

City of Glenwood Springs, Colorado Comprehensive Annual Financial Report



For the Year Ended December 31, 2017

**City of Glenwood Springs, Colorado
Comprehensive Annual Financial Report**

For the Year ended December 31, 2017



*Prepared by the Finance Department of the City of Glenwood Springs
Steve Boyd, Chief Operating Officer
Yvette Gustad, Finance Director*

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INTRODUCTORY SECTION





101 W. 8th Street, Glenwood Springs, CO 81601

June 29, 2018

To the Honorable Mayor, member of the City Council,
City Manager and Citizens of the City of Glenwood Springs:

It is with great pleasure that we present the Comprehensive Annual Financial Report (CAFR) for the City of Glenwood Springs (the "City") for the year ended December 31, 2017. The City Charter, in conjunction with State law, requires a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) to be published within six months of the close of each fiscal year and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. This Comprehensive Annual Financial Report is hereby issued and submitted to you in accordance with these requirements.

The report consists of management's representations concerning the finances of the City of Glenwood Springs. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the City from loss, theft, or misuse and to allow for the compiling of sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal control procedures have been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

McMahan and Associates, L.L.C., a firm of certified public accountants, performed the annually required independent audit of the City's annual financial report. This independent audit provides reasonable assurance that the financial statements of the City of Glenwood Springs for the fiscal year ended December 31, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Glenwood Spring's financial statements for the fiscal year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented on page A1 – A3 in the financial section of this report.

Generally accepted accounting principles require that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The City of Glenwood Spring's MD&A can be found immediately following the report of the independent auditors. This letter of transmittal and the MD&A are designed to complement each other and should be read in that context.

Profile of the City of Glenwood Springs:

The City of Glenwood Springs was incorporated as a home rule City under provisions of the Constitution of Colorado. The City is located in the Western Slope of Colorado, situated within the Rocky Mountains, approximately 170 miles west of Denver and is the county seat of Garfield County. The estimated current population of the City is 9,908.

The City has all the powers granted to municipal corporations and to cities by the constitution and general laws of the State of Colorado, including the power to acquire property within or outside its corporate limits for any City purpose, to sell, lease, mortgage, hold, manage, and control such property as its interests may require, except as prohibited by the state constitution or the City Charter.

Policy-making and legislative authority are vested in a City Council consisting of seven members, one of which is a Mayor selected by Council. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing boards and commissions, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year staggered terms. The Mayor's term is two years. All Council positions are elected on a city-wide basis.

While the City Council exercises the legislative power of the City, other City officials oversee the daily operation of the City. Glenwood Springs is a Council-Manager form of City government and provides full-service municipal services. As noted above, the City Council appoints the City Manager and City Attorney, both of whom serve at the pleasure of the Council.

The City has approximately 185 full-time equivalent employees. General Government Services provided include police, parks and recreation, public transportation, public works, community and economic development, financial management, information technology, street maintenance, capital project management, a municipal court and engineering. Fire protection, water, wastewater, electric service and broadband service are provided to City residents. The City also operates a landfill facility and airport.

Financial Management and Factors Affecting General Conditions

The City of Glenwood Springs' economy experienced a downturn starting in 2008 and transitioned into recovery in 2010. Since then the local economy has experienced sustained improvements. However, indicators include a decrease in sales tax in 2017 when compared to the prior year of 1.78% primarily due to the interruption the local economy experienced from the replacement of the Grand Avenue Bridge. Overall, the City's government-wide net position increased by 2.3% from 2016.

Additional, and more complete information regarding the City's overall financial condition and changes in net position, can be found in the Management's Discussion and Analysis, found on pages B1-B7 of this report.

From a financial management standpoint, the City has maintained strong controls, both in the areas of internal controls and budgetary controls. The City's reliance on consumption-based tax revenues for ongoing operations requires recognition that contraction of the local retail economy will result in a decrease in revenues to support operations. These controls create an environment that permits the City to quickly adapt to changes in revenue forecasts, modifying spending plans accordingly.

Financial Management and Factors Affecting General Conditions (continued)

The Finance Director oversees a set of City-wide internal controls that provide reasonable assurances that financial activity transacted by and among City departments is managed in a way that results in complete, accurate, and timely accounting for all financial transactions. All bank statements and accounts are closed and reconciled monthly. The objective of the City’s budgetary controls is twofold: to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the City Council, and to provide funding allocations to City departments sufficient to permit them to effectively and efficiently deliver services to their customers, the citizens, and Glenwood Springs visitors.

Activities of the general fund, special revenue funds, capital project funds, fiduciary funds, business-type funds, and internal service funds are included in the annually appropriated budget resolution. Appropriations for all funds lapse at year end. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Even though the budget enacted by the City Council is at the fund level, the City prepares a program-based budget by department for control at the departmental level, referred to as each department’s operating budget. Department heads have the authority to reallocate the distribution of budget amounts within and among programs within their department as necessary to accomplish priority goals and achieve their departmental mission.

The City utilizes a fund balance policy as another form of budgetary control. This policy ensures sufficient cash is on hand (typically 60 to 90 days of annual appropriations in the General Fund) to cover all current cash flow and budgetary requirements, and sets targets for fund balances sufficient to permit the City to absorb an economic downturn without having to significantly reduce services or ask Glenwood’s citizens for emergency funding to cover the cost of necessary operating costs. As noted above, budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted.

Long-term Financial Planning

Management’s long-term financial plans for each major City fund assume reasonable growth rates for revenues, based upon historical results and current economic conditions, and pragmatic expenditure estimates that account for increasing cost pressures in the energy, construction and transportation sectors of the economy, and the reality of increasing health care and wage costs for City employees. Apart from that, conservative budgets are still in place to ensure sufficient reserves in the case of another shift in the economy. Please see the Management Discussion and Analysis for more complete information regarding the City’s multi-year financial planning process and the predicted future financial condition of all budgeted funds.

Compliance with the Taxpayer Bill of Rights (TABOR)

The Colorado Constitutional Amendment passed in November 1992 known as TABOR restricts growth in governmental revenues and property tax revenues to amounts adjusted for inflation and a local growth factor. Glenwood Springs has historically complied with TABOR requirements and has done so again in 2017.

Major Initiatives and Accomplishments

The Grand Avenue Bridge was demolished and replaced in 2017. This project, managed by the Colorado Department of Transportation, was the largest construction projected undertaken on Colorado’s Western Slope in years. The project itself spanned a period of approximately three years and constituted a major interruption in the economic activity generated by the City.

Major Initiatives and Accomplishments (continued)


The City demolished and removed a wastewater plant located near the confluence of the Roaring Fork and Colorado rivers.

During 2017 the City also completed or progressed on a number of construction projects including activities on 6th Street, 7th Street and 8th Street. A salary survey for all full-time positions was completed in 2017 with the help of Employer's Council. The study formed the basis of payroll-related inputs in the 2018 annual budget.

The timely preparation of this report was accomplished through the efficient and dedicated services of the entire City of Glenwood Springs Finance Department staff. I would like to express my appreciation of all members of the Department who assisted and contributed to its preparation. It should be noted that staff from other departments provide great assistance in the preparation of the report and their work is also appreciated. On behalf of the administration, I would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

The City's external auditors, McMahan and Associates, L.L.C., are also commended for their comprehensive and efficient examination of the various funds of the City for the fiscal year ended December 31, 2017.

Respectfully submitted,

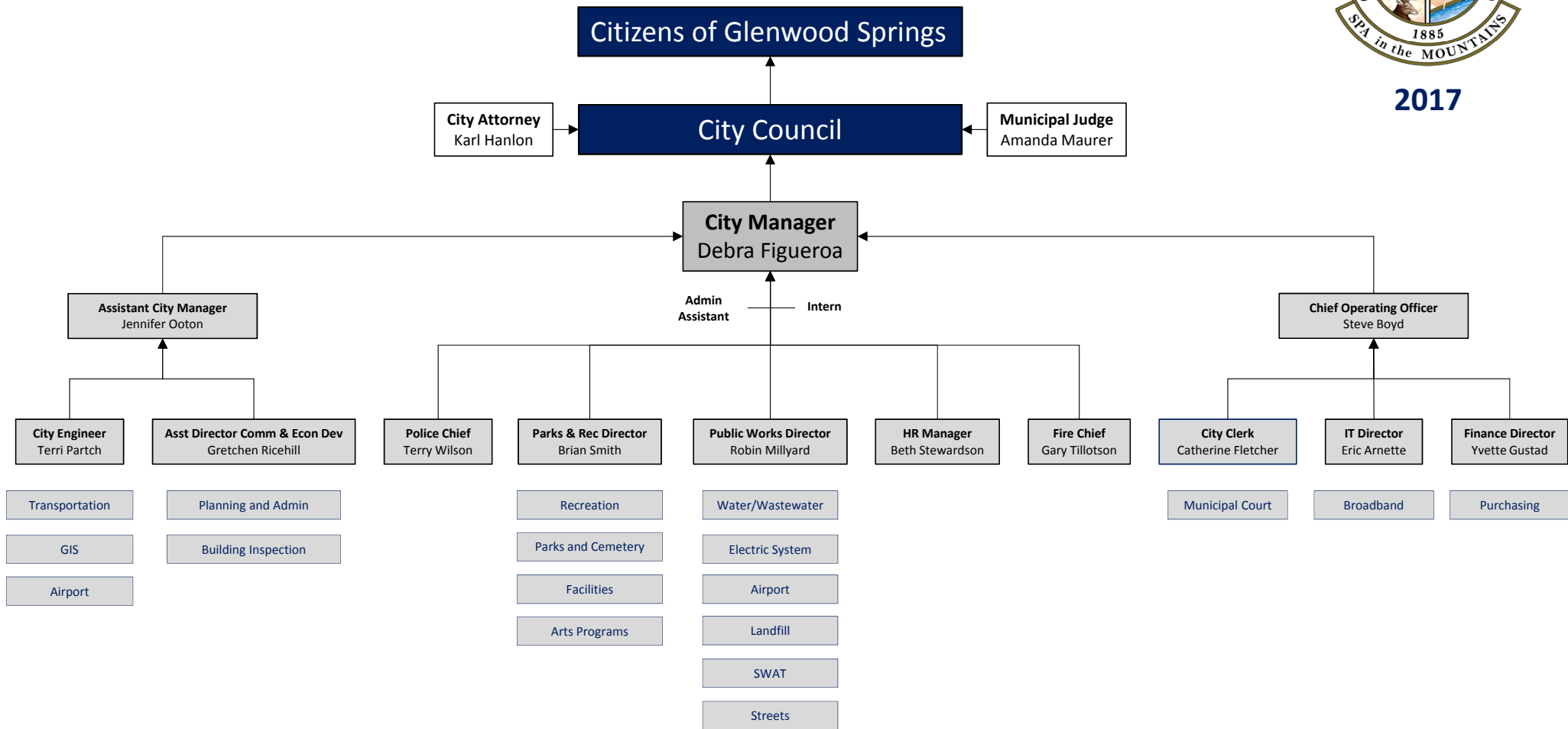


Yvette Gustad
Finance Director

City of Glenwood Springs Organizational Chart



2017



**CITY OF GLENWOOD SPRINGS, COLORADO
LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS
December 31, 2017**

Elected Officials

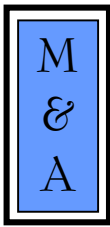
Mayor	Michael Gamba
Mayor Pro-tem	Todd Leahy
Council Members	Steve Davis
	Jonathan Godes
	Rick Voorhees
	Shelley Kaup
	Jim Ingraham

Administrative Officials

City Manager	Debra Figueroa
Chief Operating Officer	Steve Boyd
Asst. City Mgr./Community Dev Director	Jennifer Ooten
City Clerk	Catherine Mythen-Fletcher
Finance Director	Yvette Gustad
IT Director	Eric Arnette
Police Chief	Terry Wilson
Fire Chief	Gary Tillotson
Public Works Director	Robin Millyard
Parks and Recreation Director	Brian Smith
City Engineer	Terri Partch
Municipal Court Administrator	Helen Smith
City Attorney	Karl Hanlon

FINANCIAL SECTION





MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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245 CHAPEL PLACE, SUITE 300
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INDEPENDENT AUDITOR'S REPORT

**To the Members of City Council
City of Glenwood Springs
Glenwood Springs, Colorado**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Glenwood Springs, Colorado (the "City"), as of and for the year ended December 31, 2017, 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes 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 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
DANIEL R. CUDAHY, CPA, CGMA

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**To the Members of City Council
Glenwood Springs, Colorado**

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Glenwood Springs, Colorado as of December 31, 2017, 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

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B and the Schedule of Employer's Proportionate Share of the Net Pension Asset / Liability and the Schedule of City Contributions in Section E be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Local Highway Finance Report, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the City's financial statements. The combining fund financial statements, the individual fund budgetary information, and the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 express no opinion on them.

**To the Members of City Council
Glenwood Springs, Colorado**

Additionally, the Schedule of Expenditures of Federal Awards included in the Single Audit section are presented for the purpose of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"), and are not a required part of the City's financial statements. Such information has been subjected to the auditing procedures applied audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**McMahan and Associates, L.L.C.
June 29, 2018**

MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Glenwood Springs, Colorado

Management's Discussion and Analysis
December 31, 2017

As management of the City of Glenwood Springs (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2017.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of 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 in addition to the basic financial statements.

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

The Statement of Net Position presents information on all the City's assets and liabilities, with the difference between the two 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 the timing of related cash flows. Thus, 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).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, transportation, public safety, community development, public works and culture and recreation. The business-type activities of the City include water and sewer operations, electric distribution operation, airport and landfill operations.

The government-wide financial statements can be found in Section C of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the 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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The City's major governmental funds include the General Fund, Fire and Ambulance Fund, Downtown Development Authority, Capital Projects Fund, Street Tax Fund, and the Acquisition and Improvement Fund. The City also reports a number of non-major governmental funds.

Overview of the Financial Statements (continued)

Governmental Funds (continued): 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 financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with state budget statute.

The basic major governmental fund financial statements can be found in Section C.

Proprietary Funds: The City reports two categories of proprietary funds - Internal Service and Enterprise. The Fleet Service Fund, an internal service fund created in 2007, provides vehicle and equipment replacement and maintenance services to the City's governmental and enterprise activities. 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 Water and Sewer, Electric Distribution, Airport and Landfill Operations.

Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. The Proprietary Fund financial statements provide separate information for each of the business-type services provided by the City, each of which is considered to be a major fund of the City.

The basic Proprietary Fund financial statements can be found in Section C of 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 statements 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. The Fiduciary Fund used by the City is the Cemetery Reserve.

The basic Fiduciary Fund financial statements can be found in Section C of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Government-wide Financial Analysis:

City of Glenwood Spring's Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Assets:						
Current and other assets	27,023,995	28,784,487	20,987,646	20,959,029	48,011,641	49,743,516
Capital assets, net	82,994,075	79,852,751	71,959,650	73,236,629	154,953,725	153,089,380
Total Assets	<u>110,018,070</u>	<u>108,637,238</u>	<u>92,947,296</u>	<u>94,195,658</u>	<u>202,965,366</u>	<u>202,832,896</u>
Deferred Outflows of Resources:	<u>83,557</u>	<u>106,093</u>	<u>-</u>	<u>-</u>	<u>83,557</u>	<u>106,093</u>
Liabilities:						
Other liabilities	5,578,768	4,869,190	3,477,004	3,804,504	9,055,772	8,673,694
Long-term liabilities	3,992,144	7,127,518	23,592,235	24,749,917	27,584,379	31,877,435
Total Liabilities	<u>9,570,912</u>	<u>11,996,708</u>	<u>27,069,239</u>	<u>28,554,421</u>	<u>36,640,151</u>	<u>40,551,129</u>
Deferred Inflows of Resources:	<u>1,610,224</u>	<u>1,428,309</u>	<u>-</u>	<u>-</u>	<u>1,610,224</u>	<u>1,428,309</u>
Net Position:						
Net investment in capital assets	77,030,072	71,788,636	47,445,093	47,574,725	124,475,165	119,363,361
Restricted	2,726,665	2,816,975	-	-	2,726,665	2,816,975
Unrestricted	19,163,754	20,712,703	18,432,964	18,066,512	37,596,718	38,779,215
Total Net Position	<u>98,920,491</u>	<u>95,318,314</u>	<u>65,878,057</u>	<u>65,641,237</u>	<u>164,798,548</u>	<u>160,959,551</u>

Government-wide Net Position and Activities:

Traditionally, the largest portion of any municipality's investments is in its capital assets. Land, buildings, equipment, machinery, and specialized tools are necessary in order to deliver and/or provide services to the City's residents and visitors. The City's capital assets account for 76% of its net position; these assets are not an available source for payment of future spending. Of the remaining \$40,323,383 in net position, \$858,212 is restricted for TABOR reserve, \$73,754 is restricted for police asset forfeitures, \$1,182,500 is restricted for general obligation bond payments, and \$612,199 is restricted by enabling legislation.

At the end of the 2017 fiscal year, the City is able to report positive balances in all three categories of net position, first for the government as a whole, and then as separate governmental and business-type activities.

The City's net position increased by \$3,838,997 during the current fiscal year from \$160,959,551 to \$164,798,548. Governmental activities continued to increase as the City contributed to ongoing downtown projects. The increase in business-type activities can primarily be attributed to the City's cost of providing electrical utility services to its patrons.

Government-wide Financial Analysis (continued):

	City of Glenwood Spring's Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	5,918,256	5,658,132	23,471,500	23,163,067	29,389,756	28,821,199
Grants and contributions	2,918,234	2,219,833	364,026	47,745	3,282,260	2,267,578
General revenue:						
Sales and use taxes	18,088,784	18,020,517	-	-	18,088,784	18,020,517
Property taxes	1,417,416	1,395,469	-	-	1,417,416	1,395,469
Other taxes	1,398,255	1,305,134	-	-	1,398,255	1,305,134
Interest and other revenues	590,613	349,182	118,499	126,687	709,112	475,869
Total Revenues	30,331,558	28,948,267	23,954,025	23,337,499	54,285,583	52,285,766
Expenses:						
General government	5,100,430	4,349,401	-	-	5,100,430	4,349,401
Transportation	1,419,650	1,244,768	-	-	1,419,650	1,244,768
Public Safety	8,093,471	7,530,539	-	-	8,093,471	7,530,539
Community development	1,955,442	2,041,864	-	-	1,955,442	2,041,864
Public works	5,612,325	7,347,003	-	-	5,612,325	7,347,003
Culture and recreation	5,321,848	4,623,242	-	-	5,321,848	4,623,242
Interest on long-term debt	220,492	318,273	-	-	220,492	318,273
Water and sewer	-	-	5,413,524	5,541,316	5,413,524	5,541,316
Electric system	-	-	13,824,453	13,009,845	13,824,453	13,009,845
Airport operations	-	-	145,759	135,866	145,759	135,866
Landfill	-	-	3,339,192	3,363,282	3,339,192	3,363,282
Total Expenses	27,723,658	27,455,090	22,722,928	22,050,309	50,446,586	49,505,399
Change in Net Position Before Transfers	2,607,900	1,493,177	1,231,097	1,287,190	3,838,997	2,780,367
Transfers	994,277	(641,736)	(994,277)	641,736	-	-
Change in Net Position	3,602,177	851,441	236,820	1,928,926	3,838,997	2,780,367
Net Position - Beginning	95,318,314	94,466,873	65,641,237	63,712,311	160,959,551	158,179,184
Net Position - Ending	98,920,491	95,318,314	65,878,057	65,641,237	164,798,548	160,959,551

Governmental Activities: Governmental activities increased the City's net position by \$2,607,900 before transfers. Significantly impacting the 2017 results was a general increase in grant revenue and contributions, as well as increased transfers in for infrastructure needs.

Government-wide Financial Analysis (continued):

Business-type Activities: Business-type activities increased the City's net position by \$1,231,097 before transfers. Key elements of this increase are as follows:

- The Water and Sewer Fund's net position increased by \$1,262,863, before transfers. Consumer usage has increased and overall user fees have been increased routinely by the City to help pay for the debt associated with construction of the new wastewater facility. The loan agreement is in the amount of \$31,460,100 and will require principal and interest payments until 2032. For the year ended December 31, 2017 principal and interest expenses totaled \$1,729,877.
- The Electric Fund's net position increased by \$382,109 before transfers. This increase can be attributable to usage increases.
- The Airport Operations Fund's net position increased by \$7,949 before transfers. This increase can be attributable to usage increases.
- The Landfill Fund's net position decreased by \$776,774 before transfers. This decrease is a direct result of increasing operational costs and decreasing disposal fees.

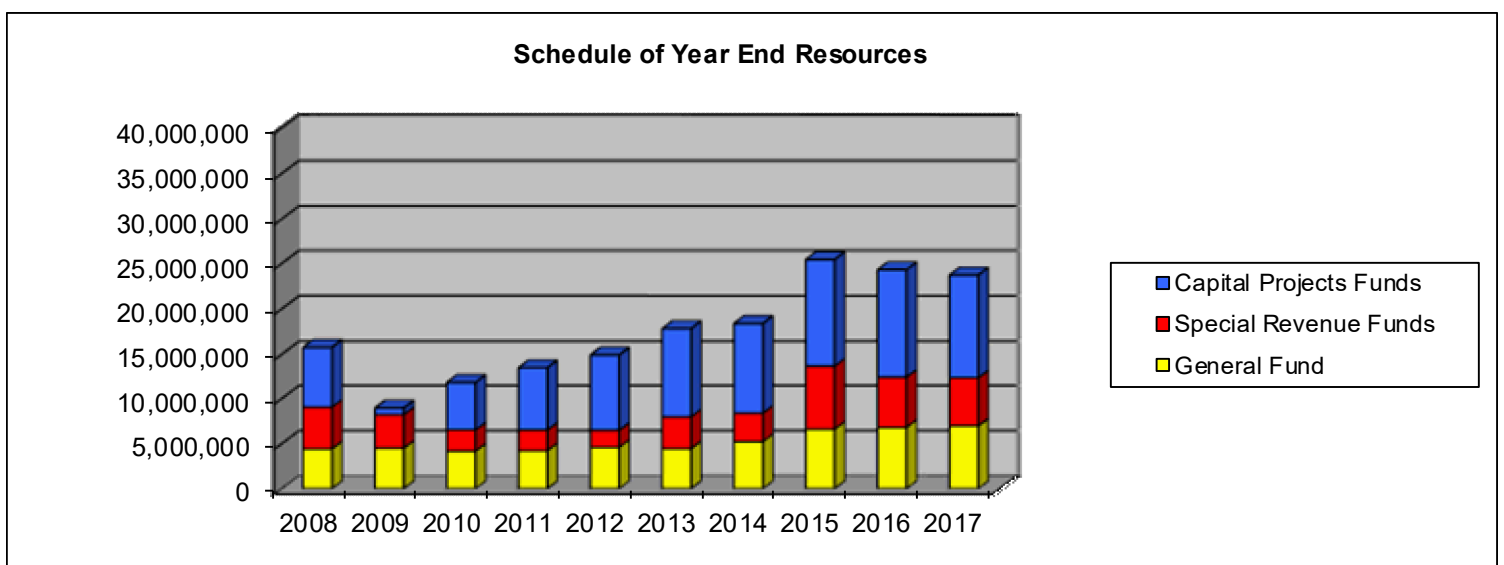
In 2007, the Landfill Fund advanced \$435,767 to the Downtown Development Authority for the purchase of property, which is being repaid in installments. In 2012, the Landfill advanced an additional \$1,000,000 to the Downtown Development Authority for the construction of the Cooper Street parking structure. There are annual principal and interest payments through August 2027 required on these advances.

Financial Analysis of the City's Funds

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

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

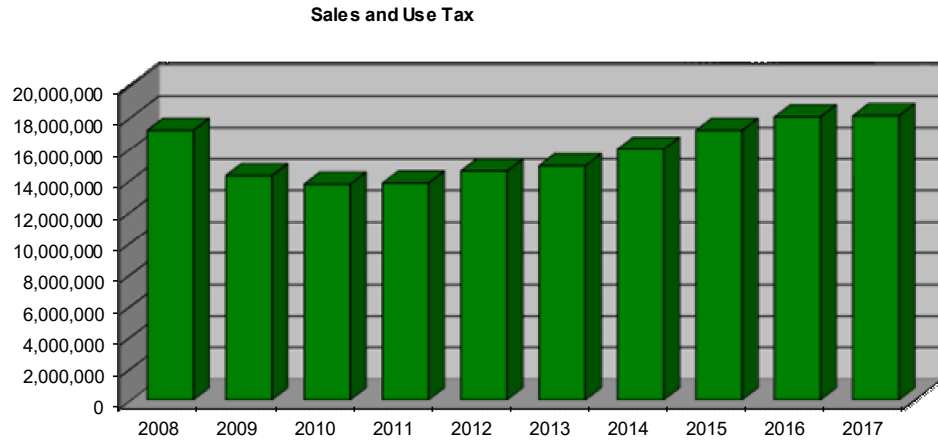
As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$22,576,378, an increase of \$133,555 from the prior year ending fund balances. The following graph provides a view of the City's ending fund balances:



Financial Analysis of the City's Funds (continued)

Governmental Funds (continued):

The City's primary funding of governmental activities is sales and use tax. The following chart represents changes in the City's sales and use tax revenue:



Sales and use tax in 2017 increased 0% over 2016 results.

Proprietary Funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City's proprietary funds ending net position was \$65,878,059, which is an increase of \$236,822, which is broken down by fund as follows: Water and Sewer - \$37,232,604, Electric - \$24,641,120, Airport - \$457,163 and Landfill - \$3,547,172. The net position includes each fund's net investment of capital assets. Unrestricted net position available at year-end broken down by fund is: Water and Sewer - \$10,616,676, Electric System - \$4,347,689, Airport - \$123,051, and Landfill Operations - \$2,404,966.

