,510,000	1,695,713	34,185,796	5.02%	1,782	
2014	13,331,864	10,045,789	-	5,810,000	1,409,223	30,596,876	4.43%	1,578	
2015	11,304,048	9,386,175	-	5,495,000	1,109,223	27,294,446	4.07%	1,392	
2016	9,221,233	8,795,000	-	4,875,000	797,533	23,688,766	3.36%	1,165	

¹ Sales tax revenue bonds pledge 1-cent of the City's 3-cent sales tax.

² General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenant to establish water rates which will provide for operations and debt service.

³ See schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: Current and prior year's financial statements





Schedule 9
City of Golden, Colorado
Ratio of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General bonded debt outstanding ¹	\$ 870,000	\$ 440,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual water sales ²	\$ 6,306,334	\$ 5,610,181	\$ 6,242,616	\$ 6,260,513	\$ 6,233,121	\$ 5,712,752	\$ 6,629,132	\$ 7,557,119	\$ 5,807,252	\$ 6,273,579
Percentage of actual water sales	14%	8%	0%	0%	0%	0%	0%	0%	0%	0%
Per capita ³	\$ 49	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Amounts set aside to repay general debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to debit limit	870,000	440,000	-	-	-	-	-	-	-	-
Legal debt limit ⁴	-	-	-	-	-	-	-	-	-	-
Legal debt margin ⁵	\$ 870,000	\$ 440,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal debt margin as a percentage of debt limit	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%

¹ General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligation and pledge the full faith and credit of the City, the City is bound by bond covenant to establish water rates which will provide for operations and debt service.

² Source: Current and prior year's financial statements. Includes water sales and tap fees

³ See Schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

⁴ Section 12.6 of the City of Golden Charter states "There shall be no limitation as to the amount of bonds which may be issued by the city, subject only to the election provisions of section 12.3."

⁵ The legal debt margin is the city's available borrowing authority

Schedule 10
City of Golden, Colorado
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

Jurisdiction	Debt Net of Premiums and Discounts Outstanding	Percentage Applicable To Government	Estimated Share of Overlapping Debt
Direct:			
City of Golden	\$ 18,016,233	100.00%	\$ 18,016,233
Overlapping: ^{1, 2}			
Fairmount Fire Protection District	1,623,380	7.50%	121,754
Jefferson County School District No. R-1	<u>386,225,000</u>	6.00%	<u>23,156,077</u>
Total Overlapping	<u>387,848,380</u>		<u>23,277,831</u>
Total Direct and Overlapping	<u><u>\$ 405,864,613</u></u>		<u><u>\$ 41,294,064</u></u>

¹ The Golden Downtown General Improvement District, Jefferson County, Pleasant View Metropolitan District, Pleasant View Water and Sanitation District and the Urban Drainage and Flood Control District also overlap the City but have no general obligation debt outstanding.

² The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entities taxable assessed value that is within the City's boundaries and dividing it by their total taxable assessed value.

Source: Jefferson County Assessor, City of Golden and special districts



Schedule 11
City of Golden, Colorado
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds^{3,5,6}						
Fiscal Year	Water Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	5,293,045	3,454,645	1,838,400	305,000	455,760	2.42
2008	5,689,754	3,575,192	2,114,562	310,000	444,010	2.80
2009	5,226,609	3,527,106	1,699,503	310,000	431,910	2.29
2010	5,778,095	3,493,428	2,284,667	805,000	419,660	1.87
2011	5,741,706	3,497,249	2,244,457	810,000	388,735	1.87
2012	5,716,720	3,479,760	2,236,960	845,000	356,335	1.86
2013	5,414,434	3,647,607	1,766,827	865,000	307,779	1.51
2014	5,668,271	3,688,181	1,980,090	700,000	227,565	2.13
2015	5,979,736	3,692,655	2,287,081	700,000	204,553	2.53
2016	5,928,822	4,041,924	1,886,898	620,000	116,488	2.56

