



Comprehensive Annual Financial Report

*for the fiscal year ended
December 31, 2017*

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July 5, 2018

City of Littleton, Colorado

Photo by Rosanne Juergens



Littleton, Colorado

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

*For the Fiscal Year Ended
December 31, 2017*

Prepared by the Department of Finance

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2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

CITY OF LITTLETON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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City of Littleton
Littleton, Colorado



2017 CAFR

Introductory Section

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City of Littleton
Littleton, Colorado



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

June 27, 2018

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Littleton, Colorado for the year ended December 31, 2017. State law requires that all local governments publish, within seven months of the close of each year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant.

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

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

Anton Collins Mitchell LLP has issued an unmodified opinion on the City of Littleton's financial statements for the year ended December 31, 2017. The Independent Auditor's Report is at the front of the financial section of this report.

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

Profile of the government

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

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

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

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

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

Local economy

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

The City of Littleton's revenues reflected an improved economy as compared to 2016. General Fund revenues, excluding transfers in, were higher than 2016 by 13%. Sales and use taxes represented approximately 50% of total General Fund revenue and were 6% higher than 2016. In 2018, the city has budgeted a 3% increase in sales and use tax revenues over the 2017 adopted budget largely due to new business growth.

Colorado's economy is on solid footing with strong employment growth and expectations of an ongoing expansion. New business formation continues to grow, while Colorado oil production is at record levels. Although much of the state's economic growth has occurred along the Front Range, stabilizing farmland values and increases in energy prices and production have recently supported rural areas as well. Looking forward, higher costs of living and tight labor market conditions are expected to constrain further growth throughout 2018. The tax changes enacted at the federal level are expected to bolster business investment in the near term with slight increases to overall economic growth. Recent price data indicate possible inflation risk as tight labor markets and strong stock market returns may begin to overheat the economy, which could trigger the Federal Reserve to tighten monetary policy more than currently expected (Governor's Office of State Planning and Budgeting).

Long term financial planning

At the end of the year, unassigned fund balance for the General Fund was \$9,997,666, or 15% of total General Fund revenues. The 2018 General Fund budget is projecting a surplus of \$933,082, after transfers to other funds. Total 2018 General Fund revenues, before transfers, are estimated at \$64,879,694 or \$251,314 (less than 1%) under 2017 actual revenues. Total 2018 General Fund expenditures are budgeted at \$63,541,870 before transfers or \$4,605,607 over 2017 actual expenditures, an 8% increase.

Like most municipalities, Littleton faces challenges to sustainability and strategic growth. Staff and council members have embraced change, completed several initiatives and are moving forward with major improvements in processes and service delivery. The Economic Plan has been adopted and the Comprehensive Plan has been updated. There has been scenario planning for economic sustainability and growth within the city.

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

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

The Littleton Village community, coupled with several other developments throughout the City, is bringing new vitality to the city. The newly opened Staybridge Suites and Residence Inn near County Line Road provide additional hotel options for visitors. A new commercial building is under construction on Main Street and is designated in the Main Street Historic District. South Suburban Parks and Recreation is busy with park improvements at Writer's Vista Park and Bowles Grove Park which will improve existing community recreational opportunities.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2016. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements, and are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate. The GFOA has also awarded the City its Distinguished Budget Presentation Award for the fiscal year 2017. This is the ninth consecutive year for this award.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Relph', with a stylized, looping flourish at the end.

Mark Relph
City Manager

A handwritten signature in blue ink, appearing to read 'Tiffany Hooten', with a stylized, looping flourish at the end.