The approved budget for 2017 included transfers from the Enterprise funds only for debt requirements and the funding of capital costs.

Financial Analysis of the City's Funds (continued)

Budget Variances in the General Fund: The following significant variances were noted in the General Fund:

<u>Account</u>	<u>Variance Positive (Negative)</u>	<u>Reason</u>
Revenues:		
Sales and use tax	\$ (189,715)	Consumer spending decreased as result of ongoing construction downtown in 2017
Charges and fees	42,314	Building activity is rebounding as a result of increased consumer confidence as well as increased police and court fines
Expenses:		
General government - Legal	222,069	Budget includes legal fees for a number of projects that were not performed during the year
Public Works - Administration / engineering	104,547	City conservatively budgeted for an increase in engineering due to ongoing projects
Public Works - Streets, alleys, snow removal	241,892	City conservatively budgeted for an increase in public works costs due to ongoing projects
Community development- Administration / planning	277,101	Budget included professional services for on-going code re-write that was carried forward to 2018

Capital Assets: The City's capitalization policy pertains to assets with a purchase value of \$5,000 or greater. Assets of lesser value are treated as operational expenditures. Additional information as well as a detailed classification of the City's net capital assets can be found in the Notes to the Financial Statement in section D.

Long-term Debts: As of the end of the current fiscal year, the City's long-term liabilities totaled \$27,584,379. Additional information as well as a detailed classification of the City's total long-term liabilities can be found in the Notes to the Financial Statements in section D of this report.

Next Year's Budget and Rates: The City's General Fund balance at the end of fiscal year 2017 totaled \$6,969,318. The original 2018 budget anticipates increasing this balance by approximately \$54,125.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Glenwood Springs, City Finance Director, 101 W. 8th Street, Glenwood Springs, CO 81601.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Glenwood Springs, Colorado
Statement of Net Position
December 31, 2017

	Governmental Activities	Business Type Activities	Total
Assets:			
Current Assets:			
Cash and investments - unrestricted	18,373,717	17,037,752	35,411,469
Cash and investments - restricted	4,064,630	-	4,064,630
Accounts, taxes, and interest receivable	4,995,138	2,653,365	7,648,503
Due from other governments	109,114	-	109,114
Prepaid items	4,352	-	4,352
Internal balances	(538,227)	538,227	-
Inventory	15,271	758,302	773,573
Total current assets	<u>27,023,995</u>	<u>20,987,646</u>	<u>48,011,641</u>
Capital assets not being depreciated:			
Land and water rights	11,730,820	1,334,857	13,065,677
Construction in progress	13,653,576	2,208,401	15,861,977
Capital assets being depreciated:			
Buildings and improvements	105,568,130	108,929,569	214,497,699
Equipment and vehicles	13,128,362	3,730,005	16,858,367
Less accumulated depreciation	(61,086,813)	(44,243,182)	(105,329,995)
Total capital assets (net)	<u>82,994,075</u>	<u>71,959,650</u>	<u>154,953,725</u>
Total Assets	<u>110,018,070</u>	<u>92,947,296</u>	<u>202,965,366</u>
Deferred Outflows of Resources:			
Deferred charge on refunding	15,221	-	15,221
Deferred pension expenses	68,336	-	68,336
Total Deferred Outflows of Resources	<u>83,557</u>	<u>-</u>	<u>83,557</u>
Liabilities:			
Current Liabilities:			
Accounts, retainage, arbitrage & deposits payable	1,343,572	1,622,332	2,965,904
Accrued compensation	474,860	96,259	571,119
Interest payable	35,667	298,462	334,129
Unearned revenue	20,471	-	20,471
Deposits	71,481	-	71,481
Compensated absences - Due within one year	468,992	215,051	684,043
Long-term debt - Due within one year	3,163,725	1,244,900	4,408,625
Total current liabilities	<u>5,578,768</u>	<u>3,477,004</u>	<u>9,055,772</u>
Noncurrent liabilities:			
Compensated absences	703,492	322,578	1,026,070
Long-term debt	2,815,499	23,269,657	26,085,156
Net pension liability	473,153	-	473,153
Total noncurrent liabilities	<u>3,992,144</u>	<u>23,592,235</u>	<u>27,584,379</u>
Total Liabilities	<u>9,570,912</u>	<u>27,069,239</u>	<u>36,640,151</u>
Deferred Inflows of Resources:			
Property taxes	1,610,224	-	1,610,224
Total Deferred Inflows of Resources	<u>1,610,224</u>	<u>-</u>	<u>1,610,224</u>
Net Position:			
Net investment in capital assets	77,030,072	47,445,093	124,475,165
Restricted for:			
Emergencies	858,212	-	858,212
Other purposes	1,868,453	-	1,868,453
Unrestricted	19,163,754	18,432,964	37,596,718
Total Net Position	<u>98,920,491</u>	<u>65,878,057</u>	<u>164,798,548</u>

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

City of Glenwood Springs, Colorado
Statement of Activities
For the Year Ended December 31, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Governmental Activities:							
General government	5,100,430	2,634,509	375,779	-	(2,090,142)	-	(2,090,142)
Public transportation	1,419,650	85,398	288,041	-	(1,046,211)	-	(1,046,211)
Public safety	8,093,471	1,546,891	524,528	-	(6,022,052)	-	(6,022,052)
Community and economic development	1,955,442	269,552	-	-	(1,685,890)	-	(1,685,890)
Public works	5,612,325	97,760	990,318	-	(4,524,247)	-	(4,524,247)
Culture and recreation	5,321,848	1,284,146	5,323	734,245	(3,298,134)	-	(3,298,134)
Interest on long-term debt	220,492	-	-	-	(220,492)	-	(220,492)
Total Governmental Activities	<u>27,723,658</u>	<u>5,918,256</u>	<u>2,183,989</u>	<u>734,245</u>	<u>(18,887,168)</u>	<u>-</u>	<u>(18,887,168)</u>
Business-type Activities:							
Water and sewer	5,413,524	6,619,310	3,986	3,529	-	1,213,301	1,213,301
Electric system	13,824,453	14,191,610	-	354,952	-	722,109	722,109
Airport operations	145,759	151,992	1,559	-	-	7,792	7,792
Landfill operations	3,339,192	2,508,588	-	-	-	(830,604)	(830,604)
Total Business-type Activities	<u>22,722,928</u>	<u>23,471,500</u>	<u>5,545</u>	<u>358,481</u>	<u>-</u>	<u>1,112,598</u>	<u>1,112,598</u>
Total	<u>50,446,586</u>	<u>29,389,756</u>	<u>2,189,534</u>	<u>1,092,726</u>	<u>(18,887,168)</u>	<u>1,112,598</u>	<u>(17,774,570)</u>
General Revenues:							
Taxes:							
Property tax, levied for general purposes					1,417,416	-	1,417,416
Specific ownership tax					105,655	-	105,655
Sales and use tax					18,088,784	-	18,088,784
Franchise tax					168,889	-	168,889
Accommodations tax					1,067,669	-	1,067,669
Other miscellaneous taxes					56,042	-	56,042
Unrestricted investment earnings					211,002	115,997	326,999
Grants, contributions and miscellaneous income not restricted for specific purposes					346,914	-	346,914
Gain on asset disposal					32,697	2,502	35,199
Transfers					994,277	(994,277)	-
Total General Revenues and Transfers					<u>22,489,345</u>	<u>(875,778)</u>	<u>21,613,567</u>
Change in Net Position					3,602,177	236,820	3,838,997
Net Position - Beginning					<u>95,318,314</u>	<u>65,641,237</u>	<u>160,959,551</u>
Net Position - Ending					<u>98,920,491</u>	<u>65,878,057</u>	<u>164,798,548</u>

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

FUND FINANCIAL STATEMENTS



City of Glenwood Springs, Colorado

Balance Sheet

Governmental Funds

December 31, 2017

	General	Fire and Ambulance Fund	Downtown Development Authority	Street Tax Fund	Capital Projects Fund	Acquisition and Improvement	Other Governmental Funds	Total
Assets:								
Cash and investments	5,926,669	18,442	678,172	1,089,866	4,608,620	2,731,761	3,147,180	18,200,710
Cash and investments - restricted	-	-	-	2,275,000	-	1,789,630	-	4,064,630
Taxes receivable	2,434,930	-	77,167	255,617	255,617	511,235	216,565	3,751,131
Accounts receivable, net	884,871	167,393	-	-	-	152,162	670	1,205,096
Interest receivable	9,410	-	-	1,179	3,112	8,629	3,306	25,636
Due from other governments	-	-	-	-	-	109,114	-	109,114
Due (to) from other funds	17,098	-	(1,304,571)	-	(26,110)	-	-	(1,313,583)
Prepaid items	820	-	-	-	-	-	3,532	4,352
Total Assets	9,273,798	185,835	(549,232)	3,621,662	4,841,239	5,302,531	3,371,253	26,047,086
Liabilities:								
Accounts/vouchers payable	425,637	18,543	88,103	173,362	164,707	223,240	206,655	1,300,247
Other liabilities	81,739	-	-	-	-	-	-	81,739
Accrued payroll and related liabilities	303,303	159,579	-	-	5,403	-	-	468,285
Unearned revenue	-	7,713	-	2,500	-	-	-	10,213
Total Liabilities	810,679	185,835	88,103	175,862	170,110	223,240	206,655	1,860,484
Deferred Inflows of Resources:								
Property taxes	1,493,801	-	77,159	-	-	-	39,264	1,610,224
Total Deferred Inflows of Resources	1,493,801	-	77,159	-	-	-	39,264	1,610,224
Fund Balances:								
Nonspendable	610,820	-	-	-	-	-	3,532	614,352
Restricted	1,182,653	-	-	-	-	1,182,500	361,512	2,726,665
Committed	204,365	-	-	3,445,800	619,842	-	1,512,070	5,782,077
Assigned	-	-	-	-	4,051,287	3,896,791	1,248,220	9,196,298
Unassigned	4,971,480	-	(714,494)	-	-	-	-	4,256,986
Total Fund Balance	6,969,318	-	(714,494)	3,445,800	4,671,129	5,079,291	3,125,334	22,576,378
Total Liabilities, Deferred Inflows and Fund Balances	9,273,798	185,835	(549,232)	3,621,662	4,841,239	5,302,531	3,371,253	26,047,086

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

City of Glenwood Springs, Colorado
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2017

Governmental Funds Total Fund Balance	22,576,378
Add:	
Capital assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.	78,458,523
Internal Service Funds are used by the City to account for the repair and replacement costs of the City's heavy equipment and vehicles. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Activities.	5,462,560
Less:	
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of City long-term liabilities, including accrued interest, accrued compensation, and deferred costs.	(7,172,154)
Long-term liabilities, including net pension obligations, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of the City's net pension liability, adjusted for changes in pension related actuarial assumptions, proportion of collective pension amounts, differences between actual and expected experience and investments earnings, and differences between actual and annualized contributions to the pension plan, that are amortized over the average remaining service life of all active and inactive plan participants.	<u>(404,816)</u>
Governmental Activities Net Position	<u><u>98,920,491</u></u>

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

City of Glenwood Springs, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2017

	<u>General</u>	<u>Fire and Ambulance Fund</u>	<u>Downtown Development Authority</u>	<u>Street Tax Fund</u>	<u>Capital Projects Fund</u>	<u>Acquisition and Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:								
Taxes	8,801,574	-	695,809	2,389,829	2,389,829	4,779,656	2,196,609	21,253,306
Permits and licenses	287,457	-	-	-	-	-	-	287,457
Intergovernmental revenue	1,075,237	83,188	24,996	560,046	-	636,048	440,690	2,820,205
Charges for services	1,684,414	1,207,657	-	-	96,954	-	129,046	3,118,071
Investment income	41,868	580	9,832	38,484	28,575	52,652	16,913	188,904
Miscellaneous	3,047,735	-	1,800	45,802	25,370	48,126	105,856	3,274,689
Total Revenues	<u>14,938,285</u>	<u>1,291,425</u>	<u>732,437</u>	<u>3,034,161</u>	<u>2,540,728</u>	<u>5,516,482</u>	<u>2,889,114</u>	<u>30,942,632</u>
Expenditures:								
General government	4,610,582	-	506,289	-	-	491,408	54,818	5,663,097
Transportation	-	-	-	2,427,967	-	-	1,361,428	3,789,395
Public safety	3,725,853	3,866,669	-	-	-	-	826,767	8,419,289
Community and economic development	858,556	-	-	-	-	-	1,050,800	1,909,356
Public works	1,634,076	-	-	-	1,616,217	1,844,725	-	5,095,018
Culture and recreation	3,450,010	-	-	-	-	250,509	149,754	3,850,273
Debt service:				-				
Principal	230,000	-	-	255,000	-	1,607,158	-	2,092,158
Interest	20,915	-	14,642	64,296	-	157,638	-	257,491
Total Expenditures	<u>14,529,992</u>	<u>3,866,669</u>	<u>520,931</u>	<u>2,747,263</u>	<u>1,616,217</u>	<u>4,351,438</u>	<u>3,443,567</u>	<u>31,076,077</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>408,293</u>	<u>(2,575,244)</u>	<u>211,506</u>	<u>286,898</u>	<u>924,511</u>	<u>1,165,044</u>	<u>(554,453)</u>	<u>(133,445)</u>
Other Financing Sources (Uses):								
Transfers in	2,462,163	2,525,180	-	266,889	-	-	186,593	5,440,825
Transfers (out)	(2,711,773)	-	-	-	(953,520)	(1,508,532)	-	(5,173,825)
Total Other Financing Sources (Uses)	<u>(249,610)</u>	<u>2,525,180</u>	<u>-</u>	<u>266,889</u>	<u>(953,520)</u>	<u>(1,508,532)</u>	<u>186,593</u>	<u>267,000</u>
Net Change in Fund Balance	158,683	(50,064)	211,506	553,787	(29,009)	(343,488)	(367,860)	133,555
Fund Balance (Deficit) - Beginning of Year	6,810,635	50,064	(926,000)	2,892,013	4,700,138	5,422,779	3,493,194	22,442,823
Fund Balance (Deficit) - End of Year	<u>6,969,318</u>	<u>-</u>	<u>(714,494)</u>	<u>3,445,800</u>	<u>4,671,129</u>	<u>5,079,291</u>	<u>3,125,334</u>	<u>22,576,378</u>

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

City of Glenwood Springs, Colorado
Reconciliation of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
December 31, 2017

Net Change in Fund Balances of Governmental Funds	133,555
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of by which depreciation exceeded capital outlay expenses for the year.	1,316,114
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Repayment of bond principal and leases are expenditures in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Position. This represents the total principal repayments, the change in accrued interest at year end and amortization of debt-related deferrals.	2,129,757
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Changes in the City employees' accrued compensated absences are considered changes in long-term liabilities. This is the amount that accrued compensated absences increased.	96,564
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Internal service funds are used by management to charge costs of various activities to the general and other funds. The net income or loss of the internal service funds are included in the governmental activities statement of activities.	42,966
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Changes in the City's net pension obligation 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 is the change in City's net pension obligation during the year, including differences between employer contributions to the pension plan and amortization of pension-related deferrals.	(116,779)
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Governmental Activities Change in Net Position	<u><u>3,602,177</u></u>
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The notes to the financial statements are an integral part of this statement.

City of Glenwood Springs, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2017

	Water and Sewer	Electric System	Airport Operations	Landfill Operations	Totals	Governmental Activities Internal Service Fund
Assets:						
Current:						
Cash and investments - Unrestricted	8,742,760	3,695,349	112,118	2,752,085	15,302,312	173,010
Cash and investments - Restricted	1,735,439	-	-	-	1,735,439	-
Accounts receivable - Trade (net of allowance for doubtful accounts)	522,512	1,976,830	-	138,320	2,637,662	13,270
Interest receivable	3,551	4,965	-	6,618	15,134	-
Other receivables	570	-	-	-	570	-
Inventory	436,065	307,587	14,650	-	758,302	15,271
Due from (to) other funds	-	-	-	538,227	538,227	775,356
Total Current Assets	<u>11,440,897</u>	<u>5,984,731</u>	<u>126,768</u>	<u>3,435,250</u>	<u>20,987,646</u>	<u>976,907</u>
Property and Equipment:						
Land	-	1,305,057	-	-	1,305,057	-
Construction in progress	1,386,022	816,746	-	5,633	2,208,401	814,748
Building, plant and system	73,390,223	33,858,734	391,225	1,289,387	108,929,569	-
Water rights	29,800	-	-	-	29,800	-
Equipment	1,035,146	2,473,176	90,388	94,759	3,693,469	3,257,588
Vehicles	-	13,693	-	22,844	36,537	3,558,129
Total	<u>75,841,191</u>	<u>38,467,406</u>	<u>481,613</u>	<u>1,412,623</u>	<u>116,202,833</u>	<u>7,630,465</u>
Less accumulated depreciation	<u>(25,651,288)</u>	<u>(18,173,975)</u>	<u>(147,501)</u>	<u>(270,417)</u>	<u>(44,243,181)</u>	<u>(3,094,913)</u>
Net Property and Equipment	<u>50,189,903</u>	<u>20,293,431</u>	<u>334,112</u>	<u>1,142,206</u>	<u>71,959,652</u>	<u>4,535,552</u>
 Total Assets	 <u>61,630,800</u>	 <u>26,278,162</u>	 <u>460,880</u>	 <u>4,577,456</u>	 <u>92,947,298</u>	 <u>5,512,459</u>
Liabilities and Fund Equity:						
Current Liabilities:						
Accounts payable	323,616	1,138,287	3,314	58,631	1,523,848	37,922
Deposits	-	88,364	-	-	88,364	-
Accrued interest	297,611	850	-	-	298,461	-
Accrued payroll and taxes	37,534	49,726	403	8,597	96,260	11,977
Accrued vacation and sick pay	165,460	359,815	-	12,353	537,628	-
Other liabilities	-	-	-	950,703	950,703	-
Current portion of long-term debt	1,244,900	-	-	-	1,244,900	-
Total Current Liabilities	<u>2,069,121</u>	<u>1,637,042</u>	<u>3,717</u>	<u>1,030,284</u>	<u>4,740,164</u>	<u>49,899</u>
Long-term Liabilities:						
Long-term debt - Bonds payable, net of current portion	<u>22,329,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,329,075</u>	<u>-</u>
Total Liabilities	<u>24,398,196</u>	<u>1,637,042</u>	<u>3,717</u>	<u>1,030,284</u>	<u>27,069,239</u>	<u>49,899</u>
Net Position:						
Net investment in capital assets	26,615,928	20,293,431	334,112	1,142,206	48,385,677	4,535,552
Unrestricted	<u>10,616,676</u>	<u>4,347,689</u>	<u>123,051</u>	<u>2,404,966</u>	<u>17,492,382</u>	<u>927,008</u>
Total Net Position	<u>37,232,604</u>	<u>24,641,120</u>	<u>457,163</u>	<u>3,547,172</u>	<u>65,878,059</u>	<u>5,462,560</u>

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

City of Glenwood Springs, Colorado
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Water and Sewer</u>	<u>Electric System</u>	<u>Airport Operations</u>	<u>Landfill Operations</u>	<u>Totals</u>	<u>Governmental Activities Internal Service Funds Totals</u>
Operating Revenues:						
Rentals	-	-	25,500	-	25,500	-
Charges and fees	6,619,032	13,354,466	126,532	2,484,322	22,584,352	561,741
Intergovernmental	-	-	1,519	-	1,519	-
Other	7,793	837,144	-	24,266	869,203	1,544
Total Operating Revenues	<u>6,626,825</u>	<u>14,191,610</u>	<u>153,551</u>	<u>2,508,588</u>	<u>23,480,574</u>	<u>563,285</u>
Operating Expenses:						
Purchased power	-	9,900,474	-	-	9,900,474	-
Operations and maintenance	2,198,603	1,561,291	115,417	2,946,319	6,821,630	784,468
General and administrative	938,151	1,300,521	18,965	344,434	2,602,071	-
Depreciation	1,754,866	970,750	11,377	48,439	2,785,432	517,921
Total Operating Expenses	<u>4,891,620</u>	<u>13,733,036</u>	<u>145,759</u>	<u>3,339,192</u>	<u>22,109,607</u>	<u>1,302,389</u>
Operating Income (Loss)	<u>1,735,205</u>	<u>458,574</u>	<u>7,792</u>	<u>(830,604)</u>	<u>1,370,967</u>	<u>(739,104)</u>
Non-Operating Revenues (Expenses):						
Disposition of assets	-	(88,779)	-	-	(88,779)	32,697
Investment income	49,560	12,450	157	53,830	115,997	22,096
Interest expense	(521,902)	(136)	-	-	(522,038)	-
Total Non-Operating Revenues (Expenses)	<u>(472,342)</u>	<u>(76,465)</u>	<u>157</u>	<u>53,830</u>	<u>(494,820)</u>	<u>54,793</u>
Income (Loss) Before Transfers and Capital Contributions	<u>1,262,863</u>	<u>382,109</u>	<u>7,949</u>	<u>(776,774)</u>	<u>876,147</u>	<u>(684,311)</u>
Transfer (out)	(492,883)	(975,459)	-	(5,935)	(1,474,277)	-
Transfer in	480,000	-	-	-	480,000	727,277
Capital contributions	-	354,952	-	-	354,952	-
Change in Net Position	<u>1,249,980</u>	<u>(238,398)</u>	<u>7,949</u>	<u>(782,709)</u>	<u>236,822</u>	<u>42,966</u>
Net Position - Beginning of Year	<u>35,982,624</u>	<u>24,879,518</u>	<u>449,214</u>	<u>4,329,881</u>	<u>65,641,237</u>	<u>5,419,594</u>
Net Position - End of Year	<u>37,232,604</u>	<u>24,641,120</u>	<u>457,163</u>	<u>3,547,172</u>	<u>65,878,059</u>	<u>5,462,560</u>

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

City of Glenwood Springs, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Water and Sewer	Electric System	Airport Operations	Landfill Operations	Totals	Governmental Activities Internal Service Funds Totals
Cash Flows From Operating Activities:						
Cash received from customers	6,642,238	13,198,438	154,077	2,458,629	22,453,382	608,348
Cash paid to suppliers and employees	(3,041,724)	(12,970,304)	(125,777)	(3,228,191)	(19,365,996)	(965,355)
Other operating revenues	-	837,144	-	24,266	861,410	1,544
Net Cash Provided (Used) by Operating Activities	<u>3,600,514</u>	<u>1,065,278</u>	<u>28,300</u>	<u>(745,296)</u>	<u>3,948,796</u>	<u>(355,463)</u>
Cash Flows From Non-Capital Financing Activities:						
Net refunds of customer deposits	-	(201,926)	-	-	(201,926)	-
Transfers from other funds	480,000	-	-	-	480,000	727,277
Transfers to other funds	(492,883)	(975,459)	-	(5,935)	(1,474,277)	-
Net Cash (Used) by Non-Capital Financing Activities	<u>(12,883)</u>	<u>(1,177,385)</u>	<u>-</u>	<u>(5,935)</u>	<u>(1,196,203)</u>	<u>727,277</u>
Cash Flows From Capital and Related Financing Activities:						
Sale of assets	-	2,502	-	-	2,502	54,569
Repayments from other funds	-	-	-	155,149	155,149	-
Interest paid on bonds and equipment contracts	(521,902)	(158)	-	-	(522,060)	-
Principal paid on bonds and equipment contracts	(1,207,975)	-	-	-	(1,207,975)	-
Acquisition and construction of capital assets	(690,501)	(554,282)	-	-	(1,244,783)	(2,365,007)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,420,378)</u>	<u>(551,938)</u>	<u>-</u>	<u>155,149</u>	<u>(2,817,167)</u>	<u>(2,310,438)</u>
Cash Flows From Investing Activities:						
Interest on investments	34,734	12,440	157	53,926	101,257	22,096
Net Cash Provided by Investing Activities	<u>34,734</u>	<u>12,440</u>	<u>157</u>	<u>53,926</u>	<u>101,257</u>	<u>22,096</u>
Net Change in Cash and Cash Equivalents	1,201,987	(651,605)	28,457	(542,156)	36,683	(1,916,528)
Cash and Cash Equivalents - Beginning of Year	9,276,212	4,346,954	83,661	3,294,241	17,001,068	2,089,538
Cash and Cash Equivalents - End of Year	<u>10,478,199</u>	<u>3,695,349</u>	<u>112,118</u>	<u>2,752,085</u>	<u>17,037,751</u>	<u>173,010</u>
Cash and Cash Equivalents Consists of the Following:						
Cash in bank - Unrestricted	8,742,760	3,695,349	112,118	2,752,085	15,302,312	173,010
Cash in bank - Restricted	1,735,439	-	-	-	1,735,439	-
Total	<u>10,478,199</u>	<u>3,695,349</u>	<u>112,118</u>	<u>2,752,085</u>	<u>17,037,751</u>	<u>173,010</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	1,735,205	458,574	7,792	(830,604)	1,370,967	(739,104)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	1,754,866	970,750	11,377	48,439	2,785,432	517,921
(Increase) decrease in accounts receivable	15,413	(156,028)	526	(25,693)	(165,782)	46,607
(Increase) decrease in inventories	27,976	(14,891)	5,574	-	18,659	-
(Increase) decrease in prepaid items/other assets	-	-	-	-	-	(3,201)
Increase (decrease) in accounts payable	67,054	(193,127)	3,031	62,562	(60,480)	(177,686)
Total Adjustments	<u>1,865,309</u>	<u>606,704</u>	<u>20,508</u>	<u>85,308</u>	<u>2,577,829</u>	<u>383,641</u>
Net Cash Provided (Used) by Operating Activities	<u>3,600,514</u>	<u>1,065,278</u>	<u>28,300</u>	<u>(745,296)</u>	<u>3,948,796</u>	<u>(355,463)</u>

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

City of Glenwood Springs, Colorado
Statement of Fiduciary Net Position
December 31, 2017

	<u>Cemetery Reserve Fund</u>
Assets:	
Cash and investments	<u>47,275</u>
Total Assets	<u>47,275</u>
Net Position:	
Held in Trust	<u><u>47,275</u></u>

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

City of Glenwood Springs, Colorado
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2017

	<u>Cemetery Reserve Fund</u>
Additions:	
Charges and fees	7,750
Investment income	<u>59</u>
Total Additions	<u>7,809</u>
Deductions:	
Capital outlay	<u>-</u>
Total Deductions	<u>-</u>
Change in Net Position	7,809
Net Position - Beginning of Year	<u>39,466</u>
Net Position - End of Year	<u><u>47,275</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS



City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017

I. Summary of Significant Accounting Policies

The City of Glenwood Springs, Colorado, ("City"), is located in Garfield County, Colorado and its major operations include police and fire protection, road maintenance, ambulance, airport, utilities and culture and recreation.