Drainage Utility Revenue Bonds⁴						
	Drainage Utility Charge	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	841,352	219,358	621,994	195,000	161,173	2.36
2008	808,051	235,135	572,916	205,000	151,813	2.26
2009	875,074	231,774	643,300	255,000	23,690	3.14
2010	1,005,960	288,278	717,682	250,000	77,700	3.07
2011	931,871	267,587	664,284	250,000	72,700	2.89
2012	931,667	251,747	679,920	275,000	67,700	2.72
2013	946,115	254,892	691,223	275,000	56,012	2.86
2014	959,494	269,862	689,632	275,000	56,012	2.90
2015	1,170,925	335,004	835,921	300,000	48,450	3.36
2016	1,472,465	850,158	622,307	300,000	39,450	4.34

Sales Tax Revenue Bonds^{1,2}				
	1-cent Sales & Use Tax Increment	Debt Service Principal	Interest	Coverage
2007	5,139,232	1,230,000	1,178,276	2.13
2008	5,178,572	1,285,000	1,124,051	2.15
2009	5,173,539	1,345,000	1,063,731	2.15
2010	4,877,618	21,845,000	2,884,547	0.20
2011	5,161,617	1,375,000	703,300	2.48
2012	6,419,750	1,420,000	662,050	3.08
2013	5,834,867	1,450,000	626,550	2.81
2014	6,175,637	1,825,000	583,050	2.56
2015	6,368,318	1,880,000	528,300	2.64
2016	6,581,305	1,935,000	471,900	2.73

¹ Sales tax revenue bonds pledge 1-cent of the City's 3-cent sales tax.

² The City issued \$19,915,000 of sales tax revenue refunding bonds in 2010 to refund the outstanding 2001 sales and use tax revenue bonds.

³ The City issued \$5,790,000 of water revenue bonds in 2006. \$1,095,000 was for a refunding of remaining payments of principal under an outstanding lease-purchase agreement entered into to finance the acquisition of water rights

⁴ Per Bond covenants, coverage based on Drainage Utility Charge.

⁵ The City issued \$2,900,000 of water revenue bonds in 2013 for a refunding of 2002 water revenue bonds.

⁶ The City issued \$3,300,000 of water revenue bonds in 2015 for a refunding of 2006 water revenue bonds.

Source: Current and prior year's financial statements



Schedule 12
City of Golden, Colorado
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling ¹</u>	<u>School Enrollment</u>	<u>Unemployment Rate (%)</u>
2006	18,214	590,370	32,413	39.20	13.67	2,795	4.40
2007	17,906	597,093	33,346	39.40	13.67	2,933	3.90
2008	17,906	627,337	35,035	39.50	13.67	2,877	5.00
2009	17,965	624,176	34,744	39.70	13.67	2,882	7.90
2010	18,026	612,650	33,987	35.60	14.43	2,826	9.90
2011	18,867	653,006	34,611	34.60	14.71	2,767	7.30
2012	19,035	670,755	35,238	33.90	14.40	2,592	7.40
2013	19,186	680,431	35,465	33.90	14.37	2,317	7.00
2014	19,393	690,759	35,619	31.40	14.55	2,598	7.60
2015	19,615	670,970	34,207	31.70	14.59	2,638	6.40
2016	20,330	705,736	34,714	30.10	14.60	2,585	6.00

¹ Most recent information available is from the 2010 Census.

Source: 2000 Bureau of the Census
2010 Bureau of the Census
City of Golden
Colorado Department of Labor and Employment
Jefferson County School District R-1