Tiffany Hooten, CPA
Finance Director



Government Finance Officers Association

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

Presented to

**City of Littleton
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

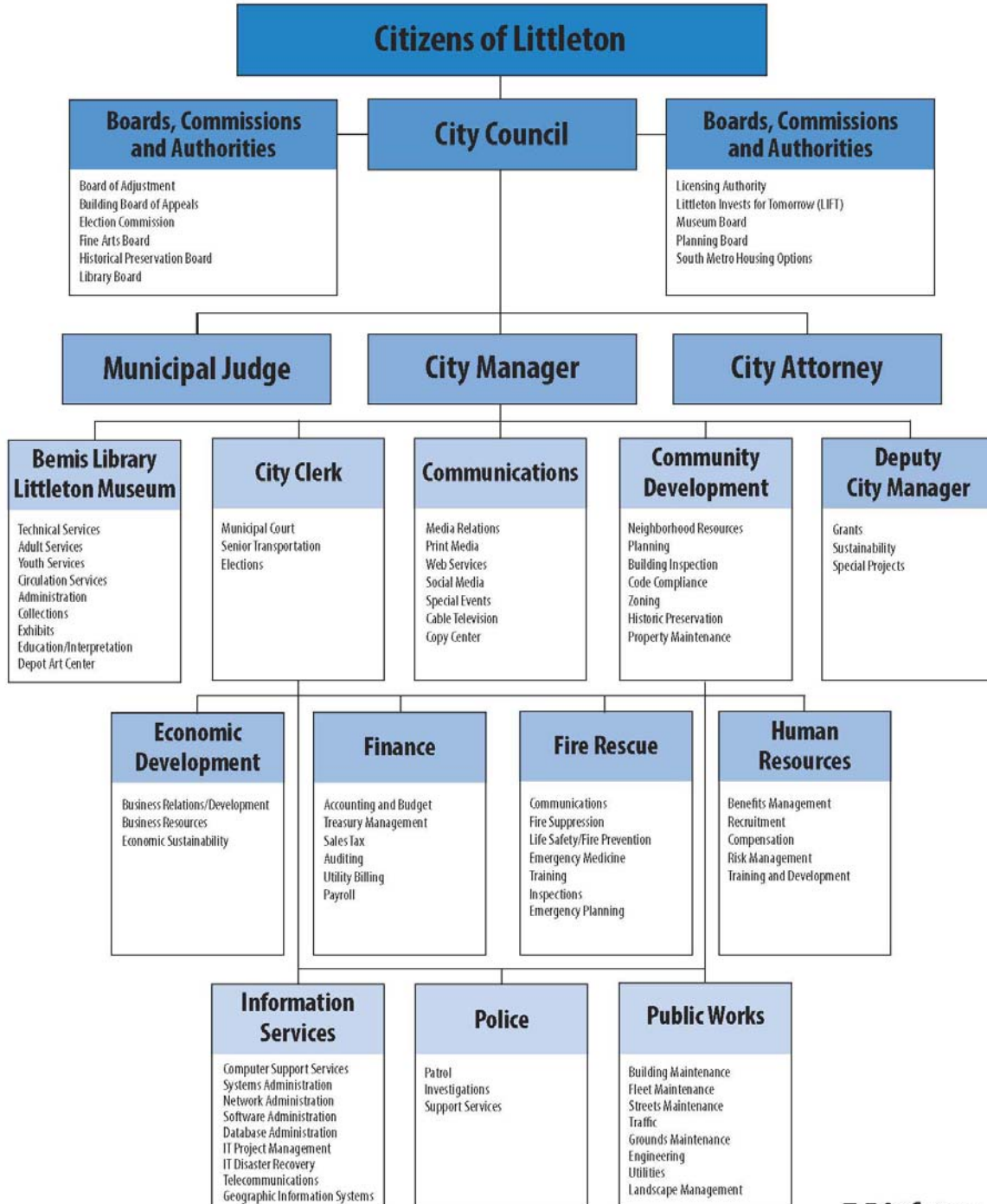
December 31, 2016

Christopher P. Morrell

Executive Director/CEO

City of Littleton

Organizational Chart



List of Principal Officials

December 31, 2017

MEMBERS OF 2017 CITY COUNCIL

		<i>Term Expires</i>
Mayor – District IV	Debbie Brinkman	2019
Mayor Pro-Tem – District II	Jerry Valdes	2019
City Council Member at large	Peggy Cole	2019
City Council Member at large	Karina Elrod	2021
City Council Member District III	Carol Fey	2021
City Council Member District I	Patrick Driscoll	2021
City Council Member at large	Kyle Schlachter	2019

CITY OFFICIALS

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

SEPARATE AUTHORITIES

Littleton Municipal Building Authority	Carle Zimmerman, President
Littleton Invests for Tomorrow (LIFT)	Kevin Seiler, Chairperson

Littleton 2017 City Council

Debbie Brinkman
Mayor *District IV*
Term expires 2019



Jerry Valdes
Mayor Pro-Tem *District II*
Term expires 2019



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



Karina Elrod
City Council Member *at large*
Term expires 2021



Carol Fey
City Council Member *District III*
Term expires 2021



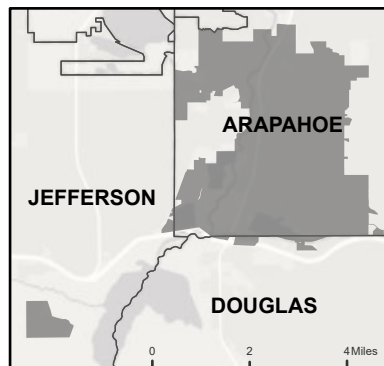
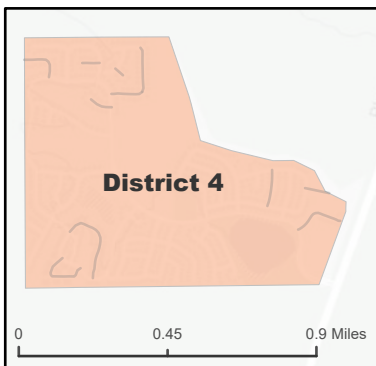
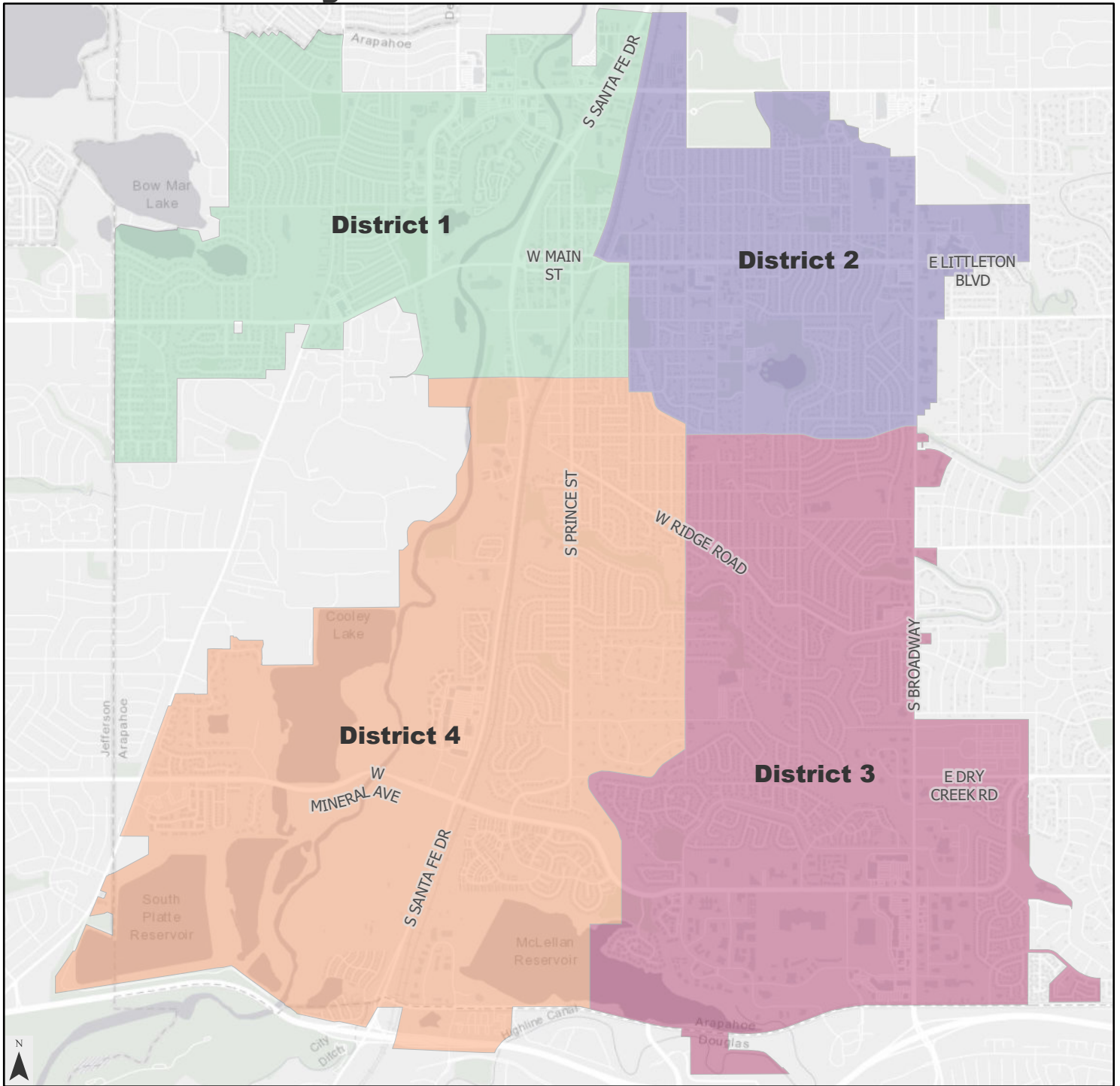
Patrick Driscoll
City Council Member *District I*
Term expires 2021



