



Littleton, Colorado

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

*For the Fiscal Year Ended
December 31, 2016*

Prepared by the Department of Finance

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2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

CITY OF LITTLETON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2016

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City of Littleton
Littleton, Colorado



Finance Department

2255 West Berry Avenue
Littleton, Colorado 80120
303-795-3765
303-795-3815

June 27, 2017

Members of City Council and the Citizens of the City of Littleton:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Littleton, Colorado for the year ended December 31, 2016. State law requires that all local governments publish, within seven months of the close of each year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant.

This report is published to provide the city council, city staff, citizens, and other readers with detailed information concerning the financial position and activities of the city. Management assumes full responsibility for the completeness and reliability of the information in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to present fairly the financial position and results of operations of the various funds of the city. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the city's financial affairs.

Anton Collins Mitchell LLP has issued an unmodified opinion on the City of Littleton's financial statements for the year ended December 31, 2016. The Independent Auditor's Report is at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report and provides narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

The City of Littleton was incorporated on March 8, 1890 with its Home-Rule Charter adopted July 28, 1959. Littleton is a second tier suburb of Denver, Colorado. It is approximately 13.5 square miles with the borders near Belleview Avenue on the north, S. Broadway on the east, County Line Road on the south and Platte Canyon Road/Lowell Blvd. on the west.

The city provides a full range of services. These services include: police and fire protection; emergency medical services; storm drainage utilities; the construction and maintenance of highways, streets, and other infrastructure; library; and museum. The city jointly manages a regional wastewater treatment plant with the City of Englewood, a neighboring city to the north.

The city functions under a council-manager form of government. The city council comprises seven members elected by the citizens of Littleton, three at-large and four from districts. This seven member city council serves as the policy-making body of the city.

As required by generally accepted accounting principles, these financial statements present the City of Littleton (the primary government), as well as its component unit. The blended component unit, the Littleton Colorado Municipal Building Authority, is presented as a proprietary fund type. Separate financial statements are not prepared for the Littleton Colorado Municipal Building Authority. Although Littleton Riverfront Authority dba Littleton Invests for Tomorrow is a legally separate entity, separate financial statements are not issued and it is included in the city's financial statements as a discretely presented component unit.

The annual budget serves as the foundation for the city's financial planning and control. The city manager is required by the city charter to submit a budget to city council by September 15 of each year. The council must hold public hearings and the final budget must be adopted by December 1 of each year. The city manager and finance director have authority to transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same department, office or agency, in accordance with the city charter; provided that such transfers over \$100,000 per transaction require formal council consent.

Local economy

The city has many amenities to offer its citizens. Arapahoe Community College in the downtown area of Littleton serves 18,000 students on a 51-acre campus. South Platte Park is one of the largest suburban parks in the United States with over 880 acres of open space along the South Platte River. The city also provides a museum which is one of two Smithsonian Affiliated museums in Colorado. Littleton is also home to two light rail train locations which provide commuter rail service to other areas within the Denver Metro area.

The City of Littleton's revenues reflected an improved economy as compared to 2015. General Fund revenues, excluding transfers in, were higher than 2015 by 2%. Sales and use taxes represented approximately 52% of total General Fund revenue and were 2% higher than 2015. In 2017, the city has budgeted a 4% increase in sales and use tax revenues over the 2016 adopted budget (excluding transfers) indicating more confidence in the economic picture.

Colorado's economic activity continues to pick up compared to 2015. The oil and gas sector is growing again, albeit modestly, which is helping bolster the economy. Performance of the state economy remains positive, which is contributing to more investment and hiring in the state. As a result of these positive conditions, overall job and income growth for 2017 is forecast to be higher than last year. However, growth is constrained due to the state's tight labor and housing markets. Many businesses lack the workers needed to expand their operations. Furthermore, elevated housing prices and low inventory continue to place constraints on growth by limiting in-migration and home buying and selling. Strong labor market conditions are a telling indicator of Colorado's solid economy. Unemployment rates across most of the state are below the national average, and the urban Front Range areas continue to have among the lowest unemployment rates in the country (Governor's Office of State Planning and Budgeting).

Long term financial planning

At the end of the year, unassigned fund balance for the General Fund was \$5,476,452, or 9% of total General Fund revenues. The 2017 General Fund budget is projecting a surplus of merely \$106,190, after transfers to other funds. Total 2017 General Fund revenues, before transfers, are estimated at \$62,709,230 or \$4,973,476 over 2016 actual revenues. Total 2017 General Fund expenditures are budgeted at \$61,326,350 before transfers or \$4,655,565 over 2016 actual expenditures, an 8% increase.

Like most municipalities, Littleton faces challenges to sustainability and strategic growth. Staff and council members have embraced change, completed several initiatives and are moving forward with major improvements in processes and service delivery. The Economic Plan has been adopted and the Comprehensive Plan has been updated. There has been scenario planning for economic sustainability and growth within the city. The Littleton City Charter has been reviewed and several amendments went to the voters for approval; and zoning and land use updates are in process.

The city implemented a "One Stop Shop" for building permits and plan reviews that includes all decision-making departments involved in the plan submittal process. The city also provides high end, no cost resources for business attraction, development retention and expansion. There has been significant analysis of retail opportunities and strategic planning while being proactive in recruitment of businesses and development.

Many efforts have been put forth in connecting with the community through transparent government platforms such as the "Community Scorecard Annual Report" and numerous social media forums. New branding – updated boundary and street signage has been added to give Downtown Littleton a distinctive identity with new signage, wayfinding and gateway improvements.

The Littleton Village community, coupled with several other developments throughout the city, is bringing new vitality to the city. Three new hotels near County Line Road in the southern portion of the city will provide additional hotel options for visitors. Several restaurants such as the View House, located on Main Street, Chick-fil-A in the Aspen Grove shopping center located along Santa Fe Drive, and Andy's Custard, on the Broadway corridor, are certain to attract new visitors and bring in new sales tax revenues to the city.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for its comprehensive annual financial report for the fiscal year ended December 31, 2015. To be awarded a Certificate of Achievement, the city published an easily readable and efficiently organized CAFR. This report satisfied 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 are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate. The GFOA has also awarded the city its Distinguished Budget Presentation Award for the fiscal year 2016. This is the eighth consecutive year for this award.

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department appreciates the contributions made to prepare this report. We also would like to thank the mayor and city council for their support in planning and conducting the financial operations of the city.

Sincerely,



Mark Relph
City Manager



Tiffany Hooten, CPA
Finance Director



Government Finance Officers Association

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

Presented to

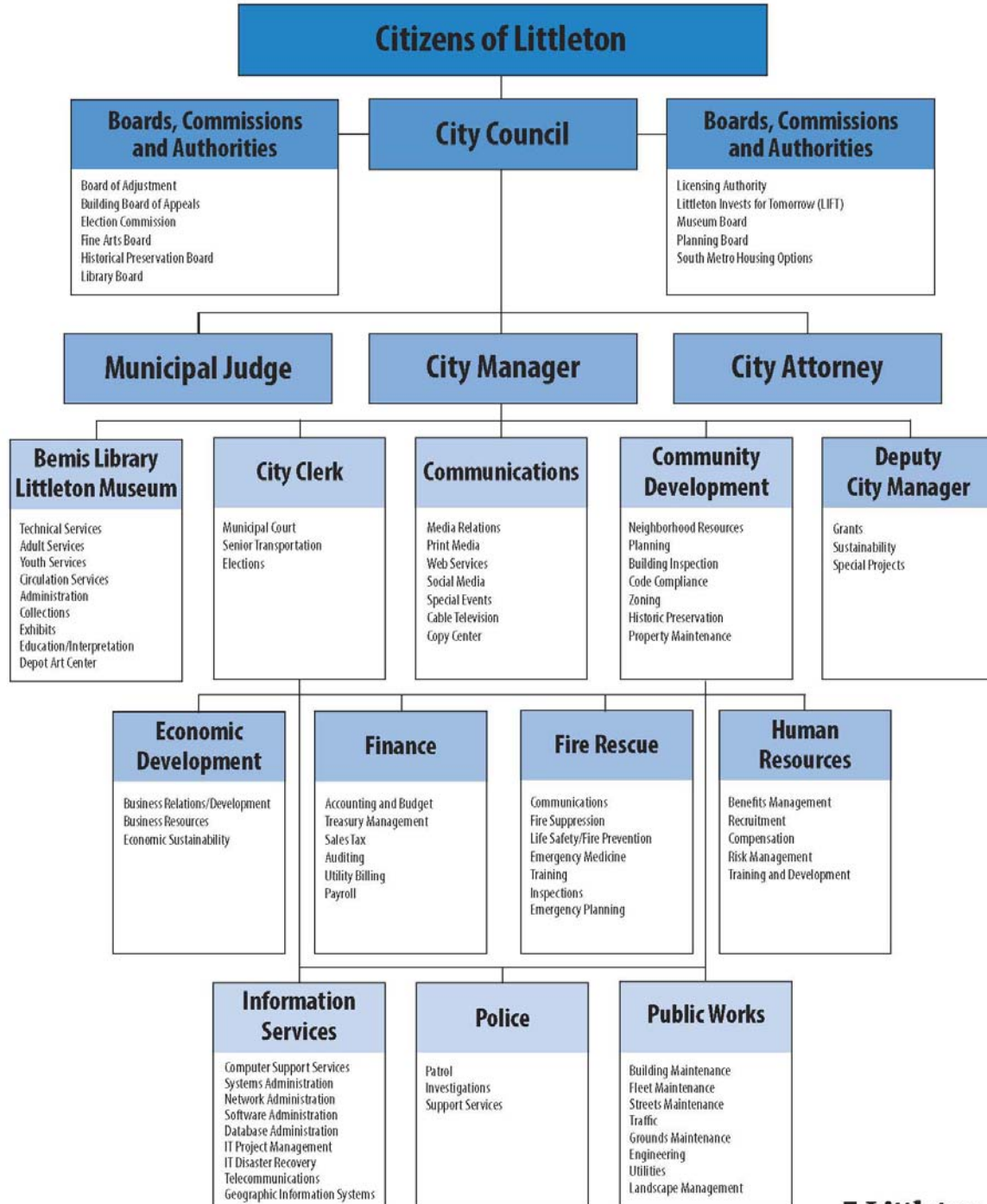
**City of Littleton
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

City of Littleton Organizational Chart





City Council Districts

District I—Bill Hopping

District II—Jerry Valdes

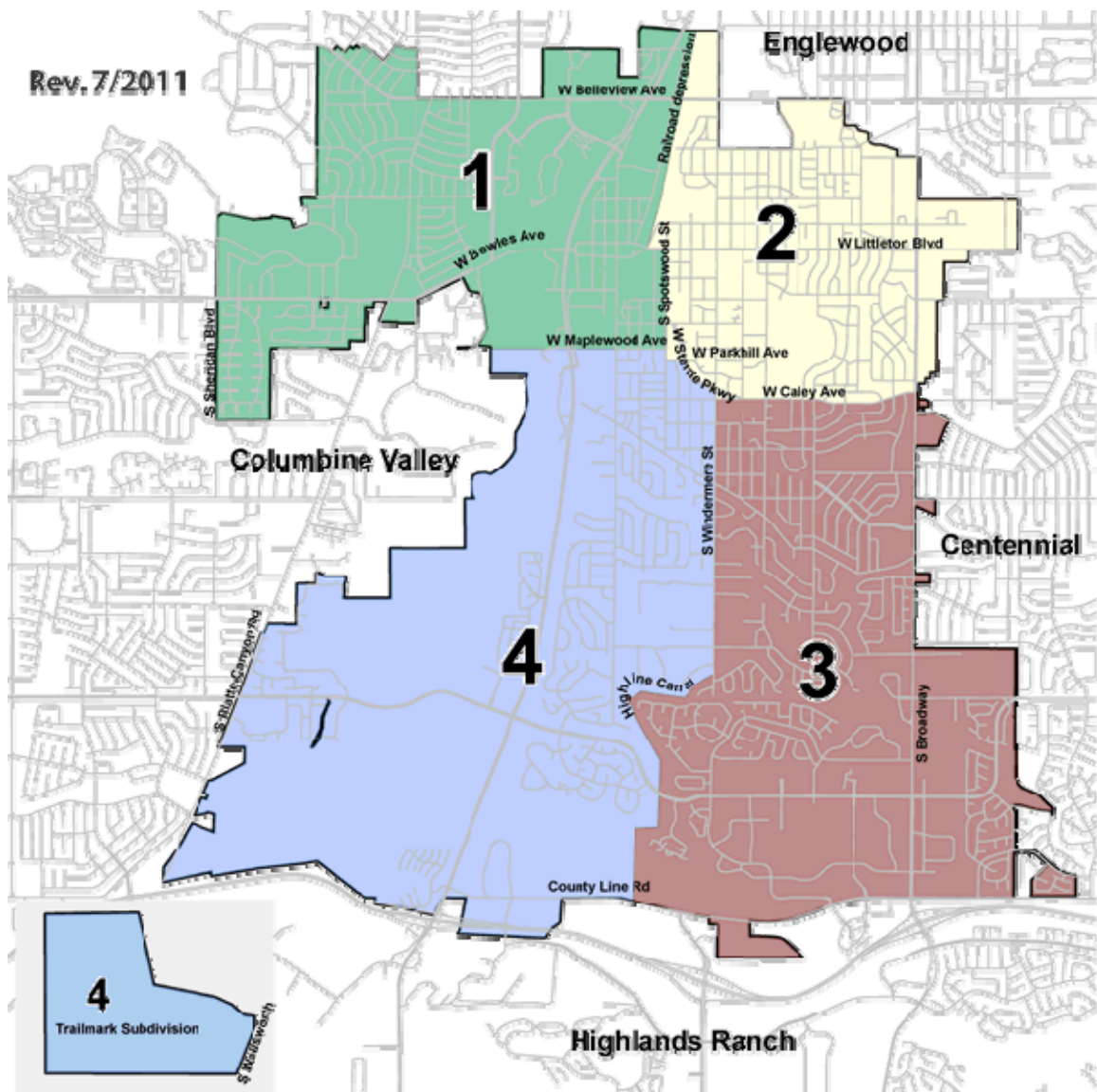
District III—Phil Cernanec

District IV—Debbie Brinkman, *Mayor Pro Tem*

At Large—Bruce Beckman, *Mayor*

At Large—Doug Clark

At Large—Peggy Cole



List of Principal Officials December 31, 2016

MEMBERS OF 2016 CITY COUNCIL

		<i>Term Expires</i>
Mayor – at large	Bruce Beckman	2017
Mayor Pro-Tem – District IV	Debbie Brinkman	2019
City Council Member District III	Phil Cernanec	2017
City Council Member at large	Doug Clark	2017
City Council Member at large	Peggy Cole	2019
City Council Member District I	Bill Hopping	2019
City Council Member District II	Jerry Valdes	2019

CITY OFFICIALS

City Manager	Mark Relph
Deputy City Manager (Acting)	G. Randolph Young
City Attorney (Acting)	Kenneth S. Fellman
City Clerk	Wendy Heffner
Communications	Kelli Narde
Community Development	Jocelyn Mills
Economic Development	Denise Stephens
Finance	Tiffany Hooten
Fire	Christopher Armstrong
Human Resources (Acting)	Julie Lanier
Information Services	Kenneth Price
Library and Museum	Timothy Nimz
Police	Douglas Stephens
Public Works (Acting)	Keith Reester

SEPARATE AUTHORITIES

Littleton Municipal Building Authority	Carle Zimmerman, President
Littleton Invests for Tomorrow (LIFT)	Kyle Schlachter, Chairperson

Littleton 2016 City Council

Bruce Beckman
Mayor *at large*
Term expires 2017



Debbie Brinkman
Mayor Pro-Tem *District IV*
Term expires 2019



Phil Cernanec
City Council Member *District III*
Term expires 2017



Doug Clark
City Council Member *at large*
Term expires 2017



Peggy Cole
City Council Member *at large*
Term expires 2019



Bill Hopping
City Council Member *District I*
Term expires 2019



Jerry Valdes
City Council Member *District II*
Term expires 2019



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City of Littleton
Littleton, Colorado



Independent Auditor's Report

To the Honorable Mayor and City Council
City of Littleton
Littleton, Colorado

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 Littleton, Colorado (the "City"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City'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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture, a joint venture of the City, which represents 50 percent and 61 percent, respectively, of the assets, and 20 percent and 27 percent, respectively, of the revenues of the business-type activity and Sewer Utility Fund (a major enterprise fund). Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Littleton/Englewood Wastewater Treatment Plant Joint Venture, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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, based on our audit and the report of the other auditors, 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 Littleton, Colorado as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 20 and the budgetary comparison information on page 62, the Schedules of the City's Proportionate Share of Net Pension Liability (Asset) on pages 63 and 66, and the Schedules of the City's Contributions on pages 64, 65, 67 and 68 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 evidence sufficient 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's basic financial statements. The accompanying introductory section, combining and individual fund financial statements and schedules, Local Highway Finance Report and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 by us and the other auditors. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Anton Collins Mitchell LLP

Greeley, Colorado
June 27, 2017

This section of the City of Littleton's Comprehensive Annual Financial Report (CAFR) offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2016. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, the basic financial statements and the notes to the financial statements, contained in this report.

Financial Highlights

At the close of the year, the total assets of the city exceeded liabilities by \$190,146,510 (*net position*). Of this amount, \$75,273,205 (*unrestricted net position*) may meet the government's ongoing obligations to citizens and creditors. Additionally, a 3% reserve, \$2,212,002, for emergencies required by Colorado statute is restricted in the General Fund, \$2,144,723 is restricted for open space and parks, \$5,481,992 is restricted for employee benefits (pension, city-wide) and \$3,000,000 is restricted for rate stabilization in the Sewer Fund. Other restrictions of \$1,200,415 are imposed for the Bi-city joint venture, maintenance of a museum collection and debt.

- The net position of the city increased by \$13,761,903 (excluding the prior period adjustment), or approximately 8% as compared to 2015. In the governmental activities, revenues exceeded expenses by \$6,264,913 and revenues exceeded expenses by \$7,496,990 in the business-type activities.
- As of December 31, 2016, the city's governmental funds reported combined ending fund balances of \$29,399,311, while the city's proprietary funds reported a combined net position of \$69,267,770.

Overview of the Financial Statements

This annual report comprises four parts – *management's discussion and analysis* (this section), the *basic financial statements, required and other supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental and proprietary funds and internal service funds.

This discussion and analysis should serve as an introduction to the city's basic financial statements. The city's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information besides the basic financial statements themselves.

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

The *statement of net position* presents information on all of the city's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these categories 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 government'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 when cash is received or paid*. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the city principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions 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, public works, welfare, culture and recreation. The business-type activities of the city include the Sewer Utility, Storm Drainage, Emergency Medical Transport, South Metro Area Communications Center, Geneva Village, and Building Authority.

The government-wide financial statements include not only the city itself (known as the *primary government*), but also a legally separate building authority and a legally separate urban development authority. Although legally separate, these entities function as agencies of the city, and therefore have been included as an integral part of the primary government. These entities do not issue separate financial statements.

Fund financial statements. A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Littleton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by state law and bond covenants. The city council establishes other funds to control and manage money for particular purposes, such as the Capital Projects Fund or the Geneva Village Fund, or to show that the city is properly using certain taxes and grants, such as open space monies or federal grants. All funds of the city can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *current inflows and outflows of available resources*, and on *balances of unrestricted resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The city maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects Fund, both of which are major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in *combining statements* elsewhere in this report.

The city adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. The city maintains nine proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The city uses enterprise funds to account for its Sewer Utility, Storm Drainage, Emergency Medical Transport, South Metro Area Communications Center, Geneva Village, and Building Authority. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the city's various functions. The city uses internal service funds to account for its employee benefits and property and liability insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Utility, Storm Drainage, Emergency Medical Transport, South Metro Area Communications Center, Geneva Village, and Building Authority. The Sewer Utility, Storm Drainage, and Emergency Medical Transport enterprise funds are major funds. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in *combining statements* elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are *not* available to support the city’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Government-wide Financial Analysis

Net Position. Net position may serve over time as a useful indicator of a government’s financial position. With the City of Littleton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$190,146,510 at the close of the most recent fiscal year (see Table A-1.)

**Table A-1
City of Littleton's Net Position**

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2015	2016	2015	2016	2015	2016	2015 - 2016
Current and other assets	\$ 46,323,679	\$ 45,299,278	\$ 78,336,705	\$ 81,676,665	\$ 124,660,384	\$ 126,975,943	1.86%
Capital assets	85,421,820	93,019,439	15,655,616	17,303,855	101,077,436	110,323,294	9.15%
Total assets	131,745,499	138,318,717	93,992,321	98,980,520	225,737,820	237,299,237	5.12%
Total deferred outflows of resources	1,012,881	3,938,645	191,633	745,174	1,204,514	4,683,819	288.86%
Long-term liabilities	8,758,444	9,562,366	30,847,792	28,080,017	39,606,236	37,642,383	-4.96%
Other liabilities	4,604,614	6,731,597	2,450,733	2,323,771	7,055,347	9,055,368	28.35%
Total liabilities	13,363,058	16,293,963	33,298,525	30,403,788	46,661,583	46,697,751	0.08%
Total deferred inflows of resources	4,781,495	5,084,659	8,109	54,136	4,789,604	5,138,795	7.29%
Net investment in capital assets	78,368,195	85,040,318	13,980,616	15,793,855	92,348,811	100,834,173	9.19%
Restricted	8,115,272	9,011,471	4,843,904	5,027,661	12,959,176	14,039,132	8.33%
Unrestricted	28,130,360	26,826,951	42,052,800	48,446,254	70,183,160	75,273,205	7.25%
Total net position	\$ 114,613,827	\$ 120,878,740	\$ 60,877,320	\$ 69,267,770	\$ 175,491,147	\$ 190,146,510	8.35%

Note: Beginning net position for 2016 was restated for Business-type Activities related to a prior period adjustment.

Capital assets reflect the city’s investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are *not* available for future spending.

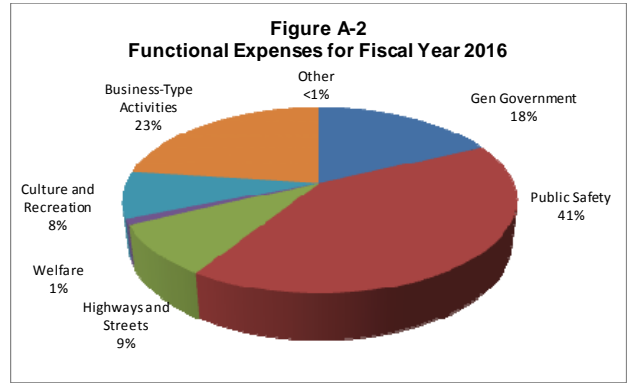
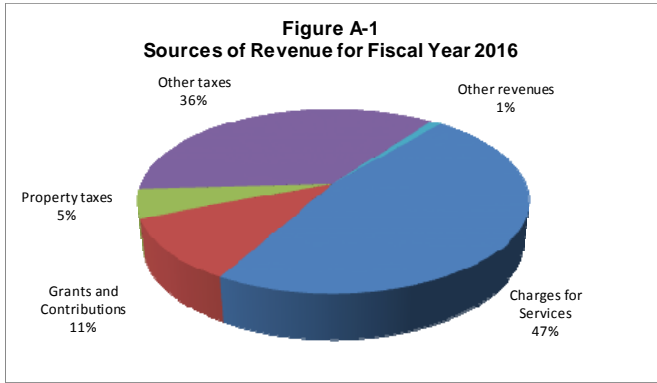
The largest portion of the city’s net position is invested in capital assets, which represents \$100,834,173 or 53% of total net position.

Of the city’s \$190,146,510 net position, \$14,039,132 is restricted for various purposes including the emergency reserves as required by the Colorado Constitution, open space for parks, rate stabilization and operating expenses of the Littleton/Englewood Wastewater Treatment Plant joint venture, employee benefits, maintenance of a museum collection and debt.

Changes in Net Position. The city’s total revenues were higher than the prior year by \$11,076,340 or 13%. Revenues in 2016 were \$99,214,684 as compared to \$88,138,344 in 2015. Operating and capital grants increased by \$7.4 million. This is mainly due to sanitary sewer and storm drainage infrastructure related capital contributions as well as parks and recreation grants and contributed capital. Sales, general use and building use tax revenues were \$1.7 million higher than 2015. Charges for services increased by \$3,460,739. Almost half of total revenues are received from charges for services which includes fire department contracted reimbursements

and impact fees. For business-type activities, sewer operating revenues remained relatively flat compared to 2015. Approximately 36% of the city’s total revenues come from sales and other types of taxes (see Figure A-1).

The total cost of all programs and services, \$85,452,781, increased by 2% from 2015. The city’s expenses cover a range of services, of which more than half is related to public safety and business-type activities (see Figure A-2).



Governmental Activities

The city uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Revenues. Total revenues for all governmental activities were \$72,417,691. This is an increase from 2015 of \$7,223,125 or 11%. The following depicts the major revenue sources for the governmental activities:

- The fire department contracted reimbursements were \$14,339,815.
- Additional charges for services were \$13,069,144 which includes fire department contracted administration fees, court costs, Littleton Public Schools officers, Littleton VALE, building permits, impact fees, highway users tax, open space, county road and bridge, plans checking, lottery funds and other miscellaneous revenues.
- Grants and contributions related to public safety, highways and streets, welfare and culture and recreation were \$4,742,469.
- Tax related revenues were \$41,400,095.
- The total for interest and miscellaneous revenues is \$804,072.

Expenses. Expenses were higher in 2016 as compared to 2015 by \$2,847,823 or 5% and is mostly related to personnel cost increases.

Table A-2
City of Littleton's Changes in Net Position

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2015	2016	2015	2016	2015	2016	2015 - 2016
Revenues:							
Program revenues:							
Charges for services	\$ 23,501,198	\$ 27,408,959	\$ 20,506,149	\$ 20,059,127	\$ 44,007,347	\$ 47,468,086	7.86%
Operating grants and contributions	385,936	451,102	-	-	385,936	451,102	16.89%
Capital grants and contributions	1,285,703	4,291,367	2,233,287	6,577,884	3,518,990	10,869,251	208.87%
General revenues:							
Property taxes	3,980,867	4,602,678	-	-	3,980,867	4,602,678	15.62%
Other taxes	35,057,432	36,797,417	-	-	35,057,432	36,797,417	4.96%
TABOR revenue refund	-	(1,937,904)	-	-	-	(1,937,904)	-100.00%
Other	983,430	804,072	204,342	159,982	1,187,772	964,054	-18.84%
Total revenues	65,194,566	72,417,691	22,943,778	26,796,993	88,138,344	99,214,684	12.57%
Expenses:							
General government	14,285,728	15,642,309	-	-	14,285,728	15,642,309	9.50%
Public safety	32,488,949	34,709,838	-	-	32,488,949	34,709,838	6.84%
Highways and streets	7,232,289	8,112,334	-	-	7,232,289	8,112,334	12.17%
Welfare	208,169	445,663	-	-	208,169	445,663	114.09%
Culture and recreation	8,520,522	6,659,154	-	-	8,520,522	6,659,154	-21.85%
Interest	225,132	239,314	-	-	225,132	239,314	6.30%
Sewer Utility	-	-	13,417,130	12,856,629	13,417,130	12,856,629	-4.18%
Storm Drainage	-	-	901,218	808,619	901,218	808,619	-10.27%
Emergency Medical Transportation	-	-	5,160,483	4,482,429	5,160,483	4,482,429	-13.14%
South Metro Comm Center	-	-	1,204,948	1,225,387	1,204,948	1,225,387	1.70%
Geneva Village	-	-	132,198	148,263	132,198	148,263	12.15%
Building Authority	-	-	124,088	122,842	124,088	122,842	-1.00%
Total expenses	62,960,789	65,808,612	20,940,065	19,644,169	83,900,854	85,452,781	1.85%
Increase in net position before transfers	2,233,777	6,609,079	2,003,713	7,152,824	4,237,490	13,761,903	224.77%
Transfers	(301,634)	(344,166)	301,634	344,166	-	-	N/A
Increase in net position	1,932,143	6,264,913	2,305,347	7,496,990	4,237,490	13,761,903	224.77%
Net position - beginning - restated	112,681,684	114,613,827	58,571,973	61,770,780	171,253,657	176,384,607	3.00%
Net position - ending	<u>\$ 114,613,827</u>	<u>\$ 120,878,740</u>	<u>\$ 60,877,320</u>	<u>\$ 69,267,770</u>	<u>\$ 175,491,147</u>	<u>\$ 190,146,510</u>	<u>8.35%</u>

Note: Beginning net position for 2016 was restated for Business-type Activities related to a prior period adjustment.