Schedule 13
City of Golden, Colorado
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Administration ³	9	10	10	10	10	11	12	12	12	12
Finance ^{1,2}	9	9	9	9	10	11	11	11	11	11
Court	3	3	3	3	3	3	3	3	3	3
Planning ^{6,17}	5	5	5	5	5	6	6	7	7	8
Public Works ^{4,9}	9	11	10	10	10	10	11	11	12	12
Streets ^{7,10}	14	14	13	13	14	13	13	12	13	13
Other ¹⁸	10	10	9	10	10	10	10	10	10	12
Police										
Sworn Officers	44	44	42	43	43	43	44	44	44	46
Reserve Officers	4	4	4	4	5	5	5	4	3	2
Dispatchers ¹²	10	10	10	10	10	10	10	10	10	10
Civilians ^{5,8,19}	8	8	8	8	8	8	9	11	12	14
Fire										
Sworn Personnel ¹³	6	6	6	6	6	6	6	6	8	8
Civilians	3	3	3	3	3	3	3	3	3	3
Volunteers	60	60	64	74	82	84	84	82	82	83
Utilities										
Prevention and Maintenance ¹¹	10	10	10	10	10	10	10	10	11	11
Environmental Services ²⁰	6	6	6	6	6	8	8	8	8	7
Water Treatment	8	8	8	8	8	8	8	8	8	8
Parks and Recreation										
Management	5	5	5	5	5	5	5	5	5	5
Outdoor Recreation ¹⁴	1	1	1	1	1	1	1	1	2	2
Parks and Forestry ¹⁵	10	10	8	10	9	9	10	10	12	12
Community Center ^{14,16}	11	10	9	9	9	9	10	11	11	11
Cemetery	2	2	2	2	2	2	2	2	2	2
Aquatic Park	1	1	1	1	1	1	1	1	1	1
Golf Course	8	8	7	8	8	8	8	8	8	8
Museum	-	-	-	4	4	5	5	5	5	5
Other	-	-	-	-	-	-	-	-	-	-
	256	258	253	272	282	289	295	295	303	309

- 1 The finance department changed a part-time sales tax technician to full-time in 2011
2 The finance department added a full time sales tax auditor in 2012
3 The human resources department added a full time analyst in 2013
4 The public works department hired a full time inspector in 2013 which has been vacant since 2008
5 The police department hired a full time civilian accreditation coordinator in 2013
6 DDA Administrator position added in Comm & Econ Dev in 2014
7 Streets Supervisor position not replaced in 2014
8 2 FT Park Ranger positions added in PD in 2014
9 1 GIS Technician position added in PW in 2015
10 1 Sr. Maint Worker position added in Streets in 2015
11 1 Sr. Maint Worker position added in Utilities in 2015
12 Dispatch Manager position filled in 2015
13 Vol Coordinator not replaced, 3 shift officers added in 2015 in Fire
14 Athletics Supervisor moved from Community Center to Outdoor Rec
15 2 New Sr. Maint Worker positions added in Parks in 2015
16 1 Facility Coordinator position added in 2015
17 FT Temp Community Development Analyst added in 2016
18 1 Systems Administrator & 1 FT Temp Systems Admin added in 2016
19 1 Admin Tech & 1 Records Specialist added in 2016
20 Plant Chemist position eliminated in 2016

Note: In 2009, 8 positions were held vacant due to the economy, 1 in Fleet, 2 in Parks, 1 in Golf Course, 1 in Community Center and 1 in Streets. All the positions were anticipated to be filled in 2010 except the one in Streets which was filled in 2011.