Kyle Schlachter
City Council Member *at large*
Term expires 2019



City Council Districts



District

- 1
- 2
- 3
- 4



Littleton

City of Littleton
2255 W Berry Ave
Littleton, CO 80120

Coordinate System: NAD 1983 StatePlane Colorado Central FIPS 0502 Feet
Prepared on 4/19/2018

These map products and all underlying data were developed for use by the City of Littleton for its internal purposes only, and were not designed or intended for general use by members of the public. The city makes no representation or warranty as to its accuracy, timeliness, or completeness, and in particular, its accuracy in labeling or displaying dimensions, contours, property boundaries, or placement or location of any map features thereon. THE CITY OF LITTLETON MAKES NO WARRANTY OF MERCHANTABILITY OR WARRANTY FOR FITNESS OF USE FOR A PARTICULAR PURPOSE, EXPRESSED OR IMPLIED, WITH RESPECT TO THESE MAP PRODUCTS OR THE UNDERLYING DATA.

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Financial Section

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton, 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 opinions on these financial statements based on our audit. We did not audit the financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture, a joint venture of the City, which represents 19 percent and 56 percent, respectively, of the assets, and 21 percent and 27 percent, respectively, of the revenues of the business-type activity and Sewer Utility Fund (a major enterprise fund). Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Littleton/Englewood Wastewater Treatment Plant Joint Venture, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement. The financial statements of Littleton/Englewood Wastewater Treatment Plant Joint Venture were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund



information of the City of Littleton, Colorado as of December 31, 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 20 and the budgetary comparison information on page 63, and the pension related schedules on pages 64 through 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory section, combining and individual fund financial statements and budgetary comparison schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Local Highway Finance Report and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules, schedule of expenditures of federal awards and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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.

Anton Collins Mitchell LLP

Denver, Colorado
June 27, 2018

This section of the City of Littleton's Comprehensive Annual Financial Report (CAFR) offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2017. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, the basic financial statements and the notes to the financial statements, contained in this report.

Financial Highlights

At the close of the year, the City's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$203,714,688 (*net position*). Of this amount, \$80,310,126 (*unrestricted net position*) may meet the government's ongoing obligations to citizens and creditors. Additionally, a 3% reserve, \$2,155,723, for emergencies required by Colorado statute is restricted in the General Fund, \$2,582,992 is restricted for open space and parks, \$5,582,534 is restricted for employee benefits (pension, city-wide) and \$3,000,000 is restricted for rate stabilization in the Sewer Fund. Other restrictions of \$1,230,679 are imposed for the Bi-city joint venture, maintenance of a museum collection and debt.

- The net position of the City increased by \$13,568,178, or approximately 7% as compared to 2016. In the governmental activities, revenues exceeded expenses by \$7,821,326 and revenues exceeded expenses by \$5,746,852 in the business-type activities.
- As of December 31, 2017, the City's governmental funds reported combined ending fund balances of \$33,179,780, while the City's proprietary funds reported a combined net position of \$75,014,622.

Overview of the Financial Statements

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

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

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

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these categories reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of when cash is received or paid*. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the city principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the city include general government, public safety, public works, welfare, culture and recreation. The business-type activities of the city include the Sewer Utility, Storm Drainage, Emergency Medical Transport, South Metro Area Communications Center, Geneva Village, and Building Authority.