The City's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the City are discussed below.

A. Reporting Entity

In 1966, the City became a "Home Rule City" (a municipal corporation, as defined by Colorado Revised Statutes). The City is governed by an appointed Mayor and an elected City Council which is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. Additional separate governmental units, agencies, or non-profit corporations are included in the financial statements of the City since they were discovered to fall within the oversight responsibility based upon the application of the following criteria: financial accountability, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

B. Blended Component Units

In conformity with generally accepted accounting principles, the financial statements of the following component units have been included in the financial reporting entity as blended component units.

- General Improvement District Number 1980 (the "District"); the District's primary purpose is to provide infrastructure improvements to specific areas within the City's downtown area. The District's primary funding source is an ad valorem tax. The District's boundaries are entirely within the City's boundaries. Although the District is legally separate from the City, the District and the City are related through a common governing board. For financial reporting purposes, the District is reported as if it were part of the City's operations because the City is able to impose its will on the District and City Council acts as the District's *de facto* governing board.
- Downtown Development Authority (the "Authority"); the Authority is funded primarily with a Sales Tax Increment Financing (TIF) and its primary purpose is to develop and implement a downtown development and redevelopment plan for the central business area. The Authority's boundaries are entirely within the City's boundaries. The Authority exists only with the City's express consent. Although the Authority is legally separate from the City, the Authority and the City are related through a common governing board. For financial reporting purposes, the Authority is reported as if it were part of the City's operations because the City is able to impose its will on the Authority.

Additional financial information for both component units can be obtained from the City of Glenwood Springs Finance Office at 101 W 8th Street, Glenwood Springs, Colorado 81601.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Government-wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police and fire protection, road maintenance, culture and recreation, community development, transportation systems, and administration are classified as governmental activities. The City's utilities, airport and landfill are classified as business-type activities.

1. Government-wide 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 activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

The government-wide focus is on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent to the value of interfund services provided and other charges between the City's water and sewer function, electric function, and landfill function. Elimination of these charges would distort the direct costs and program revenues reported for the related functions.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The City reports the following major governmental funds:

- (a) *General Fund* - This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.
- (b) *Fire & Ambulance Fund* - accounts for fire and ambulance services performed by the City and Rural Fire District.
- (c) *Downtown Development Authority* – A blended component unit, was established by a vote of the citizens in 2001 for the purpose of revitalizing the downtown corridor and building a parking structure.
- (d) *Capital Projects Fund* – accounts for major City Projects which are financed by a 0.50% sales tax.
- (e) *Acquisitions and Improvements Fund* - accounts for revenues and expenditures received from a 1.00% sales tax and special assessments levied for capital improvements purposes.
- (f) *Street Tax Fund* – accounts for revenues received from the 0.50% sales tax levied for transportation and related projects.

The City reports the following major proprietary funds:

- (a) *Water and Sewer Fund* - accounts for activities of the fund that supplies water and sewer services to the citizens in the water and sewer service area. City water is provided on a metered basis.
- (b) *Electric System Fund* - accounts for activities related to the purchase and delivery of power within the City electric service area.
- (c) *Airport Operations Fund* - accounts for activities related to user charges and maintenance expenses for the airport.
- (d) *Landfill Operations Fund* - accounts for the activities related to the operations of the City landfill and recycling program.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (continued)

The City reports the following non-major governmental funds:

- (a) *Tourism Fund* - accounts for funds received from a two and one-half percent rent tax on accommodations. Expenditures are restricted for tourism promotion purposes.
- (b) *Victims Assistance and Law Enforcement Fund (V.A.L.E.)* - accounts for funds received from a surcharge for violation of all municipal ordinances and violations of the Model Traffic Code. Expenditures are restricted to victims' and witnesses' services and reimbursements and to Police Department equipment purchases, training, and additional personnel costs.
- (c) *Conservation Trust Fund* - accounts for funds received and restricted as to use in the acquisition, development and maintenance of new conservation sites pursuant to Colorado Revised Statutes.
- (d) *Bus Tax Fund* - accounts for the 0.20% sales tax designated towards "Ride Glenwood Springs" bus service.
- (e) *Marijuana Tax Fund* - accounts for the 5.00% sales tax and 5.00% excise tax designated towards marijuana regulation enforcement, education, and public health programs.
- (f) *General Improvement District Number 1980 Fund* - the District's primary purpose is to provide infrastructure improvements to specific areas within the downtown area. The District's primary funding source is an ad valorem tax.
- (g) *Emergency Services Equipment Replacement Fund* - accounts for revenues received on a pro-rated basis from the Glenwood Springs Rural Fire Protection District and transfers from the General Fund for the purchase of emergency services, facilities and equipment.

The City also reports the following fiduciary funds which are not included in the government-wide statements since the resources of the fund are not available to the City:

- (a) The *Cemetery Reserve Fund* accounts for funds received and restricted for the maintenance and care of the Rosebud Cemetery.

Additionally, the City reports the following Internal Service Fund:

- (a) *Fleet Service Fund* - accounts for the repair and maintenance costs and the capital replacement plan of the City's vehicles and heavy equipment, excluding fire trucks.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Property taxes, sales taxes, intergovernmental revenues, other taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less. Investments are stated at fair value, net asset value, or amortized cost, which are detailed in note IV.A.

The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The City allows investment in types of obligations that correspond to State Statutes, which are detailed in note IV.A.

2. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the Electric System Fund and the Water and Sewer Fund are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month prior to the close of the fiscal year.

3. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and a deferred inflow of resources.

4. Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased on the fund financial statements.

5. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

6. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are shown as long-term debt on the Government-wide Statement of Net Position. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated to be taken as "terminal leave" at retirement.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

7. Pensions

The City participates in an agent multiple-employer defined benefit plan administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. 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.

8. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities.

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

	<u>Years</u>
Infrastructure	25-40
Buildings	30
Electric plant	40
Electric system and equipment	25
Water and sewer, plant and distribution system	40
Office furniture and equipment	10
Vehicles and tools	5

9. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The City has two items that qualify for reporting under this category on the Statement of Net Position. One item is deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Another item is the collective deferred outflows related to the City's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a reduction of the net pension liability in future periods. See Note V.B.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

9. Deferred Outflows and Inflows of Resources (continued)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet and on the Statement of Net Position. These amounts are deferred and recognized as an inflow from resources in the period that the amounts become available.

10. Fund Balance Classifications

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned fund balance is limited to negative residual fund balance. For further details on the various fund balance classifications, refer to Note IV.J.

11. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as "due from other funds" or "due to other funds" on the balance sheet when they are expected to be liquidated within a reasonable amount of time. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

F. Significant Accounting Policies

1. Use of Estimates

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

2. Credit Risk

Receivables in the City's funds are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

F. Significant Accounting Policies (continued)

3. Restricted and Unrestricted Resources

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

II. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund Balance Sheet includes a reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The \$78,458,523 reconciling item represents capital assets of \$136,450,423 net of accumulated depreciation of (\$57,991,900) at December 31, 2017.

Another element of that reconciliation states that “Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$7,172,154 difference represent long-term bonds and loans of \$5,958,725, accrued interest of \$35,667, compensated absences of \$1,172,484, deferred refunding costs of (\$15,221) and unamortized premium of \$20,499. Additionally, long term liabilities for pension obligations are included in the amount of \$404,816 with represents the net pension liability of \$473,153 net of deferred pension expenses of (\$68,336).

Another element of that reconciliation states that “Internal Service Funds are used by the City to account for the repair and replacement costs of the City's heavy equipment and vehicles. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position”. The result is an increase in net position of \$ 5,462,560 within governmental activities.

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance includes a reconciliation between *net change in fund balances of governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense”. The details of the net difference of \$1,316,114 are net capital outlay of \$4,891,005 less depreciation expense of \$3,574,891.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

As required by Colorado statutes and the Home Rule Charter, the City followed required timetables in preparing, approving, and enacting its budget for the ensuing year. The following is a summary of the budget calendar for the 2017 budget year:

- (1) For the 2017 budget year, prior to December 10, 2016, the County Assessor sent to the City the final recertified assessed valuation of all taxable property within the City's boundaries.
- (2) The City Manager, or other qualified persons appointed by the Council, submitted to the Council, on or before the first regularly Scheduled meeting in October, a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the City's operating requirements.
- (3) Notice of a public hearing of the budget was announced, the budget was made available in the office of the Finance Director and a public hearing was held more than 10 days after the budget was submitted to Council.
- (4) After the required public hearing, the City Council adopted the proposed budget by resolution on or before the first regular meeting in November. The ordinance which legally appropriates expenditures for the upcoming year was passed on or before the first regular Council meeting in December.
- (5) The Council may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures required by the City, but such additional appropriations shall not exceed the amount by which actual and anticipated revenues of the year are exceeding the revenues as estimated in the budget, unless the appropriations are necessary to relieve an emergency endangering the public health, peace or safety. At any time during the year, the City Council may, by affirmative vote of five or more members, transfer part or all of any unexpended funds from one department, fund, or office to another.
- (6) For the 2017 budget, on or before the first regular meeting in December, or such other date required by law, the City Council computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2016 were collected in 2017 and taxes certified in 2017 will be collected in 2018. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the Water and Sewer Fund, Electric System Fund, Airport Operations Fund, Landfill Operations Fund, and Fleet Service Fund. Annual appropriated budgets are adopted for all funds. The level of control in the budget at which expenditures exceed appropriations is at the fund level. All appropriations lapse at fiscal year-end except for the Capital Projects Fund and the Acquisition and Improvement fund, which lapse upon project completion.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

During the year, (\$617,233) of supplemental appropriation ordinances were approved. The budgetary comparison statements reflect the original budget and the final budget after legally authorized revisions were made.

The following funds had supplementary budget appropriations:

<u>Fund</u>	<u>Original Appropriation</u>	<u>Supplemental Appropriation</u>
General	18,942,839	18,918,130
Street Tax Fund	3,463,330	3,984,305
Bus Tax	2,402,075	1,448,276
Acquisition and Improvements	8,694,928	8,428,039
Tourism	1,005,802	1,050,802
V.A.L.E.	51,000	52,000
Conservation Trust	125,500	125,500
Downtown Development Authority	599,491	576,680
Electric System	15,270,656	15,354,656

For the year ending December 31, 2017, the City's Conservation Trust Fund and Fleet Service Fund exceeded appropriations by \$24,254 and 590,715, respectively, which may be a violation of State Statute.

	<u>Water and Sewer Fund</u>	<u>Electric System Fund</u>	<u>Airport Operations Fund</u>	<u>Landfill Operations Fund</u>	<u>Fleet Service Fund</u>
Excess (deficiency) of revenues over expenditures - budget basis	\$ (648,497)	\$ (1,056,351)	\$ 7,949	\$ (601,450)	\$ (2,300,168)
Gain (loss) on disposal of assets	-	(91,281)	-	-	-
Interfund loan payments	-	-	-	(181,259)	-
Debt service - Principal	1,207,975	-	-	-	-
Capital outlay	690,502	909,234	-	-	2,365,006
Total Adjustments	<u>1,898,477</u>	<u>817,953</u>	<u>-</u>	<u>(181,259)</u>	<u>2,365,006</u>
Net Income (Loss) - GAAP Basis	<u>\$ 1,249,980</u>	<u>\$ (238,398)</u>	<u>\$ 7,949</u>	<u>\$ (782,709)</u>	<u>\$ 64,838</u>

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The City has reserved \$858,212, which is the approximate required reserve at December 31, 2017.

The City's voters approved a ballot question which will allow the City to collect, retain, and expend the full proceeds of the City's sales and use tax, non-federal grants, fees and other revenues from the date of January 1, 1993 and thereafter. The City may not increase tax rates or add new debt without voter approval. The City's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on All Funds

A. Deposits and Investments

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 regulators. Amounts in deposit in excess of Federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of collateral must be at least equal to the aggregate uninsured deposits.

The City's investment policy permits investments in the following type of obligations which corresponds with state statutes:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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.

At December 31, 2017 the City had the following recurring fair value measurements:

Investments Measured at Fair Value	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Unites States Bonds	\$ 4,826,750	\$ 4,826,750	\$ -	\$ -
United States Agencies	5,341,132	5,341,132	-	-
Certificates of Deposit	11,733,067	-	11,733,067	-
Investments Measured at Net Asset Value		Total		
Colotrust		\$ 2,992,209		
CSIP		1,861,883		
Investments Measured at Amortized Cost		Total		
Csafe		\$ 6,973,986		

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;

The City's holdings in government investment pools are comprised of balances with COLOTRUST and C-SAFE, which are investment vehicles established for local government entities in Colorado to pool surplus funds. They operate similarly to money market funds, whereby each share is equal in value to \$1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The City has no regulatory oversight for the pools.

The City also has amounts invested with its pension fund trustee – FPPA.

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the City coordinates its investments maturities to closely match cash flow needs and restricts the maximum investments term to less than five years from the purchase date. As a result of the limited length on maturities, the City has limited its interest rate risk.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Credit Risk: State law and City policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would expect to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk: The City diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured by the Federal Deposit Insurance Corporation, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, Congressionally authorized mortgage lenders and investments that are federally guaranteed. Financial institutions holding City funds must provide the City with a statement of collateral in the form of a listing of securities pledged, and a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

At December 31, 2017, unrealized gains or (losses) were \$131,300 which reflects changes in the fair market value of investments. The City had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying amounts	Maturities	
			Less than one year	One to five years
Deposits:				
Petty cash	Not Rated	\$ 2,535	\$ 2,535	\$ -
Checking	Not Rated	5,208,399	5,208,399	-
Savings and money market	Not Rated	583,413	583,413	-
Investment pools	AAAm	11,828,078	11,828,078	-
Investments:				
Certificates of Deposit	Not Rated	10,550,567	5,285,169	5,265,398
United States Agencies	AA+	5,341,132	-	5,341,132
United States Bonds	AA+	4,826,750	1,477,245	3,349,505
CD's held by Trustee	Not Rated	1,182,500	-	1,182,500
		\$ 39,523,374		

The City has restricted cash of \$2,275,000 in the Street Tax fund for unspent bond proceeds for the 8th Street Connection. The City also has restricted cash of \$1,789,630 in the Acquisition and Improvement fund for bond reserve requirements.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

B. Receivables

Receivables as of year-end for the City's funds, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Fire and Ambulance Fund</u>	<u>Downtown Development Authority</u>	<u>Street Tax Fund</u>	<u>Capital Projects Fund</u>	<u>Acquisition and Improvement</u>
Receivables:						
Taxes	\$ 2,434,930	\$ -	\$ 77,167	\$ 255,617	\$ 255,617	\$ 511,235
Accounts	884,871	219,393	-	-	-	152,162
Interest	9,410	-	-	1,179	3,112	8,629
Intergovernmental	-	-	-	-	-	109,114
Gross receivables	<u>3,329,211</u>	<u>219,393</u>	<u>77,167</u>	<u>256,796</u>	<u>258,729</u>	<u>781,140</u>
Less: allowance for uncollectible	-	(52,000)	-	-	-	-
Net receivables	<u>\$ 3,329,211</u>	<u>\$ 167,393</u>	<u>\$ 77,167</u>	<u>\$ 256,796</u>	<u>\$ 258,729</u>	<u>\$ 781,140</u>

	<u>Water and Sewer</u>	<u>Electric System</u>	<u>Airport Operations</u>	<u>Landfill Fund</u>	<u>Non-major and Other Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ -	\$ -	-	\$ -	\$ 216,565	\$ 3,751,131
Accounts	524,012	2,083,559	-	170,820	13,940	4,048,757
Interest	3,551	4,965	-	6,618	4,484	41,948
Other	570	-	-	-	-	570
Intergovernmental	-	-	-	-	-	109,114
Gross receivables	<u>528,133</u>	<u>2,088,524</u>	<u>-</u>	<u>177,438</u>	<u>234,989</u>	<u>7,951,520</u>
Less: allowance for uncollectible	(1,500)	(106,729)	-	(32,500)	-	(192,729)
Net receivables	<u>\$ 526,633</u>	<u>\$ 1,981,795</u>	<u>\$ -</u>	<u>\$ 144,938</u>	<u>\$ 234,989</u>	<u>\$ 7,758,791</u>

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

The City had the following capital asset activity for the year:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 11,730,820	\$ -	\$ -	\$ -	\$ 11,730,820
Construction in progress	10,687,825	5,563,095	(2,597,344)	-	13,653,576
Total capital assets, not being depreciated	<u>22,418,645</u>	<u>5,563,095</u>	<u>(2,597,344)</u>	<u>-</u>	<u>25,384,396</u>
Capital assets, being depreciated:					
Buildings	34,684,792	95,256	-	-	34,780,048
Other improvements	4,018,644	343,726	-	-	4,362,370
Streets and trails	64,187,314	2,238,398	-	-	66,425,712
Machinery, equipment and vehicles	11,806,234	1,612,876	(290,748)	-	13,128,362
Total capital assets, being depreciated	<u>114,696,984</u>	<u>4,290,256</u>	<u>(290,748)</u>	<u>-</u>	<u>118,696,492</u>
Less accumulated depreciation for:					
Buildings	(14,846,332)	(1,181,159)	-	-	(16,027,491)
Other improvements	(1,237,143)	(150,725)	-	-	(1,387,868)
Streets and trails	(33,373,868)	(1,993,526)	-	-	(35,367,394)
Machinery, equipment and vehicles	(7,805,535)	(767,401)	268,876	-	(8,304,060)
Total accumulated depreciation	<u>(57,262,878)</u>	<u>(4,092,811)</u>	<u>268,876</u>	<u>-</u>	<u>(61,086,813)</u>
Total capital assets, being depreciated, net	<u>57,434,106</u>	<u>197,445</u>	<u>(21,872)</u>	<u>-</u>	<u>57,609,679</u>
Governmental Activities - Capital Assets, Net	<u>\$ 79,852,751</u>	<u>\$ 5,760,540</u>	<u>\$ (2,619,216)</u>	<u>\$ -</u>	<u>\$ 82,994,075</u>
Business-type Activities					
Capital assets, not being depreciated:					
Land	\$ 1,305,057	\$ -	\$ -	\$ -	\$ 1,305,057
Water rights	29,800	-	-	-	29,800
Construction in progress	1,627,489	893,089	(312,177)	-	2,208,401
Total capital assets, not being depreciated	<u>2,962,346</u>	<u>893,089</u>	<u>(312,177)</u>	<u>-</u>	<u>3,543,258</u>
Capital assets, being depreciated:					
Buildings and plant	43,265,359	22,651	-	-	43,288,010
Distribution and collection system	64,960,019	873,086	(191,546)	-	65,641,559
Machinery, equipment and vehicles	3,606,918	123,087	-	-	3,730,005
Total capital assets, being depreciated	<u>111,832,296</u>	<u>1,018,824</u>	<u>(191,546)</u>	<u>-</u>	<u>112,659,574</u>
Less accumulated depreciation for:					
Buildings and plant	(11,247,205)	(1,051,133)	-	-	(12,298,338)
Distribution and collection system	(27,709,263)	(1,578,608)	100,263	-	(29,187,608)
Machinery, equipment and vehicles	(2,601,545)	(155,691)	-	-	(2,757,236)
Total accumulated depreciation	<u>(41,558,013)</u>	<u>(2,785,432)</u>	<u>100,263</u>	<u>-</u>	<u>(44,243,182)</u>
Total capital assets, being depreciated, net	<u>70,274,283</u>	<u>(1,766,608)</u>	<u>(91,283)</u>	<u>-</u>	<u>68,416,392</u>
Business-type Activities - Capital Assets, Net	<u>\$ 73,236,629</u>	<u>\$ (873,519)</u>	<u>\$ (403,460)</u>	<u>\$ -</u>	<u>\$ 71,959,650</u>

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

The City had capital outlay and depreciation expense for the following functions:

	<u>Capital Outlay</u>	<u>Depreciation Expense</u>
Governmental Activities:		
General government	\$ 130,794	\$ 339,352
Transportation	2,365,007	38,573
Public safety	747,895	456,807
Community development	-	4,710
Public works	2,190,083	2,175,103
Culture and recreation	1,822,228	1,078,266
Total Governmental Activities	<u>\$ 7,256,007</u>	<u>\$ 4,092,811</u>
Business-type Activities:		
Water and sewer	\$ 690,502	\$ 1,754,866
Electric	909,234	970,750
Airport	-	11,377
Landfill	-	48,439
Total Business-type Activities	<u>\$ 1,599,736</u>	<u>\$ 2,785,432</u>

The difference between fixed asset additions and capital outlay include contributed assets and projects initially capitalized and subsequently expensed.

D. Interfund Receivables, Payables, and Transfers

In 2007, Landfill Operations loaned to the Downtown Development Authority \$435,767 to acquire real property. Terms of the Interfund Loan are annual principal and interest payments beginning August 2008 through August 2027. The initial annual interest rate on this loan was fixed at 5.91%. In 2015, the fixed interest rate was reduced to 3%. At December 31, 2017, principal amount outstanding on this loan was \$250,191.

In 2012, the City's Landfill Operating and Fleet Service Funds loaned a total of \$2,000,000 to the Downtown Development Authority to pursue the construction of a parking garage within City limits. Terms of the Interfund Loan are annual principal and interest payments beginning in August 2013 through August 2027. Annual interest rates are at 1% on \$500,000 for five years, 2% on \$500,000 for ten years, and 3% on \$1,000,000 for 15 years on the various interfund loans. At December 31, 2017, principal amount outstanding to Landfill Operations totaled \$262,428, and the principal amount outstanding to the Fleet Service Fund totaled \$775,356. Interest payments made by the Downtown Development Authority to Landfill Operations and the Fleet Service Fund during 2017 totaled \$14,642.

The City had the following interfund receivables or payables as of December 31, 2017:

	<u>Due from</u>	<u>Due to</u>
General Fund	\$ -	\$ 17,098
Capital Projects Fund	26,110	-
Landfill Operations	-	538,227
Fleet Service Fund	-	775,356
Downtown Development	1,304,571	-
	<u>\$ 1,330,681</u>	<u>\$ 1,330,681</u>

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Interfund Receivables, Payables, and Transfers (continued)

Transfers were as follows:

<u>Fund</u>	<u>Funds Transferred In</u>	<u>Funds Transferred (Out)</u>	<u>Reason</u>
General Fund Water and Sewer	\$ 361,586	\$ 361,586	Allocated organizational costs and franchise fees
General Fund Electric Fund	858,934	858,934	Allocated organizational costs and franchise fees
General Fund Tourism Fund	20,000	20,000	Funding allocation
General Fund Acquisition and Improvements	1,241,643	1,241,643	Infrastructure needs
Fire and Ambulance Fund General Fund	2,525,180	2,525,180	Capital purchases
Emergency Services Equipment Replacemen General Fund	186,593	186,593	Capital purchases
Water and Sewer Capital Projects	480,000	480,000	Capital Purchases
Fleet Fund Water and Sewer	131,297	131,297	Capital Purchases
Fleet Fund Electric Fund	116,525	116,525	Capital Purchases
Fleet Fund Landfill Fund	5,935	5,935	Capital Purchases
Street Tax Fund Acquisition and Improvements	266,889	266,889	Capital Purchases
Fleet Fund Capital Projects	473,520	473,520	Capital Purchases
Landfill Downtown Development Authority	181,259	181,259	Interfund loan payment
	<u>\$ 6,849,361</u>	<u>\$ 6,849,361</u>	

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Governmental Funds Long-term Debt

1. Revenue and General Obligation Bonds

- (a) \$4,999,017 Government Agency Bonds dated May 1, 1999, issued to evidence the loan agreement of the same date with the Colorado Water Resources and Power Development Authority. The loan is for construction projects related to various pipelines, water storage tanks, and infrastructure for Grizzly Creek. The bond bears an effective interest yield of 3.77%, payable April 1 and October 1 from 1999 through 2018. Principal on this issue matures April 1 and October 1 of each year from 1999 through 2018. This issuance is serviced by the City's Acquisition and Improvement Fund. In 2013, this debt was advance refunded by Colorado Water Resources and Power Development Authority, with estimated saving of \$141,970 to the City.
- (b) \$11,825,000 Sales and Use Tax Revenue Refunding Bonds dated March 9, 2010, bearing interest rates ranging from 2.0% to 3.4%. This offering advance refunded the City's Sales and Use Tax Revenue Bonds, Series 1999. Bonds of this issue maturing on October 1, 2018, are subject to mandatory sinking fund requirements. The revenues derived from the 1.0% portion of the City's effective 3.7% sales and use tax are pledged for payment of bonds of this issue. The City's Acquisition and Improvement Fund will service these bonds.
- (c) \$2,085,000 Limited Tax General Obligation bonds dated February 1, 2012, with stated interest rate at 2.190%. This offering advance refunded the City's Limited Tax General Obligation Bonds, Series 2001. This issuance will be serviced by the City's General Fund. This issuance matures December 1, 2020.
- (d) \$3,070,000 Sales and Use Tax Bonds dated December 8, 2015, with stated interest rate at 2.280%. This offering will be used toward completion of construction projects related to (a) relocation of State Highway 82, (b) constructing the South Bridge project over the Roaring Fork River, or (c) constructing the 8th Street connection from Midland Avenue to downtown Glenwood Springs. The revenue derived from the City's Street Tax Fund's sales and use taxes are pledged for payment of bonds of this issue. The City's Street Tax Fund will service these bonds. This issuance matures December 1, 2026.