Source: City of Golden Human Resources Department

Schedule 14
City of Golden, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Physical arrests	1,367	1,300	1,205	1,144	970	977	1,026	920	913	971
Traffic violations	4,694	4,889	4,423	3,462	3,301	4,409	4,726	4,066	2,164	3,527
Parking violations	1,378	1,184	1,726	2,349	2,420	1,617	827	2,937	5,530	4,439
Fire										
Emergency responses	1,259	1,195	1,275	1,287	1,379	1,372	1,406	1,556	1,569	1,640
Inspections conducted	1,290	1,070	1,200	1,364	1,350	1,132	1,524	1,508	1,204	1,191
Parks and Recreation										
Community Center admissions	191,878	222,442	227,009	224,326	220,863	226,067	225,974	225,752	234,784	225,180
Golf Course rounds played ³	41,435	41,115	32,521	32,934	34,249	38,891	37,464	36,382	35,094	35,218
Aquatic Park admissions	59,965	53,165	44,159	53,403	55,384	54,124	47,612	49,816	50,759	
Cemetery plot sales	118	110	125	119	146	86	78	113	82	176
Cemetery plot opening/closings	147	149	158	149	112	135	114	125	127	171
Utilities¹										
Daily average consumption MGD ²	3.27	3.53	3.00	3.45	3.32	3.37	3.07	2.99	3.48	2.79
Maximum daily capacity MGD ²	13	13	13	8	7	7	7	7	6	6
New connections	42	36	18	39	32	8	12	12	26	13
Facilities and services not included in the reporting entity:										
Education:										
Number of elementary schools	2	2	2	2	2	2	2	2	2	2
Number of elementary instructors	50	55	50	51	57	57	57	57	57	58
Number of secondary schools	2	2	2	2	2	2	2	2	2	2
Number of secondary instructors	101	98	98	101	104	104	104	104	104	106
Number of universities	1	1	1	1	1	1	1	1	1	1

¹ Coors Brewing Company provides wastewater treatment in exchange for water provided from the City

² MGD - Millions of gallons per day

³ Total 18 hole equivalent rounds; 9 and 18 holes combined

Source: Various city departments





Schedule 15
City of Golden, Colorado
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police											
Stations	1	1	1	1	1	1	1	1	1	1	1
Patrol Units	18	18	15	15	15	15	15	15	15	15	15
Fire Stations	4	4	4	4	4	4	4	4	4	4	4
Public Works											
Street (miles)	236	230	230	242	242	242	242	242	242	242	242
Traffic Signals	18	18	18	16	16	16	16	16	16	16	16
Parks and Recreation											
Community centers	1	1	1	1	1	1	1	1	1	1	1
Parks	17	17	18	18	18	18	18	18	18	18	18
Park, trail and open space acreage	674	674	748	748	765	765	765	765	765	765	765
Swimming pools	2	2	2	2	2	2	2	2	2	2	2
Tennis courts	5	5	5	5	5	5	5	5	5	5	5
Utilities¹											
Water treatment plants	1	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	109	108	108	108	109	109	109	109	109	109	110
Sanitary sewer (miles)	75	76	78	78	79	79	79	80	80	80	81
Storm sewers (miles)	48	52	58	61	62	62	62	66	66	66	68
Water connections	5,198	5,263	5,279	5,109	5,343	5,374	5,378	5,353	5,365	5,365	5,365
Wastewater connections	4,955	5,000	5,022	5,045	5,078	5,108	5,056	5,056	5,056	5,056	5,056

¹ Coors Brewing Company provides wastewater treatment in exchange for water provided from the City

Note: No capital assets are available for general government function

Source: Various city departments



Other Schedules

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT		City or County:	
		YEAR ENDING : December 2016	
This Information From The Records Of (example - City of _ or County of _)		Prepared By: Phone:	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	18,996,300
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	277,956
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	641,534
2. General fund appropriations		b. Snow and ice removal	173,056
3. Other local imposts (from page 2)	4,827,911	c. Other	
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	814,590
5. Transfers from toll facilities		4. General administration & miscellaneous	57,127
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	20,145,973
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	4,827,911	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	597,471	2. Notes:	
D. Receipts from Federal Government (from page 2)	12,483,612	a. Interest	
E. Total receipts (A.7 + B + C + D)	17,908,994	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	20,145,973
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)			0
1. Bonds (Refunding Portion)			
B. Notes (Total)			0
V. LOCAL ROAD AND STREET FUND BALANCE			
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
		17,908,994	20,145,973
			D. Ending Balance
			E. Reconciliation
			(2,236,979)
Notes and Comments:			



LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

December 2016

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	1,879,718	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,948,193	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	2,948,193	h. Other	
c. Total (a. + b.)	4,827,911	i. Total (a. through h.)	0
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	537,559	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	59,912	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	12,483,612
f. Total (a. through e.)	59,912	g. Total (a. through f.)	12,483,612
4. Total (1. + 2. + 3.f)	597,471	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs	179,418	282,868	462,286
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements	15,048,106		15,048,106
(3). System Preservation		3,485,908	3,485,908
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	15,048,106	3,485,908	18,534,014
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	15,227,524	3,768,776	18,996,300
		(Carry forward to page 1)	

Notes and Comments:



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council
City of Golden
Golden, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Golden, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of Golden's basic financial statements, and have issued our report thereon dated .