Business-type Activities

Revenues of the city’s business-type activities increased by \$3,853,215 or 17% and expenses decreased by \$1,295,896 or 6% (see Table A-2). Factors contributing to these results include:

- Sewer utility and storm drainage charges for services revenue increased \$233,465 due to user rate increases.
- Sewer utility and storm drainage capital contributions increased by \$4.5 million due to an increase in tap fee connections and infrastructure capital contributions in 2016.
- Sewer utility operating expenses decreased by \$550,174 or 6% due to decreased costs related to the sewer plant and maintenance costs.
- Storm drainage operating expenses decreased by \$92,599 or 10% due to less repair and maintenance costs.
- Other business-type activity revenues and expenses were consistent as compared to the prior year.

Fund Financial Analysis

Governmental funds. Governmental fund financial statements focus on *current inflows and outflows of available resources*, and on *balances of unassigned resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term requirements.

At the end of 2016, the combined ending fund balances of the governmental funds were \$29,399,311. This is a decrease of \$1,301,892 from 2015. The unassigned fund balance was \$5,476,452 or 19% of the total fund balances. The remaining fund balance of \$23,922,859 is classified:

Nonspendable	\$	568,350
Restricted		4,377,081
Assigned		18,977,428
Total	\$	<u>23,922,859</u>

General Fund. The General Fund is the primary operating fund of the city and its ending fund balance on December 31, 2016 was \$9,150,373. Of this amount, \$312,448 was nonspendable in the form of inventories and prepaid items; \$2,212,002 restricted for TABOR emergencies; \$1,149,471 was assigned and \$5,476,452 was unassigned. The fund balance decreased by \$679,197 from 2015.

As compared to 2015, total revenues (excluding transfers in) increased by \$930,692 or 2% and expenditures (excluding transfers out) increased by \$4,709,700 or 9%. Excluding the TABOR revenue refund, 2016 revenues exceeded the prior year by \$2,868,596 or 5%. Key factors are:

- An increase in sales and use tax revenues of \$585,361 or 2%.
- An increase in intergovernmental revenues (mostly reimbursement for fire services) of \$1,294,977 or 9%.
- Property tax revenues increased by \$621,811 or 16%.
- Charges for services increased \$529,881 or 25%.
- A potential TABOR revenue refund was recorded at \$1,937,904.
- Public safety costs increased by \$2,588,362 or 9% primarily due to the addition of Fire Station #19.
- City-wide expenditures were higher due to overall increased personnel costs and addition of Fire Station #19.
- The General Fund had an excess of revenues over expenditures of \$1,064,969 prior to other financing sources (uses). Net transfers between the General Fund and all other funds were negative \$1,744,166.

Other Governmental Funds. The Capital Projects Fund ending fund balance was \$15,803,853. The fund balance decreased by \$976,559 from 2015 due to several factors including a decrease in the transfer from the General Fund as compared to the prior year and an increase in expenditures. Revenues (excluding transfers in) were higher than the prior year by \$813,183 due mainly to an increase in building use taxes. Expenditures were significantly higher than the prior year by \$4,249,952; however, \$1,894,887 in capital proceeds were received to offset the purchase of city-wide communication equipment.

The ending fund balance in the Public Facilities Fund decreased to zero. In 2014, fees specific to this fund were replaced by impact fees and accounted for in a separate fund. The city has depleted the fund balance in this fund and eliminated the fund in 2016.

The Conservation Trust Fund ending fund balance decreased by \$295,185 due to capital improvements made to Edwin A. Bemis Public Library. Lottery revenues were \$36,804 or 17% higher in 2016 than 2015, with expenditures being significantly higher in 2016.

The city’s Open Space Fund ending fund balance increased by \$404,869 due to an increase in intergovernmental revenues.

The city's Impact Fee Fund ending fund balance increased by \$755,626 in 2016. Impact fee revenues were significantly higher than 2015 by \$2,395,833. This is due primarily to the development of Littleton Village. Expenditures increased as compared to 2015 as improvements such as the building of Fire Station #19 and infrastructure improvements within Littleton Village were completed.

Proprietary Funds. Sewer Utility Fund ending net position was \$53,259,412 which was \$5.4 million or 11% higher than the restated 2015 ending net position. Operating revenues were slightly higher than 2015. Operating expenses were 6% lower in 2016 as repair and maintenance expenses were lower in 2016.

The Storm Drainage Fund reported an increase in net position of \$1.8 million due to infrastructure capital contributions.

The Emergency Medical Transport Fund's net position was \$2,788,575 which was slightly higher than 2015 by \$109,241.

General Fund Budgetary Highlights

The General Fund accounts for all of the general services provided by the city. At the end of 2016, differences between the original budgeted expenditures and the final amended budgeted expenditures, including transfers, were an additional \$2,570,030 or 4% of the original budget. This difference was the result of encumbered purchase orders from fiscal year 2015 that were not fulfilled in that year and were carried forward into the 2016 fiscal year as well as budget amendments totaling \$1,783,040 including increases for personnel for Fire Station #19, a police investigation and sales tax increment.

Intergovernmental revenues were \$668,862 lower than budgeted due to salary savings related to fire personnel which are reimbursed through fire partner contracts. License and permits were \$701,766 higher and charges for services were \$447,839 higher than budgeted amounts, mainly due to increased building permit fees. A TABOR revenue refund of \$1,937,904 offsets the otherwise positive revenue budget variance in the General Fund for a total budget variance of \$1,732,006.

Actual expenditures were lower from the final budget by \$3,047,975 or 5% lower than the final budget due to position vacancies, professional services, software maintenance, and grants and incentives savings. Total budget variance for the General Fund, excluding transfers, was \$1,315,969.

During the current fiscal year, fund balance in the General Fund decreased by \$679,197. The original budget for fund balance showed an increase for 2016 of \$562,900 and the final budget included a decrease of \$2,007,130 creating a positive budget variance of \$1,327,933. This variance is mainly due to expenditures being lower than budgeted as described above.

Capital Asset and Debt Administration

Capital Assets

The city's investment in capital assets for its governmental and business type activities as of December 31, 2016, amounts to \$100,834,173 (net of accumulated depreciation and related debt, see Table A-1). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, bridges, including construction work in progress. More detailed information about the city's capital assets is presented in Note IV to the financial statements.

Major capital asset events during the current fiscal year included:

- The building of Fire Station #19 in southwest Littleton was completed in August 2016.
- Several roads were resurfaced and improvements were made to neighborhood curbs, gutters, and sidewalks, including in the area of Littleton Village.
- Several building improvements were completed at the Edwin A. Bemis Library including carpet replacement, painting, remodel of restrooms, elevator and furnishing upgrades.
- A remodel project completed in the public works, economic development and community development area.
- Police, fire and public works radio system replacement – funded by lease proceeds.
- The fire department replaced one fire prevention staff vehicle and medic unit. In addition, the department replaced three lifepaks and one LUCAS device.
- Nineteen city vehicles were replaced with newer vehicles.
- Replacement of three buses as part of the Omnibus and Shopping Cart Program, two of which were grant funded.
- Several signs were installed as part of the Wayfinding plan in the downtown area.
- Several recreational projects were completed including Reynolds Landing, Riverside Downs, Creekside Experience, and Lee Gulch Overlook.

Debt Administration

The City of Littleton’s total debt outstanding for its governmental and business type activities as of December 31, 2016 was \$36,059,138 (see Table A-3). This comprises capital leases of \$7,979,121, an assignment certificate of \$1,510,000 and revenue loans and premiums of \$26,570,017. More detailed information about the city’s debt is presented in Notes V and VI to the financial statements.

Table A-3
City of Littleton’s Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2015	2016	2015	2016	2015	2016	2015 - 2016
Capital Leases	\$ 7,053,625	\$ 7,979,121	\$ -	\$ -	\$ 7,053,625	\$ 7,979,121	13.12%
Assignment Certificate	-	-	1,675,000	1,510,000	1,675,000	1,510,000	-9.85%
Revenue Bonds	-	-	29,172,792	26,570,017	29,172,792	26,570,017	-8.92%
	<u>\$ 7,053,625</u>	<u>\$ 7,979,121</u>	<u>\$ 30,847,792</u>	<u>\$ 28,080,017</u>	<u>\$ 37,901,417</u>	<u>\$ 36,059,138</u>	<u>-4.86%</u>

Economic Factors and Next Year’s Budget and Rates

A few major housing and commercial developments started in 2015, carried into 2016 and into 2017 which has resulted in a more optimistic revenue outlook in 2017. In 2017, budgeted operating revenues are estimated to increase by 4.2% over 2016. The city’s sales and use tax revenues, which comprise 52% of the 2017 General Fund revenues, are estimated to rise by 4.7% to \$32,162,980. The city’s property tax mill levy remains the same at 6.662 mills.

The city council discussed 21 policy questions when adopting the 2017 budget. These issues included adding 5.5 full-time employee positions to improve the city’s current levels of service, including four patrol officers.

The 2017 appropriation in the General Fund is \$62,603,040, an increase of \$1,118,150, or 2% above the 2016 final budget of \$61,484,890. Council’s policy that the budget should be balanced with expected revenues was adhered to as the 2017 General Fund revenues were adopted at \$62,709,230.

If the 2017 budget is realized in the General Fund, the city's budgetary fund balance is expected to be \$9,256,563, which equals an ending fund balance reserve of 15% of 2017 operating expenditures.

Requests for Information

This financial report provides a general overview of the city's finances for all those with an interest in the government's finances. Questions concerning the information in this report or requests for additional financial information should be addressed to the Finance Director, City of Littleton, 2255 West Berry Avenue, Littleton, CO 80120, or to thooten@littletongov.org, or 303-795-3765.

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Statement of Net Position
December 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Littleton Invests For Tomorrow
ASSETS				
Cash and investments	\$ 32,696,694	\$ 25,251,528	\$ 57,948,222	\$ 409,526
Receivables (net of allowance for uncollectibles)	10,761,805	2,224,456	12,986,261	40,614
Due from component unit	151,579	-	151,579	-
Inventories	261,346	-	261,346	-
Prepaid Items	420,617	28,560	449,177	-
Restricted assets:				
Cash and investments	179,714	4,180,059	4,359,773	-
Equity in Bi-City joint venture	-	49,835,498	49,835,498	-
Net pension asset	827,523	156,564	984,087	-
Capital assets (net of accumulated depreciation):				
Non-depreciable assets	28,168,713	3,462,116	31,630,829	-
Depreciable assets	64,850,726	13,841,739	78,692,465	-
Total assets	<u>138,318,717</u>	<u>98,980,520</u>	<u>237,299,237</u>	<u>450,140</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension-related:				
Differences between expected and actual experience	511,790	96,832	608,622	-
Net difference between projected and actual earnings on pension plan investments	2,466,867	466,736	2,933,603	-
Changes in proportion	2,191	415	2,606	-
City contributions subsequent to the measurement date	957,797	181,191	1,138,988	-
Total deferred outflows of resources	<u>3,938,645</u>	<u>745,174</u>	<u>4,683,819</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	4,530,980	1,753,131	6,284,111	261,953
Accrued interest payable	47,842	286,946	334,788	1,579
Due to primary government	-	-	-	150,000
Deposits and escrows	214,871	-	214,871	-
Unearned revenues	-	283,694	283,694	-
TABOR revenue refund payable	1,937,904	-	1,937,904	-
Noncurrent liabilities:				
Due within one year	1,214,059	2,811,358	4,025,417	-
Due in more than one year	8,348,307	25,268,659	33,616,966	-
Total liabilities	<u>16,293,963</u>	<u>30,403,788</u>	<u>46,697,751</u>	<u>413,532</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	4,798,523	-	4,798,523	155
Pension-related:				
Differences between expected and actual experience	40,050	7,576	47,626	-
Changes in proportion	246,086	46,560	292,646	-
Total deferred inflows of resources	<u>5,084,659</u>	<u>54,136</u>	<u>5,138,795</u>	<u>155</u>
NET POSITION				
Net investment in capital assets	85,040,318	15,793,855	100,834,173	-
Restricted for:				
Emergencies	2,212,002	-	2,212,002	-
Open space and parks	2,144,723	-	2,144,723	-
Employee benefits	4,634,390	847,602	5,481,992	-
Museum collection maintenance	20,356	-	20,356	-
Rate stabilization	-	3,000,000	3,000,000	-
Bi-city joint venture	-	1,180,000	1,180,000	-
Debt service	-	59	59	-
Unrestricted	26,826,951	48,446,254	75,273,205	36,453
Total net position	<u>\$ 120,878,740</u>	<u>\$ 69,267,770</u>	<u>\$ 190,146,510</u>	<u>\$ 36,453</u>

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

City of Littleton, Colorado
Statement of Activities
For The Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Government activities:				
General government	\$ 15,642,308	\$ 6,022,513	\$ 34,925	\$ -
Public safety	34,709,839	17,345,257	91,900	445,653
Highways and streets	8,112,334	1,755,078	45,240	2,494,518
Welfare	445,663	30,182	29,503	88,000
Culture and recreation	6,659,154	2,255,929	249,534	1,263,196
Interest on long-term debt	239,314	-	-	-
Total government activities	<u>65,808,612</u>	<u>27,408,959</u>	<u>451,102</u>	<u>4,291,367</u>
Business-type activities:				
Sewer Utility	12,856,629	13,388,538	-	4,756,858
Storm Drainage	808,619	773,283	-	1,821,026
Emergency Med. Trans	4,482,429	4,591,670	-	-
So. Metro Area Comm. Center	1,225,387	954,780	-	-
Geneva Village	148,263	125,961	-	-
Building Authority	122,842	224,895	-	-
Total business-type activities	<u>19,644,169</u>	<u>20,059,127</u>	<u>-</u>	<u>6,577,884</u>
Total primary government	<u>\$ 85,452,781</u>	<u>\$ 47,468,086</u>	<u>\$ 451,102</u>	<u>\$ 10,869,251</u>
Component unit:				
Littleton Invests for Tomorrow	\$ 18,612	\$ -	\$ -	\$ -
Total component unit	<u>\$ 18,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Taxes:
Property
Sales and use
Building use
Franchise
Other
Investment earnings
Miscellaneous
Gain on sale of capital assets
TABOR revenue refund
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning, previously reported
Restatement
Net position - beginning, restated
Net position - ending

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

Net (Expense) Revenue and
Changes in Net Position

Primary Government		Component Unit	
Governmental Activities	Business-type Activities	Total	Littleton Invests For Tomorrow
\$ (9,584,870)	\$ -	\$ (9,584,870)	\$ -
(16,827,029)	-	(16,827,029)	-
(3,817,498)	-	(3,817,498)	-
(297,978)	-	(297,978)	-
(2,890,495)	-	(2,890,495)	-
(239,314)	-	(239,314)	-
<u>(33,657,184)</u>	<u>-</u>	<u>(33,657,184)</u>	<u>-</u>
-	5,288,767	5,288,767	-
-	1,785,690	1,785,690	-
-	109,241	109,241	-
-	(270,607)	(270,607)	-
-	(22,302)	(22,302)	-
-	102,053	102,053	-
<u>-</u>	<u>6,992,842</u>	<u>6,992,842</u>	<u>-</u>
<u>(33,657,184)</u>	<u>6,992,842</u>	<u>(26,664,342)</u>	<u>-</u>
-	-	-	(18,612)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,612)</u>
4,602,678	-	4,602,678	3,989
30,984,140	-	30,984,140	154,498
2,988,467	-	2,988,467	-
2,247,202	-	2,247,202	-
577,608	-	577,608	-
273,309	159,982	433,291	505
336,163	-	336,163	-
194,600	-	194,600	-
(1,937,904)	-	(1,937,904)	-
(344,166)	344,166	-	-
<u>39,922,097</u>	<u>504,148</u>	<u>40,426,245</u>	<u>158,992</u>
6,264,913	7,496,990	13,761,903	140,380
114,613,827	60,877,320	175,491,147	(103,927)
-	893,460	893,460	-
<u>114,613,827</u>	<u>61,770,780</u>	<u>176,384,607</u>	<u>(103,927)</u>
<u>\$ 120,878,740</u>	<u>\$ 69,267,770</u>	<u>\$ 190,146,510</u>	<u>\$ 36,453</u>

City of Littleton, Colorado

Balance Sheet

Governmental Funds

December 31, 2016

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 7,308,889	\$ 15,331,487	\$ 5,328,316	\$ 27,968,692
Receivables (net of allowance for uncollectibles)	10,134,736	293,266	333,803	10,761,805
Due from other funds	216,574	405,000	-	621,574
Due from component unit	151,579	-	-	151,579
Inventories	261,346	-	-	261,346
Prepaid items	51,102	255,902	-	307,004
Restricted cash and investments	-	-	25,356	25,356
Total assets	<u>\$ 18,124,226</u>	<u>\$ 16,285,655</u>	<u>\$ 5,687,475</u>	<u>\$ 40,097,356</u>
LIABILITIES				
Contracts and accounts payable	\$ 1,239,875	\$ 431,802	\$ 582,314	\$ 2,253,991
Due to other funds	-	-	621,574	621,574
Deposits and escrows	164,871	50,000	-	214,871
Unearned revenue	-	-	25,591	25,591
TABOR revenue refund payable	1,937,904	-	-	1,937,904
Other liabilities	832,680	-	12,911	845,591
Total liabilities	<u>4,175,330</u>	<u>481,802</u>	<u>1,242,390</u>	<u>5,899,522</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax	4,798,523	-	-	4,798,523
Total deferred inflows of resources	<u>4,798,523</u>	<u>-</u>	<u>-</u>	<u>4,798,523</u>
FUND BALANCES				
Nonspendable:				
Inventories	261,346	-	-	261,346
Prepaid items	51,102	255,902	-	307,004
Restricted:				
Conservation Trust	-	-	457,902	457,902
Museum collection maintenance	-	-	20,356	20,356
Open Space	-	-	1,686,821	1,686,821
Emergencies	2,212,002	-	-	2,212,002
Assigned:				
Purchases on order	1,149,471	-	-	1,149,471
Capital Projects	-	15,547,951	-	15,547,951
Consolidated Special Revenues	-	-	367,274	367,274
Impact Fees	-	-	1,912,732	1,912,732
Unassigned	5,476,452	-	-	5,476,452
Total fund balances	<u>9,150,373</u>	<u>15,803,853</u>	<u>4,445,085</u>	<u>29,399,311</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,124,226</u>	<u>\$ 16,285,655</u>	<u>\$ 5,687,475</u>	

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.	\$ 93,019,439
The net pension asset, and related deferred outflows and inflows of resources will not be paid in the current period and therefore, are not reported in the funds.	4,480,032
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	25,591
Internal service funds are used by management to charge the costs of various insurance funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	3,564,575
Long-term liabilities, including capital leases of \$7,979,121; accrued interest of \$47,842; and compensated absences of \$1,583,245 are not due and payable from current financial resources, and therefore, are not reported in the funds.	<u>(9,610,208)</u>
Net position of governmental activities	<u>\$ 120,878,740</u>

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

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2016

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 4,602,678	\$ -	\$ -	\$ 4,602,678
Sales and use	30,984,140	-	-	30,984,140
Building use	-	2,988,467	-	2,988,467
Specific ownership	366,311	-	-	366,311
Cigarette	211,297	-	-	211,297
Franchise	2,191,967	-	55,235	2,247,202
Licenses and permits	1,896,766	-	-	1,896,766
Intergovernmental	14,957,718	2,091,568	2,811,792	19,861,078
Charges for services	2,639,459	340,034	3,137,702	6,117,195
Fines and forfeitures	712,409	-	114,029	826,438
Investment earnings	72,582	124,357	43,588	240,527
Miscellaneous	1,038,331	-	16,547	1,054,878
TABOR revenue refund	(1,937,904)	-	-	(1,937,904)
Total revenues	<u>57,735,754</u>	<u>5,544,426</u>	<u>6,178,893</u>	<u>69,459,073</u>
EXPENDITURES				
Current:				
General government	14,147,276	623,455	358,781	15,129,512
Public safety	32,540,326	1,344,106	216,728	34,101,160
Highway and streets	4,189,110	630,842	-	4,819,952
Welfare	405,259	-	-	405,259
Culture and recreation	5,230,224	-	653,200	5,883,424
Debt service:				
Principal	-	932,852	-	932,852
Interest	-	202,506	-	202,506
Capital outlay	158,590	6,276,711	4,588,930	11,024,231
Total expenditures	<u>56,670,785</u>	<u>10,010,472</u>	<u>5,817,639</u>	<u>72,498,896</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,064,969</u>	<u>(4,466,046)</u>	<u>361,254</u>	<u>(3,039,823)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,400,000	-	1,400,000
Transfers out	(1,744,166)	-	-	(1,744,166)
Interest charges	-	-	(7,390)	(7,390)
Proceeds from sale of capital assets	-	194,600	-	194,600
Proceeds from capital lease	-	1,894,887	-	1,894,887
Total other financing sources (uses)	<u>(1,744,166)</u>	<u>3,489,487</u>	<u>(7,390)</u>	<u>1,737,931</u>
Net change in fund balance	(679,197)	(976,559)	353,864	(1,301,892)
Fund balance - beginning	<u>9,829,570</u>	<u>16,780,412</u>	<u>4,091,221</u>	<u>30,701,203</u>
Fund balance - ending	<u>\$ 9,150,373</u>	<u>\$ 15,803,853</u>	<u>\$ 4,445,085</u>	<u>\$ 29,399,311</u>

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

City of Littleton, 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

Amounts reported for governmental activities in the statement of activities (pages 22 and 23) are different because:

Net change in fund balances - total governmental funds (page 25)	\$ (1,301,892)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which contributed capital of \$2,823,894 and capital outlays of \$11,024,231 exceeded depreciation of \$6,094,481 and capital disposals of \$156,025.	7,597,619
Under the accrual basis, an adjustment is needed to reflect the change in unearned revenues which is a change in revenues in the statement of activities.	(185,965)
The cumulative effects of the total pension liability and the fair value of pension plan net position available to pay pension benefits is the pension expense reported in the statement of activities. These effects result in a decrease to pension expense of \$706,741.	706,741
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the change in net position. This amount is the net effect of the issuance of debt of \$1,894,887 and the repayment of \$932,852 in principal of long-term debt and amortization of \$36,539.	(925,496)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the decrease in compensated absences of \$121,574 and increase in interest expense of \$29,418.	92,156
Internal service funds are used by management to charge the costs of various insurance to individual funds.	281,750
Change in net position of governmental activities (page 23)	<u>\$ 6,264,913</u>

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

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 23,872,773	\$ 522,696	\$ 465,083
Receivables (net of allowance for uncollectibles)	732,015	631	1,491,810
Prepaid items	-	-	28,560
Total current assets	<u>24,604,788</u>	<u>523,327</u>	<u>1,985,453</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	4,180,000	-	-
Equity in Bi-City joint venture	49,835,498	-	-
Net pension asset	-	-	156,564
Capital assets:			
Land	255,815	1,982,652	-
Buildings and systems	14,979,730	18,121,242	-
Improvements other than buildings	-	-	-
Machinery and equipment	392,553	3,148	340,812
Construction in progress	-	764,028	-
Less accumulated depreciation	<u>(12,409,550)</u>	<u>(9,591,315)</u>	<u>(243,844)</u>
Total capital assets (net of accumulated depreciation)	<u>3,218,548</u>	<u>11,279,755</u>	<u>96,968</u>
Total noncurrent assets	<u>57,234,046</u>	<u>11,279,755</u>	<u>253,532</u>
Total assets	<u>81,838,834</u>	<u>11,803,082</u>	<u>2,238,985</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related:			
Differences between expected and actual experience	-	-	96,832
Net difference between projected and actual earnings on pension plan investments	-	-	466,736
Changes in proportion	-	-	415
City contributions subsequent to the measurement date	-	-	181,191
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>745,174</u>
Total assets and deferred outflows of resources	<u>\$ 81,838,834</u>	<u>\$ 11,803,082</u>	<u>\$ 2,984,159</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 1,452,351	\$ 33,458	\$ 141,448
Claims and judgments	-	-	-
Unearned revenue	276,412	7,282	-
Accrued interest payable	280,642	-	-
Long term debt payable - current	2,646,358	-	-
Total current liabilities	<u>4,655,763</u>	<u>40,740</u>	<u>141,448</u>
Noncurrent liabilities:			
Long term debt payable	<u>23,923,659</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>23,923,659</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>28,579,422</u>	<u>40,740</u>	<u>141,448</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related:			
Differences between expected and actual experience	-	-	7,576
Changes in proportion	-	-	46,560
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>54,136</u>
NET POSITION			
Net investment in capital assets	3,218,548	11,279,755	96,968
Restricted for:			
Rate stabilization	3,000,000	-	-
Bi-city joint venture	1,180,000	-	-
Employee benefits	-	-	847,602
Debt service	-	-	-
Unrestricted	<u>45,860,864</u>	<u>482,587</u>	<u>1,844,005</u>
Total net position	<u>53,259,412</u>	<u>11,762,342</u>	<u>2,788,575</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 81,838,834</u>	<u>\$ 11,803,082</u>	<u>\$ 2,984,159</u>

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

Non-Major Proprietary Funds	Totals	Governmental Activities- Internal Service Funds
\$ 390,976	\$ 25,251,528	\$ 4,728,002
-	2,224,456	-
-	28,560	113,613
<u>390,976</u>	<u>27,504,544</u>	<u>4,841,615</u>
59	4,180,059	154,358
-	49,835,498	-
-	156,564	-
451,071	2,689,538	-
3,394,606	36,495,578	-
65,740	65,740	-
417,325	1,153,838	-
8,550	772,578	-
<u>(1,628,708)</u>	<u>(23,873,417)</u>	<u>-</u>
2,708,584	17,303,855	-
<u>2,708,643</u>	<u>71,475,976</u>	<u>154,358</u>
<u>3,099,619</u>	<u>98,980,520</u>	<u>4,995,973</u>
-	96,832	-
-	466,736	-
-	415	-
-	181,191	-
<u>-</u>	<u>745,174</u>	<u>-</u>
<u>\$ 3,099,619</u>	<u>\$ 99,725,694</u>	<u>\$ 4,995,973</u>
\$ 125,874	\$ 1,753,131	\$ 170,139
-	-	1,261,259
-	283,694	-
6,304	286,946	-
165,000	2,811,358	-
<u>297,178</u>	<u>5,135,129</u>	<u>1,431,398</u>
1,345,000	25,268,659	-
<u>1,345,000</u>	<u>25,268,659</u>	<u>-</u>
<u>1,642,178</u>	<u>30,403,788</u>	<u>1,431,398</u>
-	7,576	-
-	46,560	-
<u>-</u>	<u>54,136</u>	<u>-</u>
1,198,584	15,793,855	-
-	3,000,000	-
-	1,180,000	-
-	847,602	154,358
59	59	-
258,798	48,446,254	3,410,217
<u>1,457,441</u>	<u>69,267,770</u>	<u>3,564,575</u>
<u>\$ 3,099,619</u>	<u>\$ 99,725,694</u>	<u>\$ 4,995,973</u>

City of Littleton, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For The Year Ended December 31, 2016