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

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

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

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

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

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

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

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

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

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

Government-wide Financial Analysis

Net Position. Net position may serve over time as a useful indicator of a government's financial position. With the City of Littleton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$203,714,688 at the close of the most recent fiscal year (see Table A-1.)

Table A-1
City of Littleton's Net Position

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2016	2017	2016	2017	2016	2017	2016 - 2017
Current and other assets	\$ 45,299,278	\$ 48,843,705	\$ 81,676,665	\$ 80,420,743	\$ 126,975,943	\$ 129,264,448	1.80%
Capital assets	93,019,439	96,365,471	17,303,855	21,887,656	110,323,294	118,253,127	7.19%
Total assets	138,318,717	145,209,176	98,980,520	102,308,399	237,299,237	247,517,575	4.31%
Total deferred outflows of resources	3,938,645	4,963,633	745,174	905,777	4,683,819	5,869,410	25.31%
Long-term liabilities	9,562,366	10,210,844	28,080,017	25,391,192	37,642,383	35,602,036	-5.42%
Other liabilities	6,731,597	5,069,253	2,323,771	2,710,147	9,055,368	7,779,400	-14.09%
Total liabilities	16,293,963	15,280,097	30,403,788	28,101,339	46,697,751	43,381,436	-7.10%
Total deferred inflows of resources	5,084,659	6,192,646	54,136	98,215	5,138,795	6,290,861	22.42%
Net investment in capital assets	85,040,318	88,309,978	15,793,855	20,542,656	100,834,173	108,852,634	7.95%
Restricted	9,011,471	9,507,638	5,027,661	5,044,290	14,039,132	14,551,928	3.65%
Unrestricted	26,826,951	30,882,450	48,446,254	49,427,676	75,273,205	80,310,126	6.69%
Total net position	\$ 120,878,740	\$ 128,700,066	\$ 69,267,770	\$ 75,014,622	\$ 190,146,510	\$ 203,714,688	7.14%

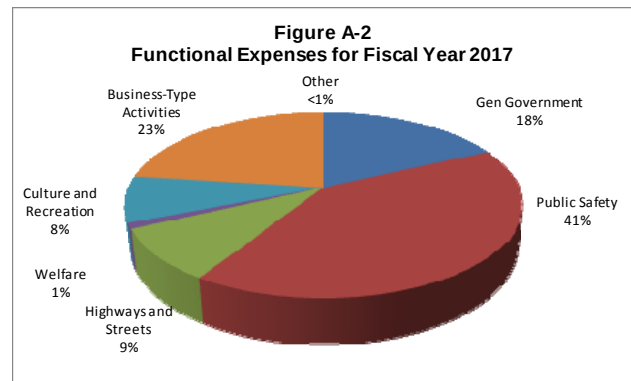
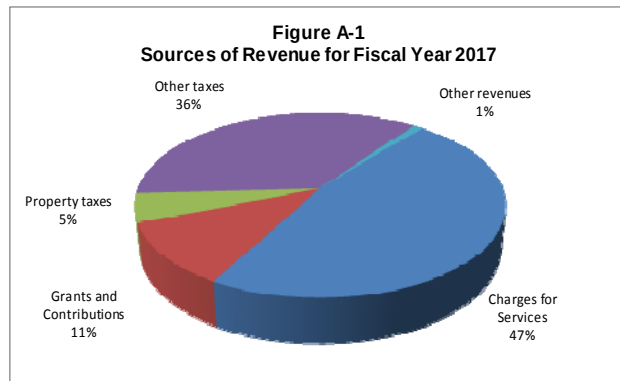
Capital assets reflect the City's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are *not* available for future spending.

The largest portion of the City's net position is invested in capital assets, which represents \$108,852,634 or 53% of total net position.

Of the City's \$203,714,688 net position, \$14,551,928 is restricted for various purposes including the emergency reserves as required by the Colorado Constitution, open space for parks, rate stabilization and operating expenses of the Littleton/Englewood Wastewater Treatment Plant joint venture, employee benefits, maintenance of a museum collection and debt.

Changes in Net Position. The City's total revenues were higher than the prior year by \$5,004,125 or 5%. Revenues in 2017 were \$104,218,809 as compared to \$99,214,684 in 2016. Operating and capital grants increased by \$391,081 or 3%. Sales, general use and building use tax revenues were \$1.8 million higher than 2016. Charges for services increased by \$215,225. Almost half of total revenues are received from charges for services which includes fire department contracted reimbursements and impact fees. For business-type activities, sewer operating revenues increased 3% compared to 2016. Approximately 41% of the City's total revenues come from property and other types of taxes (see Figure A-1).

The total cost of all programs and services, \$90,650,631, increased by 6% from 2016. The City's expenses cover a range of services, of which more than half is related to public safety and business-type activities (Figure A-2).



Governmental Activities

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

Revenues. Total revenues for all governmental activities were \$77,341,948. This is an increase from 2016 of \$4,924,257 or 7%. The following depicts the major revenue sources for the governmental activities:

- The fire department contracted reimbursements were \$16,393,693.
- Additional charges for services were \$10,762,762 which includes fire department contracted administration fees, court costs, Littleton Public Schools officers, Littleton VALE, building permits, impact fees, highway users tax, open space, county road and bridge, plans checking, lottery funds and other miscellaneous revenues.
- Grants and contributions related to public safety, highways and streets, welfare and culture and recreation were \$5,471,873.
- Tax related revenues were \$41,965,487.
- The total for interest and miscellaneous revenues is \$810,229.