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Golden's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Golden's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Golden's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Golden's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Golden's Responses to Findings

City of Golden's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City of Golden's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 13, 2017

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

City Council
City of Golden
Golden, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Golden's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Golden's major federal programs for the year ended December 31, 2016. The City of Golden's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Golden's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Golden's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Golden's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Golden complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2016-003. Our opinion on each major federal program is not modified with respect to these matters.

The City of Golden's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. City of Golden's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City of Golden is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Golden's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Golden's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-003 that we consider to be a significant deficiency.

The City of Golden's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. The City of Golden's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 13, 2017

City of Golden
Schedule of Expenditure of Federal Awards

Period End December 31, 2016

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Other Identification Number	Current Year Expenditures
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	29-RI-03-13-3	457
Total U.S. Department of Justice			457
U.S. Department of Transportation			
Highway Planning and Construction Highway 6&19	20.205	NHPP 006A-054	12,483,617
Highway Planning and Construction Safe Routes to School	20.205	1510971269	1,161
Total U.S. Department of Transportation			12,484,778
TOTAL FEDERAL AWARDS EXPENDED			\$ 12,485,235



CITY OF GOLDEN, COLORADO

Notes to Schedule of Expenditures of Federal Awards December 31, 2016

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Golden (the City). The City's reporting entity is defined in Note 1 to the City's basic financial statements.

NOTE 2: BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards presents the activity of all federal grant activity for the year ended December 31, 2016. The City uses the accrual basis or modified accrual basis of accounting as appropriate. The information in this schedule is presented in accordance with requirements of the Code of Federal Regulations, 2 CFR Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the basic financial statements. This City has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 3: PROGRAM COSTS

The amounts shown as current year expenditures represent only the grant portion of the program cost. Entire program costs, including the City's portion, may be more than shown.

NOTE 4: EXPENDITURES INCURRED IN PRIOR YEARS

The accompanying Schedule of Expenditures of Federal Awards includes expenditures incurred in prior years related to the Highway Planning and Construction grant program, CFDA# 20.205. Total expenditures incurred in prior years were \$1,593,123.



Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? x yes none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs**CFDA Number(s)**

20.205

Name of Federal Program or Cluster

Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes x no

**CITY OF GOLDEN, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2016**

Section II – Financial Statement Findings

2016 – 001 – Prior Period Adjustment for Grant Revenue

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: The City started incurring reimbursable expenditures in 2014 relating to a federal grant, Highway Planning and Construction, that is being funded 80% from federal reimbursements that are passed through the Colorado Department of Transportation (CDOT). The City requested reimbursements from CDOT in 2015 and early 2016 that related to prior year expenditures. The reimbursements were received by the City in June 2016 relating to prior years' expenditures, totaling \$1,593,123.

Criteria or specific requirement: The City should ensure it records receivables and related revenues in the proper fiscal year in accordance with its revenue recognition policies for government-wide impact as well as modified accrual.

Context: During our audit, we noted that the City should have recorded this prior year related revenue and receivable in 2015 per the government-wide statement of net position and statement of activities. This amount was received in 2016 but should have been recognized as revenue at the government-wide level in 2015. This amount did not meet the revenue recognition criteria at the fund level and was properly excluded as revenue by the City in 2015. City management agreed to record a prior period adjustment at the government-wide level to properly revenue the revenue and receivable for \$1,593,123 as of December 31, 2015.

Effect: A prior period adjustment of \$1,593,123 was made to properly state revenue as of December 31, 2015.

Cause: The City's Finance Department was unaware that amounts had been requested for reimbursement under this federal grant by the City's Public Works department.