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
OPERATING REVENUES			
Charges for services (net of contractual adjustments of \$4,117,688 in the Emergency Medical Transport Fund)	\$ 13,250,546	\$ 765,798	\$ 4,428,622
Employer/employee contributions	-	-	-
Rental payments	-	-	-
Intergovernmental	-	-	-
Miscellaneous	137,992	7,485	163,048
Total operating revenues	<u>13,388,538</u>	<u>773,283</u>	<u>4,591,670</u>
OPERATING EXPENSES			
Personnel services	375,854	243,759	2,839,333
Supplies	16,188	1,691	310,354
Bi-City operating costs	6,351,641	-	-
Contractual services	119,275	14,830	163,330
Services by General Fund	491,000	-	-
Insurance	-	-	-
Benefits and claims	-	-	-
Other services and charges	972,250	50,149	287,401
Bad debt expense	-	-	819,122
Amortization	15,344	-	-
Depreciation	254,906	498,190	62,889
Total operating expenses	<u>8,596,458</u>	<u>808,619</u>	<u>4,482,429</u>
Operating income (loss)	<u>4,792,080</u>	<u>(35,336)</u>	<u>109,241</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	155,893	3,294	-
Debt administration costs	(249,282)	-	-
Change in Bi-City joint venture equity	(3,346,307)	-	-
Insurance recovery	-	-	-
Interest charges	(664,582)	-	-
Total nonoperating revenues (expenses)	<u>(4,104,278)</u>	<u>3,294</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>687,802</u>	<u>(32,042)</u>	<u>109,241</u>
Transfers in	-	-	-
Capital contributions	4,756,858	1,821,026	-
Total capital contributions and transfers	<u>4,756,858</u>	<u>1,821,026</u>	<u>-</u>
Change in net position	5,444,660	1,788,984	109,241
Net position - beginning, previously reported	46,921,292	9,973,358	2,679,334
Restatement	893,460	-	-
Net position - beginning, restated	<u>47,814,752</u>	<u>9,973,358</u>	<u>2,679,334</u>
Net position - ending	<u>\$ 53,259,412</u>	<u>\$ 11,762,342</u>	<u>\$ 2,788,575</u>

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

Non-Major Proprietary Funds	Totals	Governmental Activities- Internal Service Funds
\$ 866,672	\$ 19,311,638	\$ 426,789
-	-	9,016,518
347,759	347,759	-
88,108	88,108	-
3,097	311,622	57,538
<u>1,305,636</u>	<u>20,059,127</u>	<u>9,500,845</u>
1,054,823	4,513,769	-
46,900	375,133	-
-	6,351,641	-
86,854	384,289	-
-	491,000	-
-	-	2,039,598
-	-	6,955,890
158,912	1,468,712	463,995
-	819,122	-
-	15,344	-
89,766	905,751	-
<u>1,437,255</u>	<u>15,324,761</u>	<u>9,459,483</u>
<u>(131,619)</u>	<u>4,734,366</u>	<u>41,362</u>
795	159,982	32,782
(3,981)	(253,263)	-
-	(3,346,307)	-
-	-	207,606
<u>(55,256)</u>	<u>(719,838)</u>	<u>-</u>
<u>(58,442)</u>	<u>(4,159,426)</u>	<u>240,388</u>
<u>(190,061)</u>	<u>574,940</u>	<u>281,750</u>
344,166	344,166	-
-	6,577,884	-
<u>344,166</u>	<u>6,922,050</u>	<u>-</u>
154,105	7,496,990	281,750
1,303,336	60,877,320	3,282,825
-	893,460	-
<u>1,303,336</u>	<u>61,770,780</u>	<u>3,282,825</u>
<u>\$ 1,457,441</u>	<u>\$ 69,267,770</u>	<u>\$ 3,564,575</u>

City of Littleton, Colorado
Statement of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2016

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 13,313,738	\$ 774,878	\$ 4,710,143
Cash received from interfund services provided	-	-	-
Cash paid to suppliers	(7,331,180)	(358,840)	(1,599,126)
Cash paid to employees	(375,667)	(244,202)	(3,000,649)
Cash paid to other funds for services	(491,000)	-	-
Net cash provided by (used by) operating activities	<u>5,115,891</u>	<u>171,836</u>	<u>110,368</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Investment in Bi-City joint venture	(440,420)	-	-
Purchase of capital assets	(190,995)	(335,871)	(6,290)
Principal paid on debt	(2,587,431)	-	-
Interest paid on debt	(695,270)	-	-
Insurance proceeds	-	-	-
Debt administration costs	(249,282)	-	-
Contributed capital	4,620,300	-	-
Net cash provided by (used by) capital and related financing activities	<u>456,902</u>	<u>(335,871)</u>	<u>(6,290)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	155,893	3,294	-
Net cash provided by investing activities	<u>155,893</u>	<u>3,294</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	5,728,686	(160,741)	104,078
Cash and cash equivalents - January 1	<u>22,324,087</u>	<u>683,437</u>	<u>361,005</u>
Cash and cash equivalents - December 31	<u>\$ 28,052,773</u>	<u>\$ 522,696</u>	<u>\$ 465,083</u>
Reconciliation of operating income (loss) to net cash provided by (used by) operating activities:			
Operating income (loss)	\$ 4,792,080	\$ (35,336)	\$ 109,241
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:			
Depreciation expense	254,906	498,190	62,889
Bad debt expense	-	-	819,122
Amortization expense	15,344	-	-
(Increase) decrease in current assets:			
Receivables	(74,800)	1,595	(700,649)
Prepaid expenses	-	-	(24,116)
Pension expense	-	-	(133,711)
Increase (decrease) in current liabilities:			
Accounts payable and other current liabilities	128,174	(291,563)	2,503
Wages payable	187	(1,050)	(24,911)
Claims and judgments payable	-	-	-
Total adjustments	<u>323,811</u>	<u>207,172</u>	<u>1,127</u>
Net cash provided by operating activities	<u>\$ 5,115,891</u>	<u>\$ 171,836</u>	<u>\$ 110,368</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 23,872,773	\$ 522,696	\$ 465,083
Restricted	4,180,000	-	-
Total cash and cash equivalents	<u>\$ 28,052,773</u>	<u>\$ 522,696</u>	<u>\$ 465,083</u>
Noncash, investing, capital, and financing activities			
Contribution of capital assets	\$ 136,558	\$ 1,821,026	\$ -

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

Non-Major Proprietary Funds		Totals	Governmental Activities- Internal Service Funds
\$ 1,381,611	\$ 20,180,370	\$ 439,052	
-	-	9,074,056	
(234,708)	(9,523,854)	(9,698,986)	
(1,052,394)	(4,672,912)	-	
-	(491,000)	-	
<u>94,509</u>	<u>5,492,604</u>	<u>(185,878)</u>	
344,166	344,166	-	
<u>344,166</u>	<u>344,166</u>	<u>-</u>	
-	(440,420)	-	
(63,250)	(596,406)	-	
(165,000)	(2,752,431)	-	
(55,945)	(751,215)	-	
-	-	207,606	
(3,981)	(253,263)	-	
-	4,620,300	-	
<u>(288,176)</u>	<u>(173,435)</u>	<u>207,606</u>	
795	159,982	32,782	
<u>795</u>	<u>159,982</u>	<u>32,782</u>	
151,294	5,823,317	54,510	
<u>239,741</u>	<u>23,608,270</u>	<u>4,827,850</u>	
<u>\$ 391,035</u>	<u>\$ 29,431,587</u>	<u>\$ 4,882,360</u>	
\$ (131,619)	\$ 4,734,366	\$ 41,362	
89,766	905,751	-	
-	819,122	-	
-	15,344	-	
75,975	(697,879)	12,263	
-	(24,116)	(113,613)	
-	(133,711)	-	
61,130	(99,756)	42,221	
(743)	(26,517)	-	
-	-	(168,111)	
<u>226,128</u>	<u>758,238</u>	<u>(227,240)</u>	
<u>\$ 94,509</u>	<u>\$ 5,492,604</u>	<u>\$ (185,878)</u>	
\$ 390,976	\$ 25,251,528	\$ 4,728,002	
59	4,180,059	154,358	
<u>\$ 391,035</u>	<u>\$ 29,431,587</u>	<u>\$ 4,882,360</u>	
\$ -	\$ 1,957,584	\$ -	

City of Littleton, Colorado
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2016

	Private - Purpose Trust Fund
ASSETS	
Cash and investments	\$ 30,352
Cash and investments with trustee, at fair value	238,590
Total assets	268,942
LIABILITIES	
Contract and accounts payable	-
Total liabilities	-
NET POSITION	
Held in trust for specific purposes	\$ 268,942

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

City of Littleton, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For The Year Ended December 31, 2016

	Private - Purpose Trust Fund
ADDITIONS	
Interest	\$ 1,668
Total additions	1,668
 DEDUCTIONS	
Culture and recreation	-
Total deductions	-
Change in net position	1,668
Net position - beginning	267,274
Net position - ending	\$ 268,942

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Littleton, Colorado (the City) was incorporated in 1890. On July 28, 1959, the citizens voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution (Home Rule Cities and Towns). The City operates under a council-manager form of government with the City council consisting of seven members, four elected by district and three at large. The City provides the following services as authorized by its charter: administration, finance, city attorney, planning and zoning, economic development, public safety (police, fire and emergency medical), highway, street and building maintenance, sewer, storm drainage utilities, public housing, welfare (free senior citizens transportation), culture and recreation, and municipal court services.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles 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 City's significant accounting policies applied in the preparation of these financial statements.

Reporting Entity

The financial reporting entity consists of the City and organizations for which the City is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. In addition, any legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the City.

Based on the application of these criteria, the component unit discussed below is included in the City's reporting entity because of the significance of their operational and financial relationship with the City. Separate financial statements are not issued for this component unit.

Blended Component Unit

The Littleton Colorado Municipal Building Authority – The Littleton Colorado Municipal Building Authority (LCMBA) is governed by a Board of Directors which was originally appointed by the City council. Subsequent Board members have been and will be appointed by the LCMBA. Created in 1976, the LCMBA constructs and acquires buildings solely for the City's use under lease agreements. The buildings will be deeded to the City once the debt is retired. Activities of the LCMBA are reported as a Proprietary Fund type. The LCMBA does not prepare separate financial statements.

Discrete Component Unit

The Littleton Riverfront Authority dba Littleton Invests for Tomorrow Urban Renewal Authority – The Littleton Riverfront Authority was created in 1980 by the City Council to acquire land for a redevelopment project for the benefit of the City. In 2008, the authority to receive tax increment expired (limited to 25 years) and all debt owing on the bonds and City notes were discharged and deemed cancelled by the Trustee. Littleton Riverfront Authority remained dormant from 2009-2013.

In 2013, the Littleton Riverfront Authority was renamed Littleton Invests for Tomorrow Urban Renewal Authority (LIFT) to provide additional investment options for property owners not just along the Riverfront area, but the broader community as well. LIFT is a legally separate entity from the city and is governed by a board of commissioners who are appointed by the city council. LIFT's annual budget is approved only by the authority. LIFT is authorized to collect incremental sales and property taxes from designated graphical areas as defined in the urban renewal plans. In 2014, four urban renewal areas were approved by the city council; Columbine Urban Renewal Area, Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area.

In December 2016, the city council repealed three of the four urban renewal areas consisting of Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area; thus ending incremental sales and property taxes for these areas. Columbine Urban Renewal Area remains as the only urban renewal area as of December 31, 2016.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule include charges between the General Fund and the Sewer Utility Enterprise for administrative costs substantially equal to the value of the services. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major funds are those funds whose activities are considered significant to the City based on economic and other factors and are reported in separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital 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 recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 sixty days of the end of the current fiscal period.

Property taxes, sales taxes, intergovernmental revenues, other taxes, and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers or other funds for sales and services. The City also recognizes tap fees as capital contribution revenue. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Major revenue sources include retail sales and use taxes, property taxes and intergovernmental revenues.

The *Capital Projects Fund* accounts for financing, acquisition and construction of capital improvements and various special projects throughout the City. These projects include public facilities, new street construction, parks and open space, information technology, public safety capital items and cultural and recreational improvements. Major revenue sources include building use taxes and highway users taxes.

The City reports the following major proprietary funds:

The *Sewer Utility Fund* accounts for sewer services to the residents of the City and several sewer districts located outside the City. The cities of Littleton and Englewood jointly own the Littleton/Englewood Wastewater Treatment Plant located in Englewood. This treatment plant is operated by the City of Englewood under a joint supervisory committee. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The *Storm Drainage Fund* accounts for construction and maintenance of storm water facilities and detention ponds within the City limits.

The *Emergency Medical Transport Fund* accounts for revenue and expenditures for emergency transport service and patient care en route to local hospitals. The service is provided to residents of the City of Littleton as well as the Littleton Fire Protection District and Highlands Ranch Metro District.

Additionally, the City reports the following fund types:

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 and to other entities, on a cost reimbursement basis. This category consists of the *Employee Insurance Fund*, and the *Property and Liability Insurance Fund*.

Trust Funds are used to account for assets held by the City in a trustee capacity or as an agent for gifts and bequests for specific purposes. Included in this fund are the *Sophie Bramley*, *J. E. Hockaday*, *South Platte Park Irrigation* and several smaller trusts.

Cash and Investments

The City pools cash resources of its various funds in order to facilitate the management of cash. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments.

The City considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because pooled cash is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Receivables

Receivables consist primarily of sales and use tax, charges for emergency medical transports, and other miscellaneous receivables and are reported net of an allowance for uncollectible accounts. The City has determined that \$838,859 of the Emergency Medical Transport Fund receivables is uncollectible.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Receivables/Payables and Advances

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/due from other funds”. If transactions are not due within the next fiscal year, it is an “advance to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Property Taxes Receivable

Property taxes are initially recorded as a receivable and as deferred inflow of resources when levied in both the funds and the government-wide reporting. Revenue is recognized when collected in the following year.

Property taxes are collected and remitted monthly to the City by Arapahoe, Jefferson and Douglas Counties, Colorado. The property tax calendar is detailed below:

Lien date		January - 1
City certifies mill levies to County		December - 15
Levy date		January - 1
Collection/due dates:	First half	February - 28
	In full	April - 30
	Second half	June - 15
	Delinquent notices	August - 15
	Tax sale	November - 15

Inventories and Prepaid Items

Inventories are valued at cost, using the first-in/first-out (FIFO) method. Inventory in the General Fund consists of items for the Littleton Historical Museum store and inventory in the fleet maintenance fund consists of vehicle parts and fuel. The costs of inventories are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, and equally offset by nonspendable fund balance in the governmental funds. Prepayments are recorded using the consumption method where services are allocated over appropriate service periods.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks, and similar items) purchased since 1980 are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds.

The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Property, plant, equipment and infrastructure purchased or acquired is recorded at historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received.

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

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

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	10 - 50
Equipment	3 - 10
Infrastructure	10 - 50

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize long-term liabilities only when payment is due. Payments of long-term debt are reported as current expenditures. Proceeds are reported as other financing sources.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Colorado Fire and Police Pension Association (FPPA) Statewide Defined Benefit and Statewide Hybrid Plans and additions to/deductions from FPPA's plans fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. In addition, property tax receivables are reported as a deferred inflow of resources when levied in the fund financial statements.

Net Position/Fund Balance

In the government-wide financial statements and the proprietary funds in the fund financial statements, net position is classified in the following categories:

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.
- Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents the net position of the City, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned or unassigned.

- Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- Restricted Fund Balance – amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Committed Fund Balance** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council by ordinance. The committed amounts cannot be used for any other purpose unless the city council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. This classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned Fund Balance** – amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by City Council through an informal action or City Council can delegate the authority to express intent to a committee, the city manager or other city official on a case by case basis.
- **Unassigned Fund Balance** – the remaining fund balance after amounts are set aside for other classifications. Only the General Fund may report a positive unassigned fund balance.

The City has not established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance; however, when expenditures are incurred, the City uses restricted fund balance first if the expenditure meets the restricted purpose, followed by committed amounts, assigned amounts, and lastly, unassigned amounts. The City Council did, however, approve Resolution #11 in 2012 to authorize the city manager or designee to designate “Assigned” fund balance based on the intended use of such resources.

City council adopted Resolution #8 in 2011 that includes a minimum reserve amount of 8% of approved General Fund operating expenditures along with a maximum amount not to exceed 18%. This amount is included in Unassigned Fund Balance in the financial statements.

As part of net position, the City reports the following balances as net investment in capital assets:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Total capital assets, net of accumulated depreciation	\$ 93,019,439	\$ 85,421,820	\$ 17,303,855	\$ 15,655,616
Capital lease obligation (current and non-current)	<u>(7,979,121)</u>	<u>(7,053,625)</u>	<u>(1,510,000)</u>	<u>(1,675,000)</u>
Net investment in capital assets	<u>\$ 85,040,318</u>	<u>\$ 78,368,195</u>	<u>\$ 15,793,855</u>	<u>\$ 13,980,616</u>

NOTE II – CASH AND INVESTMENTS

Primary Government

Reconciliation of Cash and Investments to Financial Statements

Cash and investments	\$ 57,948,222
Restricted cash and investments	4,359,773
Fiduciary cash and investments	<u>268,942</u>
Total	<u>\$ 62,576,937</u>
Petty cash	\$ 2,895
Deposits with financial institutions	6,382,115
Cash and investments held by third party	1,369,795
Investments	<u>54,822,132</u>
Total	<u>\$ 62,576,937</u>

NOTE II – CASH AND INVESTMENTS (Continued)

Component Unit

At December 31, 2016, the component unit cash and investments consisted of the following:

Total Cash and Investments	\$ <u>409,526</u>
Cash	\$ 33,010
Local government investment pool	<u>376,516</u>
Total Cash and Investments	\$ <u>409,526</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2016, the City had bank deposits of \$5,352,906 collateralized with securities held by the pledging financial institutions’ trust department or agent but not in the City’s name. In July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act became law which permanently raised the standard maximum deposit insurance amount to \$250,000. The City does not have a deposit policy.

Investments

The City’s investment policy is more restrictive than the Colorado State Statutes. The City’s policy allows investments of city funds in the following types of securities:

- Obligations of the United States and certain U. S. Agency securities
- General obligation and revenue bonds of U. S. local government entities
- Certificates of deposit of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Specific federal instrumentality securities
- Corporate debt (highly rated)

Fair Value of Investments

The city measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 – Quoted prices for identical investments in active markets;
- Level 2 – Observable inputs other than quoted market prices; and,
- Level 3 – Unobservable inputs.

NOTE II – CASH AND INVESTMENTS (Continued)

At December 31, 2016, the City had the following fair value measurements.

	12/31/2016	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
U.S. Agencies	\$ 23,059,914	\$ -	\$ 23,059,914	\$ -
Corporate Bonds	11,478,355	-	11,478,355	-
Municipal Bonds	12,094,312	-	12,094,312	-
Certificates of Deposit	4,802,407	-	4,802,407	-
ColoTrust	3,079,150	-	3,079,150	-
Total investments by fair value level	54,514,138	\$ -	\$ 54,514,138	\$ -
Investments measured at the net asset value (NAV)				
CSAFE	307,994			
Total Investments	\$ 54,822,132			

Debt securities classified in Level 2 are valued using the following approaches:

- U. S. Agencies: quoted prices for identical securities in markets that are not active;
- Corporate and municipal bonds: quoted prices for similar securities in active markets;
- Negotiable Certificates of Deposits: matrix pricing based on securities’ relationship to benchmark quoted prices; and,
- ColoTrust: fair value of the pool’s share price multiplied by the number of shares held.

At December 31, 2016, the City’s investments consisted of the following:

Investments	Fair Value	% to Total
U.S. Agency Securities	\$ 23,059,914	42%
Corporate Bonds	11,478,355	21%
Municipal Bonds	12,094,312	22%
Certificates of Deposit	4,802,407	9%
Subtotal Investments	51,434,988	94%
Local government investment pools	3,387,144	6%
Total Investments	\$ 54,822,132	100%

As of December 31, 2016 the City had the following investments and maturities:

Investments	S & P Rating	Fair Value	Investment Maturities		
			Less than 1 yr	1-5 yrs	5+ yrs
U.S. Agency Securities	AA+	\$ 23,059,914	\$ 3,267,930	\$ 19,791,984	\$ -
Corporate Bonds	AA+/AA-	11,478,355	4,559,946	6,918,409	-
Municipal Bonds	AAA/AA/AA+/AA-	12,094,312	1,547,691	10,546,621	-
Certificates of Deposit	AAA	4,802,407	1,125,911	3,676,496	-
Subtotal Investments		\$ 51,434,988	\$ 10,501,478	\$ 40,933,510	\$ -

Interest Rate Risk. As a means of limiting its exposure to losses arising from changing interest rates, the City’s investment policy requires all investments to mature within five years or less from date of trade settlement.

Credit Risk. State statutes limit investments in U. S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. Funds invested in money market funds have a Standard and Poor’s rating of AAA for the primary government.

Custodial Credit Risk. At December 31, 2016, the City had deposits held by third parties. The City of Englewood holds \$1,180,000 as required by the operating agreement for the Littleton/Englewood Wastewater Treatment Plant Joint Venture. In addition, \$167,000 is held by CIGNA Insurance Company as required minimum balances for healthcare costs, \$17,795 is held by 24 Hour Flex Retirement Services Planning Inc. as required for flex spending accounts and \$5,000 is held by the State Land Board related to a lease agreement.

NOTE II – CASH AND INVESTMENTS (Continued)

Local Government Investment Pools

Colotrust – At December 31, 2016, the City had \$3,079,150 and LIFT had \$376,516 invested in Colorado Local Government Liquid Asset Trust (Colotrust). Colotrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held. The government-investor does not “look through” the pool to report a pro rata share of the pool’s investments, receivables, and payables. This investment is valued using Level 2 inputs.

Colotrust is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes and are registered with the State Securities Commissioner. The pools operate similarly to money market funds and each share is equal in value to \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. Securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by the participating governments. Investments of the pools consist of US Treasury bills, notes and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by US Treasury securities and or US Instrumentalities. ColoTrust is rated AAAM by Standard and Poor’s. Information regarding Colotrust’s financial statements is available at their website www.colotrust.com.

CSAFE – At December 31, 2016, the city had \$307,994 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is considered to be a 2a7-like investment and is valued using the NAV per share (or its equivalent) of the investments. The 2a7-like investments to not have any unfunded commitments, redemption restrictions or redemption notice periods.

The 2a7-like investments conform to Colorado Statutes CRS 24-75-601 et. Seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado Depositories collateralized at 102% of market value investments will conform to its Permitted Investments and will meet Standard & Poor’s investment guidelines to achieve a AAA rating, the highest attainable rating for a Local Government Investment Pool. Information regarding CSAFE’s financial statements is available at their website www.csafe.org.

Restricted Cash and Investments

At December 31, 2016, the City’s restricted cash and investments consisted of the following:

Rate Stabilization	\$ 3,000,000
Joint venture deposit	1,180,000
Employee benefit funds	154,358
Other	<u>25,415</u>
Total restricted cash and investments	<u>\$ 4,359,773</u>

At year-end, the City’s investment portfolio consisted of 21% corporate bonds/notes which exceeded the 20% adopted limit in the City’s investment policy. The City is working to reduce the allocation to the policy limit.

NOTE III – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2016, is as follows:

Advances To/From Other Funds. City council approved an interfund loan from the Capital Projects Fund to the Impact Fee Fund related to the East Dry Creek and South Broadway transportation improvement project. The loan amount is \$195,000, payable over the next two years at 1.20% annual interest.

City council also approved an interfund loan from the Capital Projects Fund to the Impact Fee Fund related to the Fire Station 19 project. The loan amount is \$210,000 payable over the next three years at 1.20% annual interest.

<u>Due to/from other funds</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Receivable Fund</u>		
General Fund	Grant Fund	\$ 216,574
Purpose: City utilizes pooled cash. At December 31, 2016 the fund was overdrawn.		
Capital Projects	Impact Fees	405,000
Purpose: An interfund loan approved for construction of Fire Station 19 and street improvements at Littleton Village.		
		<u>\$ 621,574</u>

The following interfund transfers occurred during 2016 for the purposes stated below:

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 1,400,000
Purpose: Transfer excess funds as approved by City Council		
General Fund	Geneva Village	75,000
Purpose: Capital Projects		
General Fund	South Metro Comm Center	269,166
Purpose: City's portion of funding operations		
		<u>\$ 1,744,166</u>

NOTE IV – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2016:

	<u>12/31/2015</u>			<u>12/31/2016</u>
	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
	<u>Balance</u>			<u>Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 24,583,062	\$ -	\$ -	\$ 24,583,062
Construction in progress	3,801,662	1,528,176	(1,744,187)	3,585,651
Total capital assets, not being depreciated	<u>28,384,724</u>	<u>1,528,176</u>	<u>(1,744,187)</u>	<u>28,168,713</u>
Capital assets, being depreciated:				
Buildings	32,318,110	3,153,866	(156,351)	35,315,625
Machinery and equipment	20,504,294	3,240,655	(2,635,559)	21,109,390
Infrastructure	90,556,321	7,669,615	(1,356,516)	96,869,420
Total capital assets, being depreciated	<u>143,378,725</u>	<u>14,064,136</u>	<u>(4,148,426)</u>	<u>153,294,435</u>
Less accumulated depreciation for:				
Buildings	(12,994,980)	(1,041,788)	140,716	(13,896,052)
Machinery and equipment	(14,729,261)	(1,707,722)	2,495,169	(13,941,814)
Infrastructure	(58,617,388)	(3,344,971)	1,356,516	(60,605,843)
Total capital assets, being depreciated	<u>(86,341,629)</u>	<u>(6,094,481)</u>	<u>3,992,401</u>	<u>(88,443,709)</u>
Total capital assets, being depreciated, net	<u>57,037,096</u>	<u>7,969,655</u>	<u>(156,025)</u>	<u>64,850,726</u>
Governmental activities capital assets, net	<u>\$ 85,421,820</u>	<u>\$ 9,497,831</u>	<u>\$ (1,900,212)</u>	<u>\$ 93,019,439</u>

NOTE IV – CAPITAL ASSETS (Continued)

	12/31/2015			12/31/2016
	Beginning	Increases	Decreases	Ending
	Balance			Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,689,538	\$ -	\$ -	\$ 2,689,538
Construction in progress	533,475	297,578	(58,475)	772,578
Total capital assets, not being depreciated	<u>3,223,013</u>	<u>297,578</u>	<u>(58,475)</u>	<u>3,462,116</u>
Capital assets, being depreciated:				
Buildings and systems	34,377,976	2,117,602	-	36,495,578
Other improvements	65,740	-	-	65,740
Machinery and equipment	976,823	197,285	(20,270)	1,153,838
Total capital assets, being depreciated	<u>35,420,539</u>	<u>2,314,887</u>	<u>(20,270)</u>	<u>37,715,156</u>
Less accumulated depreciation for:				
Buildings and systems	(22,174,924)	(818,880)	-	(22,993,804)
Other improvements	(65,740)	-	-	(65,740)
Machinery and equipment	(747,272)	(86,871)	20,270	(813,873)
Total capital assets, being depreciated	<u>(22,987,936)</u>	<u>(905,751)</u>	<u>20,270</u>	<u>(23,873,417)</u>
Total capital assets, being depreciated, net	<u>12,432,603</u>	<u>1,409,136</u>	<u>-</u>	<u>13,841,739</u>
Business-type activities capital assets, net	<u>\$ 15,655,616</u>	<u>\$ 1,706,714</u>	<u>\$ (58,475)</u>	<u>\$ 17,303,855</u>

Capitalized interest of \$156,690, net of accumulated depreciation of \$50,502, is included in the Littleton Colorado Municipal Building Authority Fund.

Depreciation expense was charged to functions/programs for the primary government as follows:

Governmental activities:	
General government	\$ 734,296
Public safety	1,310,567
Highways and streets, including depreciation of general infrastructure assets	3,215,061
Welfare	32,121
Culture and recreation	802,436
Total depreciation expense - governmental activities	<u>\$ 6,094,481</u>
Business-type activities:	
Sewer Utility Fund	\$ 254,906
Storm Drainage Fund	498,190
EMT Fund	62,889
So. Metro. Area Comm. Center	11,098
Geneva Village	15,063
Building Authority Fund	63,605
Total depreciation expense - business-type activities	<u>\$ 905,751</u>

NOTE V – CAPITAL LEASES

During 2012 and 2016, the City acquired capital assets using leases as an alternate method of financing for governmental activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the lower of the cost of the asset or present value of the future minimum lease payments. Capital lease payments are funded by capital projects fund revenues.

Fire Engine and Medic Unit – In 2012, the City entered into a lease agreement as lessee to finance the acquisition of a Fire Engine and a Medic Unit. The Fire Engine is recorded in the City’s capital assets at \$298,115 with accumulated depreciation of \$111,793 and the Medic Unit is recorded in the City’s capital assets at \$135,026 with accumulated depreciation of \$48,384. Annual payments of \$114,808 (subject to appropriation by the city council), including principal and interest accruing at 1.7336%, were due in annual installments beginning in February 2013 through February 2016.