Expenses. Expenses were higher in 2017 as compared to 2016 by \$3,363,686 or 5% and is mostly related to personnel cost increases.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2016	2017	2016	2017	2016	2017	2016 - 2017
Revenues:							
Program revenues:							
Charges for services	\$ 27,408,959	\$ 27,156,455	\$ 20,059,127	\$ 20,526,856	\$ 47,468,086	\$ 47,683,311	0.45%
Operating grants and contributions	451,102	373,617	-	-	451,102	373,617	-17.18%
Capital grants and contributions	4,291,367	5,098,256	6,577,884	6,239,561	10,869,251	11,337,817	4.31%
General revenues:							
Property taxes	4,602,678	4,712,762	-	-	4,602,678	4,712,762	2.39%
Other taxes	36,797,417	37,252,725	-	-	36,797,417	37,252,725	1.24%
TABOR revenue refund	(1,937,904)	1,937,904	-	-	(1,937,904)	1,937,904	200.00%
Other	804,072	810,229	159,982	110,444	964,054	920,673	-4.50%
Total revenues	72,417,691	77,341,948	26,796,993	26,876,861	99,214,684	104,218,809	5.04%
Expenses:							
General government	15,642,309	15,549,725	-	-	15,642,309	15,549,725	-0.59%
Public safety	34,709,838	37,100,415	-	-	34,709,838	37,100,415	6.89%
Highways and streets	8,112,334	8,958,729	-	-	8,112,334	8,958,729	10.43%
Welfare	445,663	375,201	-	-	445,663	375,201	-15.81%
Culture and recreation	6,659,154	6,961,335	-	-	6,659,154	6,961,335	4.54%
Interest	239,314	226,893	-	-	239,314	226,893	-5.19%
Sewer Utility	-	-	12,856,629	13,506,699	12,856,629	13,506,699	5.06%
Storm Drainage	-	-	808,619	837,033	808,619	837,033	3.51%
Emergency Medical Transportation	-	-	4,482,429	5,514,890	4,482,429	5,514,890	23.03%
South Metro Comm Center	-	-	1,225,387	1,314,496	1,225,387	1,314,496	7.27%
Geneva Village	-	-	148,263	190,090	148,263	190,090	28.21%
Building Authority	-	-	122,842	115,125	122,842	115,125	-6.28%
Total expenses	65,808,612	69,172,298	19,644,169	21,478,333	85,452,781	90,650,631	6.08%
Increase in net position before transfers	6,609,079	8,169,650	7,152,824	5,398,528	13,761,903	13,568,178	-1.41%
Transfers	(344,166)	(348,324)	344,166	348,324	-	-	N/A
Increase in net position	6,264,913	7,821,326	7,496,990	5,746,852	13,761,903	13,568,178	-1.41%
Net position - beginning - restated	114,613,827	120,878,740	61,770,780	69,267,770	176,384,607	190,146,510	7.80%
Net position - ending	<u>\$ 120,878,740</u>	<u>\$ 128,700,066</u>	<u>\$ 69,267,770</u>	<u>\$ 75,014,622</u>	<u>\$ 190,146,510</u>	<u>\$ 203,714,688</u>	<u>7.14%</u>

Business-type Activities

Revenues of the City's business-type activities increased by \$79,868 or less than 1% and expenses increased by \$1,834,164 or 9% (see Table A-2). Factors contributing to these results include:

- Sewer utility and storm drainage charges for services revenue increased \$408,453 (3%) due to user rate increases.
- Sewer utility and storm drainage capital contributions decreased by \$338,323 due to a slight decrease in tap fee connections and infrastructure capital contributions in 2017.
- Sewer utility operating expenses increased by \$683,393 or 8% due to increased costs related to the sewer plant and maintenance costs.
- Storm drainage operating expenses increased by \$28,414 or 4% due to increases in personnel expenses as well as repair and maintenance costs.
- Emergency medical transport revenues decreased \$220,208 (5%) and expenses increased \$1,032,461 (23%).
- Other business-type activity revenues and expenses were consistent as compared to the prior year.

Fund Financial Analysis

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

At the end of 2017, the combined ending fund balances of the governmental funds were \$33,179,780. This is an increase of \$3,780,469 from 2016. The unassigned fund balance was \$9,997,666 or 30% of the total fund balances. The remaining fund balance of \$23,182,114 is classified:

Nonspendable	\$	596,556
Restricted		4,759,299
Assigned		17,826,259
Total	\$	<u>23,182,114</u>

General Fund. The General Fund is the primary operating fund of the city and its ending fund balance on December 31, 2017 was \$13,058,890. Of this amount, \$340,654 was nonspendable in the form of inventories and prepaid items; \$2,155,723 restricted for TABOR emergencies; \$564,847 was assigned and \$9,997,666 was unassigned. The fund balance increased by \$3,908,517 from 2016.

As compared to 2016, total revenues (excluding transfers in) increased by \$7,395,254 or 13% and expenditures (excluding transfers out) increased by \$2,265,478 or 4%. Excluding the TABOR revenue refund, 2017 revenues exceeded the prior year by \$3,519,446 or 6%. Key factors are:

- An increase in sales and use tax revenues of \$1,765,220 or 6%.
- An increase in intergovernmental revenues (mostly reimbursement for fire services) of \$2,223,848 or 15%.
- Property tax revenues increased by \$110,084 or 2%.
- Charges for services decreased \$165,892 or 6%.
- In November 2017, the voters approved the City to retain the \$1,937,904 TABOR refund to be spent on capital projects.
- Public safety costs increased by \$1,736,570 or 5% primarily due to completing the first full operational year for Fire Station #19.
- City-wide expenditures were higher due to overall increased personnel costs.
- The General Fund had an excess of revenues over expenditures of \$6,194,745 prior to other financing uses. Net transfers between the General Fund and all other funds were negative \$2,286,228.