2. Compensated Absences

The City has a policy for the accumulation of sick pay, vacation pay and compensatory time up to certain limits. Earned vacation pay accrues on a graduated scale from the date of employment but may not exceed 52 days. Sick pay may be accumulated to a maximum of 120 days; upon retirement, an employee's accrued sick leave may be converted to monetary payment at their current rate of pay for 100% of the amount accrued. In lieu of accruing and receiving additional sick leave, an employee who has accrued 120 days will be compensated as follows; in money at current salary or hourly rate for half of the accrued days in excess of the 120 days or in vacation leave at a ratio of 1 day for every 2 days sick leave. In lieu of overtime compensation, an employee may bank compensatory time at the rate of 1½ hours for every hour worked up to a maximum of 40 hours.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Governmental Funds Long-term Debt (continued)

3. Annual Debt Service Requirements

Annual debt service requirements to maturity for governmental activities are as follows:

Governmental Activities:	Principal	Interest	Total
2018	3,163,725	192,242	3,355,967
2019	505,000	63,285	568,285
2020	525,000	51,987	576,987
2021	280,000	40,242	320,242
2022	285,000	33,858	318,858
2023 - 2026	1,200,000	69,198	1,269,198
	5,958,725	450,812	6,409,537

F. Business-Type Long-term Debt

1. Revenue and General Obligation Refunding Bonds

\$31,460,100 Water and Sewer Revenue Bonds, Series 2010, issued by Colorado Water Resources and Power Development Authority ("CWRPDA") on behalf of the City's utility enterprise, per a loan agreement dated May 1, 2010. Repayment terms are through August, 2032. The City's annual interest is 2.5%. The proceeds are to be used to construct a regional wastewater plant, lift station and upgrades to the distribution system.

The following is a summary of annual debt service requirements to maturity for business-type activities:

Bussiness-type Activities:	Principal	Interest	Total
2018	1,244,900	714,268	1,959,168
2019	1,281,825	678,425	1,960,250
2020	1,329,300	629,971	1,959,271
2021	1,382,050	580,069	1,962,119
2022	1,429,525	528,618	1,958,143
2023 - 2027	7,880,850	1,907,517	9,788,367
2028 - 2032	9,025,525	752,590	9,778,115
	23,573,975	5,791,458	29,365,433

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Changes in Long-Term Debt

Changes in long-term obligations for the year ended December 31, 2017 are as follows:

	<u>Balance</u> <u>January 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>December 31,</u> <u>2017</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
1999 Governmental Agency Bonds	\$ 510,883	\$ -	\$ (337,158)	\$ 173,725	\$ 173,725
2010 Sales and Use Tax					
Revenue Refunding Bonds	3,765,000	-	(1,270,000)	2,495,000	2,495,000
2012 Limited Tax General Obligation	955,000	-	(230,000)	725,000	235,000
2015 Sales and Use Tax Bonds	2,820,000	-	(255,000)	2,565,000	260,000
Net pension liability	355,973	117,180	-	473,153	-
Deferred amounts:					
Unamortized Issuance premium	51,390	-	(30,891)	20,499	-
Compensated Absences	1,269,047	441,800	(538,363)	1,172,484	468,992
Business-type Activities:					
Water and Sewer Revenue Loan	24,781,950	-	(1,207,975)	23,573,975	1,244,900
Landfill closure and post closure	879,954	60,629	-	940,583	-
Compensated Absences	493,313	98,109	(53,794)	537,628	215,051
Total	<u>\$ 35,882,510</u>	<u>\$ 717,718</u>	<u>\$ (3,923,181)</u>	<u>\$ 32,677,047</u>	<u>\$ 5,092,668</u>

H. Landfill Closure and Post-Closure Costs

State and federal laws and regulations require the City to perform certain closure and post-closure maintenance of the landfill site for thirty years after closure. In addition to operating expenses relating to current activities of the landfill, an expense provision and related liability are being recognized based on the amount of landfill used during the year. The estimated liability for landfill closure and postclosure care are based upon an estimate of the landfill used during the year. The estimated liability for landfill closure and postclosure costs is \$717,667 and \$553,358, respectively. As of December 31, 2017, the liability for closure and postclosure is \$531,087 and \$409,495. The December 31, 2017 liability is based upon the usage (filled) of the landfill and is shown in these financial statements as an accrued liability in the Landfill Fund. The landfill is an estimated 80% filled as of December 31, 2017. It is estimated that an additional \$391,071 will be recognized as closure and postclosure care expenses between the date of the balance sheet and 2027, the date the landfill is expected to be filled to capacity.

The estimated total current cost of the landfill closure and postclosure cost, \$940,583 is based upon the estimated amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2017.

The actual costs of closure and postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is required by state and federal laws and regulations to provide adequate financial resources to pay for all closure and postclosure care. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

I. Advance Refunding

The City has advance refunded several general obligation and revenue bonds. Sufficient U.S. government, state and local government securities were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has not been recorded on the financial statements. The amount of defeased bonds outstanding at December 31, 2017 cannot be readily determined.

J. Fund Balance Disclosures

The City classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, and long-term portions of loans receivable.

Spendable Fund Balance:

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority, which is the City Council. The City's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the City's platform to review and/or make changes to each department's budget. The budget is formally presented to the City Council via an advertised public process for the review, revisions and final approval by year-end. All subsequent budget requests made during the year, after City Council approval, must be presented via a public process and again approved by the City Council. The City must take formal action through resolution to establish, modify, or rescind committed fund balance amounts.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Council or its management designees. The City Manager has the authority to establish, modify, or rescind assigned fund balance to a specific department or project within a fund, as stated in the City's adopted financial policies.

Unassigned – includes residual positive fund balance within the General Fund, which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

J. Fund Balance Disclosures (continued)

The City's restricted amounts are to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts when expenditures are made.

The City has the following fund balance classifications at December 31, 2017:

	<u>General Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Downtown Development Authority</u>	<u>Street Tax Fund</u>	<u>Capital Projects Fund</u>	<u>Acquisition and Improvement</u>	<u>Non-major Governmental Funds</u>
Nonspendable:							
Prepays	820	-	-	-	-	-	3,532
Housing Program Debenture	610,000	-	-	-	-	-	-
Total Nonspendable:	<u>610,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,532</u>
Restricted:							
Labor Emergencies	858,212	-	-	-	-	-	-
Asset Forfeiture Accounts	73,754	-	-	-	-	-	-
Conservation Trust	-	-	-	-	-	-	361,512
Bond Reserve	-	-	-	-	-	1,182,500	-
Fire Bond Taxes	250,687	-	-	-	-	-	-
Total Restricted:	<u>1,182,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,182,500</u>	<u>361,512</u>
Committed:							
Road & Housing Fees	204,365	-	-	-	-	-	-
Tourism Fund Reserves	-	-	-	-	-	-	159,718
Tourism Fund	-	-	-	-	-	-	462,503
V.A.L.E. Fund	-	-	-	-	-	-	55,358
Bus Tax Fund	-	-	-	-	-	-	666,269
Marijuana Sales Tax Fund	-	-	-	-	-	-	131,333
8th Street Connection	-	-	-	2,275,000	-	-	-
Street Tax Fund	-	-	-	943,946	-	-	-
Other Capital Projects	-	-	-	226,854	619,842	-	36,889
Total Committed:	<u>204,365</u>	<u>-</u>	<u>-</u>	<u>3,445,800</u>	<u>619,842</u>	<u>-</u>	<u>1,512,070</u>
Assigned:							
Other Capital Projects	-	-	-	-	-	3,192,679	-
Theater Project	-	-	-	-	-	704,112	-
Capital Projects Fund	-	-	-	-	4,051,287	-	1,248,220
Total Assigned:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,051,287</u>	<u>3,896,791</u>	<u>1,248,220</u>
Unassigned:	<u>4,971,480</u>	<u>-</u>	<u>(714,494)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information

A. Pension Plans

All City employees, except police and fire, participate in the Federal Social Security system for which the City has no liability except for amounts withheld and related statutory matching amounts. In addition, the City has established two contributory pension plans.

1. Contributory Pension Plan (IRS Section 401(k))

All full-time employees of the City are eligible to participate in the plan. Eligibility is after six months of employment with enrollment dates of the first day of each month. An employee must have six months of employment at the enrollment date. The City contributes 4% of the base pay of all eligible City employees. In addition, all eligible employees may contribute, for which the City will match up to an additional 3%. Employee contributions are fully vested and City contributions become fully vested after five years. The non-vested contributions that are forfeited are allocated to the remaining plan participants. Forfeitures during 2017 totaled \$33,302. The City has no liability under the plan beyond the requirement to make the aforementioned contributions. The plan is administered by Newport Group. Total payroll for the year was \$12,278,838 and current year payroll for employees covered under the plan was \$10,054,452. The City's contributions were \$649,297.

2. Contributory Pension Plan (IRS Section 401(a))

All City police and fire employees are eligible to participate in this plan, in lieu of Social Security benefits. Eligibility is at the date of employment. The employee and the City contribute 7 1/2% of compensation to this plan. Employee contributions are fully vested, and the City's contributions become fully vested after five years. If the employee does not become eligible for the benefits, the forfeitures are divided among the plan participants. Forfeitures during 2017 totaled \$20,443. The City has no liability under the plan beyond the requirement to make the aforementioned contributions. The plan is administered by Newport Group. Total payroll for the year was \$12,278,838 and current year payroll for employees covered under the plan was \$4,345,565. The City's contributions were \$325,917.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

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

1. Volunteer Firemen's Pension Fund

Plan Description: The City is trustee of an agent multiple-employer defined benefit pension plan available to provide retirement income for volunteer firefighters in recognition of their service to the City. FPPA administers an agent multiple-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at <http://fppaco.org/annual-reports.html>.

Benefits: The plan provides normal retirement benefits. The following benefit provisions were used to determine the City's pension liability at the measurement date of December 31, 2016:

<i>Normal retirement benefit at age 50 with 20 year of service (monthly):</i>	
Regular	\$ 550.00
<i>Vested retirement benefit:</i>	
With 10 to 20 years of service amount per year of service per minimum vesting years	\$ 27.50
Minimum vesting years	10
<i>Disability retirement benefit (monthly):</i>	
Short term disability for line of duty injury amount payable for not more than 1 year	\$ -
Long term disability for line of duty injury lifetime benefit	\$ -
<i>Survivor benefits (monthly):</i>	
Following death before retirement eligible: due to death in line of duty as volunteer firefighter	\$ -
Following death after normal retirement	\$ -
Following death after vested retirement with 10 to 20 years of service amount per year of service per minimum vesting rights	\$ -
Following death after disability retirement	\$ -
<i>Funeral benefits (required benefit):</i>	
Funeral benefit lump sum, one time only	\$ 1,000.00

As of January 1, 2017, the latest actuarial valuation date, there were 1 active, 22 retirees and beneficiaries and 3 terminated vested members.

Contributions: The funding of the plan by the City and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of City contributions, whichever is less. Since the City currently offers maximum retirement benefits in excess of \$500 per month, the State will match at the level determined above but no greater than the maximum of: (1) the amount necessary to fund a pension of \$300 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. Volunteer Firemen's Pension Fund (continued)

Net Pension (Asset) Liability: At December 31, 2017, the volunteer pension fund reported a net pension liability of \$473,153. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

Actuarial Assumptions: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2015 determines the contribution amounts for 2016 and 2017. The methods and assumptions used to determine contribution rates for the fiscal year ending December 31, 2016 were:

Actuarial method	Entry Age Normal
Amortization method	Level Dollar, Open
Remaining amortization period	20 years
Asset valuation method	5-Year smother fair value
Includes inflation at	3.00%
Salary increases	N/A
Investment rate of return	7.50%
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement; RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off duty mortality. Post-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment. Disabled: RP-2000 Disabled Mortality Tables
	All tables projected with Scale AA.

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.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. Volunteer Firemen's Pension Fund (continued)

Best estimates of arithmetic real rates of return which eliminates the 2.5% inflation assumption, for each major asset class included in the Fund's target asset allocation as of December 31, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	36.00%	6.75%
Equity Long/Short	10.00%	4.85%
Illiquid Alternative	23.00%	8.25%
Fixed Income	15.00%	50.00%
Absolute Return	10.00%	4.05%
Managed Futures	4.00%	3.00%
Cash	2.00%	0.00%
Total	100.00%	

Discount Rate: Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) the long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits).

For purposes of this valuation, the expected rate of return on pension plan investments is 7.5%; the municipal bond rate is 3.78% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from the Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.5%

Sensitivity of the net pension (asset)/liability to changes in the Single

Discount Rate: The following represent the plan's net pension (asset)/liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension (asset)/liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	Current Single Discount		
	1% Decrease 6.50%	Rate Assumption 7.50%	1% Increase 8.50%
Proportionate share of net pension (asset) liability	\$ 566,485	\$ 473,153	\$ 392,573

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. Volunteer Firemen's Pension Fund (continued)

Pension Plan Fiduciary Net Position: Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at <http://fppaco.org/annual-reports.html>.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: In connection with the City's Volunteer Fire and Police Protection Retirement Plan, for the year ended December 31, 2017, the City recognized pension expense of \$116,779 and the City reported deferred outflow of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 38,336	\$ -
Contributions subsequent to measurement date	30,000	-
	\$ 68,336	\$ -

Contributions subsequent to the measurement date of December 31, 2016, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in subsequent years. 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
2018	\$ 12,150
2019	12,150
2020	10,904
2021	3,132
	\$ 38,336

C. Post-Employment Health Care Benefits

All City employees covered by COBRA insurance may continue their health insurance due to a reduction in work hours or termination of employment (for reasons other than "gross misconduct") for up to 18 months after the occurrence of one of these events. Eligible dependents may continue coverage for up to 36 months. Employees who elect continued coverage must pay the City for premiums from the termination date of coverage and monthly thereafter. The employee pays the total premiums for any elections. No cost to the City is recognized as employees reimburse 100% of their premium cost.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

D. Cafeteria Plan

The City offers a cafeteria plan organized under IRS Sections 125 and 129. It allows employees to pay premiums for some insurances tax free, contribute to medical spending accounts and contribute to dependent care spending accounts. No cost to the City is recognized as the plan is a salary reduction plan.

E. Grants

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

F. Claims

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City attorney the resolution of these matters will not have a material adverse effect on the financial condition of the government.

G. Risk Management

1. Colorado Intergovernmental Risk Sharing Agency

The City is also exposed to the risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. To address such risks, the City is a participant in a public entity risk pool administered by Colorado Intergovernmental Risk Sharing Agency ("CIRSA").

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of \$250,000 per claim or occurrence for property, \$1,000,000 per claim or occurrence for liability, and \$150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the City may be liable for any losses in excess of this coverage, the City does not anticipate such losses at December 31, 2017.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds.

A copy of CIRSA's audit report can be obtained by writing to CIRSA, 3665 Cherry Creek North Drive, Denver, CO 80209, or by calling (800)-228-7136.

City of Glenwood Springs, Colorado
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

H. Commitments and Contingencies

1. Lease for Operations Management at South Canyon Landfill

On June 1, 2009, the City entered into an operations management agreement (the "Agreement") with South Canyon Waste Systems LLC., to provide operations management for the City's South Canyon Landfill (the "Landfill"). The Agreement was effective as of May 1, 2009 through March 31, 2014, with provisions for four (4) additional five (5) years terms. The Agreement was amended on August 17, 2009, to provide for certain expansion work to be undertaken at the Landfill, and on May 15, 2014, to accept the first five-year extension to the lease agreement and detail scope of services and related costs. Future minimum lease payments for years subsequent to December 31, 2017 are as follows:

Year ending March 31	
2018	1,985,000
2019	1,985,000
Total	<u>\$ 3,970,000</u>

At December 31, 2017, the City had incurred expense of \$1,985,000 under the terms of the lease agreement.

VI. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

REQUIRED SUPPLEMENTARY INFORMATION

General Fund - This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

MAJOR SPECIAL REVENUE FUNDS

Fire & Ambulance Fund - accounts for fire and ambulance services performed by the City and Rural Fire District.

Downtown Development Authority - A blended component unit, was established by a vote of the citizens in 2001 for the purpose of revitalizing the downtown corridor and building a parking structure.

Street Tax Fund - accounts for revenues received from the 0.50% sales tax levied for transportation and related projects.



City of Glenwood Springs, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	2017			Final Budget Variance	2016
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
Revenues:					
Taxes:					
Property taxes	1,318,271	1,318,271	1,322,663	4,392	1,304,414
Specific ownership	88,515	88,515	102,599	14,084	63,276
Special assessment	39,344	39,344	37,850	(1,494)	37,070
General sales tax	7,222,904	7,222,904	6,923,913	(298,991)	7,011,232
Use tax	136,384	136,384	245,660	109,276	184,676
Franchise tax	196,922	196,922	168,889	(28,033)	169,914
Total Taxes	<u>9,002,340</u>	<u>9,002,340</u>	<u>8,801,574</u>	<u>(200,766)</u>	<u>8,770,582</u>
Permits and Licenses:					
Contractors licenses	20,766	20,766	24,454	3,688	22,952
Liquor licenses	60,294	60,294	40,295	(19,999)	30,666
Dog licenses	264	264	135	(129)	240
Building permits	57,356	57,356	134,473	77,117	129,459
Sales tax license	30,000	30,000	88,100	58,100	35,650
Total Permits and Licenses	<u>168,680</u>	<u>168,680</u>	<u>287,457</u>	<u>118,777</u>	<u>218,967</u>
Intergovernmental:					
Cigarette tax	72,700	72,700	69,984	(2,716)	78,537
County road and bridge	-	-	31	31	161,737
County sales tax	254,960	254,960	307,238	52,278	271,915
Highway use tax	305,262	305,262	296,889	(8,373)	292,702
Severance tax	300,000	300,000	72,518	(227,482)	284,355
Grants	440,777	440,777	328,577	(112,200)	120,070
Total Intergovernmental	<u>1,373,699</u>	<u>1,373,699</u>	<u>1,075,237</u>	<u>(298,462)</u>	<u>1,209,316</u>
Charges and Fees:					
Plan check and record fee	85,000	85,000	135,447	50,447	84,400
Cemetery fees	6,000	6,000	20,594	14,594	11,625
Police fines and court fees	180,600	180,600	217,224	36,624	210,413
Parking fees and fines	45,000	45,000	43,955	(1,045)	51,522
Impoundment fees	4,500	4,500	3,641	(859)	4,341
Recreation fees	1,271,000	1,271,000	1,215,731	(55,269)	1,302,413
Park and rafting fees	50,000	50,000	47,822	(2,178)	50,679
Total Charges and Fees	<u>1,642,100</u>	<u>1,642,100</u>	<u>1,684,414</u>	<u>42,314</u>	<u>1,715,393</u>
Other Revenues:					
Contributions	-	-	61,037	61,037	17,100
Interest	25,000	25,000	41,868	16,868	26,556
Police confiscated assets	-	-	428	428	6,649
Miscellaneous	48,641	48,641	108,970	60,329	62,660
Other lease revenue	550,000	550,000	285,035	(264,965)	48,480
Overhead reimbursement	2,364,243	2,364,243	2,384,677	20,434	2,258,366
Other reimbursements	77,139	77,139	207,588	130,449	69,146
Total Other Revenues	<u>3,065,023</u>	<u>3,065,023</u>	<u>3,089,603</u>	<u>24,580</u>	<u>2,488,957</u>
Total Revenues	<u>15,251,842</u>	<u>15,251,842</u>	<u>14,938,285</u>	<u>(313,557)</u>	<u>14,403,215</u>

(continued)

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

City of Glenwood Springs, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)
(Continued)

	<u>2017</u>			<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative) Actual</u>
Expenditures:				
General Government:				
Administration	781,883	764,183	719,773	44,410
Personnel/purchasing	382,174	342,174	324,202	17,972
City Clerk and elections	456,806	468,306	462,993	5,313
Finance	1,130,675	1,179,675	1,185,705	(6,030)
Data processing	614,396	568,836	520,939	47,897
Judicial	251,996	222,996	184,761	38,235
Legal	705,000	734,000	511,931	222,069
Annexation costs and rebates	596,118	698,519	700,278	(1,759)
Total General Government	<u>4,919,048</u>	<u>4,978,689</u>	<u>4,610,582</u>	<u>368,107</u>
Public Safety:				
Police department	3,830,049	3,771,349	3,725,853	45,496
Total Public Safety	<u>3,830,049</u>	<u>3,771,349</u>	<u>3,725,853</u>	<u>45,496</u>
Community Development:				
Administration/planning	943,935	860,035	582,934	277,101
Building inspector	248,036	282,336	275,622	6,714
Total Community Development	<u>1,191,971</u>	<u>1,142,371</u>	<u>858,556</u>	<u>283,815</u>
Public Works:				
Administration/engineering	680,114	695,714	591,167	104,547
Streets, alleys, snow removal	1,282,101	1,284,801	1,042,909	241,892
Total Public Works	<u>1,962,215</u>	<u>1,980,515</u>	<u>1,634,076</u>	<u>346,439</u>
Culture and Recreation:				
Recreation	2,429,165	2,429,165	2,377,373	51,792
Parks and cemetery	1,130,762	1,136,412	1,072,637	63,775
Total Culture and Recreation	<u>3,559,927</u>	<u>3,565,577</u>	<u>3,450,010</u>	<u>115,567</u>
Debt Service:				
Principal on bonded debt	230,000	230,000	230,000	-
Interest on bonded debt	20,915	20,915	20,915	-
Total Debt Service	<u>250,915</u>	<u>250,915</u>	<u>250,915</u>	<u>-</u>
Total Expenditures	<u>15,714,125</u>	<u>15,689,416</u>	<u>14,529,992</u>	<u>1,159,424</u>
Excess (Deficiency) of Revenues Over Expenditures	(462,283)	(437,574)	408,293	845,867
Other Financing Sources (Uses):				
Transfers in	2,458,687	2,458,687	2,462,163	3,476
Transfers (out)	(3,228,714)	(3,228,714)	(2,711,773)	516,941
Total Other Financing Sources (Uses)	<u>(770,027)</u>	<u>(770,027)</u>	<u>(249,610)</u>	<u>520,417</u>
Net Change in Fund Balance	(1,232,310)	(1,207,601)	158,683	1,366,284
Fund Balance - Beginning of Year	<u>6,523,849</u>	<u>6,523,849</u>	<u>6,810,635</u>	<u>286,786</u>
Fund Balance - End of Year	<u>5,291,539</u>	<u>5,316,248</u>	<u>6,969,318</u>	<u>1,653,070</u>

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

City of Glenwood Springs, Colorado
Fire and Ambulance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Intergovernmental:					
Grants and awards	10,000	10,000	83,188	73,188	83,917
Charges for Services:					
Permits	10,000	10,000	15,200	5,200	17,350
Ambulance fees	978,284	978,284	1,192,457	214,173	1,026,918
Other:					
Interest income	10	10	580	570	166
Miscellaneous	-	-	-	-	132
Total Revenues	<u>998,294</u>	<u>998,294</u>	<u>1,291,425</u>	<u>293,131</u>	<u>1,128,483</u>
Expenditures:					
Public Safety:					
Emergency services	<u>3,922,278</u>	<u>3,922,278</u>	<u>3,866,669</u>	<u>55,609</u>	<u>3,515,867</u>
Total Expenditures	<u>3,922,278</u>	<u>3,922,278</u>	<u>3,866,669</u>	<u>55,609</u>	<u>3,515,867</u>
Excess (Deficiency) of Revenues					
Over Expenditures	(2,923,984)	(2,923,984)	(2,575,244)	348,740	(2,387,384)
Other Financing Sources (Uses):					
Transfer in	<u>3,044,460</u>	<u>3,044,460</u>	<u>2,525,180</u>	<u>(519,280)</u>	<u>2,508,680</u>
Total Other Financing Sources (Uses)	<u>3,044,460</u>	<u>3,044,460</u>	<u>2,525,180</u>	<u>(519,280)</u>	<u>2,508,680</u>
Net Change in Fund Balance	120,476	120,476	(50,064)	(170,540)	121,296
Fund Balance (Deficit) - Beginning of Year	<u>(71,232)</u>	<u>(71,232)</u>	<u>50,064</u>	<u>121,296</u>	<u>(71,232)</u>
Fund Balance (Deficit)- End of Year	<u>49,244</u>	<u>49,244</u>	<u>-</u>	<u>(49,244)</u>	<u>50,064</u>