Museum Building – In 2012, the City of Littleton issued Certificates of Participation to refund the 2003 Certificates of Participation of the Littleton Building Corporation. In turn, the City entered into a Master Lease Purchase Agreement to lease the museum property from the Trustee, UMB Bank, for a twenty year term pursuant to the site lease agreement. The net present value benefit to the City was \$1,374,807 with a total debt service savings of \$1,477,592. All financial obligations of the City under the lease, including the City’s obligation to pay base rentals, are subject to annual appropriation by the council. The museum is recorded in the City’s capital assets at \$10,077,338 with accumulated depreciation of \$771,549. Annual payments range from \$993,650 to \$1,092,550, including principal and interest accruing at 2.00% to 3.00%, payable semi-annually beginning in December 2013 through December 2022.

Communications Equipment – In 2016, the City entered into a lease agreement as lessee to finance the acquisition of communications equipment for police, fire and public works. The equipment is recorded in the City’s capital assets at \$1,383,879 with accumulated depreciation of \$141,169. Annual payments of \$255,902 (subject to appropriation by the city council), including principal and interest accruing at an imputed rate of 1.751%, are due in annual installments beginning in January 2017 through January 2024.

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>
2017	\$ 1,311,852
2018	1,345,453
2019	1,342,252
2020	1,343,302
2021	1,348,452
2022-2024	<u>1,854,356</u>
Total minimum lease payments	\$ 8,545,667
Less: amount representing interest	<u>(785,780)</u>
Present value of minimum lease payments	<u>\$ 7,759,887</u>

NOTE VI – LONG-TERM DEBT

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital leases payable					
Communications Equipment	\$ -	\$ 1,894,887	\$ -	\$ 1,894,887	\$ 222,723
Fire Engine/Medic Unit	112,852	-	(112,852)	-	-
Museum Building	6,685,000	-	(820,000)	5,865,000	880,000
Museum Building premium	255,773	-	(36,539)	219,234	-
	<u>7,053,625</u>	<u>1,894,887</u>	<u>(969,391)</u>	<u>7,979,121</u>	<u>1,102,723</u>
Compensated absences	<u>1,704,819</u>	<u>2,810,333</u>	<u>(2,931,907)</u>	<u>1,583,245</u>	<u>111,336</u>
Governmental activity					
Long-term liabilities	<u>\$ 8,758,444</u>	<u>\$ 4,705,220</u>	<u>\$ (3,901,298)</u>	<u>\$ 9,562,366</u>	<u>\$ 1,214,059</u>
Business-type Activities:					
Assignment Certificate, 2011	\$ 1,675,000	\$ -	\$ (165,000)	\$ 1,510,000	\$ 165,000
Revenue loan payable, 2004	29,029,583	-	(2,587,431)	26,442,152	2,646,358
Revenue loan premium	<u>143,209</u>	<u>-</u>	<u>(15,344)</u>	<u>127,865</u>	<u>-</u>
Business-type activity					
Long-term liabilities	<u>\$ 30,847,792</u>	<u>\$ -</u>	<u>\$ (2,767,775)</u>	<u>\$ 28,080,017</u>	<u>\$ 2,811,358</u>

2011 Assignment Certificate

Certificates of participation are assignments of proportionate interests in the right to receive certain payments under an annually terminable Master Lease Purchase Agreement by and between the City of Littleton as lessee and the LCMBA as lessor. On June 8, 1999, the LCMBA issued certificates of participation in the amount of \$3,385,000 to finance the renovation and equipping of the City of Littleton courthouse. The LCMBA holds title to the courthouse and the City is not obligated for repayment of the certificates. The City has entered into an agreement to lease the courthouse from the LCMBA. The lease payments are equivalent to the amounts required to meet the interest and principal obligations on the certificates. Upon repayment of all lease obligations, title to the project will be transferred to the City.

Because the LCMBA is part of the City’s reporting entity, the LCMBA’s debt and assets have been included as part of the City’s debt and assets for financial reporting purposes. The issuance of the certificates of participation for the renovation costs have been accounted for in the LCMBA fund.

In May 2011, LCMBA certificates of participation, Series 1999 outstanding in the amount of \$2,345,000, were refinanced by the 2011 Assignment Certificate issued by LCMBA and JPMorgan Chase Bank, N.A in the amount of \$2,390,000. The refinancing resulted in a net present value benefit to the LCMBA of \$214,100 and total debt service payment savings of \$318,683 through 2024.

The certificate bears an interest rate of 3.34%, payable semi-annually. Principal and interest on this certificate is due in annual installments through November 15, 2024.

NOTE VI – LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for the LCMBA’s certificate of assignment are as follows:

Year Ending <u>December-31</u>	Business-type activities		
	Principal	Interest	Total
2017	\$ 165,000	\$ 50,434	\$ 215,434
2018	175,000	44,923	219,923
2019	180,000	39,078	219,078
2020	185,000	33,066	218,066
2021	190,000	26,887	216,887
2022-2024	615,000	41,416	656,416
Total	\$ 1,510,000	\$ 235,804	\$ 1,745,804

2004 Revenue Loans

On May 1, 2004, the City, acting by and through the City of Littleton, Colorado Sewer Utility Enterprise, borrowed money from the Colorado Water Resources & Power Development Authority (CWRPDA) for expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The borrowing consisted of two loans, \$19,695,000 in Water Resources Revenue Bonds payable through 2015 and \$29,677,780 in Clean Water Revenue Bonds payable through 2025, both underlying issues sold at a premium of \$1,308,177 and \$322,220, respectively. The state provided matching funds to the CWRPDA; therefore, the proceeds received by the City were \$21,000,000 and \$30,000,000 respectively.

Principal and interest are payable semi-annually through August 1, 2025, with an effective interest rate ranging from 3.70% to 3.82%. The City has the option to prepay the loan which is subject to prepayment penalty of certain administrative fees and a redemption premium as defined in the loan agreement.

Due to a re-financing by CWRPDA in January 2013, debt service payments were reduced. Annual debt service to maturity for these revenue loans are as follows:

Year Ending <u>December-31</u>	Business-type activities		
	Principal	Interest & Admin Fees	Total
2017	\$ 2,646,358	\$ 904,447	\$ 3,550,805
2018	2,710,642	841,742	3,552,384
2019	2,796,354	758,802	3,555,156
2020	2,882,066	673,612	3,555,678
2021	2,967,778	585,922	3,553,700
2022-2025	12,438,954	1,140,618	13,579,572
Total	\$ 26,442,152	\$ 4,905,143	\$ 31,347,295

The 2004 revenue loans are payable solely from the net revenues of the wastewater utility system, after deduction of operating expenses.

Littleton Invests for Tomorrow Debt

In December 2014, the city authorized a loan of up to \$200,000 to LIFT. Interest accrues at a rate equal to the 2-year treasury rate at the time of the advance, but no less than 0.51% per annum. Repayments shall be made annually before December 31 of each year, or by mutual agreement, with final payment of loan balance is to be paid to the city on or before December 16, 2019. No payments have been made by LIFT to the city as of December 31, 2016.

Advances of \$50,000 each were made December 2014, March 2015 and October 2015. Interest rates on these advances are 0.56%, 0.70%, and 0.65%, respectively. At December 31, 2016, total accrued interest was \$1,579 and the principal amount was \$150,000.

NOTE VI – LONG-TERM DEBT (Continued)**Compensated Absences**

Accrued compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund.

Conduit Debt Obligations

From time to time, the City has participated in the issuance of industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon payment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The principal amount payable for the bonds issued prior to December 31, 1995 could not be determined. The City authorized tax exempt bonds for the Colorado Mental Health Facilities Development in December 2013. The principal amount payable for these bonds as of December 31, 2016 was \$8,548,819.

NOTE VII – EMPLOYEE RETIREMENT PLANS

The City's employees are covered under or may participate in various retirement plans.

Money purchase pension plan – general employees

All full time regular city employees (except fire fighters and police officers) are required to participate in a defined contribution money purchase plan created in accordance with Internal Revenue Code Section 401(a). Under this plan, 5% of the employee's regular salary was withheld and contributed to the plan. The City contributes 7%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. This plan is governed by a four member Board of Trustees, and employees may choose from various investment options offered by ICMA, the plans administrator. The city council has authority to change the contributions and other provisions. The employee's contributions to this plan for December 31, 2016 and December 31, 2015 were \$598,988 and \$562,683, with the City's contributions being \$836,584 and \$787,893, respectively.

City contributions and interest forfeited by employees who leave employment before five years of service are used first for administrative charges and second to reduce the City's current period contribution requirement.

Money purchase pension plans – police employees

The City provides pension benefits for paid police officers hired on and after April 8, 1978 and active duty police officers who were hired prior to April 8, 1978 through defined contribution money purchase plans. Commissioned police personnel are required to participate in the plans from the date of employment and are fully vested after five years of continuous service at the rate of 20% per year. Both the City and the covered employees contribute an amount equal to 10% of the covered employee's base salary. Trustees govern the plan, but record keeping and asset management are performed by ICMA for the Police Department. The City has no liability for these plans beyond its current annual contributions. The city council has authority to establish contribution requirements and other provisions. The employee and employer contributions to this plan for December 31, 2016 and December 31, 2015 were \$596,122 and \$547,567, respectively.

City contributions and interest forfeited by employees who leave employment before five years of service are used first for administrative charges and second to reduce the City's current period contribution requirement.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)**Defined benefit pension plans – fire employees**

In November 2008, voters approved the City to move the fire employees' money purchase pension plan to a defined benefit plan. Fire employees became members of the FPPA pension group effective April 1, 2009. Prior to that date, fire employees were included in the money purchase pension plan along with police employees. Fire employees' participate in two plans: The Statewide Defined Benefit Plan and the Statewide Hybrid Plan.

Statewide Defined Benefit Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple – employer defined benefit pension plan. The SWDB plan became effective January 1, 1980 and as of December 31, 2015 has 212 participating employer fire and police departments. The SWDB plan is administered by FPPA.

Employers once had the option to elect to withdraw from the SWDB plan, but a change in state statutes permitted no further withdrawals after January 1, 1988.

Colorado Revised Statutes, Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. FPPA issues a publicly available financial report that can be obtained at www.fppaco.org.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the SWDB Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the SWDB plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2015 was \$55,176,831. This amount was not included in the SWDB Plan net position.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Contributions. The SWDB plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 8.5 percent and 8 percent, respectively, of base salary for a total contribution rate of 16.5 percent through 2015. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022. The member contribution rate as of December 31, 2016 for members hired prior to April 1, 2009 was 11.0% and the City’s contribution rate was 10%. For members hired after April 1, 2009 the member contribution rate as of December 31, 2016 was 9.0% and the City’s contribution rate as of December 31, 2016 was 8%. Contributions to the SWDB plan from the City were \$1,012,342 for the year ended December 31, 2016.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

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

At December 31, 2016, the City reported an asset of \$40,340 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2015, and the total pension liability (asset) used to calculate the net pension liability was determined by an actuarial calculation as of that date. The City’s proportion of the net pension asset was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at December 31, 2015. At December 31, 2015, the City’s proportion was 2.29 percent, which was a decrease of 0.02 percent from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense of \$613,394. At December 31, 2015, 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
Differences between expected and actual experience	\$ 326,254	\$ 47,626
Net difference between projected and actual earnings on pension plan investments	2,053,095	-
Changes in assumptions	633,621	-
Changes in proportion	2,606	15,044
City contributions subsequent to the measurement date	1,012,342	-
	\$ 4,027,918	\$ 62,670

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

The \$1,012,342 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2017	\$ 623,265
2018	623,265
2019	623,265
2020	572,671
2021	97,343
2022-2026	413,097
	\$ 2,952,906

Actuarial assumptions. The actuarial assumptions used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2015. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2016	January 1, 2015
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Amortization Period	30 Years	30 Years
Asset Valuation Method	5-Year Smoothed Fair Value	5-Year Smoothed Fair Value
Long-term Investment Rate of Return *	7.5%	7.5%
Projected salary Increases	4.0% - 14.0%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	3.0%

For determining the total pension liability, the RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under the age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with scale BB is used. For post-retirement members ages 55-64, a blend of the previous table is used.

For determining the actuarially determined contributions, the RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA, 40 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality if assumed to be 0.00020 per year for all members. The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA is used in the projection of post-retirement benefits.

At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

Effective with the January 1, 2013 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the January 1, 2014 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the determination of the actuarially determined contributions as of December 31, 2015. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0% *
Total	100.0%	

* While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent real rate of return is utilized

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA’s Board of Director’s funding policy, which established the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The following presents the City’s proportionate share of the net pension liability, calculated using a discount rate of 7.50%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
City's proportionate share of the net pension liability (asset)	\$ 5,650,982	\$ (40,340)	\$ (4,761,095)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued FPPA financial report.

Statewide Hybrid Plan

Plan description. The Statewide Hybrid Plan (SWH) is a cost-sharing multiple employer defined benefit pension plan covering full-time firefighters and police officers from departments that elect coverage. The SWH plan may also cover clerical staff or other fire district personnel whose services are auxiliary to fire protection. The SWH plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, employees have the option of choosing among various mutual funds offered by an outside investment manager. As of December 31, 2015, the SWH plan has 36 participating employer departments.

Employers may not withdraw from the SWH plan once affiliated.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Colorado Revised Statutes, Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. FPPA issues a publicly available financial report that can be obtained at www.fppaco.org.

Benefits provided. The SWH plan document states that any member may retire from further service and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service.

The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the SWH plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. In addition, upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2015 was \$512,328. This amount was not included in the SWH Plan net position.

Contributions. The SWH plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWH plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both the employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the SWH plan. The Defined Benefit Component contribution rate from July 1, 2015 through June 30, 2016 was 12.6 percent. The Defined Benefit Component contribution rate from July 1, 2014 through June 30, 2015 was 12.5 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the SWH plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

Unvested department contributions and earnings thereon are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. Any administrative expenses not covered by forfeitures are charged directly to member accounts.

A member may elect to make voluntary after-tax contributions to the Money Purchase Component of the SWH plan.

Contributions to the SWH plan from the City were \$126,646 for the year ended December 31, 2016.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

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

At December 31, 2015, the City reported an asset of \$943,747 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2015, and the total pension liability (asset) used to calculate the net pension liability was determined by an actuarial calculation as of that date. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at December 31, 2015. At December 31, 2015, the City’s proportion was 8.96 percent, which was an increase of 2.49 percent from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the city recognized a pension credit of \$274,131. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 282,368	\$ -
Net difference between projected and actual earnings on pension plan investments	197,066	-
Change in assumptions	49,821	
Changes in proportion	-	277,602
City contributions subsequent to the measurement date	126,646	-
	<u>\$ 655,901</u>	<u>\$ 277,602</u>

The \$126,646 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2017	\$ 57,194
2018	57,194
2019	57,194
2020	54,219
2021	7,184
2022-2024	18,668
	<u>\$ 251,653</u>

Actuarial assumptions. The actuarial assumptions used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2015. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2016	January 1, 2015
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Amortization Period	30 Years	30 Years
Asset Valuation Method	5-Year Smoothed Fair Value	5-Year Smoothed Fair Value
Long-term Investment Rate of Return *	7.5%	7.5%
Projected salary increases	4.0% - 14.0%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	3.0%

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

For determining the total pension liability, the RP-2014 Mortality Tables with Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under the age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with scale BB is used. For post-retirement members ages 55-64, a blend of the previous table is used.

For determining the actuarially determined contributions, the RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA, 40 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality if assumed to be 0.00020 per year for all members. The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA is used in the projection of post-retirement benefits.

At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the rollforward calculation of total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determines contributions as of December 31, 2015. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Effective with the January 1, 2013 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the January 1, 2014 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the determination of the actuarially determined contributions as of December 31, 2015. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%*
Total	100.0%	

* While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent real rate of return is utilized

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA’s Board of Director’s funding policy, which established the contractually required rates under Colorado statutes. Based on those assumptions, the SWH plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The following presents the City’s proportionate share of the net pension liability (asset), calculated using the discount rate of 7.50%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
City’s proportionate share of the net pension liability (asset)	\$ (546,529)	\$ (943,747)	\$ (1,275,820)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued FPPA financial report.

Statewide Money Purchase plan – fire employees

FPPA offers a statewide money purchase plan for fire employees. This plan is a defined contribution plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. Under this plan, 10% of the employee’s regular salary was withheld and contributed to the plan. The City contributes 10%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. The employee’s contributions to this plan for December 31, 2016 and December 31, 2015 were \$73,384 and \$92,017, with the City’s contributions and pension expense being \$73,384 and \$92,017, respectively.

City contributions forfeited by employees who leave employment before five years of service are reserved in a forfeiture account to pay the administrative expenses of the plan. Forfeitures may be carried forward from one plan year to the next for up to five years. After five years, forfeitures not used to pay the administrative expenses of the plan must be used to reduce the employers’ required contributions.

FPPA issues a publicly available financial report that includes the statewide money purchase plan. The report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at 303-770-3772 or 1-800-332-3772.

Deferred compensation

A deferred compensation plan under Section 457 of the Internal Revenue Code is available for voluntary employee contributions. Under this plan, all employees may make voluntary contributions in accordance with Internal Revenue Service limitations. In July 2014, an amendment to the plan was made to allow for a city match of the employee’s contribution, limited to 2% of the employee’s regular salary. In accordance with the plan, distribution is not available to employees until termination, retirement, disability, death or unforeseen emergency. All assets are held for the exclusive benefit of the employees. This plan is administered by ICMA. The employee’s contributions to this plan for December 31, 2016 and December 31, 2015 were \$1,577,064 and \$1,394,292, with the City’s contribution being \$469,106 and \$419,469, respectively. The city council has authority to establish contribution requirements and other provisions.

NOTE VIII – JOINT VENTURE

The City participates with the City of Englewood in a joint venture for the construction and operation of a wastewater treatment facility. Control of the joint venture is vested in a four-member committee, with two members appointed by each city.

Oversight responsibilities are divided equally between the two cities and ownership is held 50 percent by each city. Variable operating expenses are shared based on actual plant usage. The City's investment in this joint venture is accounted for on the equity method in the Sewer Utility Fund.

The depreciation on joint venture assets is equal to the depreciation expense plus any loss on disposal of capital assets recorded on behalf of the joint venture. The joint venture, as of year-end, had no long-term obligations and the current liabilities, which are all related to operations, will be funded by the separate cities based on the actual usage of the plant. Complete audited financial statements are available at the City of Littleton's finance office.

NOTE IX – 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. These risks are financed and funded through the Property and Liability Insurance Fund, the Employee Insurance Fund (Internal Service Funds) and through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

The Property and Liability Insurance Fund provides coverage for up to a maximum of \$50,000 for each general liability claim and \$5,000 for each property damage claim. The City purchases insurance from CIRSA for claims in excess of coverage provided by the Property and Liability Insurance Fund and for all other risks of loss. All city funds participate in the insurance program. There have been no significant changes in insurance coverage in 2015 as compared to prior periods.

CIRSA is an independent, public entity risk pool whose general objectives are to provide member municipalities' defined property and liability and/or workers' compensation coverage through joint self insurance and excess insurance. It is financed by annual contributions and interest earnings on the contributions. The contributions are used, in part, to establish loss funds from which member claims and associated costs are paid. Excess reinsurance coverage is also purchased. Certain surplus funds are used to the benefit of members and may include reductions in future contributions. Although none have occurred to date, additional member contributions may be required if necessary. The City is unaware of any excess losses which may have been incurred by CIRSA, and there have been no settled claims which exceed insurance coverage in any of the last three years.

The Employee Insurance Fund includes Accidental Death and Dismemberment, Long-Term Disability and Life Insurance coverage provided by commercial carriers as well as self insurance plans for health, workers compensation and unemployment coverage. Outside administrators monitor individual employee claims and negotiate excess coverage insurance policies. Excess coverage health insurance policies are purchased to cover individual incident claims in excess of \$137,500. The City pays all unemployment insurance claims as a reimbursable employer with the State of Colorado. Settled benefit claims did not exceed the individual yearly claims limit for the last three years. Liabilities are reported when it is possible that a loss has occurred and the amount of the loss can be reasonably estimated. Changes in the balances of claims liabilities, as provided by outside administrators, during the year ended December 31, 2016 are as follows:

	<u>Employee Insurance Fund</u>		<u>Property and Liability Insurance Fund</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Unpaid claims and reserve for incurred but not reported claims-beginning of year	\$ 1,371,751	\$ 1,324,141	\$ 57,619	\$ 76,571
Incurred claims and reserve estimates	6,541,832	6,588,120	414,058	550,627
Claim payments	<u>(6,718,760)</u>	<u>(6,540,510)</u>	<u>(405,241)</u>	<u>(569,579)</u>
Unpaid claims and reserve for incurred but not reported claims-end of year	<u>\$ 1,194,823</u>	<u>\$ 1,371,751</u>	<u>\$ 66,436</u>	<u>\$ 57,619</u>

NOTE X – COMMITMENTS AND CONTINGENCIES*Littleton/Englewood Wastewater Treatment Plant Joint Venture/Lowry Landfill*

In an agreement reached in February 1994, Littleton paid the City and County of Denver, Waste Management of Colorado, Inc. and Chemical Waste Management of Colorado, Inc. in exchange for a release of claims against the City of Littleton and the City of Englewood and for holding the cities harmless of claims from other parties involved in the Lowry landfill.

While it currently appears unlikely that future clean up costs will exceed the amount available, the City is unable to predict, with certainty, the extent and probability of its share of future clean up costs.

Fire Protection Agreements

The City has agreements through which the City provides fire protection services outside of its boundaries to the Littleton Fire Protection District and the Highlands Ranch Metropolitan District (Districts). The agreements provide for the joint use of personnel, certain equipment and facilities. The City incurs normal operating expenditures for the fire protection operations such as salaries, fringe benefits and other operation/maintenance expenses. The City bills the districts for their share of the actual costs based on a predetermined allocation formula combining fire calls made and assessed valuation on a five-year moving average. For 2016, the Littleton Fire Protection District's share was \$7,985,002 and the Highlands Ranch Metropolitan District's share was \$8,097,321. The agreements may be terminated with 16 months notice prior to the first of January of the terminating year.

Litigation

Various suits and claims are pending against the City as of December 31, 2016. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists in situations where monetary damages are claimed and that the final settlements of these matters will not materially affect the financial statements of the City.

Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added Section 20 to Article X of the Colorado Constitution. TABOR contains tax spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The TABOR Emergency Reserve at December 31, 2016 was \$2,212,002. The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, the City's base for purposes of calculating fiscal year spending under TABOR. In order to collect, retain, and spend revenues in excess of the above-referenced limit in 1994, 2000, 2002 and 2008, the City submitted to its electors, and received voter approval, to retain and spend certain revenues received during 1994 and 1995, 1999 through 2001, and 2002 through 2004, and 2008 respectively, for specific purposes as set forth in the approved election questions.

In 2016, the City exceeded the TABOR limit by approximately \$1.9 million. This excess amount is reported as a liability in the General Fund at December 31, 2016. The City may refund this amount or may seek voter approval to retain all or a portion of this TABOR excess.

NOTE X – COMMITMENTS AND CONTINGENCIES (Continued)

Construction contracts

The City has active construction projects as of December 31, 2016. The projects include downtown signage and wayfinding, a well at Ketring Lake, and roadway improvements at the Broadway and County Line intersection. At year end, the City’s commitments with contractors are as follows:

<u>Project</u>	<u>Expenditures-to-Date</u>	<u>Remaining Commitment</u>
Downtown Signage and Wayfinding - Phase 2	\$ -	\$ 54,001
Broadway and County Line traffic signal	272,923	625,439
Ketring Lake Well	374,221	153,059
Totals	<u>\$ 647,144</u>	<u>\$ 832,499</u>

NOTE XI – PLEDGED REVENUES

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$26,442,152 in outstanding sewer system revenues bonds. Proceeds from the bonds provided financing for the expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The bonds are payable solely from the sewer customer net revenues and are payable through 2025. The total pledged revenue cannot be estimated in comparison to pledged debt in that revenues are uncertain as to future amounts. In the event that annual principal and interest payments on the bonds are expected to require more than available net revenues of which, cash reserve will be used. The total principal and interest remaining to be paid on the bonds at December 31, 2016 is \$31,347,295. Principal and interest paid for the current year (net of refunding credits) and total customer net revenues were \$3,532,000 and \$9,975,000, respectively.

NOTE XII – TAX ABATEMENTS

Economic Development Agreements

The City has entered into certain agreements in an effort to attract and retain high quality development, to provide employment opportunities, and community service delivery. The City has three agreements as of December 31, 2016.

Restaurant - Abatement of sales tax above an annual minimum amount, for a period of the earlier of five years (beginning January 2015) or \$212,500, whichever occurs first.

Grocery store chain - Abatement of sales tax of 50% over minimum annual amount for a period of the earlier of six years (beginning May 2014) or \$500,000, whichever occurs first.

Energy corporation - Abatement of use tax of 50%, provided certain employment criteria are met, beginning 2015 through 2022 upon request from company.

Due to the confidential nature of tax information and pursuant the Littleton City Code, the aggregated amount of sales and use tax abatements during the fiscal year was \$77,464.

Littleton Invests for Tomorrow Urban Renewal Authority Agreement

Littleton Invests for Tomorrow Urban Renewal Authority (LIFT) is authorized according to Colorado statutes to receive revenue from incremental sales and property taxes that are collected from designated geographical areas as defined in the urban renewal plans. Incremental sales taxes represent the increase in municipal sales taxes collected within the same area for each twelve-month period beginning on the date the urban renewal plan is approved. Incremental sales taxes are collected by the City and remitted to LIFT. Property tax revenue is earned from the same geographical area based upon the increase in assessed valuation of taxable property, attributable to redevelopment, within the area. Incremental property taxes are collected by Arapahoe County and remitted to LIFT.

The incremental sales tax revenue remitted to LIFT by the City in fiscal year December 31, 2016, for the four urban renewal areas of Columbine URA, Littleton Blvd URA, North Broadway URA and Santa Fe URA was \$154,498 collectively.

NOTE XIII- PRIOR PERIOD ADJUSTMENT

A restatement of the prior year net position and pension liability related to GASB 68 was required as follows.

	Business-Type- Activities
Net position as previously reported as of December 31, 2015	\$ 60,877,320
Net pension asset	893,460
Net position as restated, December 31, 2015	<u>\$ 61,770,780</u>

NOTE XIV – SUBSEQUENT EVENTS

Primary Government

The City signed a capital lease agreement with JPMorgan Chase Bank, N.A. in January 2017 to purchase a platform fire truck. This is an eight-year lease of \$1,400,000, commencing on 2/15/17 with payments of \$187,476 each year at a 1.951% interest rate. The asset will not be delivered until August 2017 and is not recorded in this year’s financial statements.

In February 2017, the city entered into an Interceptor Transfer Agreement with Roxborough Water and Sanitation District conveying ownership of a gravity interceptor sewer to the city, terminating easements to Roxborough Water and Sanitation District, and granting an access easement to Roxborough Water and Sanitation District. In addition, the city assumed ownership and maintenance responsibilities for the 5.9 miles of gravity fed interceptor line that conveys wastewater to the Littleton/Englewood wastewater treatment plant.

Component Unit

On April 13, 2017, LIFT approved the refunding of property tax increment revenues collected in 2016 and 2017 from the three renewal areas that were repealed by the City of Littleton in December 2016 to the originating taxing entities. These areas consisted of Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area. As of December 31, 2016, \$261,683 was reported as a liability. The total amount anticipated to be refunded in 2017 is \$592,815.

NOTE XV – NEW ACCOUNTING PRONOUNCEMENTS

Effective with fiscal year 2016, the City is required to adopt GASB 72. GASB 72 addresses accounting and financial reporting issues related to fair value measurements. Disclosures have been added about fair value measurements, the level of fair value hierarchy and valuation techniques. This new accounting pronouncement does not impact the presentation of investments within the financial statements.

Effective with fiscal year 2016, the City is also required to adopt GASB 77. GASB 77 addresses financial reporting issues related to tax abatement agreements. A disclosure has been added regarding tax abatement information entered into by the City. The disclosure includes brief descriptive information for each of the abatement agreements as well as the gross dollar amount of taxes abated during the current reporting period.