Other Governmental Funds. The Capital Projects Fund ending fund balance was \$14,098,782. The fund balance decreased by \$1,705,071 from 2016 due to several factors including a decrease in building use tax revenues of approximately \$1.4 million. Revenues (excluding transfers in) were lower than the prior year by \$2,082,143 due mainly to the decrease in building use taxes and a decrease in proceeds from capital leases of approx. \$0.5 million. Expenditures were lower than the prior year by \$815,727 (8%); however, \$1,400,000 in capital proceeds were received to offset the purchase of a fire platform truck.

The Conservation Trust Fund ending fund balance decreased by \$218,091 due to signage improvements along the Mary Carter Greenway Trail and lighting efficiency improvements at Edwin A. Bemis Public Library. Lottery revenues were \$26,308 (11%) lower in 2017 than 2016, with expenditures being lower in 2017 by \$105,158 (significant improvements were completed at the Edwin A. Bemis Public Library in 2016 resulting in higher expenditures that year).

The city's Open Space Fund ending fund balance increased by \$656,360 due to a decrease in expenditures as compared to 2016.

The city's Impact Fee Fund ending fund balance increased by \$1,107,470 in 2017. Impact fee revenues were significantly lower than 2016 by \$2,033,908. This is due primarily to the development of Littleton Village in 2016 and fewer large developments completing the permitting stage in 2017. Expenditures decreased as compared to 2016 as no new improvements were completed with impact fees in 2017.

Proprietary Funds. Sewer Utility Fund ending net position was \$59,097,471 which was \$5.8 million or 11% higher than the 2016 ending net position. The increased ending net position is the result of infrastructure capital contributions and tap fee connections. Operating revenues were higher by \$422,103 (3%) than 2016. Operating expenses were 8% higher in 2017 as repair and maintenance expenses were higher in 2017.

The Storm Drainage Fund reported an increase in net position of \$915,872 due to infrastructure capital contributions.

The Emergency Medical Transport Fund's net position was \$1,645,147 which was lower than 2016 by \$1,143,428. An increase in operating expenses of \$1,032,461 is the result of increased medical transport services provided in 2017 as compared to 2016.

General Fund Budgetary Highlights

The General Fund accounts for all of the general services provided by the city. At the end of 2017, differences between the original budgeted expenditures and the final amended budgeted expenditures, including transfers, were an additional \$3,783,664 or 6% of the original budget. This difference was the result of encumbered purchase orders from fiscal year 2016 that were not fulfilled in that year and were carried forward into the 2017 fiscal year as well as budget amendments totaling \$2,634,104 including increases for transfer of the TABOR refund to the Capital Projects Fund, property & liability expenses, contracting services for city attorney, roof inspections, engineering and development review services.

Intergovernmental revenues were \$392,026 higher than budgeted due to reimbursements through fire partner contracts. License and permits were \$97,619 lower and charges for services were \$55,643 lower than budgeted amounts, mainly due to decreased building permit and plans checking fees. The reversal of the 2016 TABOR revenue refund of \$1,937,904 adds to the already positive revenue budget variance in the General Fund for a total budget variance of \$2,421,778.

Actual expenditures were lower from the final budget by \$4,235,847 or 7% lower than the final budget due to position vacancies, professional services, and grants and incentives savings. Total budget variance for the General Fund, excluding transfers, was \$6,657,625.

During the current fiscal year, fund balance in the General Fund increased by \$3,908,517. The original budget for fund balance showed an increase for 2017 of \$106,190 and the final budget included a decrease of \$3,677,474 creating a positive budget variance of \$7,585,991. This variance is mainly due to expenditures being lower than budgeted as described above.

Capital Asset and Debt Administration

Capital Assets

The city's investment in capital assets for its governmental and business type activities as of December 31, 2017, amounts to \$108,852,634 (net of accumulated depreciation and related debt, see Table A-1). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, bridges, including construction work in progress. More detailed information about the city's capital assets is presented in Note IV to the financial statements.

Major capital asset events during the current fiscal year included:

- Completion of a new traffic signal and addition of a left-hand turn lane at County Line and Broadway intersection using federal funds.
- Enhanced security features at the Littleton Center, Courthouse and Bellevue Service Center including new entry gates for the police parking lot and the service center.
- Several roads were resurfaced and improvements were made to neighborhood curbs, gutters, and sidewalks.
- The fire department replaced one fire engine and purchased a new platform truck. In addition, the department purchased two new extractors and dryers for bunker gear, and replaced several lifepaks and one LUCAS device.
- Seventeen city vehicles were replaced with newer vehicles.
- Several signs were installed as part of the Wayfinding plan on the Mary Carter Greenway Trail which runs alongside South Platte River.
- Recreational projects were completed including the Ketrang Lake Well, Little's Creek Park Playground, the Highline Canal Pedestrian Bridge at Bannock Street and improvements along the South Platte River at Reynolds Landing.

Debt Administration

The City of Littleton's total debt outstanding for its governmental and business type activities as of December 31, 2017 was \$33,308,808 (see Table A-3). This comprises capital leases of \$8,055,493, an assignment certificate of \$1,345,000 and revenue loans and premiums of \$23,908,315. More detailed information about the city's debt is presented in Notes V and VI to the financial statements.