Repeat Finding: No.

Recommendation: We recommend the City enhance its process relating to tracking and monitoring of grant activity incurred by City departments to verify the funding sources and timing of grants are documented and understood to determine proper reporting for financial statement purposes. Further, the City should enhance its controls over the schedule of expenditures of federal awards (SEFA) to ensure proper reporting of all federal activity in the correct time periods.

Views of responsible officials and planned corrective actions: The City created a Grant Tracking Form and distributed it to all departments for utilization since the City has a decentralized grant application process. This form helps the Finance Department identify grants awarded, funding sources and timing of payments. This will also help track all federal activity, so that federal awards are reported in the correct time periods.

**CITY OF GOLDEN, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2016**

2016 – 002 – Adjustments for Capital Assets

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: During our audit, we noted that a conveyance of capital assets from the Golden Urban Renewal Authority (GURA), a discretely presented component unit of the City, was not fully recorded by the City. Also, we noted other material audit adjustments for capital asset activity incurred by the City to properly state disposals, to properly state a transfer between the City's governmental activities and business-type activities, to properly state construction in progress additions for the City's governmental activities, and to properly report capital contributions for the City's governmental activities and business-type activities. Net audit adjustments for the year ended December 31, 2016 for these items totaled \$3,066,231.

Criteria or specific requirement: The City should ensure that all capital asset activities are properly calculated and reported.

Context: The related trial balances and financial statements were materially misstated prior to recording the necessary audit adjustments.

Effect: This led to audit adjustments of approximately \$3.1 million to properly state capital assets for the issues noted.

Cause: The City did not understand the proper reporting and financial statement impact of these transactions.

Repeat Finding: Yes, prior year finding 2015-002.

Recommendation: We recommend the City enhance its process and review relating to the recording of capital assets to verify amounts are properly reported. We also recommend City staff undertake additional training opportunities to better understand capital asset transactions.

Views of responsible officials and planned corrective actions: The City is expanding its review process for recording capital assets in order to verify amounts are properly reported. City staff responsible for reviewing and reporting capital assets are participating in additional training and reviewing GFOA references for capital asset reporting.

**CITY OF GOLDEN, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs

2016-003

Federal agency: U.S. Department of Transportation

Federal program title: Highway Planning and Construction

CFDA Number: 20.205

Pass-Through Agency: Colorado Department of Transportation

Pass-Through Number(s): NHPP 006A-054

Award Period: June 6, 2014 through June 6, 2019

Compliance Requirement: Procurement, Suspension and Debarment

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or specific requirement: Per the Office of Management and Budget (OMB) 2016 Compliance Supplement for CFDA 20.205, organizations are required to have procedures for verifying that an entity with which it plans to enter into a covered transaction is not debarred, suspended, or otherwise excluded.

Condition: We noted that the City does not have policies and procedures in place to provide assurance that no sub-award, contract, or agreement for purchases of goods or services is made with any debarred or suspended parties. During our testing of two selections, we verified that per SAM.gov the entities were active and not suspended or debarred.

Questioned costs: None noted.

Context: We noted that the City does not have policies or procedures in place for suspension and debarment.

Cause: The City did not verify whether entities were suspended or debarred prior to entering into agreements.

Effect: The City could potentially enter into contracts or allow entities that are suspended or debarred perform work under a federal grant. This could impact the City's future funding.

Repeat Finding: No.

Recommendation: The City should implement policies and procedures for verifying that entities are not suspended or debarred prior to allowing them to perform work under a federal grant.

Views of responsible officials and planned corrective actions: If this situation were to arise again in the future the City will document the procedure to confirm that no firms are suspended or disbarred at the time of the federal grant award.



City of Golden, Colorado respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2016.