City of Littleton, Colorado
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For The Year Ended December 31, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 4,758,580	\$ 4,758,580	\$ 4,602,678	\$ (155,902)
Sales and use	30,790,000	30,790,000	30,984,140	194,140
Specific ownership tax	326,400	326,400	366,311	39,911
Cigarette Tax	210,000	210,000	211,297	1,297
Franchise	2,288,880	2,288,880	2,191,967	(96,913)
Licenses and permits	1,195,000	1,195,000	1,896,766	701,766
Intergovernmental	15,626,580	15,626,580	14,957,718	(668,862)
Charges for services	2,191,620	2,191,620	2,639,459	447,839
Fines and forfeitures	749,500	749,500	712,409	(37,091)
Investment earnings	110,000	110,000	72,582	(37,418)
Miscellaneous	1,221,200	1,221,200	1,038,331	(182,869)
TABOR revenue refund	-	-	(1,937,904)	(1,937,904)
Total revenues	<u>59,467,760</u>	<u>59,467,760</u>	<u>57,735,754</u>	<u>(1,732,006)</u>
EXPENDITURES				
Current:				
General government	15,190,600	15,822,610	14,147,276	1,675,334
Public safety	32,149,300	33,634,280	32,540,326	1,093,954
Highway and streets	4,451,310	4,552,320	4,189,110	363,210
Welfare	236,580	418,090	405,259	12,831
Culture and recreation	5,179,440	5,248,770	5,230,224	18,546
Capital outlay	16,500	42,690	158,590	(115,900)
Total expenditures	<u>57,223,730</u>	<u>59,718,760</u>	<u>56,670,785</u>	<u>3,047,975</u>
Excess of revenues over expenditures	<u>2,244,030</u>	<u>(251,000)</u>	<u>1,064,969</u>	<u>1,315,969</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000	10,000	-	(10,000)
Transfers out	(1,691,130)	(1,766,130)	(1,744,166)	21,964
Total other financing sources (uses)	<u>(1,681,130)</u>	<u>(1,756,130)</u>	<u>(1,744,166)</u>	<u>11,964</u>
Net change in fund balance	562,900	(2,007,130)	(679,197)	1,327,933
Fund balances - beginning	<u>9,125,320</u>	<u>9,829,570</u>	<u>9,829,570</u>	<u>-</u>
Fund balances - ending	<u>\$ 9,688,220</u>	<u>\$ 7,822,440</u>	<u>\$ 9,150,373</u>	<u>\$ 1,327,933</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Statewide Defined Benefit Plan
Last 10 Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	2.29%	2.27%	2.28%
City's proportionate share of the net pension liability (asset)	\$ (40,340)	\$ (2,566,775)	\$ (2,855,133)
City's covered-employee payroll	\$ 11,408,366	\$ 11,402,609	\$ 10,012,753
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.35%	22.51%	28.51%
Plan fiduciary net position as a percentage of the total pension liability	100.10%	106.80%	105.80%

* The amounts presented for each fiscal year were determined as of the measurement date.
Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

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

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Required Supplementary Information
Schedule of City's Contributions
Statewide Defined Benefit Plan
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Statutorily required contribution	\$ 1,012,342	\$ 887,449	\$ 818,224	\$ 791,524	\$ 761,088
Contributions in relation to the statutorily required contribution	<u>(1,012,342)</u>	<u>(887,449)</u>	<u>(818,224)</u>	<u>(791,524)</u>	<u>(761,088)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 12,854,785	\$ 11,408,366	\$ 11,402,609	\$ 10,012,753	\$ 9,730,436
Contributions as a percentage of covered-employee payroll	7.88%	7.78%	7.18%	7.91%	7.82%

Note: Fiscal years 2007-2008 are not present. Fire employees became members of the FPPA pension group effective April 1, 2009.

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

<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 770,419	\$ 795,747	\$ 596,273
<u>(770,419)</u>	<u>(795,747)</u>	<u>(596,273)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,057,788	\$ 9,446,639	\$ 7,016,121
8.51%	8.42%	8.50%

City of Littleton, Colorado
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Statewide Hybrid Plan
Last 10 Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	8.96%	6.47%	6.43%
City's proportionate share of the net pension liability (asset)	\$ (958,990)	\$ (766,863)	\$ (736,130)
City's covered-employee payroll	\$ 1,562,791	\$ 954,038	\$ 963,994
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	61.36%	80.38%	76.36%
Plan fiduciary net position as a percentage of the total pension liability	129.44%	140.60%	139.00%

* The amounts presented for each fiscal year were determined as of the measurement date.
Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

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

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Required Supplementary Information
Schedule of City's Contributions
Statewide Hybrid Plan
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Statutorily required contribution	\$ 126,646	\$ 117,994	\$ 80,041	\$ 83,213	\$ 81,286
Contributions in relation to the statutorily required contribution	<u>(126,646)</u>	<u>(117,994)</u>	<u>(80,041)</u>	<u>(83,213)</u>	<u>(81,286)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 1,596,865	\$ 1,562,791	\$ 954,038	\$ 963,994	\$ 939,996
Contributions as a percentage of covered-employee payroll	7.93%	7.55%	8.39%	8.63%	8.65%

Note: Fiscal years 2007-2008 are not present. Fire employees became members of the FPPA pension group effective April 1, 2009.

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

<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 88,382	\$ 88,552	\$ 65,055
<u>(88,382)</u>	<u>(88,552)</u>	<u>(65,055)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 989,436	\$ 1,011,314	\$ 717,566
8.93%	8.76%	9.07%

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE I – BUDGETARY INFORMATION

The city follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to September 15, the city manager submits to the city council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them, except the Fiduciary Fund. The Littleton Colorado Municipal Building Authority approve their own budgets on a Non-GAAP basis, which is not adopted or approved by the city and are not presented in the financial statements.

Public hearings are conducted to obtain citizen comments.

Prior to December 1 of the preceding year, the budget is legally enacted through the adoption of an appropriations ordinance for all city funds. The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the fund level.

The city manager and finance director have authority to transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same department, office or agency, in accordance with the city charter; provided that such transfers over \$100,000 per transaction would require formal council consent.

At the request of the city manager, the council may, by resolution and five affirmative council votes, transfer any unencumbered appropriation balance or portion thereof from one fund to another.

Appropriations which are in addition to those contained in the budget may be made to satisfy emergency situations or to appropriate unanticipated revenue by the city.

Any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall lapse and revert to the General Fund, or to a special fund, as council may direct, except that transfers from the sewer or utility funds are not authorized except by approval of four fifths of the council present.

Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Capital Project, Internal Service and Enterprise Funds.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities for either budgetary or financial statement reporting purposes and are therefore reappropriated in the ensuing year's budget. Prior year encumbrances are included with and considered part of the original budget.

Budgets for the General, Special Revenue, Capital Project and Internal Service Funds are adopted and presented on a basis consistent with generally accepted accounting principles (GAAP). The budgets for the enterprise funds are adopted on a basis consistent with GAAP except that bond proceeds are treated as other financing sources, capital outlay and debt service are treated as expenditures, and depreciation and capital contributions are not budgeted. This is in accordance with Colorado budget law.

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Special Revenue			
	Public Facilities Fund	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund
ASSETS				
Cash and investments	\$ -	\$ 556,179	\$ 312,978	\$ -
Receivables	-	-	85,871	231,646
Restricted cash and investments	-	-	20,356	-
Total assets	<u>\$ -</u>	<u>\$ 556,179</u>	<u>\$ 419,205</u>	<u>\$ 231,646</u>
LIABILITIES				
Contracts and accounts payable	\$ -	\$ 98,277	\$ 7,645	\$ 500
Due to other funds	-	-	-	216,574
Unearned revenue	-	-	12,797	12,794
Other liabilities	-	-	11,133	1,778
Total liabilities	<u>-</u>	<u>98,277</u>	<u>31,575</u>	<u>231,646</u>
FUND BALANCES				
Restricted	-	457,902	20,356	-
Assigned	-	-	367,274	-
Total fund balances	<u>-</u>	<u>457,902</u>	<u>387,630</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 556,179</u>	<u>\$ 419,205</u>	<u>\$ 231,646</u>

See the accompanying Independent Auditor's Report

Open Space Fund	Impact Fee Fund	Total Nonmajor Governmental Funds
\$ 1,939,567	\$ 2,519,592	\$ 5,328,316
16,286	-	333,803
5,000	-	25,356
<u>\$ 1,960,853</u>	<u>\$ 2,519,592</u>	<u>\$ 5,687,475</u>
\$ 274,032	\$ 201,860	\$ 582,314
-	405,000	621,574
-	-	25,591
-	-	12,911
<u>274,032</u>	<u>606,860</u>	<u>1,242,390</u>
1,686,821	-	2,165,079
-	1,912,732	2,280,006
<u>1,686,821</u>	<u>1,912,732</u>	<u>4,445,085</u>
<u>\$ 1,960,853</u>	<u>\$ 2,519,592</u>	<u>\$ 5,687,475</u>

City of Littleton, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2016

	Special Revenue			
	Public Facilities Fund	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund
REVENUES				
Taxes	\$ -	\$ -	\$ 55,235	\$ -
Intergovernmental	-	247,497	71,789	650,882
Charges for services	-	-	50	18,493
Fines and forfeitures	-	-	114,029	-
Investment earnings	4,167	6,294	2,921	-
Miscellaneous	-	-	2,906	-
Total revenues	<u>4,167</u>	<u>253,791</u>	<u>246,930</u>	<u>669,375</u>
EXPENDITURES				
General government	246,919	-	18,230	93,632
Public safety	-	-	174,625	42,103
Culture and recreation	-	133,759	302	189,345
Capital outlay	261,418	415,217	61,049	344,295
Total expenditures	<u>508,337</u>	<u>548,976</u>	<u>254,206</u>	<u>669,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(504,170)</u>	<u>(295,185)</u>	<u>(7,276)</u>	<u>-</u>
OTHER FINANCING USES				
Interest charges	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(504,170)	(295,185)	(7,276)	-
Fund balances - beginning	<u>504,170</u>	<u>753,087</u>	<u>394,906</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 457,902</u>	<u>\$ 387,630</u>	<u>\$ -</u>

See the accompanying Independent Auditor's Report

Open Space Fund	Impact Fee Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 55,235
1,841,624	-	2,811,792
-	3,119,159	3,137,702
-	-	114,029
13,187	17,019	43,588
13,641	-	16,547
<u>1,868,452</u>	<u>3,136,178</u>	<u>6,178,893</u>
-	-	358,781
-	-	216,728
329,794	-	653,200
1,133,789	2,373,162	4,588,930
<u>1,463,583</u>	<u>2,373,162</u>	<u>5,817,639</u>
<u>404,869</u>	<u>763,016</u>	<u>361,254</u>
-	(7,390)	(7,390)
-	(7,390)	(7,390)
404,869	755,626	353,864
<u>1,281,952</u>	<u>1,157,106</u>	<u>4,091,221</u>
<u>\$ 1,686,821</u>	<u>\$ 1,912,732</u>	<u>\$ 4,445,085</u>

City of Littleton, Colorado
Budgetary Comparison Schedule
Capital Projects Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 2,988,467	\$ 1,488,467
Intergovernmental	2,238,310	2,238,310	2,091,568	(146,742)
Charges for services	-	-	340,034	340,034
Investment earnings	110,000	110,000	124,357	14,357
Total revenues	<u>3,848,310</u>	<u>3,848,310</u>	<u>5,544,426</u>	<u>1,696,116</u>
EXPENDITURES				
Current:				
General government	803,650	803,650	623,455	180,195
Public safety	1,056,470	1,356,470	1,344,106	12,364
Highways and streets	633,000	633,000	630,842	2,158
Debt Service:				
Principal	1,040,150	1,040,150	932,852	107,298
Interest	202,510	202,510	202,506	4
Capital outlay	6,613,120	8,931,280	6,276,711	2,654,569
Total expenditures	<u>10,348,900</u>	<u>12,967,060</u>	<u>10,010,472</u>	<u>2,956,588</u>
Deficiency of revenues under expenditures	<u>(6,500,590)</u>	<u>(9,118,750)</u>	<u>(4,466,046)</u>	<u>4,652,704</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,400,000	1,400,000	1,400,000	-
Transfers out	(10,000)	(903,000)	-	903,000
Proceeds from sale of capital assets	-	-	194,600	194,600
Proceeds from capital lease	2,152,670	2,152,670	1,894,887	(257,783)
Total other financing sources (uses)	<u>3,542,670</u>	<u>2,649,670</u>	<u>3,489,487</u>	<u>839,817</u>
Net change in fund balance	(2,957,920)	(6,469,080)	(976,559)	5,492,521
Fund balances - beginning	<u>12,375,480</u>	<u>16,780,410</u>	<u>16,780,412</u>	<u>2</u>
Fund balances - ending	<u>\$ 9,417,560</u>	<u>\$ 10,311,330</u>	<u>\$ 15,803,853</u>	<u>\$ 5,492,523</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Public Facilities Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Investment earnings	\$ -	\$ -	\$ 4,167	\$ 4,167
Total revenues	<u>-</u>	<u>-</u>	<u>4,167</u>	<u>4,167</u>
EXPENDITURES				
General government	-	246,920	246,919	1
Capital outlay	-	263,750	261,418	2,332
Total expenditures	<u>-</u>	<u>510,670</u>	<u>508,337</u>	<u>2,333</u>
Net change in fund balance	-	(510,670)	(504,170)	6,500
Fund balances - beginning	-	504,170	504,170	-
Fund balances - ending	<u>\$ -</u>	<u>\$ (6,500)</u>	<u>\$ -</u>	<u>\$ 6,500</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 220,000	\$ 220,000	\$ 247,497	\$ 27,497
Investment earnings	4,500	4,500	6,294	1,794
Total revenues	<u>224,500</u>	<u>224,500</u>	<u>253,791</u>	<u>29,291</u>
EXPENDITURES				
Culture and recreation	130,000	130,000	133,759	(3,759)
Capital outlay	610,620	685,620	415,217	270,403
Total expenditures	<u>740,620</u>	<u>815,620</u>	<u>548,976</u>	<u>266,644</u>
Net change in fund balance	(516,120)	(591,120)	(295,185)	295,935
Fund balances - beginning	683,470	753,090	753,087	(3)
Fund balances - ending	<u>\$ 167,350</u>	<u>\$ 161,970</u>	<u>\$ 457,902</u>	<u>\$ 295,932</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Consolidated Special Revenue Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 50,000	\$ 50,000	\$ 55,235	\$ 5,235
Intergovernmental	100,000	100,000	71,789	(28,211)
Charges for services	2,500	2,500	50	(2,450)
Fines and forfeitures	91,500	91,500	114,029	22,529
Investment earnings	1,220	1,220	2,921	1,701
Miscellaneous	3,500	3,500	2,906	(594)
Total revenues	<u>248,720</u>	<u>248,720</u>	<u>246,930</u>	<u>(1,790)</u>
EXPENDITURES				
General government	34,000	34,000	18,230	15,770
Public safety	299,030	349,030	174,625	174,405
Culture and recreation	5,000	5,000	302	4,698
Capital outlay	30,000	65,000	61,049	3,951
Total expenditures	<u>368,030</u>	<u>453,030</u>	<u>254,206</u>	<u>198,824</u>
Net change in fund balance	(119,310)	(204,310)	(7,276)	197,034
Fund balances - beginning	<u>376,910</u>	<u>394,910</u>	<u>394,906</u>	<u>(4)</u>
Fund balances - ending	<u>\$ 257,600</u>	<u>\$ 190,600</u>	<u>\$ 387,630</u>	<u>\$ 197,030</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Grants Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,153,500	\$ 1,153,500	\$ 650,882	\$ (502,618)
Charges for services	6,000	6,000	18,493	12,493
Total revenues	<u>1,159,500</u>	<u>1,159,500</u>	<u>669,375</u>	<u>(490,125)</u>
EXPENDITURES				
General government	175,000	175,000	93,632	81,368
Public safety	70,000	70,000	42,103	27,897
Culture and recreation	162,000	162,000	189,345	(27,345)
Capital outlay	752,500	1,337,610	344,295	993,315
Total expenditures	<u>1,159,500</u>	<u>1,744,610</u>	<u>669,375</u>	<u>1,075,235</u>
Net change in fund balance	-	(585,110)	-	585,110
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ (585,110)</u>	<u>\$ -</u>	<u>\$ 585,110</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Open Space Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,031,000	\$ 1,031,000	\$ 1,841,624	\$ 810,624
Investment earnings	26,500	26,500	13,187	(13,313)
Miscellaneous	6,520	6,520	13,641	7,121
Total revenues	<u>1,064,020</u>	<u>1,064,020</u>	<u>1,868,452</u>	<u>804,432</u>
EXPENDITURES				
Culture and recreation	383,850	567,890	329,794	238,096
Capital outlay	1,821,200	2,981,150	1,133,789	1,847,361
Total expenditures	<u>2,205,050</u>	<u>3,549,040</u>	<u>1,463,583</u>	<u>2,085,457</u>
Net change in fund balance	(1,141,030)	(2,485,020)	404,869	2,889,889
Fund balances - beginning	<u>1,300,150</u>	<u>1,281,950</u>	<u>1,281,952</u>	<u>2</u>
Fund balances - ending	<u>\$ 159,120</u>	<u>\$ (1,203,070)</u>	<u>\$ 1,686,821</u>	<u>\$ 2,889,891</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Impact Fees Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 760,360	\$ 760,360	\$ 3,119,159	\$ 2,358,799
Investment earnings	3,000	3,000	17,019	14,019
Total revenues	<u>763,360</u>	<u>763,360</u>	<u>3,136,178</u>	<u>2,372,818</u>
EXPENDITURES				
Capital outlay	24,000	2,412,030	2,373,162	38,868
Total expenditures	<u>24,000</u>	<u>2,412,030</u>	<u>2,373,162</u>	<u>38,868</u>
Excess (deficiency) of revenues over (under) expenditures	739,360	(1,648,670)	763,016	2,411,686
OTHER FINANCING SOURCES				
Interest charges	-	-	(7,390)	(7,390)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(7,390)</u>	<u>(7,390)</u>
Net change in fund balance	739,360	(1,648,670)	755,626	2,404,296
Fund balances - beginning	<u>2,921,700</u>	<u>1,157,110</u>	<u>1,157,106</u>	<u>(4)</u>
Fund balances - ending	<u>\$ 3,661,060</u>	<u>\$ (491,560)</u>	<u>\$ 1,912,732</u>	<u>\$ 2,404,292</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2016

	So. Metro Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 256,150	\$ 134,826	\$ -	\$ 390,976
Total current assets	<u>256,150</u>	<u>134,826</u>	<u>-</u>	<u>390,976</u>
Noncurrent assets:				
Restricted assets:				
Cash and investments	-	-	59	59
Capital assets:				
Land	-	70,408	380,663	451,071
Buildings and systems	-	429,318	2,965,288	3,394,606
Improvements other than buildings	-	-	65,740	65,740
Machinery and equipment	250,635	-	166,690	417,325
Construction in progress	8,550	-	-	8,550
Less accumulated depreciation	<u>(228,052)</u>	<u>(166,070)</u>	<u>(1,234,586)</u>	<u>(1,628,708)</u>
Total capital assets (net of accumulated depreciation)	<u>31,133</u>	<u>333,656</u>	<u>2,343,795</u>	<u>2,708,584</u>
Total noncurrent assets	<u>31,133</u>	<u>333,656</u>	<u>2,343,854</u>	<u>2,708,643</u>
Total assets	<u>\$ 287,283</u>	<u>\$ 468,482</u>	<u>\$ 2,343,854</u>	<u>\$ 3,099,619</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	\$ 97,084	\$ 28,790	\$ -	\$ 125,874
Accrued interest payable	-	-	6,304	6,304
Long-term debt payable - current	-	-	165,000	165,000
Total current liabilities	<u>97,084</u>	<u>28,790</u>	<u>171,304</u>	<u>297,178</u>
Noncurrent liabilities:				
Long-term debt payable	-	-	1,345,000	1,345,000
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,345,000</u>	<u>1,345,000</u>
Total liabilities	<u>97,084</u>	<u>28,790</u>	<u>1,516,304</u>	<u>1,642,178</u>
NET POSITION				
Net investment in capital assets	31,133	333,656	833,795	1,198,584
Restricted for:				
Debt service	-	-	59	59
Unrestricted	<u>159,066</u>	<u>106,036</u>	<u>(6,304)</u>	<u>258,798</u>
Total net position	<u>190,199</u>	<u>439,692</u>	<u>827,550</u>	<u>1,457,441</u>
Total liabilities and net position	<u>\$ 287,283</u>	<u>\$ 468,482</u>	<u>\$ 2,343,854</u>	<u>\$ 3,099,619</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For The Year Ended December 31, 2016

	So. Metro Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
OPERATING REVENUES				
Charges for services	\$ 866,672	\$ -	\$ -	\$ 866,672
Rental payments	-	122,864	224,895	347,759
Intergovernmental	88,108	-	-	88,108
Miscellaneous	-	3,097	-	3,097
Total operating revenues	<u>954,780</u>	<u>125,961</u>	<u>224,895</u>	<u>1,305,636</u>
OPERATING EXPENSES				
Personnel services	1,054,823	-	-	1,054,823
Supplies	46,900	-	-	46,900
Contractual services	56,854	30,000	-	86,854
Other services and charges	55,712	103,200	-	158,912
Depreciation	11,098	15,063	63,605	89,766
Total operating expenses	<u>1,225,387</u>	<u>148,263</u>	<u>63,605</u>	<u>1,437,255</u>
Operating income (loss)	<u>(270,607)</u>	<u>(22,302)</u>	<u>161,290</u>	<u>(131,619)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	718	77	795
Debt administration costs	-	-	(3,981)	(3,981)
Interest charges	-	-	(55,256)	(55,256)
Total nonoperating revenues (expenses)	<u>-</u>	<u>718</u>	<u>(59,160)</u>	<u>(58,442)</u>
Income (loss) before transfers	(270,607)	(21,584)	102,130	(190,061)
OTHER FINANCING SOURCES				
Transfers in	269,166	75,000	-	344,166
Total other financing sources	<u>269,166</u>	<u>75,000</u>	<u>-</u>	<u>344,166</u>
Change in net position	(1,441)	53,416	102,130	154,105
Total net position - beginning	<u>191,640</u>	<u>386,276</u>	<u>725,420</u>	<u>1,303,336</u>
Total net position - ending	<u>\$ 190,199</u>	<u>\$ 439,692</u>	<u>\$ 827,550</u>	<u>\$ 1,457,441</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2016

	So. Metro. Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,030,755	\$ 125,961	\$ 224,895	\$ 1,381,611
Cash paid to suppliers	(114,700)	(120,008)	-	(234,708)
Cash paid to employees	(1,052,394)	-	-	(1,052,394)
Net cash provided (used) by operating activities	<u>(136,339)</u>	<u>5,953</u>	<u>224,895</u>	<u>94,509</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	269,166	75,000	-	344,166
Net cash provided by noncapital financing activities	<u>269,166</u>	<u>75,000</u>	<u>-</u>	<u>344,166</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(8,550)	(54,700)	-	(63,250)
Principal paid on debt	-	-	(165,000)	(165,000)
Interest paid on debt	-	-	(55,945)	(55,945)
Debt administration costs	-	-	(3,981)	(3,981)
Net cash used by capital and related financing activities	<u>(8,550)</u>	<u>(54,700)</u>	<u>(224,926)</u>	<u>(288,176)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	-	718	77	795
Net cash provided by investing activities	<u>-</u>	<u>718</u>	<u>77</u>	<u>795</u>
Net increase in cash and cash equivalents	124,277	26,971	46	151,294
Cash and cash equivalents - January 1	131,873	107,855	13	239,741
Cash and cash equivalents - December 31	<u>\$ 256,150</u>	<u>\$ 134,826</u>	<u>\$ 59</u>	<u>\$ 391,035</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (270,607)	\$ (22,302)	\$ 161,290	\$ (131,619)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	11,098	15,063	63,605	89,766
(Increase) decrease in current assets				
Accounts receivable	75,975	-	-	75,975
Increase (decrease) in current liabilities				
Accounts payable and other current liabilities	47,938	13,192	-	61,130
Wages payable	(743)	-	-	(743)
Total adjustments	134,268	28,255	63,605	226,128
Net cash provided (used) by operating activities	<u>\$ (136,339)</u>	<u>\$ 5,953</u>	<u>\$ 224,895</u>	<u>\$ 94,509</u>
Reconciliation of cash and cash equivalents				
Unrestricted	\$ 256,150	\$ 134,826	\$ -	\$ 390,976
Restricted	-	-	59	59
Total cash and cash equivalents	<u>\$ 256,150</u>	<u>\$ 134,826</u>	<u>\$ 59</u>	<u>\$ 391,035</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Sewer Utility Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 13,663,000	\$ 13,663,000	\$ 13,250,546	\$ (412,454)
Investment earnings	185,000	185,000	155,893	(29,107)
Miscellaneous	245,000	245,000	137,992	(107,008)
Total revenues	<u>14,093,000</u>	<u>14,093,000</u>	<u>13,544,431</u>	<u>(548,569)</u>
EXPENDITURES				
Personnel services	363,780	363,780	375,854	(12,074)
Supplies	20,450	20,450	16,188	4,262
Bi-City operating costs	8,195,280	8,195,280	6,351,641	1,843,639
Contractual services	24,000	134,200	119,275	14,925
Services by General Fund	491,000	491,000	491,000	-
Other services and charges	1,407,240	1,543,590	972,250	571,340
Debt - Principal	2,440,000	2,440,000	2,587,431	(147,431)
Debt - Interest	830,000	830,000	664,582	165,418
Debt - Administration Costs	245,000	245,000	249,282	(4,282)
Capital outlay	89,000	89,000	190,995	(101,995)
Total expenditures	<u>14,105,750</u>	<u>14,352,300</u>	<u>12,018,498</u>	<u>2,333,802</u>
Excess (deficiency) of revenues over (under) expenditures	(12,750)	(259,300)	1,525,933	1,785,233
OTHER FINANCING SOURCES				
Capital contributions	4,925,000	4,925,000	4,756,858	(168,142)
Total other financing sources	<u>4,925,000</u>	<u>4,925,000</u>	<u>4,756,858</u>	<u>(168,142)</u>
Change in net position	<u>\$ 4,912,250</u>	<u>\$ 4,665,700</u>	6,282,791	<u>\$ 1,617,091</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			190,995	
Change in Bi-City joint venture equity			(3,346,307)	
Debt - Principal			2,587,431	
Amortization			(15,344)	
Depreciation			(254,906)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 5,444,660</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Storm Drainage Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 754,500	\$ 754,500	\$ 765,798	\$ 11,298
Investment earnings	5,000	5,000	3,294	(1,706)
Miscellaneous	12,000	12,000	7,485	(4,515)
Total revenues	<u>771,500</u>	<u>771,500</u>	<u>776,577</u>	<u>5,077</u>
EXPENDITURES				
Personnel services	236,010	236,010	243,759	(7,749)
Supplies	8,570	8,570	1,691	6,879
Contractual services	60,000	60,000	14,830	45,170
Other services and charges	100,750	166,180	50,149	116,031
Capital outlay	550,000	840,000	335,871	504,129
Total expenditures	<u>955,330</u>	<u>1,310,760</u>	<u>646,300</u>	<u>664,460</u>
Change in net position	<u>\$ (183,830)</u>	<u>\$ (539,260)</u>	130,277	<u>\$ 669,537</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			335,871	
Capital contributions			1,821,026	
Depreciation			(498,190)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 1,788,984</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Emergency Medical Transport Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services (net of contractual adjustments of \$4,117,688)	\$ 3,550,000	\$ 3,550,000	\$ 4,428,622	\$ 878,622
Miscellaneous	105,000	105,000	163,048	58,048
Total revenues	<u>3,655,000</u>	<u>3,655,000</u>	<u>4,591,670</u>	<u>936,670</u>
EXPENDITURES				
Personnel services	2,995,810	2,995,810	2,839,333	156,477
Supplies	330,000	330,000	310,354	19,646
Contractual services	161,550	161,550	163,330	(1,780)
Other services and charges	335,300	335,300	287,401	47,899
Capital outlay	-	-	6,290	(6,290)
Total expenditures	<u>3,822,660</u>	<u>3,822,660</u>	<u>3,606,708</u>	<u>215,952</u>
Change in net position	<u>\$ (167,660)</u>	<u>\$ (167,660)</u>	984,962	<u>\$ 1,152,622</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			6,290	
Bad debt			(819,122)	
Depreciation			(62,889)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 109,241</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
South Metro Area Communication Center Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 913,100	\$ 913,100	\$ 866,672	\$ (46,428)
Intergovernmental	270,000	270,000	88,108	(181,892)
Total revenues	<u>1,183,100</u>	<u>1,183,100</u>	<u>954,780</u>	<u>(228,320)</u>
EXPENDITURES				
Personnel services	1,076,470	1,076,470	1,054,823	21,647
Supplies	227,300	227,300	46,900	180,400
Contractual services	63,500	63,500	56,854	6,646
Other services and charges	94,250	105,630	55,712	49,918
Capital outlay	12,000	12,000	8,550	3,450
Total expenditures	<u>1,473,520</u>	<u>1,484,900</u>	<u>1,222,839</u>	<u>262,061</u>
Deficiency of revenues under expenditures	(290,420)	(301,800)	(268,059)	33,741
OTHER FINANCING SOURCES				
Transfers in	291,130	291,130	269,166	(21,964)
Change in net position	<u>\$ 710</u>	<u>\$ (10,670)</u>	1,107	<u>\$ 11,777</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			8,550	
Depreciation			<u>(11,098)</u>	
CHANGE IN NET POSITION, GAAP BASIS				
			<u>\$ (1,441)</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Geneva Village Fund
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Rental payments	\$ 126,000	\$ 126,000	\$ 122,864	\$ (3,136)
Investment earnings	300	300	718	418
Miscellaneous	1,000	1,000	3,097	2,097
Total revenues	<u>127,300</u>	<u>127,300</u>	<u>126,679</u>	<u>(621)</u>
EXPENDITURES				
Contractual services	30,000	30,000	30,000	-
Other services and charges	118,640	118,640	103,200	15,440
Capital outlay	-	75,000	54,700	20,300
Total expenditures	<u>148,640</u>	<u>223,640</u>	<u>187,900</u>	<u>35,740</u>
Deficiency of revenues under expenditures	(21,340)	(96,340)	(61,221)	35,119
OTHER FINANCING SOURCES				
Transfers in	-	-	75,000	75,000
Change in net position	<u>\$ (21,340)</u>	<u>\$ (96,340)</u>	13,779	<u>\$ 110,119</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			54,700	
Depreciation			<u>(15,063)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 53,416</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
	<u>Fund</u>	<u>Fund</u>	
ASSETS			
Current assets:			
Cash and Investments	\$ 4,266,065	\$ 461,937	\$ 4,728,002
Prepays	107,694	5,919	113,613
Total current assets	<u>4,373,759</u>	<u>467,856</u>	<u>4,841,615</u>
Noncurrent assets:			
Restricted assets			
Cash and cash equivalents	154,358	-	154,358
Total noncurrent assets	<u>154,358</u>	<u>-</u>	<u>154,358</u>
Total assets	<u>\$ 4,528,117</u>	<u>\$ 467,856</u>	<u>\$ 4,995,973</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 98,507	\$ 71,632	\$ 170,139
Claims and judgments	1,194,823	66,436	1,261,259
Total liabilities	<u>1,293,330</u>	<u>138,068</u>	<u>1,431,398</u>
NET POSITION			
Restricted for:			
Employee benefits	154,358	-	154,358
Unrestricted	3,080,429	329,788	3,410,217
Total net position	<u>3,234,787</u>	<u>329,788</u>	<u>3,564,575</u>
Total liabilities and net position	<u>\$ 4,528,117</u>	<u>\$ 467,856</u>	<u>\$ 4,995,973</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For The Year Ended December 31, 2016