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

City of Glenwood Springs, Colorado
Downtown Development Authority
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Property taxes	53,771	53,771	56,165	2,394	53,083
Sales taxes	487,892	487,892	639,644	151,752	478,325
Intergovernmental:					
Grants	-	-	24,996	24,996	25,000
Other:					
Interest income	5,069	5,069	9,832	4,763	5,471
Miscellaneous	-	-	1,800	1,800	-
Total Revenues	<u>546,732</u>	<u>546,732</u>	<u>732,437</u>	<u>185,705</u>	<u>561,879</u>
Expenditures:					
General Government:					
Capital outlay	380,000	380,000	329,961	50,039	703,569
Other	181,538	181,538	176,328	5,210	339,581
Debt service:					
Interest	37,953	15,142	14,642	500	42,568
Total Expenditures	<u>599,491</u>	<u>576,680</u>	<u>520,931</u>	<u>55,749</u>	<u>1,085,718</u>
Excess (Deficiency) of Revenues Over Expenditures	(52,759)	(29,948)	211,506	241,454	(523,839)
Other Financing Sources (Uses):					
Transfer in	-	-	-	-	55,500
Transfer (out)	(271,226)	-	(181,259)	(181,259)	(236,612)
Total Other Financing Sources (Uses)	<u>(271,226)</u>	<u>-</u>	<u>(181,259)</u>	<u>(181,259)</u>	<u>(181,112)</u>
Net Change in Fund Balance - Budget Basis	<u>(323,985)</u>	<u>(29,948)</u>	30,247	<u>60,195</u>	(704,951)
Reconciliation to GAAP Basis:					
Adjustments:					
Interfund loan repayments			181,259		236,612
Net Income - GAAP Basis			211,506		(468,339)
Fund Balance (Deficit) - Beginning of Year			(926,000)		(457,661)
Fund Balance (Deficit) - End of Year			<u>(714,494)</u>		<u>(926,000)</u>

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

City of Glenwood Springs, Colorado
Street Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Taxes:					
General sales tax	2,407,605	2,407,605	2,307,943	(99,662)	2,337,049
Use tax	47,614	47,614	81,886	34,272	61,558
Other:					
Miscellaneous income	33,000	33,000	45,802	12,802	72,667
Interest income	16,000	16,000	38,484	22,484	25,461
Total Revenues	<u>2,504,219</u>	<u>2,504,219</u>	<u>2,474,115</u>	<u>(30,104)</u>	<u>2,496,735</u>
Expenditures:					
Transportation:					
Transit program	2,777,500	3,276,976	2,039,048	1,237,928	6,367,986
Other expenses	364,917	386,416	388,919	(2,503)	272,856
Total Transportation	<u>3,142,417</u>	<u>3,663,392</u>	<u>2,427,967</u>	<u>1,235,425</u>	<u>6,640,842</u>
Debt Service:					
Principal payment	255,000	255,000	255,000	-	250,000
Interest payment	65,913	65,913	64,296	1,617	65,913
Total Expenditures	<u>3,463,330</u>	<u>3,984,305</u>	<u>2,747,263</u>	<u>1,237,042</u>	<u>6,956,755</u>
Excess (Deficiency) of Revenues Over Expenditures	(959,111)	(1,480,086)	(273,148)	1,206,938	(4,460,020)
Other Financing Sources (Uses):					
Intergovernmental awards	-	560,046	560,046	-	611,956
Transfers in	-	266,889	266,889	-	768,000
Transfers (out)	-	-	-	-	(6,757)
Total Other Financing Sources (Uses)	<u>-</u>	<u>826,935</u>	<u>826,935</u>	<u>-</u>	<u>1,373,199</u>
Net Change in Fund Balance	(959,111)	(653,151)	553,787	1,206,938	(3,086,821)
Fund Balance - Beginning of Year	<u>4,489,176</u>	<u>4,489,176</u>	<u>2,892,013</u>	<u>(1,597,163)</u>	<u>5,978,834</u>
Fund Balance - End of Year	<u>3,530,065</u>	<u>3,836,025</u>	<u>3,445,800</u>	<u>(390,225)</u>	<u>2,892,013</u>

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

City of Glenwood Springs
Schedule of Employer's Net Pension Liability
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 1,995	\$ 1,995	\$ 3,072
Interest on the Total Pension Liability	72,956	75,406	81,959
Benefit Changes	-	-	47,785
Difference between Expected and Actual Experience	82,914	-	(110,697)
Assumption Changes	42,460	-	-
Benefit Payments	(110,220)	(109,923)	(108,045)
Net Change in Total Pension Liability	90,105	(32,522)	(85,926)
Total Pension Liability - Beginning	1,025,877	1,058,399	1,144,325
Total Pension Liability - Ending (a)	\$ 1,115,982	\$ 1,025,878	\$ 1,058,399
Plan Fiduciary Net Position			
Employer Contributions	\$ 33,105	\$ 24,749	\$ 24,749
Pension Plan Net Investment Income	32,396	13,061	47,208
Benefit Payments	(110,220)	(109,923)	(108,045)
Pension Plan Administrative Expense	(1,257)	(3,268)	(1,335)
State of Colorado supplemental discretionary payment	18,900	18,900	18,900
Net Change in Plan Fiduciary Net Position	(27,076)	(56,481)	(18,523)
Plan Fiduciary Net Position - Beginning	669,905	726,385	744,908
Plan Fiduciary Net Position - Ending (b)	\$ 642,829	\$ 669,905	\$ 726,385
Net Pension Liability - Ending (a) - (b)	\$ 473,153	\$ 355,973	\$ 332,014
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	57.60%	65.30%	68.63%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2015.

Notes to the Schedule of Employer's Net Pension Liability for the year ended December 31, 2017:

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

Note 3. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

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

**City of Glenwood Springs
Schedule of Employer Contributions
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years ***

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 33,105	\$ 43,649	\$ 43,649
Actual contribution, including State of Colorado discretionary payment	<u>(52,005)</u>	<u>(43,649)</u>	<u>(43,649)</u>
Contribution deficiency (excess)	<u>\$ (18,900)</u>	<u>\$ -</u>	<u>\$ -</u>

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2015.

Notes to the Schedule of Employer Contributions for the Year Ended December 31, 2017

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

Note 3. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

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

SUPPLEMENTARY INFORMATION



MAJOR CAPITAL PROJECT FUNDS

Capital Projects Fund - accounts for major City Projects which are financed by a 0.50% sales tax.

Acquisitions and Improvements Fund - accounts for revenues and expenditures received from a 1.00% sales tax and special assessments levied for capital improvements purposes.



City of Glenwood Springs, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			<u>Final Budget Variance Positive (Negative)</u>	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Taxes:					
Sales tax	2,407,605	2,407,605	2,307,943	(99,662)	2,337,049
Use tax	52,478	52,478	81,886	29,408	61,558
Total Taxes	<u>2,460,083</u>	<u>2,460,083</u>	<u>2,389,829</u>	<u>(70,254)</u>	<u>2,398,607</u>
Intergovernmental:					
Grants	125,000	125,000	-	(125,000)	19,547
Fees and Charges:					
Park land fees	-	-	96,954	96,954	76,557
Other:					
Interest income	15,000	15,000	28,575	13,575	23,946
Other income	4,300	4,300	25,370	21,070	11,298
Total Other	<u>19,300</u>	<u>19,300</u>	<u>53,945</u>	<u>34,645</u>	<u>35,244</u>
Total Revenues	<u>2,604,383</u>	<u>2,604,383</u>	<u>2,540,728</u>	<u>(63,655)</u>	<u>2,529,955</u>
Expenditures:					
Public Works:					
Water projects	-	52,406	66,851	(14,445)	88,789
Work activities team	434,888	454,888	411,977	42,911	409,752
Sewer improvements	145,500	150,500	284,823	(134,323)	94,968
Other expenditures	2,205,957	2,128,551	852,566	1,275,985	176,959
Total Public Works	<u>2,786,345</u>	<u>2,786,345</u>	<u>1,616,217</u>	<u>1,170,128</u>	<u>770,468</u>
Total Expenditures	<u>2,786,345</u>	<u>2,786,345</u>	<u>1,616,217</u>	<u>1,170,128</u>	<u>770,468</u>
Excess (Deficiency) of Revenues Over Expenditures	(181,962)	(181,962)	924,511	1,106,473	1,759,487
Other Financing Sources (Uses):					
Transfers (out)	(953,520)	(953,520)	(953,520)	-	(1,940,038)
Total Other Financing Sources (Uses)	<u>(953,520)</u>	<u>(953,520)</u>	<u>(953,520)</u>	<u>-</u>	<u>(1,940,038)</u>
Net Change in Fund Balance	(1,135,482)	(1,135,482)	(29,009)	1,106,473	(180,551)
Fund Balance - Beginning of Year	<u>4,557,595</u>	<u>4,557,595</u>	<u>4,700,138</u>	<u>142,543</u>	<u>4,880,689</u>
Fund Balance - End of Year	<u>3,422,113</u>	<u>3,422,113</u>	<u>4,671,129</u>	<u>1,249,016</u>	<u>4,700,138</u>

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

City of Glenwood Springs, Colorado
Acquisition and Improvement fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	2017			Final Budget Variance Positive Negative	2016
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General sales tax	4,815,210	4,815,210	4,615,885	(199,325)	4,674,097
Use tax	95,000	95,000	163,771	68,771	123,116
Total Taxes	<u>4,910,210</u>	<u>4,910,210</u>	<u>4,779,656</u>	<u>(130,554)</u>	<u>4,797,213</u>
Intergovernmental:					
Grants	3,880,828	3,880,828	636,048	(3,244,780)	-
Other:					
Interest income	40,000	40,000	52,652	12,652	46,358
Donations	-	-	1,200	1,200	800
Other income	5,600	5,600	46,926	41,326	22,596
Total Other	<u>45,600</u>	<u>45,600</u>	<u>100,778</u>	<u>55,178</u>	<u>69,754</u>
Total Revenues	<u>8,836,638</u>	<u>8,836,638</u>	<u>5,516,482</u>	<u>(3,320,156)</u>	<u>4,866,967</u>
Expenditures:					
General Government:					
General and administrative	534,650	493,646	470,892	22,754	503,054
Bond fees	-	-	20,516	(20,516)	36,439
Total General Government	<u>534,650</u>	<u>493,646</u>	<u>491,408</u>	<u>2,238</u>	<u>539,493</u>
Culture and Recreation:					
Frontier Historical Museum	7,700	7,700	10,125	(2,425)	5,447
River trail system	50,000	50,000	28,122	21,878	36,084
Other projects	296,750	321,750	212,262	109,488	813,883
Total Culture and Recreation	<u>354,450</u>	<u>379,450</u>	<u>250,509</u>	<u>128,941</u>	<u>855,414</u>
Public Works:					
Streets and sidewalks	5,732,854	5,440,965	1,523,385	3,917,580	31,116
Other projects	287,862	328,866	321,340	7,526	376,200
Total Public Works	<u>6,020,716</u>	<u>5,769,831</u>	<u>1,844,725</u>	<u>3,925,106</u>	<u>407,316</u>
Debt Service:					
Principal - Sales and Use Tax bonds	1,270,000	1,270,000	1,270,000	-	1,225,000
Interest - Sales and Use Tax bonds	157,638	157,638	157,638	-	194,388
Principal - Government Agency bonds	337,158	337,158	337,158	-	318,410
Interest - Government Agency bonds	20,316	20,316	-	20,316	-
Total Debt Service	<u>1,785,112</u>	<u>1,785,112</u>	<u>1,764,796</u>	<u>20,316</u>	<u>1,737,798</u>
Total Expenditures	<u>8,694,928</u>	<u>8,428,039</u>	<u>4,351,438</u>	<u>4,076,601</u>	<u>3,540,021</u>
Excess (Deficiency) of Revenues Over Expenditures	141,710	408,599	1,165,044	756,445	1,326,946
Other Financing Sources (Uses):					
Transfers (out)	(1,238,165)	(971,276)	(1,508,532)	(537,256)	(1,113,509)
Total Other Financing Sources (Uses)	<u>(1,238,165)</u>	<u>(971,276)</u>	<u>(1,508,532)</u>	<u>(537,256)</u>	<u>(1,113,509)</u>
Net Change in Fund Balance	(1,096,455)	(562,677)	(343,488)	219,189	213,437
Fund Balance - Beginning of Year	<u>3,634,207</u>	<u>3,634,207</u>	<u>5,422,779</u>	<u>1,788,572</u>	<u>5,209,342</u>
Fund Balance - End of Year	<u>2,537,752</u>	<u>3,071,530</u>	<u>5,079,291</u>	<u>2,007,761</u>	<u>5,422,779</u>

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

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Tourism Fund - accounts for funds received from a two and one-half percent rent tax on accommodations. Expenditures are restricted for tourism promotion purposes.

Victims Assistance and Law Enforcements Fund (V.A.L.E.) - accounts for funds received from a surcharge for violation of all municipal ordinances and violations of the Model Traffic Code. Expenditures are restricted to victims' and witnesses' services and reimbursements and to Police Department equipment purchases, training, and additional personnel costs.

Conservation Trust Fund - accounts for funds received and restricted as to use in the acquisition, development and maintenance of new conservation sites pursuant to Colorado Revised Statutes.

Bus Tax Fund - accounts for the 0.20% sales tax designated towards "Ride Glenwood Springs" bus service.

Marijuana Sales Tax Fund - accounts for the 5.00% sales tax and 5.00% excise tax designated towards marijuana regulation enforcement, education, and public health programs.

General Improvement District Number 1980 Fund - The District's primary purpose is to provide infrastructure improvements to specific areas within the downtown area. The District's primary funding source is an ad valorem tax.

CAPITAL PROJECT FUNDS

Emergency Services Equipment Replacement Fund - accounts for revenues received on a pro-rated basis from the Glenwood Springs Rural Fire Protection District and transfers from the General Fund for the purchase of emergency services, facilities and equipment.



City of Glenwood Springs, Colorado
Combining Balance Sheets
Non-major Governmental Funds
For the Year Ended December 31, 2017

	<u>Special Revenue Funds</u>					<u>Capital Projects Fund</u>	<u>Totals</u>	
	<u>Tourism Fund</u>	<u>V.A.L.E. Fund</u>	<u>Conservation Trust Fund</u>	<u>Bus Tax Fund</u>	<u>Marijuana Sales Tax Fund</u>	<u>General Improvement District No. 1980</u>		<u>Emergency Services Equipment Replacement</u>
Assets:								
Cash and investments - Unrestricted	577,103	55,358	370,416	730,579	131,333	36,634	1,245,757	3,147,180
Taxes receivable	74,807	-	-	102,239	-	39,519	-	216,565
Accounts receivable, net of allowance	-	-	-	670	-	-	-	670
Interest receivable	253	-	105	-	-	-	2,948	3,306
Prepaid items	-	-	-	3,532	-	-	-	3,532
Total Assets	<u>652,163</u>	<u>55,358</u>	<u>370,521</u>	<u>837,020</u>	<u>131,333</u>	<u>76,153</u>	<u>1,248,705</u>	<u>3,371,253</u>
Liabilities and Fund Balance:								
Liabilities:								
Accounts payable	29,942	-	9,009	167,219	-	-	485	206,655
Total Liabilities	<u>29,942</u>	<u>-</u>	<u>9,009</u>	<u>167,219</u>	<u>-</u>	<u>-</u>	<u>485</u>	<u>206,655</u>
Deferred Inflows of Resources:								
Property taxes	-	-	-	-	-	39,264	-	39,264
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,264</u>	<u>-</u>	<u>39,264</u>
Fund Balances:								
Nonspendable	-	-	-	3,532	-	-	-	3,532
Restricted	-	-	361,512	-	-	-	-	361,512
Committed	622,221	55,358	-	666,269	131,333	36,889	-	1,512,070
Assigned	-	-	-	-	-	-	1,248,220	1,248,220
Total Fund Balance	<u>622,221</u>	<u>55,358</u>	<u>361,512</u>	<u>669,801</u>	<u>131,333</u>	<u>36,889</u>	<u>1,248,220</u>	<u>3,125,334</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>652,163</u>	<u>55,358</u>	<u>370,521</u>	<u>837,020</u>	<u>131,333</u>	<u>76,153</u>	<u>1,248,705</u>	<u>3,371,253</u>

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

City of Glenwood Springs, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2017

	Special Revenue Funds					Capital Projects Fund		Totals
	Tourism Fund	V.A.L.E. Fund	Conservation Trust Fund	Bus Tax Fund	Marijuana Sales Tax Fund	General Improvement District No. 1980	Emergency Services Equipment Replacement	
Revenues:								
Taxes	1,067,669	-	-	955,861	131,435	41,644	-	2,196,609
Intergovernmental	-	-	98,197	277,333	-	-	65,160	440,690
Charges for services	-	43,648	-	85,398	-	-	-	129,046
Interest income	1,194	886	1,048	1,191	39	193	12,362	16,913
Other	-	-	-	10,708	-	-	95,148	105,856
Total Revenues	1,068,863	44,534	99,245	1,330,491	131,474	41,837	172,670	2,889,114
Expenditures:								
General governmental	-	51,998	-	-	-	2,820	-	54,818
Transportation	-	-	-	1,361,428	-	-	-	1,361,428
Public safety	-	-	-	-	141	-	826,626	826,767
Community and economic development	1,050,800	-	-	-	-	-	-	1,050,800
Culture and recreation	-	-	149,754	-	-	-	-	149,754
Total Expenditures	1,050,800	51,998	149,754	1,361,428	141	2,820	826,626	3,443,567
Excess (Deficiency) of Revenues Over Expenditures	18,063	(7,464)	(50,509)	(30,937)	131,333	39,017	(653,956)	(554,453)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	186,593	186,593
Total Other Financing Sources (Uses)	-	-	-	-	-	-	186,593	186,593
Net Change in Fund Balance	18,063	(7,464)	(50,509)	(30,937)	131,333	39,017	(467,363)	(367,860)
Fund Balance (Deficit) - Beginning of Year	604,158	62,822	412,021	700,738	-	(2,128)	1,715,583	3,493,194
Fund Balance (Deficit) - End of Year	622,221	55,358	361,512	669,801	131,333	36,889	1,248,220	3,125,334

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

City of Glenwood Springs, Colorado
Tourism Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Taxes:					
Accommodations tax	984,812	984,812	1,067,669	82,857	1,032,987
Other:					
Interest income	1,000	1,000	1,194	194	1,390
Total Revenues	<u>985,812</u>	<u>985,812</u>	<u>1,068,863</u>	<u>83,051</u>	<u>1,034,377</u>
Expenditures:					
Economic Development:					
Salary and benefits	166,625	166,625	166,625	-	163,358
Administrative	19,451	19,451	19,451	-	21,032
Consulting services	14,900	14,900	24,838	(9,938)	23,174
Visitor services	100,000	100,000	100,000	-	100,000
Public relations	40,000	40,000	40,000	-	39,935
Printing and distribution (brochures, postcards, etc.)	511,250	531,250	531,919	(669)	488,088
Database and internet marketing	10,000	10,000	10,000	-	2,500
Advertising and promotion	102,101	127,101	125,226	1,875	141,140
Travel and booth expenses	33,475	33,475	30,481	2,994	28,673
Research and tracking	-	-	-	-	57,500
Special event	8,000	8,000	469	7,531	9,180
Other expenses	-	-	1,791	(1,791)	2,221
Total Expenditures	<u>1,005,802</u>	<u>1,050,802</u>	<u>1,050,800</u>	<u>2</u>	<u>1,076,801</u>
Excess (Deficiency) of Revenues Over Expenditures	(19,990)	(64,990)	18,063	83,053	(42,424)
Other Financing Sources (Uses):					
Transfers (out)	-	-	-	-	(25,500)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,500)</u>
Net Change in Fund Balance	(19,990)	(64,990)	18,063	83,053	(67,924)
Fund Balance - Beginning of Year	<u>642,514</u>	<u>642,514</u>	<u>604,158</u>	<u>(38,356)</u>	<u>672,082</u>
Fund Balance - End of Year	<u>622,524</u>	<u>577,524</u>	<u>622,221</u>	<u>44,697</u>	<u>604,158</u>

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

City of Glenwood Springs, Colorado
V.A.L.E. Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Charges for Services:					
Assessments	37,000	37,000	43,648	6,648	42,670
Other:					
Interest income	<u>1,000</u>	<u>1,000</u>	<u>886</u>	<u>(114)</u>	<u>878</u>
Total Revenues	<u>38,000</u>	<u>38,000</u>	<u>44,534</u>	<u>6,534</u>	<u>43,548</u>
Expenditures:					
General Government:					
Victim/witness assistance	45,000	51,000	51,998	(998)	42,821
Professional fees	500	500	-	500	-
Office supplies	500	500	-	500	53
Capital Outlay:					
Police equipment	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>51,000</u>	<u>52,000</u>	<u>51,998</u>	<u>2</u>	<u>42,874</u>
Net Change in Fund Balance	(13,000)	(14,000)	(7,464)	6,536	674
Fund Balance - Beginning of Year	<u>62,149</u>	<u>62,149</u>	<u>62,822</u>	<u>673</u>	<u>62,148</u>
Fund Balance - End of Year	<u><u>49,149</u></u>	<u><u>48,149</u></u>	<u><u>55,358</u></u>	<u><u>7,209</u></u>	<u><u>62,822</u></u>

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

City of Glenwood Springs, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental:					
Colorado Lottery	95,000	95,000	98,197	3,197	109,956
Other:					
Other income	-	-	-	-	2,500
Interest income	400	400	1,048	648	857
Total Other	400	400	1,048	648	3,357
Total Revenues	95,400	95,400	99,245	3,845	113,313
Expenditures:					
Culture and Recreation:					
Ice rink mechanical and structural	25,000	18,688	18,688	-	-
Master plan	-	-	-	-	20,000
Other projects	12,500	-	-	-	13,016
Park improvement and equipment	23,000	8,120	9,008	(888)	13,116
Pool mechanical and structural	30,000	43,692	42,058	1,634	-
Red mountain trail	-	25,000	50,000	(25,000)	-
Roaring fork trail	30,000	30,000	30,000	-	-
Whitewater park	5,000	-	-	-	-
Total Expenditures	125,500	125,500	149,754	(24,254)	46,132
Excess (Deficiency) of Revenues Over Expenditures	(30,100)	(30,100)	(50,509)	(20,409)	67,181
Fund Balance - Beginning of Year	338,119	338,119	412,021	73,902	344,840
Fund Balance - End of Year	308,019	308,019	361,512	53,493	412,021

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

City of Glenwood Springs, Colorado
Bus Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Taxes:					
General sales tax	962,970	962,970	923,109	(39,861)	934,750
Use tax	19,045	19,045	32,752	13,707	24,621
Intergovernmental:					
Grants and awards	1,129,770	1,129,770	277,333	(852,437)	249,627
Charges for Services:					
Bus fares	82,760	82,760	74,759	(8,001)	103,983
Advertising fees	9,149	9,149	10,639	1,490	9,147
Other:					
Interest income	800	800	1,191	391	1,009
Miscellaneous	11,500	11,500	10,708	(792)	5,027
Total Revenues	<u>2,215,994</u>	<u>2,215,994</u>	<u>1,330,491</u>	<u>(885,503)</u>	<u>1,328,164</u>
Expenditures:					
Transportation:					
Fixed labor	352,134	380,134	368,946	11,188	340,705
Direct labor	375,506	407,506	404,627	2,879	347,561
Employee bus pass	1,000	1,000	2,666	(1,666)	957
Direct mileage cost	222,331	182,331	183,197	(866)	193,101
Training	47,122	72,122	68,498	3,624	58,013
Transit operations	40,000	50,000	47,725	2,275	40
Other	1,363,982	355,183	285,769	69,414	263,952
Total Expenditures	<u>2,402,075</u>	<u>1,448,276</u>	<u>1,361,428</u>	<u>86,848</u>	<u>1,204,329</u>
Excess (Deficiency) of Revenues Over Expenditures	(186,081)	767,718	(30,937)	(798,655)	123,835
Other Financing Sources (Uses):					
Transfer (out)	-	-	-	-	(2,702)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,702)</u>
Net Change in Fund Balance	(186,081)	767,718	(30,937)	(798,655)	121,133
Fund Balance - Beginning of Year	<u>645,590</u>	<u>645,590</u>	<u>700,738</u>	<u>55,148</u>	<u>579,605</u>
Fund Balance - End of Year	<u>459,509</u>	<u>1,413,308</u>	<u>669,801</u>	<u>(743,507)</u>	<u>700,738</u>

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

City of Glenwood Springs, Colorado
Marijuana Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Taxes:					
General sales tax	-	123,732	113,243	(10,489)	-
Other tax	-	21,082	18,192	(2,890)	-
Other:					
Interest income	-	-	39	39	-
Total Revenues	<u>-</u>	<u>144,814</u>	<u>131,474</u>	<u>(13,340)</u>	<u>-</u>
Expenditures:					
Public Safety:					
Other expenses	-	1,100	141	959	-
Total Expenditures	<u>-</u>	<u>1,100</u>	<u>141</u>	<u>959</u>	<u>-</u>
Excess (Deficiency) of Revenues					
Over Expenditures	-	143,714	131,333	(12,381)	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>-</u>	<u>143,714</u>	<u>131,333</u>	<u>(12,381)</u>	<u>-</u>

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

City of Glenwood Springs, Colorado
General Improvement District No. 1980
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Property taxes	38,911	38,911	38,588	(323)	37,972
Specific ownership taxes	2,000	2,000	3,056	1,056	1,887
Total Taxes	<u>40,911</u>	<u>40,911</u>	<u>41,644</u>	<u>733</u>	<u>39,859</u>
Other:					
Interest income	100	100	193	93	154
Miscellaneous income	25,000	25,000	-	(25,000)	-
Total Revenues	<u>66,011</u>	<u>66,011</u>	<u>41,837</u>	<u>(24,174)</u>	<u>40,013</u>
Expenditures:					
General Government:					
Miscellaneous and treasurer's fees	778	778	775	3	763
Other	50,000	50,000	2,045	47,955	39,078
Total Expenditures	<u>50,778</u>	<u>50,778</u>	<u>2,820</u>	<u>47,958</u>	<u>39,841</u>
Excess (Deficiency) of Revenues Over Expenditures	15,233	15,233	39,017	23,784	172
Fund Balance (Deficit) - Beginning of Year	<u>(2,300)</u>	<u>(2,300)</u>	<u>(2,128)</u>	<u>172</u>	<u>(2,300)</u>
Fund Balance (Deficit) - End of Year	<u>12,933</u>	<u>12,933</u>	<u>36,889</u>	<u>23,956</u>	<u>(2,128)</u>

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

City of Glenwood Springs, Colorado
Emergency Services Equipment Replacement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Rural Fire District contribution	65,579	65,579	65,160	(419)	65,430
Interest income	4,500	4,500	12,362	7,862	6,182
Impact fees	15,000	15,000	95,148	80,148	109,413
Total Revenues	<u>85,079</u>	<u>85,079</u>	<u>172,670</u>	<u>87,591</u>	<u>181,025</u>
Expenditures:					
Public Safety:					
Equipment purchases	1,490,000	1,490,000	826,626	663,374	284,520
Total Expenditures	<u>1,490,000</u>	<u>1,490,000</u>	<u>826,626</u>	<u>663,374</u>	<u>284,520</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,404,921)	(1,404,921)	(653,956)	750,965	(103,495)
Other Financing Sources (Uses):					
Transfer in	184,254	184,254	186,593	2,339	184,214
Total Other Financing Sources	<u>184,254</u>	<u>184,254</u>	<u>186,593</u>	<u>2,339</u>	<u>184,214</u>
Net Change in Fund Balance	(1,220,667)	(1,220,667)	(467,363)	753,304	80,719
Fund Balance - Beginning of Year	<u>1,493,364</u>	<u>1,493,364</u>	<u>1,715,583</u>	<u>222,219</u>	<u>1,634,864</u>
Fund Balance - End of Year	<u>272,697</u>	<u>272,697</u>	<u>1,248,220</u>	<u>975,523</u>	<u>1,715,583</u>

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

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services.