Table A-3
City of Littleton's Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2016	2017	2016	2017	2016	2017	2016 - 2017
Capital Leases	\$ 7,979,121	\$ 8,055,493	\$ -	\$ -	\$ 7,979,121	\$ 8,055,493	0.96%
Assignment Certificate	-	-	1,510,000	1,345,000	1,510,000	1,345,000	-10.93%
Revenue Bonds	-	-	26,570,017	23,908,315	26,570,017	23,908,315	-10.02%
	<u>\$ 7,979,121</u>	<u>\$ 8,055,493</u>	<u>\$ 28,080,017</u>	<u>\$ 25,253,315</u>	<u>\$ 36,059,138</u>	<u>\$ 33,308,808</u>	<u>-7.63%</u>

Economic Factors and Next Year's Budget and Rates

A recent pullback in the economic outlook and a tight labor market in Colorado have led to a more conservative revenue outlook in 2018. The 2018 Budget is one of financially constrained action and investment. In 2018, budgeted operating revenues are estimated to decrease by less than 1% from 2017's actual operating revenues. The city's sales and use tax revenues, which comprise 52% of the 2018 General Fund revenues, are estimated to rise by 1.5% to \$33,233,530. The city's property tax mill levy remains the same at 6.662 mills.

The city council discussed 14 policy questions when adopting the 2018 budget. These issues included adding 4.5 full-time employee positions to improve the city's current levels of service, including three patrol officers.

The 2018 appropriation in the General Fund is \$63,946,612, a decrease of \$2,440,092, or 4% below the 2017 final budget of \$66,386,704. The decrease is a direct result of the elimination of the annual transfer from the General Fund to the Capital Projects Fund in 2018. Council's policy that the budget should be balanced with expected revenues was adhered to as the 2018 General Fund revenues were adopted at \$64,879,694.

If the 2018 budget is realized in the General Fund, the city's budgetary fund balance is expected to be \$13,991,972, which equals an ending fund balance reserve of 22% of 2018 operating expenditures.

Requests for Information

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

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado



2017 CAFR



**Basic Financial
Statements**

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Statement of Net Position
December 31, 2017

	Primary Government			Component Unit
	Governmental	Business-type		Littleton Invests
	Activities	Activities	Total	For Tomorrow
ASSETS				
Cash and investments	\$ 35,028,859	\$ 26,791,943	\$ 61,820,802	\$ 391,558
Receivables (net of allowance for uncollectibles)	11,627,580	2,078,723	13,706,303	164
Internal balances	334,107	(334,107)	-	-
Due from component unit	152,534	-	152,534	-
Inventories	284,986	-	284,986	-
Prepaid Items	311,570	-	311,570	-
Restricted assets:				
Cash and investments	202,560	4,210,095	4,412,655	-
Equity in Bi-City joint venture	-	47,509,579	47,509,579	-
Net pension asset	901,509	164,510	1,066,019	-
Capital assets (net of accumulated depreciation):				
Non-depreciable assets	26,987,867	4,007,099	30,994,966	-
Depreciable assets	69,377,604	17,880,557	87,258,161	-
Total assets	<u>145,209,176</u>	<u>102,308,399</u>	<u>247,517,575</u>	<u>391,722</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension-related:				
Differences between expected and actual experience	1,138,675	207,789	1,346,464	-
Net difference between projected and actual earnings on pension plan investments	2,239,409	408,653	2,648,062	-
Changes in assumptions	556,107	101,480	657,587	-
Changes in proportion	1,946	355	2,301	-
City contributions subsequent to the measurement date	1,027,496	187,500	1,214,996	-
Total deferred outflows of resources	<u>4,963,633</u>	<u>905,777</u>	<u>5,869,410</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	4,625,440	2,159,163	6,784,603	152,338
Accrued interest payable	62,495	260,389	322,884	2,534
Due to primary government	-	-	-	150,000
Deposits and escrows	381,318	-	381,318	-
Unearned revenues	-	290,595	290,595	-
Noncurrent liabilities:				
Due within one year	1,474,869	2,885,642	4,360,511	-
Due in more than one year	7,980,411	22,367,673	30,348,084	-
Net pension liability	755,564	137,877	893,441	-
Total liabilities	<u>15,280,097</u>	<u>28,101,339</u>	<u>43,381,436</u>	<u>304,872</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	5,654,431	-	5,654,431	164
Pension-related:				
Differences between expected and actual experience	38,428	7,012	45,440	-
Changes in proportion	499,787	91,203	590,990	-
Total deferred inflows of resources	<u>6,192,646</u>	<u>98,215</u>	<u>6,290,861</u>	<u>164</u>
NET POSITION				
Net investment in capital assets	88,309,978	20,542,656	108,852,634	-
Restricted for:				
Emergencies	2,155,723	-	2,155,723	-
Open space and parks	2,582,992	-	2,582,992	-
Employee benefits	4,748,339	834,195	5,582,534	-
Museum collection maintenance	20,584	-	20,584	-
Rate stabilization	-	3,000,000	3,000,000	-
Bi-city joint venture	-	1,210,000	1,210,000	-
Debt service	-	95	95	-
Unrestricted	30,882,450	49,427,676	80,310,126	86,686
Total net position	<u>\$ 128,700,066</u>	<u>\$ 75,014,622</u>	<u>\$ 203,714,688</u>	<u>\$ 86,686</u>

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

City of Littleton, Colorado
Statement of Activities
For The Year Ended December 31, 2017