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
OPERATING REVENUES			
Charges for services	\$ 43,519	\$ 383,270	\$ 426,789
Employer/employee contributions	9,016,518	-	9,016,518
Miscellaneous	57,538	-	57,538
Total operating revenues	<u>9,117,575</u>	<u>383,270</u>	<u>9,500,845</u>
OPERATING EXPENSES			
Insurance	1,562,692	476,906	2,039,598
Benefits and claims	6,541,832	414,058	6,955,890
Other services and charges	432,745	31,250	463,995
Total operating expenses	<u>8,537,269</u>	<u>922,214</u>	<u>9,459,483</u>
Operating income (loss)	<u>580,306</u>	<u>(538,944)</u>	<u>41,362</u>
NONOPERATING REVENUES			
Investment earnings	31,542	1,240	32,782
Insurance recovery	-	207,606	207,606
Total nonoperating revenues	<u>31,542</u>	<u>208,846</u>	<u>240,388</u>
Change in net position	611,848	(330,098)	281,750
Net position - beginning	<u>2,622,939</u>	<u>659,886</u>	<u>3,282,825</u>
Net position - ending	<u>\$ 3,234,787</u>	<u>\$ 329,788</u>	<u>\$ 3,564,575</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2016

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 43,519	\$ 395,533	\$ 439,052
Cash received from other funds	9,074,056	-	9,074,056
Cash paid to suppliers	(8,811,743)	(887,243)	(9,698,986)
Cash paid to employees	-	-	-
Net cash provided (used) by operating activities	<u>305,832</u>	<u>(491,710)</u>	<u>(185,878)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Insurance proceeds	-	207,606	207,606
Net cash provided by capital and related financing activities	<u>-</u>	<u>207,606</u>	<u>207,606</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	31,542	1,240	32,782
Net cash provided by investing activities	<u>31,542</u>	<u>1,240</u>	<u>32,782</u>
Net increase (decrease) in cash and cash equivalents	337,374	(282,864)	54,510
Cash and cash equivalents - January 1	4,083,049	744,801	4,827,850
Cash and cash equivalents - December 31	<u>\$ 4,420,423</u>	<u>\$ 461,937</u>	<u>\$ 4,882,360</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 580,306	\$ (538,944)	\$ 41,362
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
(Increase) decrease in current assets:			
Receivables	-	12,263	12,263
Prepaid expenses	(107,694)	(5,919)	(113,613)
Increase (decrease) in current liabilities:			
Accounts payable and other current liabilities	10,148	32,073	42,221
Claims and judgments	(176,928)	8,817	(168,111)
Total adjustments	<u>(274,474)</u>	<u>47,234</u>	<u>(227,240)</u>
Net cash provided (used) by operating activities	<u>\$ 305,832</u>	<u>\$ (491,710)</u>	<u>\$ (185,878)</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 4,266,065	\$ 461,937	\$ 4,728,002
Restricted	154,358	-	154,358
Total cash and cash equivalents	<u>\$ 4,420,423</u>	<u>\$ 461,937</u>	<u>\$ 4,882,360</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Employee Insurance Fund
For The Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 424,860	\$ 424,860	\$ 43,519	\$ (381,341)
Employer/employee contributions	8,895,500	8,895,500	9,016,518	121,018
Miscellaneous	79,000	79,000	57,538	(21,462)
Investment earnings	31,250	31,250	31,542	292
Total revenues	<u>9,430,610</u>	<u>9,430,610</u>	<u>9,149,117</u>	<u>(281,493)</u>
EXPENDITURES				
Insurance	1,511,920	1,511,920	1,562,692	(50,772)
Benefits and claims	6,955,800	6,955,800	6,718,760	237,040
Other services and charges	847,860	847,860	432,745	415,115
Total expenditures	<u>9,315,580</u>	<u>9,315,580</u>	<u>8,714,197</u>	<u>601,383</u>
Change in net position	<u>\$ 115,030</u>	<u>\$ 115,030</u>	434,920	<u>\$ 319,890</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			<u>176,928</u>	
CHANGE IN NET POSITION, GAAP BASIS				
			<u>\$ 611,848</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Property and Liability Insurance Fund
For The Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 294,570	\$ 294,570	\$ 383,270	\$ 88,700
Insurance recovery	30,000	30,000	207,606	177,606
Investment earnings	3,000	3,000	1,240	(1,760)
Total revenues	<u>327,570</u>	<u>327,570</u>	<u>592,116</u>	<u>264,546</u>
EXPENDITURES				
Supplies	500	500	-	500
Insurance	492,000	492,000	476,906	15,094
Benefits and claims	400,000	400,000	405,241	(5,241)
Other services and charges	60,000	60,000	31,250	28,750
Capital outlay	-	32,060	-	32,060
Total expenditures	<u>952,500</u>	<u>984,560</u>	<u>913,397</u>	<u>71,163</u>
Change in net position	<u>\$ (624,930)</u>	<u>\$ (656,990)</u>	(321,281)	<u>\$ 335,709</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			<u>(8,817)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (330,098)</u>	

See the accompanying Independent Auditor's Report

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Balance Sheet
Littleton Invests for Tomorrow
December 31, 2016

ASSETS	
Cash and cash equivalents	\$ 409,526
Receivables	40,614
Total assets	<u>\$ 450,140</u>
LIABILITIES	
Accounts payable and other current liabilities	\$ 261,953
Due to primary government	150,000
Accrued interest	1,579
Total liabilities	<u>413,532</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax	155
Total deferred inflows of resources	<u>155</u>
FUND BALANCE	
Unassigned	36,453
Total fund balances	<u>36,453</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 450,140</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Littleton Invests for Tomorrow
For The Year Ended December 31, 2016

REVENUES	
Incremental property tax	\$ 3,989
Incremental sales tax	154,498
Investment earnings	<u>505</u>
Total revenues	<u>158,992</u>
 EXPENDITURES	
General government	<u>17,657</u>
Total expenditures	<u>17,657</u>
 OTHER FINANCING USES	
Interest charges	<u>(955)</u>
Total other financing uses	<u>(955)</u>
Change in fund balance	140,380
Fund balance - beginning	<u>(103,927)</u>
Fund balance - ending	<u>\$ 36,453</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Littleton Invests for Tomorrow
For The Year Ended December 31, 2016

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Incremental property taxes	\$ 50,314	\$ 50,314	\$ 3,989	\$ (46,325)
Incremental sales tax	-	-	154,498	154,498
Charges for services	139,417	139,417	-	(139,417)
Investment earnings	-	-	505	505
Total revenues	<u>189,731</u>	<u>189,731</u>	<u>158,992</u>	<u>(30,739)</u>
EXPENDITURES				
General government	56,750	56,750	17,657	39,093
Total expenditures	<u>56,750</u>	<u>56,750</u>	<u>17,657</u>	<u>39,093</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	169,731	169,731	-	(169,731)
Interest charges	-	-	(955)	(955)
Total other financing (uses)	<u>169,731</u>	<u>169,731</u>	<u>(955)</u>	<u>(170,686)</u>
Change in fund balance	<u>\$ 302,712</u>	<u>\$ 302,712</u>	140,380	<u>\$ (162,332)</u>
Fund balance - beginning			<u>(103,927)</u>	
Fund balance - ending			<u>\$ 36,453</u>	

See the accompanying Independent Auditor's Report

2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

Statistical Section

<u>CONTENTS</u>	PAGE
Financial Trends	97
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
Revenue Capacity	110
These schedules contain information to help the readers assess the factors affecting the city's ability to generate its property and sales tax.	
Debt Capacity	116
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 additional debt in the future.	
Demographic and Economic Information	121
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	124
These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.	

City of Littleton, Colorado
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 70,902,453	\$ 70,466,299	\$ 71,157,178	\$ 76,797,038
Restricted	4,966,554	5,941,403	6,201,254	5,664,176
Unrestricted	16,504,096	15,275,377	22,839,741	19,086,214
Total governmental activities net position	<u>92,373,103</u>	<u>91,683,079</u>	<u>100,198,173</u>	<u>101,547,428</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	16,452,172	16,528,736	16,328,433	16,131,176
Restricted*	-	-	-	-
Unrestricted	52,587,058	54,676,153	43,861,361	43,754,732
Total business-type activities net position	<u>69,039,230</u>	<u>71,204,889</u>	<u>60,189,794</u>	<u>59,885,908</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	87,354,625	86,995,035	87,485,611	92,928,214
Restricted	4,966,554	5,941,403	6,201,254	5,664,176
Unrestricted	69,091,154	69,951,530	66,701,102	62,840,946
Total primary government net position	<u>\$ 161,412,333</u>	<u>\$ 162,887,968</u>	<u>\$ 160,387,967</u>	<u>\$ 161,433,336</u>

* Years 2007-2012 not available.

Table 1

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	76,426,073	\$ 77,559,003	\$ 77,315,098	\$ 78,701,746	\$ 78,368,195	\$ 85,040,318
	6,071,441	5,576,128	5,673,866	5,815,783	8,115,272	9,011,472
	21,180,822	23,021,495	22,422,781	25,144,246	28,130,360	26,826,951
	<u>103,678,336</u>	<u>106,156,626</u>	<u>105,411,745</u>	<u>109,661,775</u>	<u>114,613,827</u>	<u>120,878,741</u>
	15,927,389	13,674,427	13,611,233	14,037,853	13,980,616	15,793,855
	-	-	4,060,005	4,130,004	4,843,904	5,027,661 *
	43,121,194	42,511,211	37,551,694	40,622,895	42,052,800	48,446,254
	<u>59,048,583</u>	<u>56,185,638</u>	<u>55,222,932</u>	<u>58,790,752</u>	<u>60,877,320</u>	<u>69,267,770</u>
	92,353,462	91,233,430	90,926,331	92,739,599	92,348,811	100,834,173
	6,071,441	5,576,128	9,733,871	9,945,787	12,959,176	14,039,132
	64,302,016	65,532,706	59,974,475	65,767,141	70,183,160	75,273,205
\$	<u>162,726,919</u>	<u>162,342,264</u>	<u>160,634,677</u>	<u>168,452,527</u>	<u>175,491,147</u>	<u>190,146,510</u>

City of Littleton, Colorado
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
EXPENSES				
Governmental activities:				
General government	\$ 13,063,537	\$ 12,632,366	\$ 12,655,778	\$ 12,996,864
Public safety	25,430,954	27,313,322	27,005,362	27,945,448
Highways and streets	7,390,736	6,964,756	6,732,039	6,957,074
Welfare	298,599	304,738	307,783	309,346
Culture and recreation	5,026,480	5,199,576	5,314,622	5,387,860
Interest on long term debt	34,374	29,552	50,858	42,276
Total governmental activities expenses	<u>51,244,680</u>	<u>52,444,310</u>	<u>52,066,442</u>	<u>53,638,868</u>
Business-type activities:				
Sewer Utility	9,965,486	10,086,201	12,279,515	15,298,747
Water Utility	63,100	157,263	1,924	-
Building Corporation	892,013	878,645	861,537	844,033
Storm Drainage	694,809	775,519	722,265	736,667
So. Metro Area Comm. Center	1,095,218	1,104,498	1,062,996	1,073,886
Geneva Village	93,108	123,525	102,662	98,438
Emergency Med. Trans	2,038,317	2,443,482	2,684,222	2,765,744
Permit Plan Review	178,803	188,052	187,990	203,233
Building Authority	218,756	215,249	208,917	192,906
Total business-type activities expenses	<u>15,239,610</u>	<u>15,972,434</u>	<u>18,112,028</u>	<u>21,213,654</u>
Total primary government expenses	<u>\$ 66,484,290</u>	<u>\$ 68,416,744</u>	<u>\$ 70,178,470</u>	<u>\$ 74,852,522</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 3,296,395	\$ 2,938,179	\$ 3,349,187	\$ 4,144,441
Public safety	11,312,144	12,190,752	11,895,379	12,121,480
Highways and streets	1,244,735	1,197,554	1,285,967	1,372,091
Welfare	24,720	25,461	26,226	27,014
Culture and recreation	1,185,156	1,282,286	1,240,487	1,326,727
Operating grants and contributions	162,918	184,071	340,406	2,426,853
Capital grants and contributions	103,478	761,359	528,268	2,572,781
Total governmental activities program revenues	<u>17,329,546</u>	<u>18,579,662</u>	<u>18,665,920</u>	<u>23,991,387</u>
Business-type activities:				
Charges for services:				
Sewer Utility	8,897,698	10,315,215	11,110,077	12,138,999
Building Corporation	937,951	1,127,899	1,137,669	1,180,471
Storm Drainage	571,152	577,350	580,441	570,287
Emergency Med. Trans	2,159,138	2,914,418	2,975,949	3,263,251
So. Metro Area Comm. Center	664,233	764,876	826,147	802,869
Geneva Village	127,781	123,049	126,104	127,680
Permit Plan Review	323,425	313,909	264,306	224,184
Building Authority	236,724	238,626	238,741	238,150
Capital grants and contributions	6,119,233	1,920,400	658,218	1,887,941
Total business-type activities program revenues	<u>20,037,335</u>	<u>18,295,742</u>	<u>17,917,652</u>	<u>20,433,832</u>
Total primary government program revenues	<u>37,366,881</u>	<u>36,875,404</u>	<u>36,583,572</u>	<u>44,425,219</u>
NET REVENUE (EXPENSE)				
Government activities	(33,915,134)	(33,864,648)	(33,400,522)	(29,647,481)
Business-type activities	4,797,725	2,323,308	(194,376)	(779,822)
Total primary government net expense	<u>\$ (29,117,409)</u>	<u>\$ (31,541,340)</u>	<u>\$ (33,594,898)</u>	<u>\$ (30,427,303)</u>

Table 2

	2011	2012	2013	2014	2015	2016
\$	13,620,922	\$ 11,842,233	\$ 12,116,159	\$ 13,267,301	\$ 14,285,728	\$ 15,642,308
	26,308,116	29,457,065	30,456,576	31,327,241	32,488,949	34,709,839
	6,944,326	7,559,532	7,796,145	7,750,455	7,232,289	8,112,334
	290,764	317,281	321,001	286,597	208,169	445,663
	5,227,921	5,499,602	6,111,665	6,065,902	8,520,522	6,659,154
	51,238	50,642	271,213	247,407	225,132	239,314
	<u>52,443,287</u>	<u>54,726,355</u>	<u>57,072,759</u>	<u>58,944,903</u>	<u>62,960,789</u>	<u>65,808,612</u>
	13,770,635	13,008,924	13,623,040	14,112,456	13,417,130	12,856,629
	-	-	-	-	-	-
	822,422	499,281	-	-	-	-
	747,416	770,380	714,510	772,222	901,218	808,619
	1,034,265	1,107,756	1,040,198	1,051,481	1,204,948	1,225,387
	92,161	91,265	99,751	105,069	132,198	148,263
	2,816,098	2,717,362	4,436,423	4,496,732	5,160,483	4,482,429
	518,343	-	-	-	-	-
	162,905	140,953	135,899	129,263	124,088	122,842
	<u>19,964,245</u>	<u>18,335,921</u>	<u>20,049,821</u>	<u>20,667,223</u>	<u>20,940,065</u>	<u>19,644,169</u>
\$	<u>72,407,532</u>	<u>73,062,276</u>	<u>77,122,580</u>	<u>79,612,126</u>	<u>83,900,854</u>	<u>85,452,781</u>
\$	3,248,308	\$ 4,313,031	\$ 3,692,044	\$ 5,207,221	\$ 4,985,565	\$ 6,022,513
	12,435,914	13,353,261	13,309,756	15,320,774	15,614,747	17,345,257
	1,426,410	1,431,227	1,402,203	1,876,543	1,448,608	1,755,078
	27,013	27,013	27,822	26,142	29,304	30,182
	1,428,209	1,125,891	1,629,188	700,780	1,422,974	2,255,929
	254,674	183,347	246,554	203,068	385,936	451,102
	<u>3,424,995</u>	<u>2,644,401</u>	<u>1,064,785</u>	<u>1,440,851</u>	<u>1,285,703</u>	<u>4,291,367</u>
	<u>22,245,523</u>	<u>23,078,171</u>	<u>21,372,352</u>	<u>24,775,379</u>	<u>25,172,837</u>	<u>32,151,428</u>
	12,090,440	12,363,863	12,581,195	12,906,994	13,277,694	13,388,538
	1,181,940	251,855	-	-	-	-
	571,770	575,037	713,505	717,957	726,994	773,283
	3,475,562	3,216,497	4,274,507	4,560,243	5,237,415	4,591,670
	782,048	824,591	788,277	789,106	920,521	954,780
	127,056	126,644	125,561	126,720	127,408	125,961
	203,158	-	-	-	-	-
	215,522	215,812	217,879	221,293	216,117	224,895
	247,646	954,580	360,211	4,555,148	2,233,287	6,577,884
	<u>18,895,142</u>	<u>18,528,879</u>	<u>19,061,135</u>	<u>23,877,461</u>	<u>22,739,436</u>	<u>26,637,011</u>
	<u>41,140,665</u>	<u>41,607,050</u>	<u>40,433,487</u>	<u>48,652,840</u>	<u>47,912,273</u>	<u>58,788,439</u>
	(30,197,764)	(31,648,184)	(35,700,407)	(34,169,524)	(37,787,952)	(33,657,184)
	(1,069,103)	192,958	(988,686)	3,210,238	1,799,371	6,992,842
\$	<u>(31,266,867)</u>	<u>(31,455,226)</u>	<u>(36,689,093)</u>	<u>(30,959,286)</u>	<u>(35,988,581)</u>	<u>(26,664,342)</u>

City of Littleton, Colorado
Changes in Net Position (continued)
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	\$ 3,480,831	\$ 3,948,218	\$ 3,985,103	\$ 4,082,829
Sales and building use	24,820,133	24,745,896	23,533,463	23,612,739
Franchise	1,777,359	2,159,979	1,971,980	2,173,988
Other	559,541	531,214	483,015	469,971
Investment earnings	1,205,103	879,246	(1,864)	377,532
Miscellaneous	679,798	672,528	584,593	636,607
Gain on sale of capital assets	-	-	-	-
TABOR revenue refund	-	-	-	-
Transfers	(45,000)	745,985	11,359,326	(356,930)
	<u>32,477,765</u>	<u>33,683,066</u>	<u>41,915,616</u>	<u>30,996,736</u>
Business activities:				
Investment earnings	1,681,190	1,529,687	538,607	119,006
Miscellaneous	-	-	-	-
Gain on extinguishment of debt	-	-	-	-
Gain/loss on sale of capital asset	-	-	-	-
Transfers	45,000	(745,985)	(11,359,326)	356,930
Total business activities	<u>1,726,190</u>	<u>783,702</u>	<u>(10,820,719)</u>	<u>475,936</u>
Total primary government	<u>34,203,955</u>	<u>34,466,768</u>	<u>31,094,897</u>	<u>31,472,672</u>
CHANGES IN NET POSITION				
Governmental activities	(1,437,369)	(181,582)	8,515,094	1,349,255
Business-type activities	6,523,915	3,107,010	(11,015,095)	(303,886)
Total primary government	<u>\$ 5,086,546</u>	<u>\$ 2,925,428</u>	<u>\$ (2,500,001)</u>	<u>\$ 1,045,369</u>

Table 2

	2011	2012	2013	2014	2015	2016
\$	4,035,291	\$ 3,903,353	\$ 3,899,646	\$ 3,952,851	\$ 3,980,867	\$ 4,602,678
	25,303,662	26,778,043	27,781,755	30,150,752	32,289,132	33,972,607
	2,155,114	2,145,188	2,239,171	2,454,564	2,250,414	2,247,202
	457,585	470,852	490,924	501,609	517,886	577,608
	470,821	226,151	228,913	229,210	244,799	273,309
	869,257	464,062	587,286	1,345,692	738,631	336,163
	(1,085,418)	44,285	-	-	-	194,600
	-	-	-	-	-	(1,937,904)
	122,360	94,540	(32,627)	(215,124)	(301,634)	(344,166)
	<u>32,328,672</u>	<u>34,126,474</u>	<u>35,195,068</u>	<u>38,419,554</u>	<u>39,720,095</u>	<u>39,922,097</u>
	339,138	94,000	32,181	142,458	204,342	159,982
	1,300	-	-	-	-	-
	-	430,281	-	-	-	-
	13,700	(3,485,644)	-	-	-	-
	(122,360)	(94,540)	32,627	215,124	301,634	344,166
	<u>231,778</u>	<u>(3,055,903)</u>	<u>64,808</u>	<u>357,582</u>	<u>505,976</u>	<u>504,148</u>
	<u>32,560,450</u>	<u>31,070,571</u>	<u>35,259,876</u>	<u>38,777,136</u>	<u>40,226,071</u>	<u>40,426,245</u>
	2,130,908	2,478,290	(505,339)	4,250,030	1,932,143	6,264,913
	(837,325)	(2,862,945)	(923,878)	3,567,820	2,305,347	7,496,990
\$	<u>1,293,583</u>	<u>\$ (384,655)</u>	<u>\$ (1,429,217)</u>	<u>\$ 7,817,850</u>	<u>\$ 4,237,490</u>	<u>\$ 13,761,903</u>

City of Littleton, Colorado
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
GENERAL FUND				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Assigned	-	-	-	-
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GENERAL FUND				
Reserved	\$ 2,250,783	\$ 2,133,570	\$ 2,064,021	\$ 2,176,602
Unreserved	8,478,752	6,144,173	4,737,385	4,484,433
Total general fund	<u>10,729,535</u>	<u>8,277,743</u>	<u>6,801,406</u>	<u>6,661,035</u>
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	4,612,353	6,542,776	5,289,637	6,875,108
Unreserved, reported in:				
Special revenue funds	2,597,600	2,688,238	12,851,304	6,988,576
Total all other governmental funds	<u>\$ 7,209,953</u>	<u>\$ 9,231,014</u>	<u>\$ 18,140,941</u>	<u>\$ 13,863,684</u>

In 2011, the GFOA instituted a new classification system for Fund Balances for governmental funds. Those changes are reflected starting in 2011.