Water and Sewer Fund - accounts for activities of the fund that supplies water and sewer services to the citizens in the water and sewer service area. City water is provided on a metered basis.

Electric System Fund - accounts for activities related to the purchase and delivery of power within the City electric service area.

Airport Operations Fund - accounts for activities related to user charges and maintenance expenses for the airport.

Landfill Operations Fund - accounts for the activities related to the operations of the City landfill and recycling program.

INTERNAL SERVICE FUND

Internal service funds are used to account for services to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Fleet Service Fund - accounts for the repair and maintenance costs and the capital replacement plan of the City's vehicles and heavy equipment, excluding fire trucks.



City of Glenwood Springs, Colorado
Enterprise Funds
Water and Sewer Fund
Schedule of Revenues and Expenses
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Operating Revenues:					
Charges and Fees:					
Water user fees	2,726,476	2,726,476	2,829,979	103,503	2,739,169
Sewer user fees	3,299,975	3,299,975	3,330,050	30,075	3,296,838
Water connection fees	500	500	3,529	3,029	-
Sewer connection fees	500	500	-	(500)	-
Meter sales	10,000	10,000	15,796	5,796	13,693
Other	8,400	8,400	7,793	(607)	4,928
Water improvement fees	60,000	60,000	208,622	148,622	128,265
Sewer improvement fees	70,000	70,000	231,056	161,056	440,950
Total Operating Revenues	<u>6,175,851</u>	<u>6,175,851</u>	<u>6,626,825</u>	<u>450,974</u>	<u>6,623,843</u>
Operating Expenses:					
Administration	769,822	769,822	760,423	9,399	750,883
Water plant operation	605,944	605,944	615,362	(9,418)	633,671
Water transmission and distribution	477,418	477,418	430,038	47,380	391,833
Wastewater plant operation	768,421	768,421	903,572	(135,151)	790,271
Wastewater collection and transmission	398,526	398,526	249,631	148,895	315,851
Customer service	178,528	178,528	177,728	800	165,890
Depreciation	1,771,293	1,771,293	1,754,866	16,427	1,722,618
Capital outlay	1,918,500	1,918,500	690,502	1,227,998	1,164,687
Debt service - Principal	1,189,513	1,189,513	1,207,975	(18,462)	1,171,050
Total Operating Expenses	<u>8,077,965</u>	<u>8,077,965</u>	<u>6,790,097</u>	<u>1,287,868</u>	<u>7,106,754</u>
Operating Income (Loss) - Budget Basis	<u>(1,902,114)</u>	<u>(1,902,114)</u>	<u>(163,272)</u>	<u>1,738,842</u>	<u>(482,911)</u>
Non-Operating Revenues (Expenses):					
Investment income	40,000	40,000	49,560	9,560	39,995
Intergovernmental awards	-	-	-	-	4,560
Interest expense	(749,740)	(749,740)	(521,902)	227,838	(770,298)
Total Non-Operating Revenues (Expenses):	<u>(709,740)</u>	<u>(709,740)</u>	<u>(472,342)</u>	<u>237,398</u>	<u>(725,743)</u>
Transfers in	480,000	480,000	480,000	-	640,000
Transfers (out)	(492,883)	(492,883)	(492,883)	-	(376,651)
Change in Net Position - Budget Basis	<u>(2,624,737)</u>	<u>(2,624,737)</u>	<u>(648,497)</u>	<u>1,976,240</u>	<u>(945,305)</u>
Reconciliation to GAAP Basis:					
Adjustments:					
Capital contributions			-		1,384,858
Debt service - Principal			1,207,975		1,171,050
Capital outlay			690,502		1,164,687
Total Adjustments			<u>1,898,477</u>		<u>3,720,595</u>
Net Income - GAAP Basis			<u>1,249,980</u>		<u>2,775,290</u>
Net Position - Beginning of Year			<u>35,982,624</u>		<u>33,207,334</u>
Net Position - End of Year			<u>37,232,604</u>		<u>35,982,624</u>

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

City of Glenwood Springs, Colorado
Enterprise Funds
Electric System Fund
Schedule of Revenues and Expenses
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual	
Operating Revenues:					
Charges and fees:					
Commercial	9,755,570	9,755,570	9,279,167	(476,403)	9,205,820
Residential	3,932,004	3,932,004	3,925,663	(6,341)	3,943,575
Municipal	135,261	135,261	124,804	(10,457)	121,224
Security lights	13,615	13,615	12,682	(933)	12,990
Service connect fees	13,680	13,680	12,150	(1,530)	12,870
Other	517,140	517,140	837,144	320,004	759,454
Total Operating Revenues	<u>14,367,270</u>	<u>14,367,270</u>	<u>14,191,610</u>	<u>(175,660)</u>	<u>14,055,933</u>
Expenses:					
Purchased power	10,020,000	10,020,000	9,900,474	119,526	9,475,085
Maintenance - Distribution	1,675,487	1,759,487	1,561,291	198,196	1,344,478
Customer accounts	502,168	502,168	489,248	12,920	385,088
General and administrative	1,019,556	1,019,556	811,273	208,283	855,049
Capital improvements	1,847,000	1,847,000	909,234	937,766	656,020
Depreciation	1,082,786	1,082,786	970,750	112,036	947,017
Total Operating Expenses	<u>16,146,997</u>	<u>16,230,997</u>	<u>14,642,270</u>	<u>1,588,727</u>	<u>13,662,737</u>
Operating Income (Loss) Budget Basis	(1,779,727)	(1,863,727)	(450,660)	1,413,067	393,196
Non-Operating Revenues (Expenses):					
Sale of assets	2,000	2,000	2,502	502	1,367
Investment income	20,000	20,000	12,450	(7,550)	26,890
Interest expense	(200)	(200)	(136)	64	(137)
Total Non-Operating Revenues (Expenses):	<u>21,800</u>	<u>21,800</u>	<u>14,816</u>	<u>(6,984)</u>	<u>28,120</u>
Cash contributions	200,000	200,000	354,952	154,952	42,561
Transfers (out)	(975,459)	(975,459)	(975,459)	-	(1,000,536)
Change in Net Position - Budget Basis	<u>(2,533,386)</u>	<u>(2,617,386)</u>	<u>(1,056,351)</u>	<u>1,561,035</u>	<u>(536,659)</u>
Reconciliation to GAAP Basis:					
Adjustments:					
Gain (loss) on disposal of assets			(91,281)	(2,990)	
Capital outlay			909,234	656,020	
Total Adjustments			<u>817,953</u>	<u>653,030</u>	
Net Income - GAAP Basis			<u>(238,398)</u>	<u>116,371</u>	
Net Position - Beginning of Year			<u>24,879,518</u>	<u>24,763,147</u>	
Net Position - End of Year			<u>24,641,120</u>	<u>24,879,518</u>	

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

City of Glenwood Springs, Colorado
Enterprise Funds
Airport Operations Fund
Schedule of Revenues and Expenses
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	Original Budget	Final Budget	Actual		Actual
Operating Revenues:					
Rentals:					
Airport/land lease	28,000	28,000	25,500	(2,500)	27,700
Charges and fees:					
Annual user fees	3,000	3,000	2,880	(120)	1,920
Long-term tie downs	7,200	7,200	9,278	2,078	8,680
Transient tie downs	800	800	3,150	2,350	665
Fuel sales	102,000	102,000	111,184	9,184	108,470
Other income	-	-	40	40	-
Intergovernmental:					
State fuel tax refund	500	500	1,519	1,019	624
Total Operating Revenues	<u>141,500</u>	<u>141,500</u>	<u>153,551</u>	<u>12,051</u>	<u>148,059</u>
Operating Expenses:					
Administration	16,966	16,966	18,965	(1,999)	24,439
Operations	119,328	119,328	115,417	3,911	98,133
Depreciation	20,000	20,000	11,377	8,623	13,294
Total Expenses	<u>156,294</u>	<u>156,294</u>	<u>145,759</u>	<u>10,535</u>	<u>135,866</u>
Operating Income (Loss) - Budget Basis	(14,794)	(14,794)	7,792	22,586	12,193
Non-Operating Revenues (Expenses):					
Investment income	100	100	157	57	107
Total Non-Operating Revenues	<u>100</u>	<u>100</u>	<u>157</u>	<u>57</u>	<u>107</u>
Change in Net Position - Budget Basis	<u>(14,694)</u>	<u>(14,694)</u>	<u>7,949</u>	<u>22,643</u>	<u>12,300</u>
Reconciliation to GAAP Basis:					
Adjustments:					
Capital outlay			-		-
Total Adjustments			<u>-</u>		<u>-</u>
Net Income - GAAP Basis			7,949		12,300
Net Position - Beginning of Year			<u>449,214</u>		<u>436,914</u>
Net Position - End of Year			<u>457,163</u>		<u>449,214</u>

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

City of Glenwood Springs, Colorado
Enterprise Funds
Landfill Operations Fund
Schedule of Revenues and Expenses
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Disposal fees	2,026,150	2,026,150	1,829,801	(196,349)	1,720,946
Composting fees	510,311	510,311	654,521	144,210	605,650
Other income	27,750	27,750	24,266	(3,484)	9,260
Total Operating Revenues	<u>2,564,211</u>	<u>2,564,211</u>	<u>2,508,588</u>	<u>(55,623)</u>	<u>2,335,856</u>
Operating Expenses:					
Personnel costs	284,618	284,618	295,535	(10,917)	274,555
Operating costs	3,004,004	3,004,004	2,729,849	274,155	2,754,934
Composting fees	20,000	20,000	20,000	-	2,249
Utilities	6,100	6,100	5,835	265	6,086
Insurance	52,657	52,657	43,064	9,593	50,143
Allocated costs	135,841	135,841	135,841	-	172,151
Landfill compliance costs	69,000	69,000	60,629	8,371	54,726
Depreciation	45,000	45,000	48,439	(3,439)	48,439
Capital outlay	536,000	536,000	-	536,000	240,494
Total Operating Expenses	<u>4,153,220</u>	<u>4,153,220</u>	<u>3,339,192</u>	<u>814,028</u>	<u>3,603,777</u>
Operating Income (Loss) Budget Basis	(1,589,009)	(1,589,009)	(830,604)	758,405	(1,267,921)
Non-Operating Revenues (Expenses):					
Interest income	52,597	52,597	53,830	1,233	58,327
Transfers in	-	-	181,259	181,259	177,919
Transfers (out)	(5,935)	(5,935)	(5,935)	-	(5,935)
Total Non-Operating Revenues (Expenses)	<u>46,662</u>	<u>46,662</u>	<u>229,154</u>	<u>182,492</u>	<u>230,311</u>
Change in Net Position - Budget Basis	<u>(1,542,347)</u>	<u>(1,542,347)</u>	<u>(601,450)</u>	<u>940,897</u>	<u>(1,037,610)</u>
Reconciliation to GAAP Basis:					
Adjustments:					
Capital outlay			-		240,494
Interfund loan payments			(181,259)		(177,919)
Total Adjustments			<u>(181,259)</u>		<u>62,575</u>
Net Income - GAAP Basis			(782,709)		(975,035)
Net Position - Beginning of Year			<u>4,329,881</u>		<u>5,304,916</u>
Net Position - End of Year			<u>3,547,172</u>		<u>4,329,881</u>

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

City of Glenwood Springs, Colorado
Internal Service Funds
Fleet Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Net Position
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
Operating Revenues:					
Charges and fees	628,408	628,408	561,741	(66,667)	595,055
Other operating revenue	100	100	1,544	1,444	69,357
Total Operating Revenues	<u>628,508</u>	<u>628,508</u>	<u>563,285</u>	<u>(65,223)</u>	<u>664,412</u>
Expenses:					
General government:					
Operations	943,696	943,696	784,468	159,228	764,410
Depreciation	438,234	438,234	517,921	(79,687)	430,858
Capital outlay	1,694,750	1,694,750	2,365,006	(670,256)	1,076,334
Total Operating Expenses	<u>3,076,680</u>	<u>3,076,680</u>	<u>3,667,395</u>	<u>(590,715)</u>	<u>2,271,602</u>
Operating Income (Loss) - Budget Basis	(2,448,172)	(2,448,172)	(3,104,110)	(655,938)	(1,607,190)
Non-Operating Revenues (Expenses):					
Investment income	47,000	47,000	22,096	(24,904)	44,032
Sale of asset	30,000	30,000	54,569	24,569	25,424
Transfers in	727,277	727,277	727,277	-	822,839
Total Non-Operating Revenues (Expenses)	<u>804,277</u>	<u>804,277</u>	<u>803,942</u>	<u>(335)</u>	<u>892,295</u>
Change in Net Position - Budget Basis	<u>(1,643,895)</u>	<u>(1,643,895)</u>	<u>(2,300,168)</u>	<u>(656,273)</u>	<u>(714,895)</u>
Reconciliation to GAAP Basis:					
Adjustments:					
Gain (loss) on disposal of asset			(21,872)		-
Capital outlay			2,365,006		1,076,334
Interfund loan payments			-		(58,694)
Total Adjustments			<u>2,343,134</u>		<u>1,017,640</u>
Operating Income (Loss) - GAAP Basis			42,966		302,745
Net Position - Beginning of Year			<u>5,419,594</u>		<u>5,116,849</u>
Net Position - End of Year			<u>5,462,560</u>		<u>5,419,594</u>

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

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.

The *Cemetery Reserve Fund* accounts for funds received and restricted for the maintenance and care of the Rosebud Cemetery.



City of Glenwood Springs, Colorado
Fiduciary Funds
Cemetery Reserve Fund
Schedule of Changes in Fiduciary Net Position
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2017
(With Comparative Actual Amounts for December 31, 2016)

	<u>2017</u>			Final Budget Variance Positive (Negative)	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Additions:					
Perpetual care fees	1,000	1,000	7,750	6,750	2,250
Interest income	50	50	59	9	48
Total Additions	<u>1,050</u>	<u>1,050</u>	<u>7,809</u>	<u>6,759</u>	<u>2,298</u>
Deductions:					
Cemetery maintenance	1,000	1,000	-	1,000	-
Total Deductions	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Change in Net Position	50	50	7,809	7,759	2,298
Net Position - Beginning of Year	<u>37,218</u>	<u>37,218</u>	<u>39,466</u>	<u>2,248</u>	<u>37,168</u>
Net Position - End of Year	<u><u>37,268</u></u>	<u><u>37,268</u></u>	<u><u>47,275</u></u>	<u><u>10,007</u></u>	<u><u>39,466</u></u>

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

**ANNUAL SCHEDULE OF REVENUES AND EXPENDITURES
FOR ROADS, BRIDGES AND STREETS**



ANNUAL HIGHWAY FINANCE REPORT - CY17

Email address:

City/County:

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$	<input type="text" value="2,319,608.00"/>
3. Other local imposts: <i>from A.3. 'Total' below)</i>	\$	<input type="text" value="1,282,409.00"/>
4. Miscellaneous local receipts: <i>from A.4. 'Total' below)</i>	\$	<input type="text" value="245,232.00"/>
5. Transfers from toll facilities	\$	<input type="text" value="0.00"/>
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	<input type="text" value="0.00"/>
b. Bonds - Refunding Issues:	\$	<input type="text" value="0.00"/>
c. Notes:	\$	<input type="text" value="0.00"/>

SubTotal: \$

B. Private Contributions \$

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$	<input type="text" value="0.00"/>
b. Other Local Imposts		
1. Sales Taxes:	\$	<input type="text" value="1,159,708.00"/>
2. Infrastructure and Impact Fees:	\$	<input type="text" value="20,102.00"/>

3. Liens:	\$	0.00
4. Licenses:	\$	0.00
5. Specific Ownership and/or Other:	\$	102,599.00
Total: <i>(a + b) carried to 'Other local imposts' above</i>		\$ 1,282,409.00

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	38,484.00
b. Traffic fines & Penalties:	\$	162,390.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	43,955.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	403.00
g. Other Misc. Receipts:	\$	0.00
h. Other:	\$	0.00
Total: <i>(a through h) carried to 'Misc local receipts' above</i>		\$ 245,232.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	296,889.00
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	37,850.00
d. Other (Specify):		
Comments: <input type="text" value="undefined"/>	\$	0.00
e. Other (Specify):		
Comments: <input type="text" value="undefined"/>	\$	0.00
Total: <i>(1+3c,d,e)</i>		\$ 334,739.00

D. Receipts from Federal Government

Please no commas or dollar signs for the input

2. Other Federal Agencies		
a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	666,371.00
Total: <i>(2a-f)</i>		\$ 666,371.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: <i>(from A.1.d. 'Total Capital Outlay' below)</i>	\$	1,942,237.00
2. Maintenance:	\$	844,152.00
3. Road and street services		
a. Traffic control operations:	\$	98,634.00
b. Snow and ice removal:	\$	148,789.00
c. Other:	\$	0.00
4. General administration & miscellaneous	\$	147,792.00
5. Highway law enforcement and safety	\$	1,167,801.00
Total: <i>(A.1-5)</i>	\$	4,349,405.00

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	84,134.00
b. Redemption	\$	414,820.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
SubTotal: <i>(1+2)</i>	\$	498,954.00

Please no commas or dollar signs for the input

C. Payments to State for Highways: \$ 0.00

D. Payments to Toll Facilities: \$ 0.00

Total Disbursements: *(A+B+C+D)* \$ 4,848,359.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A. 1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 8,310.00	\$ 8,310.00
b. Engineering Costs:	\$ 0.00	\$ 1,730,274.00	\$ 1,730,274.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 193,215.00	\$ 193,215.00
4. System Enhancement:	\$ 0.00	\$ 10,438.00	\$ 10,438.00
5. Total Construction:			\$ 203,653.00
d. Total Capital Outlay: <i>(Lines A.1.a. + 1.b. + 1.c.5)</i>			\$ 1,942,237.00

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 3,295,817.00	\$ 0.00	\$ 414,820.00	\$ 2,880,997.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 4,848,359.00	\$ 4,848,359.00	\$ 0.00	\$ 0.00

Notes & Comments:

undefined

Please enter your name: Yvette Gustad

Please provide a telephone number where you may be reached: 970-384-6421

Save

Print Mode

Edit Mode

Please click on the "Save" button before viewing the data in a print format.

FORM FHWA-536e (Version 4.5) - CY17

STATISTICAL SECTION

This part of the City of Glenwood Springs's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall government's financial health.

The information in this statistical section of the comprehensive annual financial report is intended, when possible, to provide information about Garfield County's economic condition in the following areas.

Financial Trends – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the government's most significant local revenue sources: City and county sales tax and property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information – These schedules contain services and infrastructure data to help readers understand how the information in the government's financial report relates to the services the government provides and the activities it performs.



City of Glenwood Springs, Colorado
Net Position by Component
Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities										
Net investment in capital assets	\$ 47,040,335	\$ 58,059,538	\$ 71,875,207	\$ 90,120,246	\$ 66,598,004	\$ 64,250,870	\$ 70,515,452	\$ 67,656,084	\$ 71,788,636	\$ 77,030,072
Restricted	3,067,860	2,310,720	2,289,650	1,200,520	2,161,903	2,511,864	2,579,375	2,635,197	2,816,975	2,726,665
Unrestricted	15,265,895	10,242,137	13,635,951	16,172,425	16,066,617	18,004,488	17,315,693	24,175,592	20,712,703	19,163,754
Total governmental activities net position	<u>65,374,090</u>	<u>70,612,395</u>	<u>87,800,808</u>	<u>107,493,191</u>	<u>84,826,524</u>	<u>84,767,222</u>	<u>90,410,520</u>	<u>94,466,873</u>	<u>95,318,314</u>	<u>98,920,491</u>
Business-type activities										
Net investment in capital assets	45,090,415	44,824,569	35,396,033	22,627,362	44,536,207	46,705,739	46,127,746	45,746,700	47,574,725	47,445,093
Unrestricted	22,994,097	22,095,905	17,280,368	13,443,191	18,113,324	17,999,053	17,224,398	17,965,611	18,066,512	18,432,964
Total business-type activities net position	<u>68,084,512</u>	<u>66,920,474</u>	<u>52,676,401</u>	<u>36,070,553</u>	<u>62,649,531</u>	<u>64,704,792</u>	<u>63,352,144</u>	<u>63,712,311</u>	<u>65,641,237</u>	<u>65,878,057</u>
Primary government										
Net investment in capital assets	92,130,750	102,884,107	107,271,240	112,747,608	111,134,211	110,956,609	116,643,198	113,402,784	119,363,361	124,475,165
Restricted	3,067,860	2,310,720	2,289,650	1,200,520	2,161,903	2,511,864	2,579,375	2,635,197	2,816,975	2,726,665
Unrestricted	38,259,992	32,338,042	30,916,319	29,615,616	34,179,941	36,003,541	34,540,091	42,141,203	38,779,215	37,596,718
Total primary government net position	<u>\$ 133,458,602</u>	<u>\$ 137,532,869</u>	<u>\$ 140,477,209</u>	<u>\$ 143,563,744</u>	<u>\$ 147,476,055</u>	<u>\$ 149,472,014</u>	<u>\$ 153,762,664</u>	<u>\$ 158,179,184</u>	<u>\$ 160,959,551</u>	<u>\$ 164,798,548</u>

City of Glenwood Springs, Colorado
Changes in Net Position
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
Governmental Activities:										
General Government	\$ 4,139,417	\$ 3,441,897	\$ 3,682,187	\$ 3,731,639	\$ 3,517,288	\$ 3,539,192	\$ 3,815,189	\$ 4,166,082	\$ 4,349,401	\$ 5,100,430
Public Transportation	1,255,604	1,332,810	1,344,841	1,097,498	1,091,656	1,121,527	1,152,362	1,196,010	1,244,768	1,419,650
Public Safety	6,536,066	6,711,856	6,578,169	6,492,262	6,452,872	6,686,488	7,035,443	7,087,348	7,530,539	8,093,471
Public Works	1,730,766	1,663,577	1,318,121	1,236,633	1,267,767	1,358,032	1,439,397	1,754,418	2,041,864	1,955,442
Community and Economic Development	4,485,437	3,938,191	4,658,997	4,309,107	5,023,280	5,119,655	5,282,755	5,112,315	7,347,003	5,612,325
Culture and Recreation	3,857,589	4,384,404	3,763,721	3,851,086	4,798,389	4,301,655	4,173,013	4,360,608	4,623,242	5,321,848
Interest on long-term debt	897,451	821,892	455,387	569,937	458,669	401,163	353,094	299,061	318,273	220,492
Total Governmental Activities	22,902,330	22,294,627	21,801,423	21,288,162	22,609,921	22,527,712	23,251,253	23,975,842	27,455,090	27,723,658
Business-type Activities:										
Water	3,386,300	3,429,694	4,416,136	4,431,679	4,661,012	5,440,210	5,644,304	5,391,721	5,541,316	5,413,524
Electric	9,113,869	9,220,083	9,112,989	9,530,276	9,782,733	11,581,132	12,542,429	12,877,200	13,009,845	13,824,453
Airport	168,615	203,710	160,103	161,143	137,295	125,672	137,340	133,240	135,866	145,759
Landfill	2,344,264	5,555,517	3,792,961	3,223,961	3,675,545	3,420,228	3,314,301	3,228,749	3,363,282	3,339,192
Total Business-type Activities	15,013,048	18,409,004	17,482,189	17,347,059	18,256,585	20,567,242	21,638,374	21,630,910	22,050,309	22,722,928
Total Primary Government Expenses	37,915,378	40,703,631	39,283,612	38,635,221	40,866,506	43,094,954	44,889,627	45,606,752	49,505,399	50,446,586
Program Revenues:										
Governmental Activities:										
Charges for services:										
General Government	1,698,671	2,073,212	2,077,877	2,281,659	2,328,855	2,213,980	2,206,776	2,555,687	2,463,142	2,634,509
Public Transportation	10,412	9,750	9,000	10,229	133,540	129,371	125,159	120,696	113,130	85,398
Public Safety	711,791	1,386,262	1,356,378	1,285,927	1,404,106	1,230,251	1,426,846	1,143,376	1,424,884	1,546,891
Community and Economic Development	244,770	232,662	235,292	103,359	144,975	158,392	155,536	164,498	214,690	269,552
Public Works	92,166	72,207	9,001	5,130	40,538	18,634	7,464	13,939	77,569	97,760
Culture and Recreation	1,433,365	1,118,289	1,234,839	1,104,011	1,189,383	1,296,522	1,309,306	1,289,038	1,364,717	1,284,146
Operating Grants and Contributions	2,486,436	3,743,817	3,324,887	2,031,615	2,264,021	1,781,838	2,556,927	2,083,603	2,090,330	2,183,989
Capital Grants and Contributions	92,467	83,293	108,977	83,265	95,751	120,255	1,319,291	118,439	129,503	734,245
Total Governmental Activities Program Revenues	6,770,078	8,719,492	8,356,251	6,905,195	7,601,169	6,949,243	9,107,305	7,489,276	7,877,965	8,836,490
Business-type Activities:										
Charges for services:										
Water and sewer	3,871,533	3,766,955	4,229,091	4,697,538	5,350,696	5,102,858	5,390,156	5,974,846	6,623,843	6,619,310
Electric system	9,835,551	9,719,657	9,524,984	9,315,755	9,844,504	10,725,633	12,327,052	13,570,105	14,055,933	14,191,610
Airport operations	156,470	132,230	155,653	149,349	136,431	127,064	144,775	143,692	147,435	151,992
Landfill operations	5,429,931	4,304,763	2,818,085	3,401,049	4,054,657	2,942,643	2,960,788	2,565,184	2,335,856	2,508,588
Operating grants and contributions	900,249	558,228	492,173	578,451	611,705	1,613,165	1,390	608	624	5,545
Capital grants and contributions	111,692	139,337	115,671	186,438	95,410	230,124	201,076	432,952	47,121	358,481
Total Business-Type Activities Program Revenues	20,305,426	18,621,170	17,335,657	18,328,580	20,093,403	20,741,487	21,025,237	22,687,387	23,210,812	23,835,526
Total Primary Government Program Revenues	27,075,504	27,340,662	25,691,908	25,233,775	27,694,572	27,690,730	30,132,542	30,176,663	31,088,777	32,672,016
Net (Expense)/Revenue										
Governmental activities	(16,132,252)	(13,575,135)	(13,445,172)	(14,382,967)	(15,008,752)	(15,578,469)	(14,143,948)	(16,486,566)	(19,577,125)	(18,887,168)
Business-type activities	5,292,378	212,166	(146,532)	981,521	1,836,818	174,245	(613,137)	1,056,477	1,160,503	1,112,598
Total Primary Government Net Expense	\$ (10,839,874)	\$ (13,362,969)	\$ (13,591,704)	\$ (13,401,446)	\$ (13,171,934)	\$ (15,404,224)	\$ (14,757,085)	\$ (15,430,089)	\$ (18,416,622)	\$ (17,774,570)