Audit period: Year ended December 31, 2016

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2015 – 001 Prior Period Adjustments for Capital Assets

Condition: During the audit, it was noted that additions and reductions to capital asset activity for the governmental activities and the business-type activities (the Water fund, Wastewater fund, and Drainage fund) had been determined by management due to an infrastructure review and other capital asset analysis procedures conducted. All of this activity related to prior years; however, had been initially recorded by the City in 2015. This resulted in prior period adjustments for governmental activities totaling (\$7,811,715) and for business-type activities totaling \$13,297,043 to properly state this activity as of December 31, 2014.

Status: Resolved for the year ended December 31, 2016, corrective action was taken.

2015 – 002 Capital Asset Conveyance Recording

Condition: During the audit, it was noted that a conveyance of capital assets from the Golden Urban Renewal Authority (GURA), a discretely presented component unit of the City, was not fully recorded by the City.

Status: See current year finding 2015-002.

Reason for finding's recurrence: This was the first year that the City did the accounting for GURA, and City owned assets, paid for by GURA, were booked directly into the government-wide statements as contributed capital. The City did not realize that the assets needed to be added to GURA and disposed from GURA before recording in the government-wide statements.

Corrective Action: The City will follow the recommended process of adding and disposing of GURA assets that are ultimately conveyed to the City.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.

If there are questions regarding this schedule, please call Stephanie Novello, Assistant Finance Director, at 303-384-8021.

City of Golden, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2016.

Audit period: Year ended December 31, 2016

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2016-001 Prior Period Adjustment for Grant Revenue

Recommendation: We recommend the City enhance its process relating to tracking and monitoring of grant activity incurred by City departments to verify the funding sources and timing of grants are documented and understood to determine proper reporting for financial statement purposes. Further, the City should enhance its controls over the schedule of expenditures of federal awards (SEFA) to ensure proper reporting of all federal activity in the correct time periods.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The City created a Grant Tracking Form and distributed it to all departments for utilization since the City has a decentralized grant application process. This form helps the Finance Department identify grants awarded, funding sources and timing of payments. This will also help track all federal activity, so that federal awards are reported in the correct time periods.

Name(s) of the contact person(s) responsible for corrective action: Stephanie Novello, Assistant Finance Director, and Jessica Sallee, Accounting Technician.

Planned completion date for corrective action plan: Completed.

MATERIAL WEAKNESS

2016-002 Adjustments for Capital Assets

Recommendation: We recommend the City enhance its process and review relating to the recording of capital assets to verify amounts are properly reported. We also recommend City staff undertake additional training opportunities to better understand capital asset transactions.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The City is expanding its review process for recording capital assets in order to verify amounts are properly reported. City staff responsible for reviewing and reporting capital assets are participating in additional training and reviewing GFOA references for capital asset reporting.

Name(s) of the contact person(s) responsible for corrective action: Stephanie Novello, Assistant Finance Director, Maureen Wallen, Accountant, Joe O'Fallon, Accounts Payable Technician, and Jeff Hansen, Finance Director.

Planned completion date for corrective action plan: Fall 2017.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Transportation

2016-003 Highway Planning and Construction – CFDA No. 20.205

Recommendation: The City should implement policies and procedures for verifying that entities are not suspended or debarred prior to allowing them to perform work under a federal grant recommendation.

Explanation of disagreement with audit finding: While the finding is technically correct per the specific guidance in the OMB Compliance Supplement, the City believes that the Colorado Department of Transportation (CDOT), the City's pass-through entity, did due diligence in confirming that no firms were suspended or disbarred. Per exhibit E 7.7 of the Intergovernmental Agreement (IGA), CDOT was obligated to review the consultants and contractors for award. CDOT confirmed that all firms were prequalified, and none of the firms were suspended or disbarred at the time of the award. The results of the audit confirmed that there were no violations with regard to suspended or disbarred firms working on this federal grant project.

Action taken in response to finding: If this situation were to arise again in the future the City will document the procedure to confirm that no firms are suspended or disbarred at the time of the federal grant award.

Name(s) of the contact person(s) responsible for corrective action: Jeff Hansen, Finance Director

Planned completion date for corrective action plan: When applicable.

If there are questions regarding this plan, please call please call Jeff Hansen, Finance Director, at 303-384-8020.