Table 3

2011	2012	2013	2014	2015	2016
\$ 65,901	\$ 70,303	\$ 96,675	\$ 524,489	\$ 426,503	\$ 312,448
1,556,306	1,695,854	1,723,475	1,840,195	1,997,419	2,212,002
-	-	-	-	-	-
270,607	211,946	279,578	396,190	786,877	1,149,471
7,034,253	6,972,032	6,761,300	6,743,067	6,618,771	5,476,452
<u>8,927,067</u>	<u>8,950,135</u>	<u>8,861,028</u>	<u>9,503,941</u>	<u>9,829,570</u>	<u>9,150,373</u>
\$ -	\$ 2,272	\$ -	\$ -	\$ -	\$ 255,902
4,515,135	3,880,274	3,693,068	3,729,150	2,055,263	2,165,079
8,534,180	11,489,851	12,234,617	15,371,517	18,816,370	17,827,957
<u>\$ 13,049,315</u>	<u>\$ 15,372,397</u>	<u>\$ 15,927,685</u>	<u>\$ 19,100,667</u>	<u>\$ 20,871,633</u>	<u>\$ 20,248,938</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Littleton
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
REVENUES				
Taxes	\$ 28,860,505	\$ 29,225,328	\$ 28,123,190	\$ 28,280,411
Franchise	1,736,166	2,093,583	1,916,623	2,119,006
Licenses and permits	811,656	757,601	860,878	970,769
Intergovernmental	13,484,908	14,722,289	14,446,832	18,208,977
Charges for services	1,301,006	1,225,745	1,377,102	1,397,958
Fines and forfeitures	1,049,966	1,045,174	1,197,276	1,863,930
Investment earnings	975,882	677,056	(63,317)	290,689
Miscellaneous	1,033,551	941,610	656,388	557,580
TABOR revenue refund	-	-	-	-
Total governmental activities revenues	<u>49,253,640</u>	<u>50,688,386</u>	<u>48,514,972</u>	<u>53,689,320</u>
EXPENDITURES				
General government	12,942,782	11,986,163	11,970,948	12,009,264
Public safety	25,479,239	26,592,463	26,324,351	26,739,429
Highways and streets	5,615,713	4,125,318	4,137,483	4,192,210
Welfare	298,825	304,518	307,808	302,830
Culture and recreation	4,861,406	4,777,724	4,881,268	5,177,368
Debt service:				
Principal	126,931	131,753	233,854	242,436
Interest	34,374	29,552	50,858	42,276
Capital Outlay	-	4,422,611	4,514,141	9,044,202
Total expenditures	<u>49,359,270</u>	<u>52,370,102</u>	<u>52,420,711</u>	<u>57,750,015</u>
Excess of revenues over (under) expenditures	(105,630)	(1,681,716)	(3,905,739)	(4,060,695)
OTHER FINANCING SOURCES (USES)				
Transfers in	808,367	4,634,914	11,967,734	126,866
Transfers out	(1,253,367)	(4,138,929)	(628,408)	(483,796)
Interest charges	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Proceeds from capital lease	-	755,000	-	-
Total other financing sources (uses)	<u>(445,000)</u>	<u>1,250,985</u>	<u>11,339,326</u>	<u>(356,930)</u>
Net change in fund balance	<u>\$ (550,630)</u>	<u>\$ (430,731)</u>	<u>\$ 7,433,587</u>	<u>\$ (4,417,625)</u>
Debt service as a percentage of noncapital expenditures	0.3%	0.3%	0.6%	0.6%

Table 4

2011	2012	2013	2014	2015	2016
\$ 29,911,779	\$ 31,261,877	\$ 32,275,301	\$ 34,605,212	\$ 36,787,885	\$ 39,152,893
2,101,696	2,088,897	2,190,084	2,454,564	2,250,414	2,247,202
684,187	933,808	764,213	1,414,909	1,556,099	1,896,766
16,711,026	16,529,618	15,608,226	18,150,342	18,683,333	19,861,078
1,233,613	1,802,150	1,778,433	2,106,442	2,872,470	6,117,195
1,597,266	1,892,067	1,737,866	1,350,540	1,232,811	826,438
394,801	186,490	162,750	120,646	188,027	240,527
1,175,226	942,456	687,686	2,163,221	1,226,837	1,054,878
-	-	-	-	-	(1,937,904)
<u>53,809,594</u>	<u>55,637,363</u>	<u>5,520,459</u>	<u>62,365,876</u>	<u>64,797,876</u>	<u>69,459,073</u>
11,941,573	11,082,834	11,146,138	12,386,345	13,575,230	15,129,512
26,377,106	27,747,617	28,458,072	29,881,588	31,493,354	34,101,160
4,445,325	4,512,866	4,697,958	4,688,740	3,924,775	4,819,952
290,849	307,531	306,996	279,222	363,014	405,259
4,808,319	4,879,812	5,324,362	5,363,323	5,907,257	5,883,424
183,990	630,893	920,238	1,019,532	1,000,181	932,852
33,376	26,473	280,282	255,393	231,684	202,506
<u>4,399,753</u>	<u>14,218,117</u>	<u>3,571,705</u>	<u>5,156,557</u>	<u>6,026,710</u>	<u>11,024,231</u>
<u>52,480,291</u>	<u>63,406,143</u>	<u>54,705,751</u>	<u>59,030,700</u>	<u>62,522,205</u>	<u>72,498,896</u>
1,329,303	(7,768,780)	498,808	3,335,176	2,275,671	(3,039,823)
365,922	2,712,743	2,970,488	3,520,177	4,358,806	1,400,000
(243,562)	(2,615,203)	(3,003,115)	(3,039,458)	(4,660,440)	(1,744,166)
-	-	-	-	-	(7,390)
-	-	-	-	122,558	194,600
-	10,020,930	-	-	-	1,894,887
<u>122,360</u>	<u>10,118,470</u>	<u>(32,627)</u>	<u>480,719</u>	<u>(179,076)</u>	<u>1,737,931</u>
<u>\$ 1,451,663</u>	<u>\$ 2,349,690</u>	<u>\$ 466,181</u>	<u>\$ 3,815,895</u>	<u>\$ 2,096,595</u>	<u>\$ (1,301,892)</u>
0.5%	1.3%	2.3%	2.4%	2.2%	1.8%

City of Littleton, Colorado
Governmental Expenditures by Function
Last Ten Fiscal Years

Table 5

Fiscal Year	General Government	Public Safety	Highways and Streets	Welfare	Culture and Recreation	Debt Service	Capital Outlay	Total
2007	\$ 12,943,000	\$ 25,479,000	\$ 5,616,000	\$ 299,000	\$ 4,861,000	\$ 161,000	\$ -	\$ 49,359,000
2008	11,986,000	26,592,000	4,125,000	305,000	4,778,000	161,000	4,423,000	52,370,000
2009	11,971,000	26,324,000	4,138,000	308,000	4,881,000	285,000	4,514,000	52,421,000
2010	12,009,000	26,740,000	4,192,000	303,000	5,178,000	284,000	9,044,000	57,750,000
2011	11,942,000	26,377,000	4,445,000	291,000	4,808,000	217,000	4,400,000	52,480,000
2012	11,083,000	27,748,000	4,513,000	307,000	4,880,000	657,000	14,218,000	63,406,000
2013	11,146,000	28,458,000	4,698,000	307,000	5,324,000	1,201,000	3,572,000	54,706,000
2014	12,386,000	29,882,000	4,689,000	279,000	5,363,000	1,275,000	5,157,000	59,031,000
2015	13,575,000	31,493,000	3,925,000	363,000	5,907,000	1,232,000	6,027,000	62,522,000
2016	\$ 15,130,000	\$ 34,101,000	\$ 4,820,000	\$ 405,000	\$ 5,884,000	\$ 1,135,000	\$ 11,024,000	\$ 72,499,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.
Capital outlay reported separately beginning in 2008.

	Annual Percentage Change							
2007	10%	2%	-3%	2%	8%	140%	N/A	4%
2008	-7%	4%	-27%	2%	-2%	0%	N/A	6%
2009	0%	-1%	0%	1%	2%	77%	2%	0%
2010	0%	2%	1%	-2%	6%	0%	100%	10%
2011	-1%	-1%	6%	-4%	-7%	-24%	-51%	-9%
2012	-7%	5%	2%	5%	1%	203%	223%	21%
2013	1%	3%	4%	0%	9%	83%	-75%	-14%
2014	11%	5%	0%	-9%	1%	6%	44%	8%
2015	10%	5%	-16%	30%	10%	-3%	17%	6%
2016	11%	8%	23%	12%	0%	-8%	83%	16%

**City of Littleton, Colorado
Governmental Revenues By Source
Last Ten Fiscal Years**

Table 6

Fiscal Year	Taxes	Licenses and Permits	Inter-Governmental Revenue	Charges for Services	Fines and Forfeitures	Other	Total
2007	\$ 28,861,000	\$ 812,000	\$ 13,485,000	\$ 1,301,000	\$ 1,050,000	\$ 3,745,000	\$ 49,254,000
2008	29,225,000	758,000	14,722,000	1,226,000	1,045,000	3,712,000	50,688,000
2009	30,040,000	861,000	14,447,000	1,377,000	1,107,000	673,000	48,505,000
2010	30,399,000	971,000	18,209,000	1,398,000	1,864,000	848,000	53,689,000
2011	32,014,000	684,000	16,711,000	1,234,000	1,597,000	1,570,000	53,810,000
2012	33,351,000	934,000	16,530,000	1,802,000	1,892,000	1,128,000	55,637,000
2013	34,466,000	764,000	15,608,000	1,778,000	1,738,000	851,000	55,205,000
2014	37,060,000	1,415,000	18,150,000	2,107,000	1,351,000	2,283,000	62,366,000
2015	39,038,000	1,556,000	18,683,000	2,873,000	1,233,000	1,415,000	64,798,000
2016	\$ 41,400,000	\$ 1,897,000	\$ 19,861,000	\$ 6,117,000	\$ 826,000	\$ 1,296,000	\$ 71,397,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.
Prior to 2009, franchise fees were reported in "Other".

Annual Percentage Change							
2007	6%	4%	-5%	3%	-12%	-3%	1%
2008	1%	-7%	9%	-6%	0%	-1%	3%
2009	3%	14%	-2%	12%	6%	-82%	-4%
2010	1%	13%	26%	2%	68%	26%	11%
2011	5%	-30%	-8%	-12%	-14%	85%	0%
2012	4%	37%	-1%	46%	18%	-28%	3%
2013	3%	-18%	-6%	-1%	-8%	-25%	-1%
2014	8%	85%	16%	19%	-22%	168%	13%
2015	5%	10%	3%	36%	-9%	-38%	4%
2016	6%	22%	6%	113%	-33%	-8%	10%

**City of Littleton, Colorado
Tax Revenue By Source
Last Ten Fiscal Years**

Table 7

Fiscal Year	Property Taxes	Sales and Use Taxes	Specific Ownership	Cigarette Taxes	Franchise Fees	Total
2007	\$ 3,481,000	\$ 24,821,000	\$ 318,000	\$ 241,000	\$ -	\$ 28,861,000
2008	3,948,000	24,746,000	303,000	228,000	-	29,225,000
2009	4,107,000	23,533,000	283,000	200,000	1,917,000	30,040,000
2010	4,198,000	23,612,000	274,000	196,000	2,119,000	30,399,000
2011	4,151,000	25,304,000	255,000	202,000	2,102,000	32,014,000
2012	4,013,000	26,778,000	264,000	207,000	2,089,000	33,351,000
2013	4,003,000	27,782,000	281,000	210,000	2,190,000	34,466,000
2014	3,953,000	30,151,000	296,000	205,000	2,455,000	37,060,000
2015	3,981,000	32,289,000	311,000	207,000	2,250,000	39,038,000
2016	\$ 4,603,000	\$ 33,973,000	\$ 366,000	\$ 211,000	\$ 2,247,000	\$ 41,400,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.
Prior to 2009, franchise fees were not reported on this schedule.
(1) Excludes Special Assessment collection and tax increment amounts.

	Annual Percentage Change					
2007	-2%	7%	-1%	-4%	N/A	6%
2008	13%	0%	-5%	-5%	N/A	1%
2009	4%	-5%	-7%	-12%	N/A	3%
2010	2%	0%	-3%	-2%	11%	1%
2011	-1%	7%	-7%	3%	-1%	5%
2012	-3%	6%	4%	2%	-1%	4%
2013	0%	4%	6%	1%	5%	3%
2014	-1%	9%	5%	-2%	12%	8%
2015	1%	7%	5%	1%	-8%	5%
2016	16%	5%	18%	2%	0%	6%

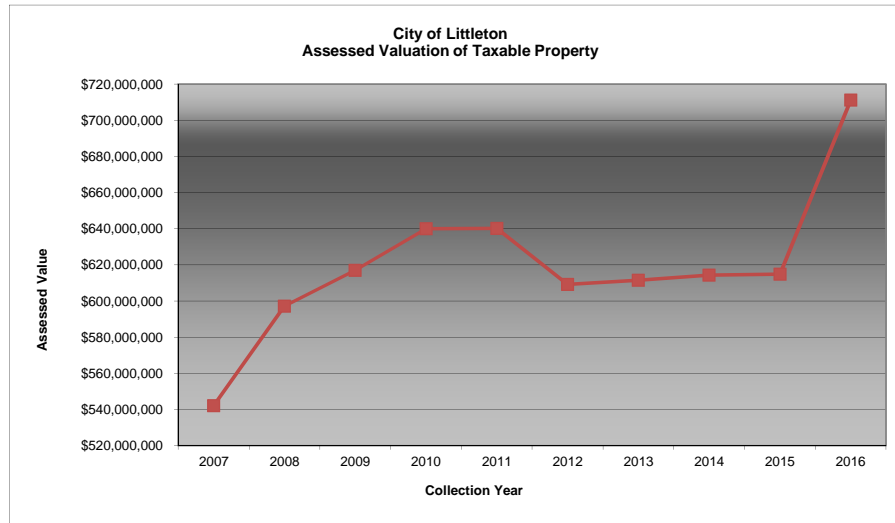
City of Littleton, Colorado
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 8

Collection Year	Levy Year	Assessed Valuation	Estimated Actual Value ⁽¹⁾	Ratio of Assessed to Estimated Actual Value (%)	Direct Rate
2007	2006	\$ 542,205,209	\$ 4,678,118,030	12	6.662
2008	2007	597,233,409	5,083,407,629	12	6.662
2009	2008	617,092,320	5,124,458,620	12	6.662
2010	2009	640,017,100	5,170,663,630	12	6.662
2011	2010	640,240,690	5,192,642,037	12	6.662
2012	2011	609,303,973	4,988,048,510	12	6.662
2013	2012	611,580,060	4,991,773,920	12	6.662
2014	2013	614,372,812	4,963,761,773	12	6.662
2015	2014	614,978,721	4,934,986,576	12	6.662
2016	2015	\$ 711,277,920	\$ 5,988,052,949	12	6.662

SOURCE:
Arapahoe, Douglas, and Jefferson County Assessor's Offices.

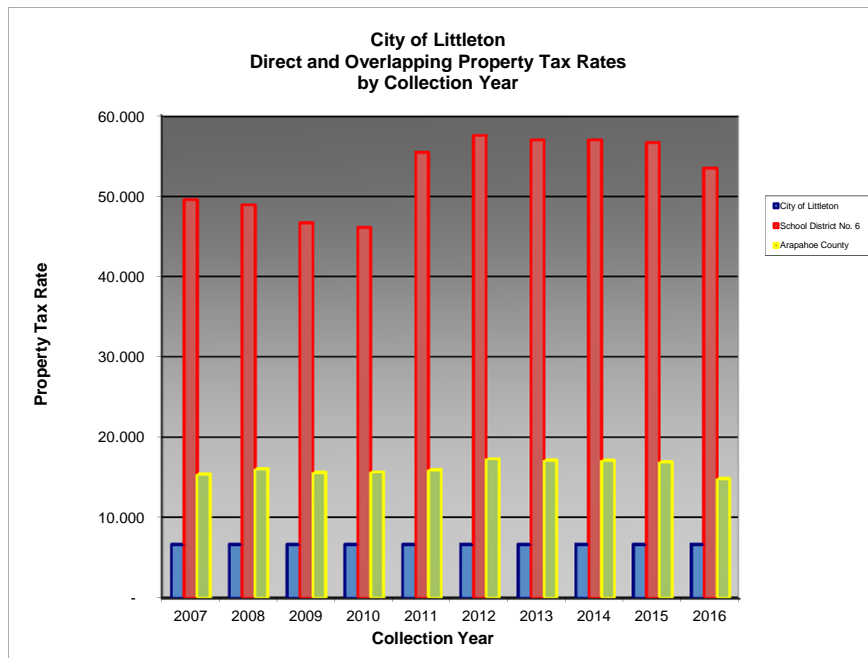
NOTE:
(1) Excludes Tax Increment Financing (TIF) District in Arapahoe County



**City of Littleton, Colorado
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

<u>Collection Year</u>	<u>City of Littleton</u>	<u>School District No. 6</u>	<u>Arapahoe County</u>	<u>Total Tax Rate</u>
2007	6.662	49.509	15.421	71.592
2008	6.662	48.907	16.083	71.652
2009	6.662	46.650	15.609	68.921
2010	6.662	46.081	15.672	68.415
2011	6.662	55.389	15.949	78.000
2012	6.662	57.530	17.316	81.508
2013	6.662	56.935	17.150	80.747
2014	6.662	56.985	17.130	80.777
2015	6.662	56.601	16.950	80.213
2016	6.662	53.424	14.856	74.942

<u>Collection Year</u>	<u>City of Littleton (Arapahoe County only)</u>	<u>School District No. 6</u>	<u>Arapahoe County</u>	<u>Total</u>
2007	\$ 3,439,106	\$ 57,593,592	\$ 103,602,646	\$ 164,635,344
2008	3,480,797	57,095,867	110,705,726	171,282,390
2009	3,908,120	60,746,582	120,767,945	185,422,647
2010	4,059,110	61,673,455	124,062,713	189,795,278
2011	4,055,040	75,489,815	126,407,310	205,952,165
2012	3,861,894	74,585,160	127,903,059	206,350,113
2013	3,877,128	74,709,969	127,106,787	205,693,884
2014	3,898,091	75,997,166	129,623,850	209,519,107
2015	3,902,537	74,846,890	128,307,842	207,057,269
2016	\$ 4,498,393	\$ 82,909,759	\$ 134,054,143	\$ 221,462,295

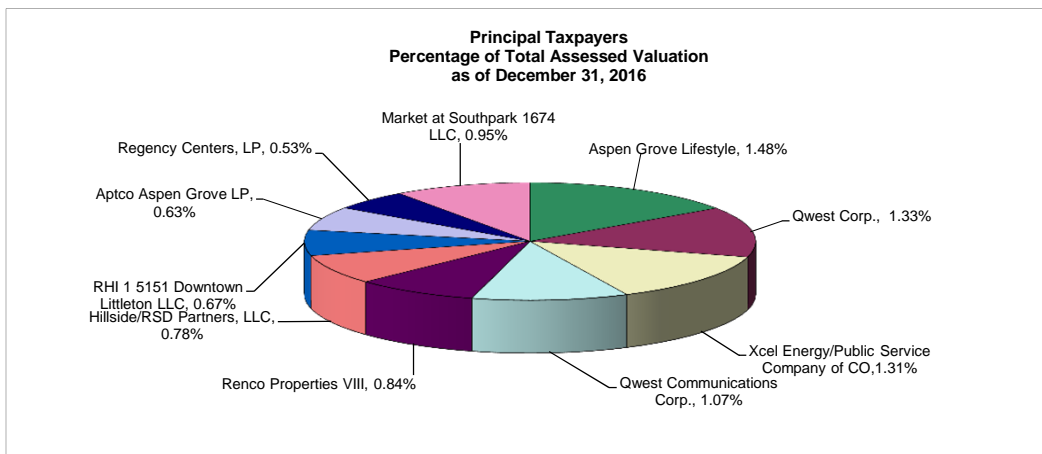


**City of Littleton, Colorado
Principal Taxpayers
December 31, 2016
Current Year and Nine Years Ago**

Table 10

<u>Taxpayer</u>	<u>2007 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>	<u>2016 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Aspen Grove Lifestyle	\$ 5,655,000	1.04%	\$ 10,554,840	1.48%
Qwest Corp/US West Communications	9,879,700	1.82%	9,454,000	1.33%
Xcel Energy/Public Service Company of CO	8,021,450	1.48%	9,316,580	1.31%
Qwest Communications Corp.	3,058,210	0.56%	7,635,790	1.07%
Market at Southpark 1674 LLC	-	-	6,723,941	0.95%
Renco Properties VIII	3,625,000	0.67%	6,002,827	0.84%
Hillside/RSD Partners, LLC	-	-	5,543,495	0.78%
RHI 1 5151 Downtown Littleton LLC	-	-	4,776,000	0.67%
Aptco Aspen Grove LP	-	-	4,479,912	0.63%
Regency Centers, LP	-	-	3,776,090	0.53%
Littleton Village LLC	4,205,000	0.78%	-	-
Echostar Real Estate	3,936,010	0.73%	-	-
M & J Investors LLP	3,770,000	0.70%	-	-
Koll/Per Kellogg LLC	3,480,010	0.64%	-	-
Qwest Broadband Services Inc.	3,058,210	0.56%	-	-
LMC Properties Inc.	2,900,000	0.53%	-	-
Total Assessed Value - Principal Taxpayers	\$ 51,588,590	9.51%	\$ 68,263,475	9.60%
All Other Taxpayers	490,616,619		643,014,445	
Total Assessed Value	\$ 542,205,209		\$ 711,277,920	

SOURCE:
Arapahoe, Douglas and Jefferson County Assessor's Office



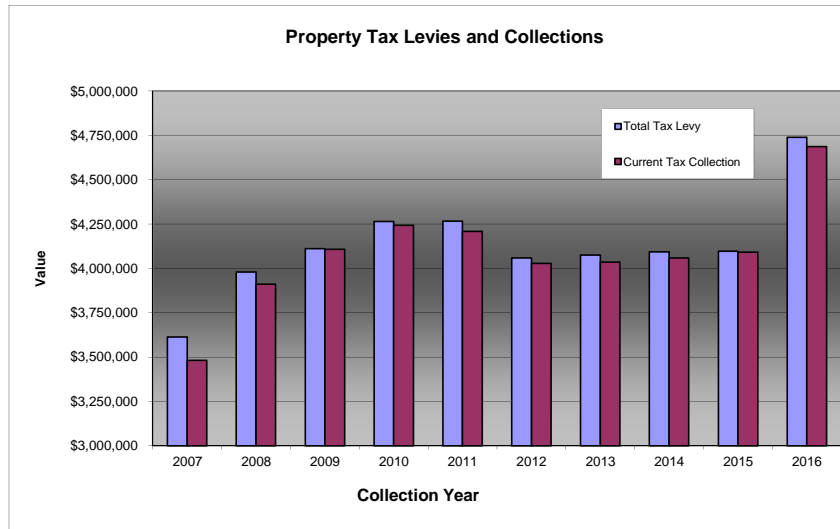
**City of Littleton, Colorado
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 11

Levy Year	Collection Year	Total Tax Levy ⁽¹⁾	Current Tax Collection ⁽²⁾	Percent of Current Taxes Collected	Percent of Tax Levy Outstanding
2006	2007	\$ 3,612,171	\$ 3,481,000	96.37%	3.63%
2007	2008	3,978,769	3,948,000	99.23	0.77
2008	2009	4,111,070	4,107,000	99.90	0.10
2009	2010	4,263,796	4,243,108	99.51	0.49
2010	2011	4,265,284	4,207,938	98.66	1.34
2011	2012	4,059,183	4,026,617	99.20	0.80
2012	2013	4,074,347	4,034,668	99.03	0.97
2013	2014	4,092,952	4,058,351	99.15	0.85
2014	2015	4,096,988	4,090,905	99.85	0.15
2015	2016	\$ 4,738,534	\$ 4,686,136	98.89%	1.11%

NOTES:

- (1) Net of tax credits and tax abatements.
- (2) Does not include penalties on delinquent taxes.



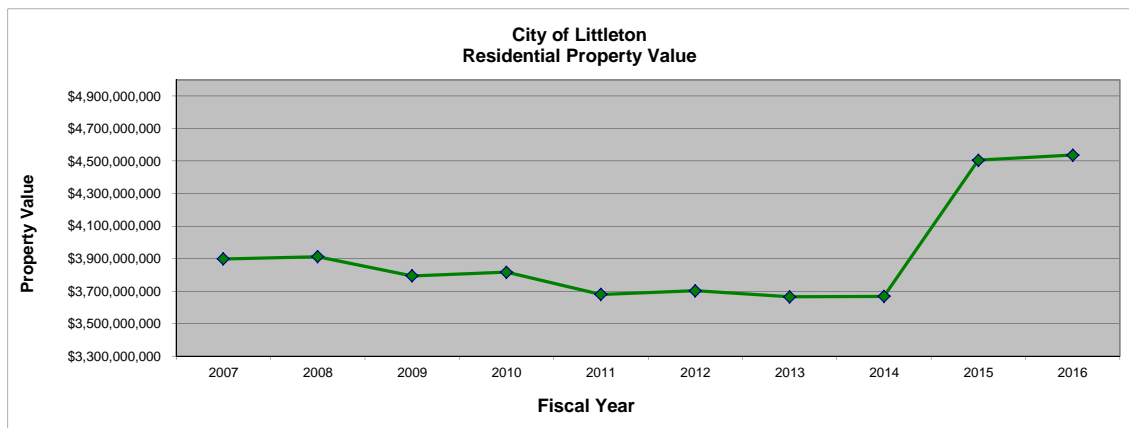
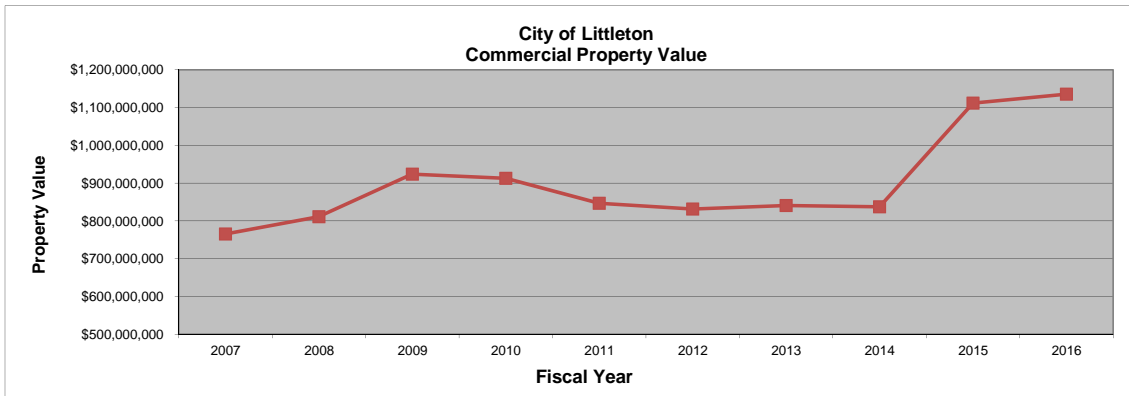
**City of Littleton, Colorado
Property Value and Construction
Last Ten Fiscal Years**

Table 12

Fiscal Year	New Commercial Construction Value	New Residential Construction		Property Value ⁽¹⁾	
		Number of Units	Value	Commercial	Residential
2007	\$ 29,720,270	4	\$ 1,949,179	\$ 765,395,364	\$ 3,898,021,851
2008	22,314,231	10	3,738,169	810,898,781	3,911,777,373
2009	35,694,047	5	5,212,454	923,350,902	3,793,775,780
2010	40,569,446	2	1,150,000	913,085,036	3,815,538,394
2011	3,872,304	3	2,028,909	847,005,261	3,679,181,632
2012	28,196,376	7	2,676,167	831,746,406	3,701,657,400
2013	13,239,492	4	2,123,598	840,440,798	3,664,746,040
2014	30,526,127	38	52,047,662	837,494,334	3,667,056,307
2015	32,043,314	94	44,049,388	1,111,979,855	4,505,360,088
2016	\$ 53,353,782	203	\$ 79,105,642	\$ 1,135,453,003	\$ 4,536,465,955

SOURCE:
City of Littleton - Building Department

NOTE:
(1) Arapahoe County Assessor as converted by City of Littleton



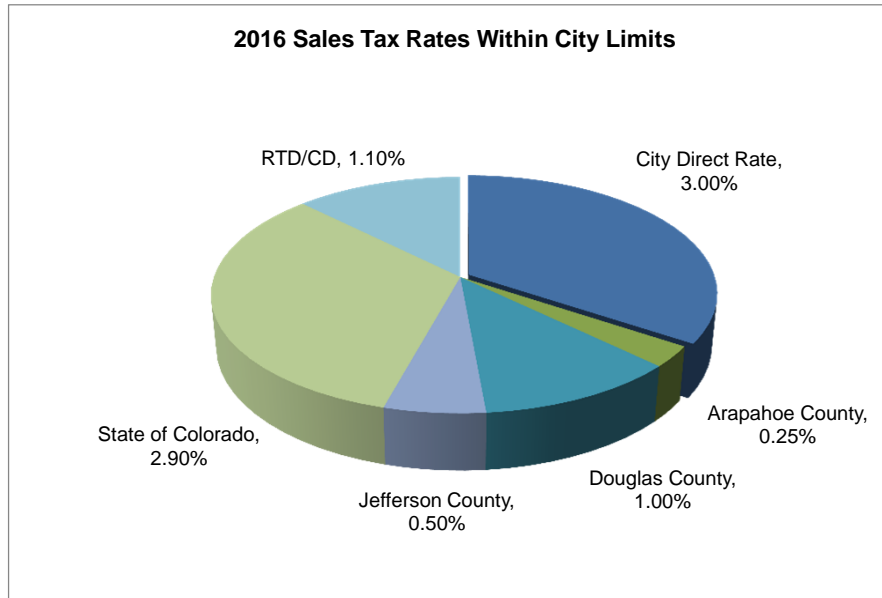
**City of Littleton, Colorado
Sales Tax Rates Direct and Overlapping
Last Ten Fiscal Years**

Table 13

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Arapahoe County</u>	<u>Douglas County</u>	<u>Jefferson County</u>	<u>State of Colorado</u>	<u>RTD/CD/FD ⁽¹⁾</u>
2007	3.00%	0.25%	1.00%	0.50%	2.90%	1.20%
2008	3.00	0.25	1.00	0.50	2.90	1.20
2009	3.00	0.25	1.00	0.50	2.90	1.20
2010	3.00	0.25	1.00	0.50	2.90	1.20
2011	3.00	0.25	1.00	0.50	2.90	1.20
2012	3.00	0.25	1.00	0.50	2.90	1.10
2013	3.00	0.25	1.00	0.50	2.90	1.10
2014	3.00	0.25	1.00	0.50	2.90	1.10
2015	3.00	0.25	1.00	0.50	2.90	1.10
2016	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%