City of Glenwood Springs, Colorado
Changes in Net Position
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property taxes	\$ 1,214,423	\$ 1,352,426	\$ 1,349,371	\$ 1,344,378	\$ 1,262,979	\$ 1,156,140	\$ 1,391,409	\$ 1,381,226	\$ 1,395,469	\$ 1,417,416
Specific ownership taxes	95,562	68,225	37,946	58,603	53,651	51,048	81,964	75,116	65,163	105,655
Sales and use taxes	17,174,926	14,261,086	13,716,954	13,793,060	14,545,502	14,897,961	15,965,053	17,167,543	18,020,517	18,088,784
Franchise tax	179,601	179,825	173,288	157,319	151,314	176,480	185,638	179,584	169,914	168,889
Accommodations Tax	815,517	594,470	595,705	646,255	721,787	756,542	870,902	965,502	1,032,987	1,067,669
Other miscellaneous Taxes	38,884	35,216	33,399	34,628	33,992	34,078	35,590	36,670	37,070	56,042
Unrestricted investment earnings	541,099	231,225	139,308	108,947	93,862	125,447	134,568	154,017	182,458	211,002
Grants and contributions not restricted to specific programs	257,817	107,901	165,905	120,844	89,561	121,570	162,609	114,957	141,300	346,914
Gain/Loss on Capital Assets	333,525	178,815	139,426	89,909	41,603	39,157	103,110	34,754	25,424	32,697
Transfers	1,093,572	1,804,250	14,282,279	17,721,408	(24,652,164)	(1,751,138)	856,403	808,216	(641,736)	994,277
Total General Revenues and Transfers	21,744,926	18,813,439	30,633,581	34,075,351	(7,657,913)	15,607,285	19,787,246	20,917,585	20,428,566	22,489,345
Business-type Activities:										
Unrestricted investment earnings	711,297	419,073	175,883	127,492	88,623	119,800	99,482	107,337	125,319	115,997
Grants and contributions not restricted to specific programs	900	940	980	-	800	-	-	-	-	-
Sale of capital assets	6,813	8,034	7,879	6,546	571	10,080	17,410	4,570	1,368	2,502
Transfers	(1,093,572)	(1,804,250)	(14,282,279)	(17,721,408)	24,652,164	1,751,138	(856,403)	(808,216)	641,736	(994,277)
Total Business-type Activities	(374,562)	(1,376,203)	(14,097,537)	(17,587,370)	24,742,158	1,881,018	(739,511)	(696,309)	768,423	(875,778)
Total Primary Government Revenues	21,370,364	17,437,236	16,536,044	16,487,981	17,084,245	17,488,303	19,047,735	20,221,276	21,196,989	21,613,567
Change in Net Position										
Governmental activities	5,612,674	5,238,304	17,188,409	19,692,384	(22,666,665)	28,816	5,643,298	4,431,019	851,441	3,602,177
Business-type activities	4,917,816	(1,164,037)	(14,244,069)	(16,605,849)	26,578,976	2,055,263	(1,352,648)	360,168	1,928,926	236,820
Total Change in Net Position	\$ 10,530,490	\$ 4,074,267	\$ 2,944,340	\$ 3,086,535	\$ 3,912,311	\$ 2,084,079	\$ 4,290,650	\$ 4,791,187	\$ 2,780,367	\$ 3,838,997

**City of Glenwood Springs, Colorado
Fund Balances, Governmental Funds
Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund										
Reserved	\$ 714,244	\$ 981,497	\$ 833,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,713,394	3,524,266	3,347,271	-	-	-	-	-	-	-
Nonspendable	-	-	-	607,270	569,270	539,270	589,270	628,938	671,270	610,820
Restricted	-	-	-	726,585	705,940	721,789	777,279	1,107,857	1,222,454	1,182,653
Committed	-	-	-	212,993	205,669	204,615	204,615	204,365	204,365	204,365
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	2,684,113	3,131,743	2,985,885	3,661,086	4,666,329	4,712,546	4,971,480
Total General Fund	<u>4,427,638</u>	<u>4,505,763</u>	<u>4,180,765</u>	<u>4,230,961</u>	<u>4,612,622</u>	<u>4,451,559</u>	<u>5,232,250</u>	<u>6,607,489</u>	<u>6,810,635</u>	<u>6,969,318</u>
All Other Governmental Funds										
Reserved	2,353,617	1,329,223	1,456,156	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	1,541,966	1,913,522	2,056,619	-	-	-	-	-	-	-
Capital projects funds	7,449,153	1,195,742	4,089,621	-	-	-	-	-	-	-
Nonspendable	-	-	-	1,977	2,061	2,335	2,333	5,416	4,065	3,532
Restricted	-	-	-	473,935	1,455,963	1,790,075	1,802,096	1,527,340	1,594,521	1,544,012
Committed	-	-	-	540,493	1,303,666	686,070	697,031	740,741	899,707	5,577,712
Assigned	-	-	-	8,400,846	7,562,359	11,161,559	11,224,344	17,088,907	14,095,852	9,196,298
Unassigned	-	-	-	(121,852)	(9,533)	(257,060)	(554,811)	(531,193)	(961,957)	(714,494)
Total All Other Governmental Funds	<u>\$ 11,344,736</u>	<u>\$ 4,438,487</u>	<u>\$ 7,602,396</u>	<u>\$ 9,295,399</u>	<u>\$ 10,314,516</u>	<u>\$ 13,382,979</u>	<u>\$ 13,170,993</u>	<u>\$ 18,831,211</u>	<u>\$ 15,632,188</u>	<u>\$ 15,607,060</u>
Total Governmental Funds	\$ 15,772,374	\$ 8,944,250	\$ 11,783,161	\$ 13,526,360	\$ 14,927,138	\$ 17,834,538	\$ 18,403,243	\$ 25,438,700	\$ 22,442,823	\$ 22,576,378

NOTE: GASB 54 Implemented in 2011

City of Glenwood Springs, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues:										
Taxes	\$ 19,594,936	\$ 16,593,689	\$ 15,860,770	\$ 15,959,019	\$ 16,748,278	\$ 17,233,787	\$ 18,593,969	\$ 19,953,205	\$ 20,928,634	\$ 21,253,306
Licenses and permits	162,674	189,986	194,763	156,624	153,498	187,763	157,767	263,463	218,967	287,457
Intergovernmental	2,718,596	3,229,397	3,227,185	1,882,943	1,919,986	1,693,414	3,105,893	1,950,597	2,374,749	2,820,205
Charges for services	2,200,237	2,619,846	2,561,822	2,398,821	2,713,310	2,740,929	2,953,684	2,692,056	2,992,018	3,118,071
Investment Income	440,266	154,300	85,786	67,608	69,038	71,892	87,261	103,968	138,428	188,904
Miscellaneous	2,671,790	3,136,667	2,744,483	2,860,638	3,136,799	2,587,386	3,184,949	2,953,197	2,685,247	3,273,376
Total Revenues	<u>27,788,499</u>	<u>25,923,885</u>	<u>24,674,809</u>	<u>23,325,653</u>	<u>24,740,909</u>	<u>24,515,171</u>	<u>28,083,523</u>	<u>27,916,486</u>	<u>29,338,043</u>	<u>30,941,319</u>
Expenditures:										
General government	4,034,723	3,533,822	4,232,616	5,418,095	6,933,290	4,682,739	5,261,278	4,645,663	5,527,856	5,663,097
Transportation	4,792,547	5,613,713	6,379,377	3,284,494	2,205,053	1,763,179	3,878,417	2,957,433	7,843,584	3,788,082
Public Safety	6,315,278	3,473,067	3,178,948	2,989,958	6,001,028	6,290,692	7,212,960	6,806,024	7,261,412	8,419,289
Community and Economic Development	1,726,276	1,825,142	1,317,658	1,188,113	1,195,419	1,348,168	1,393,166	1,647,233	2,093,998	1,909,356
Public Works	2,764,915	11,445,379	14,966,663	20,486,971	4,782,402	3,046,655	5,200,179	2,508,871	2,878,556	5,095,018
Culture and recreation	5,025,038	4,434,237	3,700,983	3,006,711	3,199,094	3,553,936	4,603,673	3,666,343	4,355,260	3,850,273
Debt service:										
Principal retirement	2,143,467	2,006,950	2,071,486	1,970,935	2,080,831	1,631,519	1,677,316	1,730,414	2,023,410	2,092,158
Interest	934,740	849,228	491,707	597,713	492,348	436,756	378,828	320,300	328,821	257,491
Total Expenditures	<u>27,736,984</u>	<u>33,181,538</u>	<u>36,339,438</u>	<u>38,942,990</u>	<u>26,889,465</u>	<u>22,753,644</u>	<u>29,605,817</u>	<u>24,282,281</u>	<u>32,312,897</u>	<u>31,074,764</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>51,515</u>	<u>(7,257,653)</u>	<u>(11,664,629)</u>	<u>(15,617,337)</u>	<u>(2,148,556)</u>	<u>1,761,527</u>	<u>(1,522,294)</u>	<u>3,634,205</u>	<u>(2,974,854)</u>	<u>(133,445)</u>
Other Financing Sources (Uses):										
Proceeds from sale of fixed assets	-	7,525	-	8,118	-	-	41,150	-	-	-
Intergovernmental awards	-	-	-	-	-	16,758	119,533	23,674	-	-
Premium on refunding	-	-	439,185	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	3,070,000	-	-
Refunding debt proceeds	-	-	11,825,000	-	-	-	-	-	-	-
Issuance costs	-	-	(127,499)	-	-	-	-	(66,250)	-	-
Payments to refunded bond escrow agent	-	-	(10,950,148)	-	-	-	-	-	-	-
Transfers in	2,989,687	4,048,964	16,906,884	20,694,380	6,434,299	4,440,871	5,961,097	5,056,688	5,780,647	5,440,825
Transfers (out)	(3,844,864)	(3,626,960)	(3,589,882)	(3,341,962)	(2,884,965)	(3,311,756)	(4,030,781)	(4,682,860)	(5,801,670)	(5,173,825)
Total Other Financing Sources (Uses)	<u>(855,177)</u>	<u>429,529</u>	<u>14,503,540</u>	<u>17,360,536</u>	<u>3,549,334</u>	<u>1,145,873</u>	<u>2,090,999</u>	<u>3,401,252</u>	<u>(21,023)</u>	<u>267,000</u>
Net change in fund balances	<u>\$ (803,662)</u>	<u>\$ (6,828,124)</u>	<u>\$ 2,838,911</u>	<u>\$ 1,743,199</u>	<u>\$ 1,400,778</u>	<u>\$ 2,907,400</u>	<u>\$ 568,705</u>	<u>\$ 7,035,457</u>	<u>\$ (2,995,877)</u>	<u>\$ 133,555</u>
Debt Service as a percentage of noncapital expenditures	11.10%	8.61%	7.05%	6.60%	9.57%	9.09%	6.95%	8.45%	7.28%	7.56%

City of Glenwood Springs, Colorado
History of General Fund Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues:									
Taxes	\$ 8,111,988	\$ 6,987,340	\$ 6,748,663	\$ 6,799,846	\$ 7,090,341	\$ 7,253,024	\$ 7,963,469	\$ 8,454,280	\$ 8,770,582
Licenses and permits	162,674	189,986	194,763	156,624	153,498	187,763	157,767	263,463	218,967
Intergovernmental	1,684,972	1,557,430	1,259,347	1,127,973	1,226,672	1,091,811	1,263,997	1,358,781	1,209,316
Charges for services	2,062,220	1,542,008	1,452,617	1,421,661	1,513,890	1,610,414	1,609,093	1,610,557	1,715,393
Investment income	132,939	57,706	25,474	16,334	16,778	14,636	13,675	20,054	26,556
Other Revenue	1,903,426	2,827,193	2,462,032	2,688,725	2,769,863	2,482,967	2,965,500	2,873,681	2,462,401
Total Revenues	<u>14,058,219</u>	<u>13,161,663</u>	<u>12,142,896</u>	<u>12,211,163</u>	<u>12,771,042</u>	<u>12,640,615</u>	<u>13,973,501</u>	<u>14,580,816</u>	<u>14,403,215</u>
Expenditures:									
General government	3,172,216	2,833,473	2,721,682	2,654,788	2,882,196	2,950,819	3,201,846	3,686,671	3,862,499
Public Safety	6,022,148	3,036,520	3,120,821	2,954,521	3,043,074	3,153,484	3,273,558	3,275,518	3,461,024
Community Development	761,893	863,773	814,331	695,703	581,510	631,010	597,240	777,570	1,017,197
Public Works	1,541,663	1,457,447	1,381,285	1,376,308	1,329,794	1,398,549	1,479,858	1,455,594	1,700,772
Culture and recreation	3,153,735	3,144,919	3,019,078	2,838,073	3,104,795	3,069,342	3,166,990	3,317,765	3,453,714
Debt service:									
Principal retirement	160,000	170,000	175,000	180,000	240,000	215,000	220,000	225,000	230,000
Interest	130,893	124,333	117,193	109,668	54,884	40,406	35,697	30,815	25,952
Total Expenditures	<u>14,942,548</u>	<u>11,630,465</u>	<u>11,349,390</u>	<u>10,809,061</u>	<u>11,236,253</u>	<u>11,458,610</u>	<u>11,975,189</u>	<u>12,768,933</u>	<u>13,751,158</u>
Excess (Deficiency) of Revenues Over Expenditures	(884,329)	1,531,198	793,506	1,402,102	1,534,789	1,182,005	1,998,312	1,811,883	652,057
Other Financing Sources (Uses):									
Transfers in	818,828	881,446	976,376	872,348	902,108	938,958	1,037,360	2,147,460	2,264,253
Transfers out	(711,556)	(2,334,519)	(2,094,880)	(2,224,254)	(2,055,235)	(2,282,026)	(2,254,981)	(2,584,103)	(2,713,164)
Total Other Financing Sources (Uses)	<u>107,272</u>	<u>(1,453,073)</u>	<u>(1,118,504)</u>	<u>(1,351,906)</u>	<u>(1,153,127)</u>	<u>(1,343,068)</u>	<u>(1,217,621)</u>	<u>(436,643)</u>	<u>(448,911)</u>
Net Change in Fund Balances	<u>(777,057)</u>	<u>78,125</u>	<u>(324,998)</u>	<u>50,196</u>	<u>381,662</u>	<u>(161,063)</u>	<u>780,691</u>	<u>1,375,240</u>	<u>203,146</u>
Fund Balances - Beginning	<u>5,204,700</u>	<u>4,427,638</u>	<u>4,505,763</u>	<u>4,180,765</u>	<u>4,230,961</u>	<u>4,612,622</u>	<u>4,451,559</u>	<u>5,232,250</u>	<u>6,607,489</u>
Fund Balances - Ending	<u>\$ 4,427,638</u>	<u>\$ 4,505,763</u>	<u>\$ 4,180,765</u>	<u>\$ 4,230,961</u>	<u>\$ 4,612,622</u>	<u>\$ 4,451,559</u>	<u>\$ 5,232,250</u>	<u>\$ 6,607,489</u>	<u>\$ 6,810,635</u>

City of Glenwood Springs, Colorado
Major Revenue Sources - Governmental Funds
Last Ten Years

Year	Taxes¹	Licenses and Permits	Inter- governmental	Charges for Services²	Earnings on Investments	Other	Total
2008	19,594,936	162,674	2,718,596	2,200,237	440,266	2,671,790	27,788,499
2009	16,593,689	189,986	3,229,397	2,619,846	154,300	3,136,667	25,923,885
2010	15,860,770	194,763	3,227,185	2,561,822	85,786	2,744,483	24,674,809
2011	15,959,019	156,624	1,882,943	2,398,821	67,608	2,860,638	23,325,653
2012	16,748,278	153,498	1,919,986	2,713,310	69,038	3,136,799	24,740,909
2013	17,233,787	187,763	1,693,414	2,740,929	71,892	2,587,386	24,515,171
2014	18,593,969	157,767	3,105,893	2,953,684	87,261	3,184,949	28,083,523
2015	19,953,205	263,463	1,950,597	2,692,056	103,968	2,953,197	27,916,486
2016	20,928,634	218,967	2,374,749	2,992,018	138,428	2,685,247	29,338,043

¹ Includes, among other tax revenues, sales taxes, real estate transfer taxes, and property taxes.

² Charges for Services are those revenues derived from services provided that are deemed to be mission-related for each fund. Examples include, but are not limited to, fees for the use of recreational facilities, building permits and sprinkler fees.

Source: City of Glenwood Springs Finance Department.

**City of Glenwood Springs, Colorado
Sales & Lodging Tax Receipts
Last Ten Years**

Year	Share of County Tax Receipts¹	2.0% General/Capital Sales Tax Receipts	1.0% Aquisition & Improvements Sales Tax Receipts	0.5% Street Sales Tax Receipts	0.2% Transportation Sales Tax Receipts	5.0% Retail Marijuana Sales Tax Receipts²	2.5% Accommodations Tax Receipts	Total Sales & Accommodations Tax Receipts
2008	350,585	8,853,591	4,426,755	2,213,377	885,285	-	815,517	17,545,111
2009	266,148	7,343,116	3,671,524	1,835,762	734,250	-	594,185	14,444,985
2010	194,744	7,072,992	3,536,463	1,768,232	707,240	-	595,990	13,875,662
2011	201,655	7,209,593	3,604,763	1,802,382	720,899	-	646,349	14,185,641
2012	227,329	7,682,172	3,841,050	1,920,525	768,153	-	721,787	15,161,017
2013	146,961	7,863,938	3,931,933	1,965,966	786,328	-	756,542	15,451,668
2014	196,608	8,453,485	4,226,704	2,113,352	845,278	-	870,902	16,706,329
2015	209,751	9,102,131	4,551,023	2,275,512	910,137	-	966,315	18,014,869
2016	197,729	9,489,721	4,744,816	2,372,408	948,893	-	1,033,152	18,786,719
2017	223,644	9,321,708	4,660,811	2,330,405	932,093	139,024	1,066,922	18,674,607

¹ 75% of Garfield County's 1% sales tax is distributed to Garfield County and 12.5% of this is distributed to municipalities within Garfield County based upon actual sales taxes collected

² Voters approved a 5% sales tax additional tax on Retail Marijuana Sales effective July 1, 2017

Source: City of Glenwood Springs Finance Department

City of Glenwood Springs, Colorado
Sales Tax Receipts by Month
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
January	1,162,919	1,036,382	939,649	902,937	959,869	1,043,132	998,007	1,122,151	1,178,036	1,205,216
February	1,139,604	952,653	864,886	870,428	950,649	945,310	970,853	1,071,493	1,137,481	1,127,360
March	1,357,905	1,102,005	1,078,312	1,087,735	1,234,559	1,189,455	1,260,135	1,382,565	1,447,251	1,506,937
April	1,199,986	991,165	924,756	934,451	1,024,331	1,006,955	1,081,261	1,184,159	1,256,435	1,274,638
May	1,356,028	1,081,057	1,009,417	1,012,727	1,096,328	1,151,014	1,212,986	1,307,107	1,364,645	1,389,173
June	1,560,304	1,293,680	1,235,214	1,297,523	1,373,522	1,425,356	1,505,444	1,637,258	1,792,935	1,735,001
July	1,466,666	1,221,478	1,200,957	1,235,161	1,285,250	1,334,591	1,474,355	1,579,778	1,610,220	1,640,786
August	1,475,343	1,194,712	1,168,915	1,210,415	1,319,047	1,315,199	1,448,014	1,512,112	1,582,419	1,479,105
September	1,510,521	1,216,001	1,204,838	1,247,118	1,294,018	1,328,843	1,477,296	1,559,080	1,602,024	1,485,353
October	1,263,602	1,028,165	1,024,626	1,059,152	1,090,112	1,117,357	1,286,735	1,335,404	1,390,258	1,257,979
November	1,207,029	1,017,078	1,004,836	1,012,962	1,052,012	1,104,004	1,218,414	1,272,581	1,299,571	1,297,443
December	1,679,102	1,450,277	1,428,522	1,467,028	1,532,203	1,586,951	1,705,319	1,875,115	1,894,563	1,846,026
Total	16,379,009	13,584,653	13,084,928	13,337,637	14,211,901	14,548,165	15,638,819	16,838,803	17,555,838	17,245,017

Source: City of Glenwood Springs Finance Department.

City of Glenwood Springs, Colorado
Assessed Value and Actual Value of Taxable Property
Last Ten Years

Fiscal Year Ended December 31¹	Valuation Base Year²	Residential Property Assessment Rate³	Residential Property⁴	Commercial Property	Other Property	Tax-Exempt Property	Assessed Value	Estimated Actual Value²	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value	Total Direct Tax Rate⁵
2008⁶	2006	7.96%	-	-	-	-	223,244,055	1,521,692,640	14.67%	4.641
2009	2008	7.96%	107,544,590	154,162,990	20,260,150	43,618,170	281,967,730	1,952,522,230	14.44%	3.721
2010	2008	7.96%	108,505,090	158,642,360	17,258,460	43,682,670	284,405,910	1,969,684,130	14.44%	3.752
2011	2010	7.96%	77,441,520	128,817,580	13,530,700	44,229,260	219,789,800	1,463,744,510	15.02%	4.852
2012	2010	7.96%	77,448,280	127,863,350	13,621,240	46,104,250	218,932,870	1,460,851,590	14.99%	4.654
2013	2012	7.96%	59,595,360	111,423,190	12,779,800	41,567,910	183,798,350	1,191,905,290	15.42%	7.051
2014	2012	7.96%	59,631,880	112,758,290	12,502,140	43,550,850	184,892,310	1,197,197,420	15.44%	7.022
2015	2014	7.96%	79,222,880	119,653,680	15,073,930	41,709,180	213,950,490	1,459,859,080	14.66%	6.126
2016	2014	7.20%	79,349,540	120,509,730	15,291,150	41,231,070	215,150,420	1,465,151,350	14.68%	6.126
2017	2016	7.20%	85,378,000	130,580,170	14,504,600	41,772,560	230,462,770	1,686,096,730	13.67%	6.513

¹ Property taxes levied on the valuation for the year indicated are collected in the following year.

² Actual value is reappraised biennially from sales that occurred in the 24 month period ending June 30 of the indicated valuation base year.

³ Residential property is assessed at the indicated assessment rate of actual value. All other property is assessed at 29% of actual value.

⁴ Residential property is valued at 100% of market value; all other property is valued considering the income, cost and market approaches to appraisal.

⁵ Per \$1,000 of assessed valuation.