SOURCE:
Colorado Department of Revenue

NOTES:
(1) Regional Transportation District (RTD), Cultural District (CD), Football Stadium District (FD) until 2012



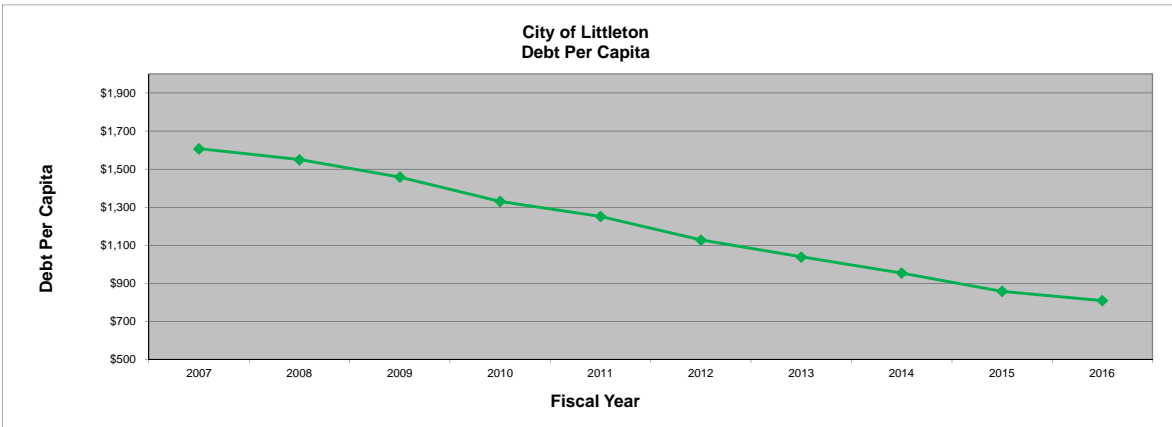
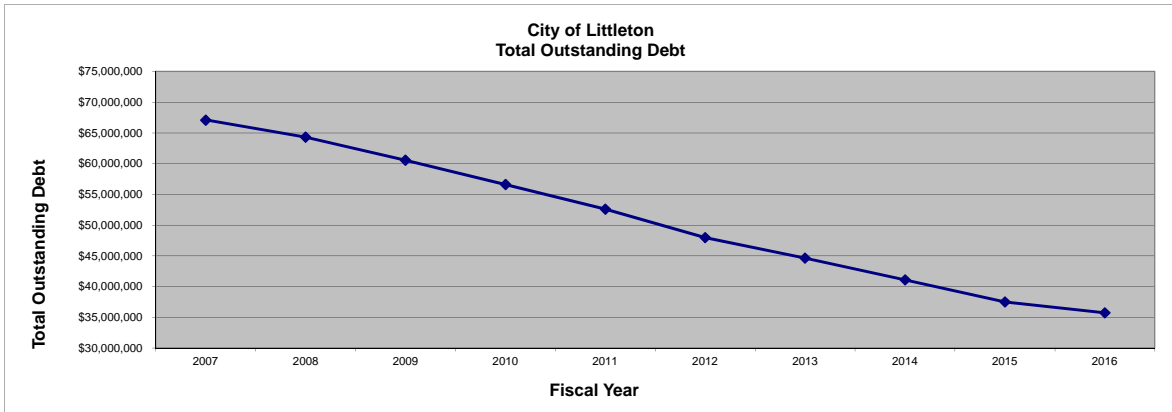
City of Littleton, Colorado
Ratio Of Outstanding Debt by Type and Debt per Capita and Percentage of Personal Income
Last Ten Fiscal Years

Table 14

Collection Year	Governmental Activities		Business-type Activities					Total Primary Government	Debt Per Capita	Percentage of Personal Income
	Net Bonded G.O. Debt	Capital Leases	G.O. Loans/Bonds	Revenue Bonds	Revenue Loans	Certificate of Participation	Assignment Certificates			
2007	\$ -	\$ 750,729	\$ 2,889,553	\$ -	\$ 47,726,197	\$ 15,740,000	\$ -	\$ 67,106,479	\$ 1,607	4.36%
2008	-	1,373,976	2,356,837	-	45,577,105	15,030,000	-	64,337,918	1,550	4.25%
2009	-	1,140,122	1,786,178	-	43,338,530	14,300,000	-	60,564,830	1,458	4.08%
2010	-	897,686	1,174,874	-	40,998,728	13,550,000	-	56,621,288	1,331	3.56%
2011	-	713,696	520,030	-	38,555,832	10,550,000	2,270,000	52,609,558	1,251	3.73%
2012	-	9,737,803	-	-	36,089,924	-	2,130,000	47,957,727	1,128	3.50%
2013	-	8,817,565	-	-	33,839,567	-	1,985,000	44,642,132	1,039	2.93%
2014	-	7,798,033	-	-	31,474,210	-	1,830,000	41,102,243	954	2.66%
2015	-	6,797,852	-	-	29,029,583	-	1,675,000	37,502,435	858	2.35%
2016	\$ -	\$ 7,759,887	\$ -	\$ -	\$ 26,442,152	\$ -	\$ 1,510,000	\$ 35,712,039	\$ 809	2.13%

NOTES:

(1) See Table 19 for personal income and population data.



City of Littleton, Colorado
Ratio Of Annual Debt Service For General
Bonded Debt To Total General Expenditures
Last Ten Fiscal Years

Table 15

<u>Fiscal Year</u>	<u>Principal</u>	⁽¹⁾	<u>Interest</u>	⁽¹⁾	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
2007	\$	-	\$	-	\$ -	\$ 49,359,000	0.00
2008		-		-	-	52,370,000	0.00
2009		-		-	-	52,421,000	0.00
2010		-		-	-	57,750,000	0.00
2011		-		-	-	52,480,000	0.00
2012		-		-	-	63,406,000	0.00
2013		-		-	-	54,706,000	0.00
2014		-		-	-	59,031,000	0.00
2015		-		-	-	62,522,000	0.00
2016	\$	-	\$	-	\$ -	\$ 72,499,000	0.00

NOTES:

Amounts include Government Funds

(1) Excludes interest and principal on Littleton Building Authority

City of Littleton, Colorado
Computation Of Direct and Overlapping Bonded Debt
December 31, 2016

Table 16

<u>Government Entity</u>	<u>Net G.O. Debt Outstanding (Column A)</u>	<u>Percentage Applicable to this Government Unit (1) (Column B)</u>	<u>Littleton's Share of Debt (2) (Column C)</u>
City of Littleton	(3) \$ -	100.00	\$ -
School District #6 Arapahoe County	135,329,000	45.22	61,195,774
South Suburban Park and Recreation District	12,835,000	33.19	4,259,937
Centennial Downs Metropolitan District	(4) 8,905,000	100.00	8,905,000
Aspen Grove Business Improvement District	6,535,000	100.00	6,535,000
Englewood School District #1	62,006,602	0.91	564,260
Highline Business Improvement District	3,345,000	100.00	3,345,000
Polo Reserve Metropolitan District	740,000	100.00	740,000
Sheridan School District #2	21,922,936	2.65	580,958
			<u>\$ 86,125,929</u>

NOTES:

- (1) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit
- (2) Amount in Column A multiplied by percentage of Column B
- (3) Excludes G.O and revenue loans being funded through Enterprise Funds.
- (4) Centennial Downs Metropolitan District is located within the City; however, it only encompasses 2.1% or .29 square miles of the City's total 13.5 square miles. The assessed valuation of Centennial Downs Metropolitan District is \$42,083,000

DISCLAIMER:

Overlapping debt for Douglas and Jefferson Counties are not included because the assessed valuation of that portion of the City which is located in Douglas and Jefferson Counties is less than 1/2 of 1% of the total assessed valuation.

City of Littleton, Colorado
Computation Of Legal Debt Margin
December 31, 2016

Table 17

Other than water and sewer

Assessed value ⁽¹⁾	\$	711,277,920
Debt limit 3.7% of assessed value ⁽²⁾		26,317,283
Amount of debt applicable to debt limit		<u>-</u>
Legal debt margin other than water and sewer	\$	<u>26,317,283</u>

Water and sewer

Assessed value ⁽¹⁾	\$	<u>711,277,920</u>
Debt limit 5% of assessed value ⁽³⁾		35,563,896
Amount of debt applicable to legal limit		<u>-</u>
Legal debt margin for water and sewer	\$	<u>35,563,896</u>

NOTES:

- (1) Arapahoe, Douglas, and Jefferson Counties
- (2) City charter and subsequent bond election limitations
- (3) City charter limitation

City of Littleton, Colorado
Revenue Bond Coverage (Sewer Utility Fund)
Last Ten Fiscal Years

Table 18

Coverage Ratio Test for Debt Service							
Fiscal Year	Calculated Revenues	Revenue Transfers (to) from Rate Stabilization Account	Total Revenues	Operating Expenses	Net Revenue for Debt Service	Total Debt Service Principal and Interest	Coverage
2007	\$ 15,649,000	\$ -	\$ 15,649,000	\$ 6,948,000	\$ 8,701,000	\$ 4,958,000	1.75
2008	13,060,576	-	13,060,576	7,189,000	5,871,576	4,601,000	1.28
2009	11,926,000	937,600	12,863,600	7,830,000	5,033,600	4,576,000	1.10
2010	14,098,000	-	14,098,000	8,660,000	5,438,000	4,575,000	1.19
2011	12,665,000	100,000	12,765,000	7,745,000	5,020,000	4,570,000	1.10
2012	13,171,000	-	13,171,000	7,294,000	5,877,000	4,300,000	1.37
2013	12,897,000	-	12,897,000	7,815,000	5,082,000	3,627,000	1.40
2014	17,046,000	-	17,046,000	8,871,000	8,175,000	3,578,000	2.28
2016	15,533,000	-	15,533,000	8,843,000	6,690,000	3,479,000	1.92
2016	\$ 18,301,000	\$ -	\$ 18,301,000	\$ 8,326,000	\$ 9,975,000	\$ 3,532,000	2.82

Restricted Cash - Rate Stabilization Account				
Fiscal Year	Beginning Rate Stabilization Account Balance	Transfers (to) from Revenues	Transfers (to) from Unrestricted cash	Ending rate Stabilization Account Balance
2007	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
2008	5,000,000	-	-	5,000,000
2009	5,000,000	(937,600)	937,600	5,000,000
2010	5,000,000	-	-	5,000,000
2011	5,000,000	(100,000)	100,000	5,000,000
2012	5,000,000	-	-	5,000,000
2013	5,000,000	-	(2,000,000) ⁽¹⁾	3,000,000
2014	3,000,000	-	-	3,000,000
2015	3,000,000	-	-	3,000,000
2016	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000

NOTES:

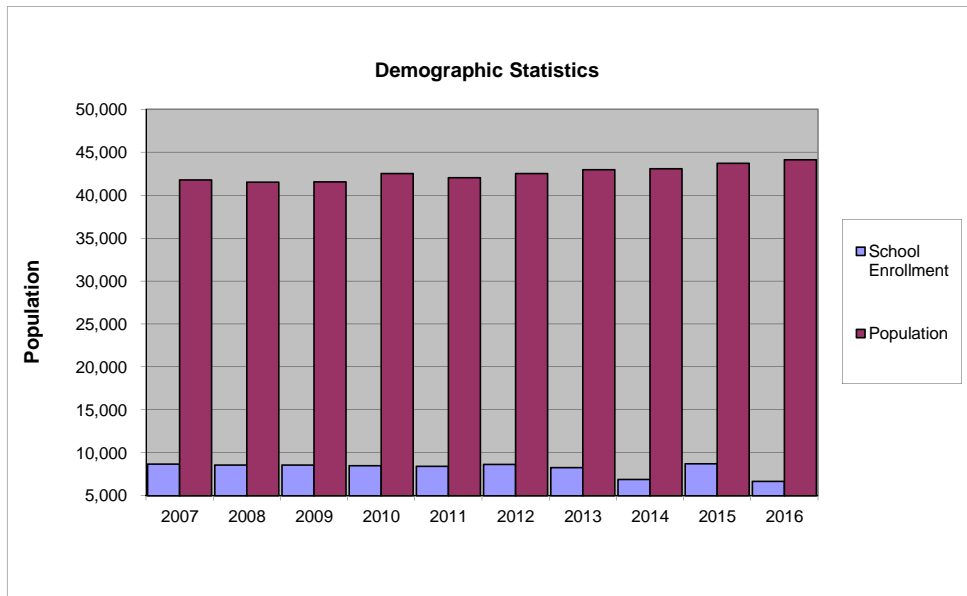
(1) Amendment made to loan documents to reduce Rate Stabilization Account amount.

**City of Littleton, Colorado
Demographic Statistics
Last Ten Fiscal Years**

Table 19

Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2007	41,765	\$ 36,842	41.5	8,684	3.9%
2008	41,500	36,505	41.7	8,565	4.4
2009	41,552	35,693	41.8	8,576	6.5
2010	42,529	37,352	42.0	8,496	7.2
2011	42,044	33,530	41.8	8,423	7.6
2012	42,514	32,189	42.0	8,623	7.0
2013	42,960	35,459	42.3	8,253	5.2
2014	43,092	35,814	42.7	6,899	3.5
2015	43,710	36,577	42.8	8,723	3.1
2016	44,118	\$ 38,047	43.0	6,679	2.9%

SOURCE:
 (1) ESRI.com
 (2) Littleton Public Schools within Littleton city limits
 (3) BLS.gov



2016
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

**City of Littleton, Colorado
Principal Employers
Last Ten Fiscal Years**

Table 20

	2007		2008		2009		2010		2011	
	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
Century Link (Formerly Qwest)	1	1,950 ⁽¹⁾	1	1,950 ⁽¹⁾	1	1,950 ⁽¹⁾	3	1,663	1	1,663
Dish Network (EchoStar)	2	1,175	2	1,175	3	1,700	2	1,667	2	1,543
Littleton School District	10	246 ⁽²⁾	-	- ⁽²⁾	2	1,913	1	1,686	4	830
Littleton Adventist Hospital	3	1,020	3	1,020	4	1,020	4	967	3	967
Arapahoe County	4	522	4	522	5	522	6	522	6	522
City of Littleton	5	403	5	404	7	404	7	403	7	396
Republic National Distributing	-	-	-	-	-	-	-	-	-	-
McDonald Automotive Group	-	-	-	-	-	-	-	-	-	-
Center Point	-	-	-	-	-	-	-	-	-	-
Globus	-	-	-	-	-	-	-	-	-	-
Arapahoe Community College	-	-	10	275	-	-	5	632	5	632
Arapahoe/Douglas Mental Health	-	-	-	-	-	-	-	-	-	-
Lockheed Martin Space Systems	6	370	6	370	8	370	9	300	8	300
Life Care Center of Littleton	-	-	-	-	-	-	10	280	9	280
Norgen	8	325	8	325	10	325	8	325	10	268
National Distribution	9	300	9	300	6	430	-	-	-	-
Ralph Schomp	7	369	7	369	9	332	-	-	-	-

SOURCE:
City of Littleton Economic Development - Information as reported by companies

NOTES:
(1) Estimate
(2) Within City Limits

Table 20

2012		2013		2014		2015		2016	
Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
1	1,663	1	1,800	1	1,663	1	1,663	1	1,663
2	1,543	2	1,543	2	1,543	2	1,543	2	1,500
4	830	4	830	4	830	4	830	3	830
3	1,035	3	1,242	3	1,243	3	1,243	4	759
6	522	6	522	6	522	6	522	5	522
8	398	7	425	7	425	8	412	6	437
7	425	7	425	7	425	7	481	7	425
9	320	9	360	9	360	9	396	8	360
-	-	-	-	10	320	10	320	9	320
-	-	10	320	-	-	-	-	10	299
5	632	5	632	5	632	5	632	-	-
9	320	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**City of Littleton, Colorado
City Government Employees by Program
(Full-time Equivalent)
Last Ten Fiscal Years**

Table 21

	2007		2008		2009		2010	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government								
Admin Services	31	12	31	12	31	12	30	12
Attorney	5	-	5	-	5	-	5	-
Economic Development	4	1	4	1	4	1	4	1
City Manager	6	-	6	-	6	-	5	-
Community Development	15	6	15	6	15	6	15	7
City Council	-	7	-	7	-	7	-	7
Information Services	10	-	10	-	10	-	10	-
Finance	9	-	9	-	9	-	9	-
Fire								
ER/Paramedics	132	-	130	-	130	-	130	-
Support	22	1	25	3	25	3	25	3
Library	15	19	15	19	15	19	16	19
Museum	14	7	14	7	14	7	14	7
Police								
Officers	69	-	69	-	69	-	70	-
Support	27	-	27	-	27	-	26	-
Public Works								
Engineering	6	-	6	-	6	-	6	-
Sewer/Storm Drain	7	2	7	2	7	2	7	2
Support	31	23	31	23	31	23	31	23
Total	403	78	404	80	404	80	403	81

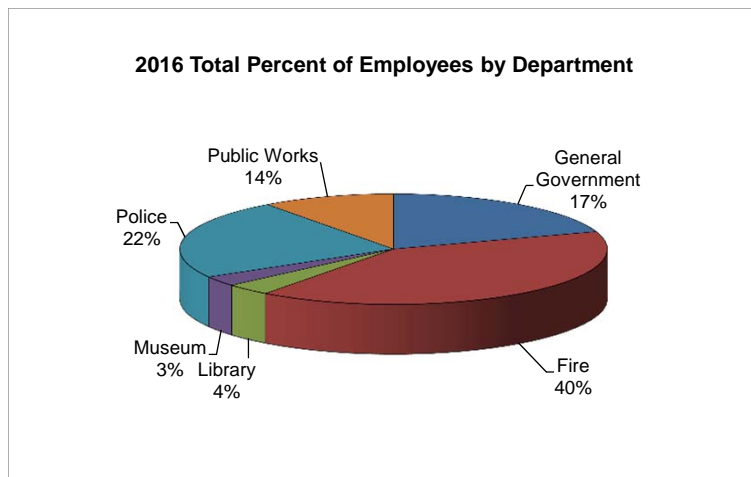


Table 21

2011		2012		2013		2014		2015		2016	
Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
29	8	30	8	31	8	17	7	16	28	17	28
4	-	4	-	3	-	3	-	3	1	3	1
4	1	5	-	5	-	4	-	4	-	4	-
6	-	6	-	6	-	2	1	8	1	9	1
15	7	13	3	13	4	20	3	17	2	20	3
-	7	-	7	-	7	-	7	-	7	-	7
9.5	-	11	-	11	-	11	-	11	-	13	-
9	-	9	-	9	-	9	-	10	-	10	-
129	-	144	-	141	-	138	-	135	-	150	-
24	2.5	15	-	23	-	22	5	26	5	26	5
16	20	14	20	14	21	17	20	16	32	16	32
13	7	13	7	12	7	13	7	13	7	13	9
71	-	72	-	70	-	73	-	71	1	71	1
24	1	38	1	25	-	22	-	26	1	26	2
6	-	6	-	6	-	6	-	6	-	6	-
7	2	7	-	7	-	7	2	7	-	7	2
29	23	30	-	28	-	42	26	43	22	46	20
<u>395.5</u>	<u>78.5</u>	<u>417</u>	<u>46</u>	<u>404</u>	<u>47</u>	<u>406</u>	<u>78</u>	<u>412</u>	<u>107</u>	<u>437</u>	<u>111</u>

City of Littleton, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 22

	2007	2008	2009	2010
General Government				
Incoming calls	36,827	35,762	36,064	36,449
Littleton Center Visitors	7,959	6,106	5,486	5,905
Building permits processed	1,892	2,042	2,058	2,591
Building inspections conducted	7,634	7,127	6,747	8,447
Passports issued	2,230	35	1,038	1,211
New businesses (licensed/registered)	488	486	405	448
Fire				
Emergency responses	12,217	12,380	12,187	12,560
Fires extinguished	259	247	186	218
Inspections	1,872	1,449	1,966	2,335
Library				
Total circulation	454,392	483,067	500,029	523,451
Visitors	271,561	285,916	300,568	300,656
Registered borrowers	29,766	33,824	37,715	30,938
Programs	670	684	758	806
Program attendance	26,673	28,830	30,973	32,023
Volunteer hours	2,918	3,412	3,770	4,233
Museum				
Number of visitors	131,809	129,785	131,656	144,757
Gross sales for museum store	\$45,244	\$43,681	\$44,605	\$48,956
Events	46	45	42	53
Total volunteer hours	5,515	5,623	5,906	6,079
Police				
Number of crimes	1,618	1,602	1,593	1,501
Number of service request calls	50,536	52,103	52,372	52,139
Traffic citations	10,163	9,013	10,680	11,827
Traffic accidents	848	806	851	850
Public Works				
Lane miles reconstructed	0	<1	<1	1
Lane miles overlaid	11	8	9	6
Lane miles sealcoated	0	0	34	0
Transit				
Number of vehicles	4	4	4	4
Passengers	19,531	24,560	20,332	17,750
Utility				
New residential taps issued	3,203	104	98	74
New commercial taps issued	18	5	10	9
Average daily sewage treatment (millions of gallons)	11.0	10.5	10.5	10.9

Table 22

2011	2012	2013	2014	2015	2016
35,391	36,340	32,654	32,520	23,253	28,576
5,341	6,207	5,286	5,328	4,932	4,487
2,066	2,360	2,264	2,855	2,989	2,287
7,359	7,685	7,894	9,495	12,270	17,757
1,151	266	728	995	0	0
543	417	440	455	453	444
12,884	13,762	13,104	14,163	14,246	15,705
212	348	155	199	193	205
1,263	1,377	1,307	3,700	3,877	6,130
545,187	538,678	549,600	524,228	487,975	533,112
296,641	299,106	303,255	321,255	309,926	283,284
30,422	23,097	27,724	31,248	31,127	24,331
825	882	882	856	824	861
35,638	37,638	33,900	35,144	37,683	39,377
4,120	3,430	3,640	2,998	2,578	2,554
132,577	135,767	143,488	140,095	139,561	155,616
\$41,449	\$36,907	\$37,641	\$36,955	\$40,432	\$40,362
49	26	32	46	57	38
5,291	6,867	8,057	8,344	6,713	6,285
2,660	1,613	4,313	3,560	3,652	3,891
56,213	59,294	57,989	58,336	97,606	77,297
7,156	13,157	12,863	7,671	4,412	7,042
1,113	908	974	980	1,107	1,119
<1	<1	1	0	<1	>1
7	11	12	10	10	7
0	2	0	0	0	0
4	4	5	5	4	5
18,819	19,715	27,010	25,299	22,454	20,517
26	42	32	62	164	289
6	4	5	22	10	19
11.0	9.3	11.0	11.0	11.0	9.6

City of Littleton, Colorado
Capital Asset Statistics by Program
Last Ten Fiscal Years

Table 23

	2007	2008	2009	2010
Fire				
Stations ⁽¹⁾	8	8	8	8
Licensed Vehicles ⁽²⁾	56	57	56	54
Fleet				
Licensed Vehicles ⁽²⁾	112	110	121	125
Library				
	1	1	1	1
Museum				
	1	1	1	1
Parks				
Developed (acres)	384	385	391	442
Undeveloped (acres)	814	816	836	836
Playgrounds	13	13	15	18
Baseball diamonds	11	11	13	22
Police				
Stations	1	1	1	1
Licensed Vehicles ⁽²⁾	63	64	65	50
Public Works				
Streets (lane miles) ⁽⁴⁾	616	616	616	350
Street lights	3,592	3,635	3,609	3,630
Traffic signals ⁽³⁾	111	111	113	111
Sanitary sewers (miles)	130.2	130.8	128.3	128.3
Storm sewers (miles)	30.7	30.8	30.8	30.9
Treatment capacity (millions of gallons)	10.3	10.5	10.5	25
Transit				
Buses	4	4	4	4

NOTES:

- (1) 2 Stations within City limits; Increased to 3 in 2016.
- (2) Fleet varies due to timing of transfer of titles.
- (3) Includes pedestrian signals, fire station signals and school flashers.
- (4) A calculation error by the Highway Users Tax Fund was corrected in 2010.
- (5) Includes City of Englewood. City of Littleton share is 25
- (6) Number reported will now be "Licensed Rolling Stock".

Table 23

2011	2012	2013	2014	2015	2016
8	8	8	8	8	9
56	55	55	55	57	65
118	122	123	130	130	249 ⁽⁶⁾
1	1	1	1	1	1
1	1	1	1	1	1
443	443	443	443	443	443
831	825	920	920	920	920
17	18	17	17	17	17
22	22	22	22	22	22
1	1	1	1	1	1
63	63	61	67	63	63
350	352	351	351	352	352
3,590	3,609	3,637	3,637	3,750	3,765
111	60	60	60	60	60
128	128	128	128	128	128
30.9	31.2	31	31	31	31
25	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾
4	4	5	5	4	5

**City of Littleton, Colorado
Miscellaneous Statistics
December 31, 2016**

Table 24

Date of incorporation	1890
Date charter adopted	July 28, 1959
Form of government	Council-Manager
Elevation	5,389 Feet
Area	13.85 square miles
 Fire protection:	
Number of stations	9 (3 in City limits)
Emergency responses	14,246
 Police protection:	
Number of stations	1
Number of sworn officers	73
 Education - School District No. 6:	
Number of students	15,131 ⁽¹⁾
Type and total number of schools:	
Early Childhood	7 (2 in City limits)
Elementary	13 (4 in City limits)
Middle School	4 (3 in City limits)
Senior High	2 (2 in City limits)
Charter	2 (2 in City limits)
Teacher/pupil ratio	1:24.5
 Sanitary sewers	 128 miles
Storm sewers	31 miles
 Building permits issued:	
Number	4,340
Value	\$1,662,709
 Miles of streets	
Lane miles (10' wide)	352.26
Centerline miles	160.99
 Recreation and culture:	
Libraries	1
Museums	1
 Parks: ⁽²⁾	
Area	405 acres
Swimming pools	9 (2 indoor)
Tennis courts	28
Ball fields	22
Shelters	14
Trail ways	98.6 miles
Greenbelt and open space	918.7 acres

SOURCE:
City of Littleton

NOTES:
(1) Littleton Public Schools
(2) Within City Limits

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Littleton
		YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of City of Littleton, Colorado)	Prepared By: Phone:	Kathleen Andriunas 303-795-3774

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,976,547
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,652,819
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,597,320
2. General fund appropriations	5,326,152	b. Snow and ice removal	532,681
3. Other local imposts (from page 2)	1,206,245	c. Other	
4. Miscellaneous local receipts (from page 2)	65,339	d. Total (a. through c.)	2,130,001
5. Transfers from toll facilities		4. General administration & miscellaneous	609,397
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,172,509
a. Bonds - Original Issues		6. Total (1 through 5)	10,541,273
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)	6,597,736	b. Redemption	
B. Private Contributions	2,371,161	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,572,376	2. Notes:	
D. Receipts from Federal Government (from page 2)		a. Interest	
E. Total receipts (A.7 + B + C + D)	10,541,273	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)	10,541,273

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	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	D. Ending Balance	E. Reconciliation
		10,541,273	10,541,273		0

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		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	585,162	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	65,339
5. Specific Ownership &/or Other	621,083	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,206,245	h. Other (Local Grant)	0
c. Total (a. + b.)	1,206,245	i. Total (a. through h.)	65,339
	(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	1,366,652	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	159,944	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	45,240	e. U.S. Corps of Engineers	
e. Other (Specify)	540	f. Other Federal	
f. Total (a. through e.)	205,724	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,572,376	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		227,872	227,872
c. Construction:			
(1). New Facilities		2,956,323	2,956,323
(2). Capacity Improvements		0	0
(3). System Preservation		1,792,352	1,792,352
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	4,748,675	4,748,675
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,976,547	4,976,547
			(Carry forward to page 1)

Notes and Comments:

II.A.3.b.5 - Include Specific Ownership Tax of \$366,310 and County Road & Bridge Tax of \$254,773