⁶ 2008 Breakdown not available

Source: Garfield County Assessor

**City of Glenwood Springs, Colorado
Property Tax Levies and Collections
Last Ten Years**

Collection Year	Collected within the Fiscal Year Following the Levy			Total Collections to Date		
	Taxes Levied for the Fiscal Year	Amount Collected	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2008	987,763	980,598	99.27%	560	981,158	99.33%
2009	1,036,076	1,033,981	99.80%	483	1,034,464	99.84%
2010	1,029,102	1,019,997	99.12%	358	1,020,355	99.15%
2011	1,048,884	1,042,256	99.37%	71	1,042,327	99.37%
2012	1,053,493	1,048,818	99.56%	950	1,049,768	99.65%
2013	1,010,999	1,005,179	99.42%	346	1,005,525	99.46%
2014	1,288,579	1,280,308	99.36%	4,812	1,285,120	99.73%
2015	1,293,413	1,290,826	99.80%	390	1,291,216	99.83%
2016	1,306,130	1,304,024	99.84%	488	1,304,512	99.88%
2017	1,324,510	1,322,175	99.82%	77	1,322,253	99.83%

Source: City of Glenwood Finance Department

**City of Glenwood Springs, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Years**

(rate per \$1,000 of assessed value)

Tax Year	General Mill Levy				Refund / Abatements	Total Direct Tax Rate
	General Fund	Voter Approved Increase ¹	Bond Fund	Capital		
2008	2.418	-	1.319	0.859	0.045	4.641
2009	1.971	-	1.057	0.680	0.013	3.721
2010	2.006	-	1.037	0.671	0.038	3.752
2011	2.603	-	1.344	0.863	0.042	4.852
2012	2.602	-	1.176	0.857	0.019	4.654
2013	2.603	2.000	1.399	1.013	0.036	7.051
2014	2.603	2.000	1.389	1.004	0.026	7.022
2015	2.046	2.000	1.200	0.865	0.015	6.126
2016	2.137	2.000	1.170	0.862	0.010	6.179
2017	2.603	2.000	1.093	0.804	0.013	6.513

Tax Year	Overlapping Rates						
	Garfield County	Colorado River Water Conservation	West Divide Water Conservation	Glenwood Springs Improvement District	RE-1 School District	Colorado Mountain College	Garfield County Public Library District
2008	13.655	0.199	0.075	2.253	33.942	3.997	1.000
2009	13.655	0.166	0.048	2.010	30.984	3.997	1.000
2010	13.655	0.188	0.048	2.074	30.992	3.997	0.864
2011	13.655	0.228	0.042	2.458	39.589	3.997	1.000
2012	13.655	0.242	0.041	2.460	38.388	3.997	1.000
2013	13.655	0.254	0.041	2.484	42.445	3.997	1.000
2014	13.655	0.253	0.039	2.459	42.149	3.997	1.000
2015	13.655	0.243	0.039	2.291	46.300	3.997	1.000
2016	13.655	0.253	0.039	2.308	45.245	3.997	1.000
2017	13.655	0.254	0.039	2.138	44.038	3.997	1.001

¹Voters approved a 2 mill levy increase for 5 years

Source: Garfield County Treasurer

**City of Glenwood Springs, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago**

Taxpayer	2017			2008		
	Assessed Value	Rank	Percentage of Total City Assessed Value	Assessed Value	Rank	Percentage of Total City Assessed Value
Weingarten Miller Glenwood LLC	\$ 4,370,630	1	1.90%	\$ 7,641,330	1	3.42%
Glenwood Hot Springs Lodge & Pool Inc	4,256,920	2	1.85%	5,006,820	2	2.24%
Valley View Hospital Assoc	3,837,090	3	1.66%	3,177,670	3	1.42%
Qwest Corporation TL393	2,336,600	4	1.01%			
Target Corporation	2,213,460	5	0.96%	2,831,990	4	1.27%
Bank of Colorado	2,017,190	6	0.88%			
Iron Mountain Hot Springs LLC	1,819,240	7	0.79%			
Sheep Ranch LLC, The	1,707,940	8	0.74%			
100 Riverine Road LLC	1,649,980	9	0.72%			
Wal-Mart Real Estate Business Trust	1,617,750	10		2,760,410	5	1.24%
Glenwood Springs Automotive				2,146,070	6	0.96%
Glenwood Springs Mall LLP				2,106,150	7	0.94%
Kum & Go C.C. #4951				2,070,250	8	0.93%
Lowe's, HIW, Inc.				1,891,680	9	0.85%
Glenwood Properties, Inc.				1,844,770	10	0.83%
Total	\$ 25,826,800		10.50%	\$ 31,477,140		14.10%

Source: Garfield County Assessor

**City of Glenwood Springs, Colorado
Ten Largest Sales Tax Remitters
Current Year and Five Years Ago**

2017

Business Name¹	Industry
City Market	Food and Drug
Garfield County	Automobile
Glenwood Properties/Hotel Colorado	Lodging
Hot Springs Lodge & Pool	Lodging
Lowe's Home Centers, LLC	Building
Ross	Department Store
Safeway	Food and Drug
Target	Department Store
Vitamin Cottage	Food and Drug
Walmart, Inc.	Department Store

2012

Business Name¹	Industry
City Market	Food and Drug
Garfield County	Automobile
Hot Springs Lodge & Pool	Lodging
Lowe's Home Centers, LLC	Building
Ross	Department Store
Safeway	Food and Drug
Sports Authority	Sporting Goods
Target	Department Store
Vitamin Cottage	Food and Drug
Walmart, Inc.	Department Store

¹ Businesses' names are listed in alphabetic order.
Source: City of Glenwood Springs Finance Department.

City of Glenwood Springs, Colorado
Taxable Retail Sales by Industry
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Contractors	\$ 772,344	\$ 416,132	\$ 398,756	\$ 420,172	\$ 566,849	\$ 366,016	\$ 478,337	\$ 580,531	\$ 1,317,354	\$ 1,221,802
Transportation:Passenger/Freight/Storage	49,254	30,091	46,085	89,854	60,341	54,011	84,648	80,218	124,209	141,407
Travel Agencies	568	4,351	2,649	2,730	1,784	1,405	1,405	288	1,656	594
Communications Svcs - Cell, Phone, Cable	18,045,828	16,481,741	14,123,306	13,309,535	13,142,599	12,254,316	12,742,772	13,669,673	15,502,099	15,091,222
Utilities: Gas/Water/Elect	6,871,628	6,319,171	6,217,633	6,138,234	6,250,260	6,802,259	7,514,382	8,183,489	8,227,960	8,998,299
Wholesale	37,042	70,357	114,119	125,510	111,732	129,362	265,145	579,621	1,001,002	958,192
Building:Supplies, Paint, Nurseries	49,877,405	36,541,890	32,546,176	31,798,802	33,837,943	37,057,763	40,758,195	45,768,909	49,969,129	50,027,127
Department, Variety Stores	90,061,376	79,943,613	77,888,382	80,584,673	80,220,960	78,359,016	78,534,805	80,247,342	80,096,298	77,313,629
Food Suppliers	54,012,353	50,099,968	47,829,785	49,608,809	50,424,422	51,693,869	54,388,923	56,936,334	57,729,346	55,677,077
Auto: Dealers, Gas Stations, Parts, Wash	50,801,439	35,778,878	32,847,426	34,525,911	38,253,729	40,205,939	46,962,093	54,901,747	55,174,768	56,217,858
Apparel & Accessories	12,058,841	10,190,577	10,517,498	9,704,844	15,277,545	15,495,223	15,916,638	16,605,153	17,153,031	18,110,891
Furnishings: Furn, Carpet, Appl, Comptrs	11,646,641	7,827,336	8,374,715	7,616,090	8,300,109	7,636,140	8,694,991	8,245,742	8,149,252	7,901,883
Restaurants, Bars, Caterers	51,534,402	44,378,550	43,060,561	46,441,282	49,968,608	51,627,996	55,936,652	61,510,025	63,676,165	63,082,366
Misc. Retail: Vending, Jewelry, Liquor	47,865,800	41,508,567	40,668,746	41,905,720	39,730,203	40,734,976	42,634,781	42,449,979	43,993,237	37,681,260
Financial: Banks,Invstmnts,Leasing,Mort	1,197,993	991,181	882,758	829,593	1,089,521	981,329	1,140,070	1,405,501	1,329,660	1,355,019
Insurance	89,657	68,129	61,441	46,111	75,122	64,789	54,432	55,636	39,892	33,332
Real Estate: Prop Mgt,Condo Assn,Realtor	33,284	18,334	5,966	4,459	14,703	7,432	13,378	25,095	25,342	46,179
Lodging	36,662,679	26,861,455	27,149,388	29,169,871	32,311,722	33,756,515	38,543,395	43,517,275	46,683,042	47,566,309
Personal Svcs: Laundry, Salons, Photog	2,063,837	1,638,279	1,213,533	1,209,797	1,217,598	1,421,139	1,441,848	1,595,818	1,431,204	1,306,683
Business Svcs: Advert, Copy, Int Design	6,411,976	5,740,179	7,308,616	4,864,358	6,107,210	6,110,768	6,192,733	5,899,402	6,742,795	7,640,602
Recreation & Amusements	1,820,455	1,623,660	1,640,167	1,425,680	1,390,708	1,514,211	1,281,215	1,664,062	2,359,334	2,594,102
Health Services	1,911,716	1,892,338	1,937,425	1,852,835	1,770,483	2,469,832	2,185,670	2,144,788	2,350,212	2,191,717
Schools/Educational	29,424	45,949	37,736	7,496	7,700	12,449	20,649	17,294	21,662	37,053
Social Svcs	13,409	8,056	5,744	5,806	6,027	9,838	28,405	21,625	20,344	3,218
Membership Organ: Church, Civic, Social	485,521	461,719	469,242	526,045	459,560	477,959	497,727	736,301	645,610	589,198
Professionals: Acctng,Eng.,Legal,Mgmt	214,975	210,337	126,738	264,671	282,649	310,432	269,326	293,916	354,906	232,879
Misc. Services: Artists, Scientific	77,947	90,265	49,081	38,398	44,433	44,122	37,568	69,691	187,009	106,972
Other: Non-Licensed	3,148,749	2,357,684	1,857,676	2,021,332	2,131,393	2,116,602	1,132,043	1,638,261	3,326,648	3,099,478
Temporary/Special Event Vendor ¹	-	-	-	-	28,056	34,105	39,247	48,432	149,479	143,106
Marijuana ¹	-	-	-	-	1,021,459	1,449,541	4,879,311	6,301,182	6,704,972	6,712,096
Total Taxable Sales	\$ 447,796,546	\$ 371,598,791	\$ 357,381,348	\$ 364,538,617	\$ 384,105,429	\$ 393,199,355	\$ 422,670,785	\$ 455,193,872	\$ 474,487,618	\$ 466,081,550

¹ In 2012, the City began reporting the sales in a separate category

Source: City of Glenwood Springs Finance Department

City of Glenwood Springs, Colorado
Legal Debt Margin Information
Last Ten Years
(in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 6,697	\$ 8,459	\$ 8,532	\$ 6,594	\$ 6,568	\$ 5,514	\$ 5,547	\$ 6,419	\$ 6,455	\$ 6,914
Total net debt applicable to limit	6,244	5,629	4,993	4,337	3,602	3,299	2,573	2,038	1,466	899
Legal Debt Margin	<u>\$ 453</u>	<u>\$ 2,830</u>	<u>\$ 3,539</u>	<u>\$ 2,256</u>	<u>\$ 2,966</u>	<u>\$ 2,215</u>	<u>\$ 2,973</u>	<u>\$ 4,381</u>	<u>\$ 4,989</u>	<u>\$ 6,015</u>
Total net debt applicable to limit as a percentage of debt limit	93.231%	66.540%	58.519%	65.781%	54.845%	59.831%	46.394%	31.751%	22.711%	12.999%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value ¹	\$ 230,462,770
Debt limit (3% of assessed value)	6,913,883
Debt applicable to limit:	
General Obligation Bonds	898,725
Total net debt applicable to limit	<u>898,725</u>
Legal debt margin	<u>\$ 6,015,158</u>

¹ Source: Garfield County Assessor

**City of Glenwood Springs, Colorado
Outstanding Debt by Type
Last Ten Years**

Fiscal Year	Governmental Activities			Business-Type Activities		Total Government	Percentage of Estimated Personal Income	Per Capita
	General Obligation Bonds	Sales and Use Tax Revenue Bonds	Colorado SIB Loan	Electric Revenue Bonds	Water and Sewer Revenue Loan			
2008	6,243,977	11,565,000	635,852	890,000	880,000	20,214,829	4.21%	2,201
2009	5,628,676	10,620,000	481,579	605,000	700,000	18,035,255	3.66%	1,926
2010	4,992,920	11,064,185	324,221	310,000	31,460,100	48,151,426	10.38%	5,031
2011	4,337,391	9,645,518	163,716	-	30,394,550	44,541,175	8.98%	4,671
2012	3,602,213	8,737,883	-	-	29,313,175	41,653,271	7.50%	4,316
2013	3,299,032	7,340,000	-	-	28,221,250	38,860,282	6.80%	3,970
2014	2,573,378	6,328,093	-	-	27,097,675	35,999,146	5.43%	3,671
2015	2,037,964	8,060,000	-	-	25,953,000	36,050,964	5.10%	3,658
2016	1,465,883	6,585,000	-	-	24,781,950	32,832,833	4.65%	3,332
2017	898,725	5,060,000	-	-	23,573,975	29,532,700	4.09%	2,954

Source: City Finance Department

**City of Glenwood Springs, Colorado
Ratios of Bonded Debt Outstanding by Type
Last Ten Years**

Fiscal Year	General Obligation Bonds	Sales and Use Tax Revenue Bonds	Colorado SIB Loan	Enterprise Revenue Bonds	Total Bonded General Obligation Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2008	6,243,977	11,565,000	635,852	1,770,000	6,243,977	2.80%	680
2009	5,628,676	10,620,000	481,579	1,305,000	5,628,676	2.00%	601
2010	4,992,920	11,064,185	324,221	31,770,100	4,992,920	1.76%	522
2011	4,337,391	9,645,518	163,716	30,394,550	4,337,391	1.97%	455
2012	3,602,213	8,737,883	-	29,313,175	3,602,213	1.65%	373
2013	3,299,032	7,340,000	-	28,221,250	3,299,032	1.79%	337
2014	2,573,378	6,328,093	-	27,097,675	2,573,378	1.39%	262
2015	2,037,964	8,060,000	-	25,953,000	2,037,964	0.95%	207
2016	1,465,883	6,585,000	-	24,781,950	1,465,883	0.68%	149
2017	898,725	5,060,000	-	23,573,975	898,725	0.39%	91

Source: City of Glenwood Springs Finance Department

City of Glenwood Springs, Colorado
Direct and Overlapping Governmental Activities Debt
As of 12/31/2017
(in thousands)

<u>Overlapping Debt</u>	<u>Total General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Roaring Fork School District	\$ 184,790	16.882%	\$ 31,197
Glenwood Meadows Metro District No. 3	10,302	100.000%	10,302
Total Overlapping Debt	<u>\$ 195,092</u>		<u>41,499</u>
City of Glenwood Springs Direct Debt			<u>899</u>
Total Direct and Overlapping Debt			<u>\$ 42,397</u>

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

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

Source: Assessed value data used to estimate applicable percentages provided by the Garfield County Assessor. Debt outstanding provided by each governmental unit.

**City of Glenwood Springs, Colorado
Pledged Revenue Coverage
Last Ten Years**

Fiscal Year	Sales and Use Tax Revenue Bonds ¹	Electric Revenue ²	Water and Sewer Revenue ³	Total Pledged Revenues	Debt Service		
					Principal	Interest	Coverage
2008	4,426,755	9,835,551	3,871,533	18,133,839	1,365,000	1,365,000	6.64
2009	3,671,524	9,719,657	3,766,955	17,158,136	1,410,000	1,410,000	6.08
2010	3,536,463	9,524,984	4,229,091	17,290,538	3,180,000	3,180,000	2.72
2011	3,604,763	-	4,697,538	8,302,301	2,445,550	2,445,550	1.70
2012	3,841,050	-	5,350,696	9,191,746	2,171,375	2,171,375	2.12
2013	3,931,933	-	5,102,858	9,034,791	2,216,925	2,216,925	2.04
2014	4,226,704	-	5,390,156	9,616,860	2,278,575	2,278,575	2.11
2015	6,826,535	-	5,974,846	12,801,381	2,339,675	2,339,675	2.74
2016	7,117,225	-	6,623,843	13,741,068	2,646,050	2,646,050	2.60
2017	6,991,216	-	6,619,310	13,610,526	2,732,975	2,732,975	2.49

¹ The City 1999 and 2010 Sales and Use Tax revenue bonds pledged revenues from the 1.0% tax within the City Acquisition & Improvement Fund. The 2010 issuance refunded the 1999 bonds.
The City 2015 Sales and Use Tax revenue bonds pledged revenues from the 0.5% tax within the City Street Tax Fund.

² The City Electric Revenue Bonds were repaid in full in 2011.

³ The City 2003 Water and Sewer Revenue Refunding Bonds were repaid in 2010 and the Water and Sewer Revenue Loan were issued in 2010.

**City of Glenwood Springs, Colorado
Demographic and Economic Statistics
Last Ten Years**

Fiscal Year	Population¹	Estimated Personal Income (in thousands)	Per Capita Income²	Unemployment Rate³
2008	9,186	480,014	52,255	9.6%
2009	9,366	492,773	52,613	12.1%
2010	9,571	463,878	48,467	11.3%
2011	9,535	495,915	52,010	13.6%
2012	9,651	555,126	57,520	10.3%
2013	9,789	571,149	58,346	7.4%
2014	9,807	662,953	67,600	6.1%
2015	9,855	706,337	71,673	4.0%
2016	9,998	722,405	72,255	3.6%
2017	9,908	724,275	73,100	2.8%

¹ State of Colorado, Department of Local Affairs, Division of Local Government, Denver, Colorado

² Bureau of Economic Analysis

**City of Glenwood Springs, Colorado
Principal Employers
Current Year and Nine Years Ago**

Employer	2017		2008	
	Estimated Employees	Rank	Estimated Employees	Rank
Valley View Hospital	818	1	820	1
Colorado Mountain Junior College District	411	2	385	2
Lowe's Home Improvement	385	3	280	5
Walmart	345	4	380	3
City Market	335	5	250	7
Target	290	6	300	4
Glenwood Hot Springs Resort (1)	265	7	190	9
Glenwood Caverns	218	8		
Safeway Store	211	9	275	6
Sports Authority	205	10	160	10
Glenwood Springs City Hall	186		199	8

Sources: Glenwood Springs Resort Chamber Association, Garfield County Annual Report, Individual Employers, Colo Dept of Labor, www.colmigateway.com

(1) Includes pool, athletic club, Spa (2008 only), and lodge

City of Glenwood Springs, Colorado
Full-time Equivalent City Government Employees by Function/Program
Last Ten Years

Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	30.5	31.0	31.3	31.0	30.8	31.0	30.8	31.8	30.8	32.0
Public Transportation	66.5	67.3	67.5	68.0	64.0	59.3	59.3	61.3	65.4	64.7
Public Safety	8.0	8.0	8.0	8.0	6.0	6.0	6.0	7.0	7.0	7.3
Public Works	20.0	20.0	20.9	20.9	19.9	19.9	19.9	21.0	21.0	21.5
Culture and Recreation	23.0	26.0	29.0	28.0	27.0	27.0	26.0	26.0	26.0	25.2
Water	15.5	16.5	16.5	17.5	16.5	16.2	17.5	17.2	17.2	17.0
Electric	15.5	15.5	16.5	16.0	15.0	15.5	16.0	13.3	13.3	13.5
Airport	0.3	0.3	0.4	0.7	0.6	0.6	0.6	0.2	0.2	0.2
Landfill	6.8	7.8	4.8	4.8	3.8	3.8	3.8	3.6	3.6	3.6
Total:	186	192.25	194.82	194.87	183.55	179.25	179.84	181.36	184.29	184.85

Source: City of Glenwood Springs Finance Department

**City of Glenwood Springs, Colorado
Operating Indicators by Function/Program
Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Government										
Building permits issued	315	283	465	338	330	319	363	327	332	388
Total permit valuation & letters of completion issued	\$24,824,258	\$28,687,189	\$59,009,110	\$11,480,654	\$44,041,112	\$11,813,101	\$16,185,988	\$28,829,089	\$36,533,178	\$15,458,436
Public Safety										
Number of crimes	4,613	5,150	4,247	4,419	3,879	3,535	3,333	3,981	4,846	4,060
Traffic Citations	2,775	3,173	2,471	1,952	1,448	1,576	1,322	1,818	2,054	2,399
Traffic Accidents	687	603	556	443	538	515	592	632	686	678
Public Works										
Electric Residential Customers	4,565	4,598	4,603	4,593	4,597	4,635	4,677	4,680	4,683	4,702
Residential Average Monthly KWH	690	680	665	684	655	681	652	629	639	619
Electric Large Commercial Customers	72	72	72	77	81	72	72	88	72	91
Large Commercial Average KWH	59,585	58,671	60,645	55,495	52,455	64,658	60,645	61,650	60,650	52,397
Total KWH Purchased (in '000s)	131,251	127,887	127,346	130,299	130,437	129,755	128,480	128,861	127,200	125,617
Residential Water Meters	2,919	2,936	2,943	2,943	2,950	2,947	2,957	2,958	2,959	2,969
Total Residential Consumption ('000 gallons)	385,624	345,015	363,269	315,638	379,254	351,819	328,952	324,963	329,707	331,818
Commercial Water Meters	450	461	463	462	460	460	468	474	477	482
Total Commercial Consumption ('000 gallons)	202,995	173,409	167,840	165,762	188,363	168,213	173,461	182,227	183,999	176,460
Transit										
Passengers										
Free bus routes										

Source: City of Glenwood Springs Departmental Data

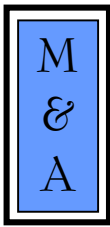
City of Glenwood Springs, Colorado
Capital Asset Statistics by Program
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Parks and Recreation										
Number of Zoned Parks	20	20	20	22	23	23	23	25	25	26
Estimated Bike Paths (linear miles)	16	16	16	20	20	20	24	24	24	27
Estimated unpaved trails (linear miles)	7	7	7	9	9	9	11	11	11	14
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Licensed Police Vehicles	17	17	15	16	16	16	17	18	22	19
Fire Stations	2	2	2	2	2	2	2	2	2	2
Rural Fire District Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (lane miles)	79	84	84	86	86	86	86	86	86	86
Street lights	550	550	550	590	605	605	610	614	618	618
Transit										
Ride Glenwood Bus Stops	16	16	19	20	20	20	20	23	24	24
Utility										
Electric sub stations	3	3	3	3	3	3	3	3	3	3

Source: City of Glenwood Springs Departmental Data

SINGLE AUDIT REPORTS AND SCHEDULES





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Certified Public Accountants and Consultants

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

**To the Members of City Council
City of Glenwood Springs
Glenwood Springs, Colorado**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Glenwood Springs (the "City") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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**INDEPENDENT AUDITOR'S REPORT
To the Members of City Council
City of Glenwood Springs**

Compliance and Other Matters

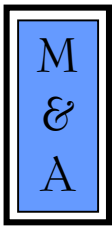
As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 29, 2018**



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Members of City Council
City of Glenwood Springs
Glenwood Springs, Colorado**

Report on Compliance for Each Major Program

We have audited the City of Glenwood Springs's (the "City") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2017. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Member: American Institute of Certified Public Accountants

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**INDEPENDENT AUDITOR's REPORT
To the Members of City Council
City of Glenwood Springs**

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control Over Compliance

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

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 29, 2018**

City of Glenwood Springs, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

Part I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	No
Major programs:	
Highway Planning and Construction	CFDA #20.205
Dollar threshold used to identify Type A from Type B programs:	\$750,000
Identified as low-risk auditee	Yes

Part II – Findings Related to Financial Statements

Findings related to financial statements as required by <i>Government Auditing Standards</i>	None noted
Auditor-assigned reference number	Not applicable

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

City of Glenwood Springs
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017
(continued)

There were no findings for the fiscal year ended December 31, 2016.

City of Glenwood Springs
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
Bureau of Land Management:		
Wildlife Urban Interface Community Fire Assistance	15.228	35,000
Total Bureau of Land Management		<u>35,000</u>
Department of Homeland Security:		
Passed through Colorado Department of Public Safety		
Hazard Mitigation Grant	97.039	5,062
Total Department of Homeland Security		<u>5,062</u>
Department of Justice:		
Passed through Colorado Department of Public Safety:		
Bulletproof Vest Partnership Program	16.607	2,238
High Intensity Drug Trafficking Assistance	16.729	82,500
Total Department of Justice		<u>84,738</u>
Environmental Protection Agency		
Brownsfield Training, Research, and Technical Assistance	66.814	78,838
Total Environmental Protection Agency		<u>78,838</u>
Department of Transportation:		
Passed through Colorado Department of Transportation:		
Highway Planning and Construction	20.205	A 697,536
Administrative and Operating Costs Section 5311	20.509	246,169
Total Department of Transportation		<u>943,705</u>
Total		<u>\$ 1,147,343</u>
Additional Information for Clusters:		Amount
A - Highway Planning and Construction Cluster		697,536

Notes to the Schedule of Expenditures of Federal Awards for the year ended December 31, 2017

Note 1. Basis of Presentation:

The Schedule of Expenditures of Federal Awards includes the federal grant activity of The City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements on of Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

Note 2. Determining the Name of Non-cash Awards Expended:

Fair market value of assistance at the time of disbursement to the recipient, or the assessed value provided by the state or federal agency.

Note 3. Sub-recipients:

The City provided the following federal funds listed in the Schedule of Expenditures of Federal Awards to sub-recipients:

<u>Program Title</u>	<u>Federal CFDA</u>	<u>Amount</u>
High Intensity Drug Trafficking Assistance - Garfield County	16.729	\$ 23,395

Note 4. Indirect Facilities and Administration costs:

The City does not use the 10% de minimis cost rate allowed in Title 2 U.S. Code of Federal Regulations (CFR) Part 200.414, indirect (F & A) costs.