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Government activities:				
General government	\$ 15,549,725	\$ 4,390,875	\$ 21,000	\$ -
Public safety	37,100,415	19,268,570	99,480	178,781
Highways and streets	8,958,729	1,813,495	45,240	740,178
Welfare	375,201	37,868	29,344	-
Culture and recreation	6,961,335	1,645,647	178,553	4,179,297
Interest on long-term debt	226,893	-	-	-
Total government activities	69,172,298	27,156,455	373,617	5,098,256
Business-type activities:				
Sewer Utility	13,506,699	13,810,641	-	5,282,947
Storm Drainage	837,033	787,950	-	956,614
Emergency Med. Trans	5,514,890	4,371,462	-	-
So. Metro Area Comm. Center	1,314,496	1,218,206	-	-
Geneva Village	190,090	121,473	-	-
Building Authority	115,125	217,124	-	-
Total business-type activities	21,478,333	20,526,856	-	6,239,561
Total primary government	\$ 90,650,631	\$ 47,683,311	\$ 373,617	\$ 11,337,817
Component unit:				
Littleton Invests for Tomorrow	\$ 4,689	\$ -	\$ -	\$ -
Total component unit	\$ 4,689	\$ -	\$ -	\$ -

General revenues:

Taxes:

 Property

 Sales and use

 Building use

 Franchise

 Other

Investment earnings

Miscellaneous

Loss on sale of capital assets

TABOR revenue refund

Transfers

 Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Littleton Invests For Tomorrow
\$ (11,137,850)	\$ -	\$ (11,137,850)	\$ -
(17,553,584)	-	(17,553,584)	-
(6,359,816)	-	(6,359,816)	-
(307,989)	-	(307,989)	-
(957,838)	-	(957,838)	-
(226,893)	-	(226,893)	-
(36,543,970)	-	(36,543,970)	-
-	5,586,889	5,586,889	-
-	907,531	907,531	-
-	(1,143,428)	(1,143,428)	-
-	(96,290)	(96,290)	-
-	(68,617)	(68,617)	-
-	101,999	101,999	-
-	5,288,084	5,288,084	-
(36,543,970)	5,288,084	(31,255,886)	-
-	-	-	(4,689)
-	-	-	(4,689)
4,712,762	-	4,712,762	156
32,749,360	-	32,749,360	50,758
1,616,507	-	1,616,507	-
2,281,822	-	2,281,822	-
605,036	-	605,036	-
357,797	260,624	618,421	4,008
452,432	-	452,432	-
-	(150,180)	(150,180)	-
1,937,904	-	1,937,904	-
(348,324)	348,324	-	-
44,365,296	458,768	44,824,064	54,922
7,821,326	5,746,852	13,568,178	50,233
120,878,740	69,267,770	190,146,510	36,453
\$ 128,700,066	\$ 75,014,622	\$ 203,714,688	\$ 86,686

City of Littleton, Colorado

Balance Sheet

Governmental Funds

December 31, 2017

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 8,680,167	\$ 14,441,634	\$ 6,379,307	\$ 29,501,108
Receivables (net of allowance for uncollectibles)	10,699,838	214,624	713,118	11,627,580
Due from other funds	944,813	72,000	-	1,016,813
Due from component unit	152,534	-	-	152,534
Inventories	284,986	-	-	284,986
Prepaid items	55,668	255,902	-	311,570
Restricted cash and investments	-	-	25,584	25,584
Total assets	<u>\$ 20,818,006</u>	<u>\$ 14,984,160</u>	<u>\$ 7,118,009</u>	<u>\$ 42,920,175</u>
LIABILITIES				
Contracts and accounts payable	\$ 838,965	\$ 835,378	\$ 387,483	\$ 2,061,826
Due to other funds	-	-	682,706	682,706
Deposits and escrows	331,318	50,000	-	381,318
Unearned revenue	-	-	19,390	19,390
Other liabilities	934,402	-	6,322	940,724
Total liabilities	<u>2,104,685</u>	<u>885,378</u>	<u>1,095,901</u>	<u>4,085,964</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax	5,654,431	-	-	5,654,431
Total deferred inflows of resources	<u>5,654,431</u>	<u>-</u>	<u>-</u>	<u>5,654,431</u>
FUND BALANCES				
Nonspendable:				
Inventories	284,986	-	-	284,986
Prepaid items	55,668	255,902	-	311,570
Restricted:				
Conservation Trust	-	-	239,811	239,811
Museum collection maintenance	-	-	20,584	20,584
Open Space	-	-	2,343,181	2,343,181
Emergencies	2,155,723	-	-	2,155,723
Assigned:				
Purchases on order	564,847	-	-	564,847
Capital Projects	-	13,842,880	-	13,842,880
Consolidated Special Revenues	-	-	398,330	398,330
Impact Fees	-	-	3,020,202	3,020,202
Unassigned	9,997,666	-	-	9,997,666
Total fund balances	<u>13,058,890</u>	<u>14,098,782</u>	<u>6,022,108</u>	<u>33,179,780</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,818,006</u>	<u>\$ 14,984,160</u>	<u>\$ 7,118,009</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	\$ 96,365,471
The net pension asset, net pension liability, and related deferred outflows and inflows of resources will not be paid in the current period and therefore, are not reported in the funds.	4,571,363
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	19,390
Internal service funds are used by management to charge the costs of various insurance funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	4,081,837
Long-term liabilities, including capital leases of \$8,055,493; accrued interest of \$62,495; and compensated absences of \$1,399,787 are not due and payable from current financial resources, and therefore, are not reported in the funds.	<u>(9,517,775)</u>
Net position of governmental activities	<u>\$ 128,700,066</u>

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

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2017

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 4,712,762	\$ -	\$ -	\$ 4,712,762
Sales and use	32,749,360	-	-	32,749,360
Building use	-	1,616,507	-	1,616,507
Specific ownership	416,734	-	-	416,734
Cigarette	188,302	-	-	188,302
Franchise	2,226,655	-	55,167	2,281,822
Licenses and permits	1,400,381	-	-	1,400,381
Intergovernmental	17,181,566	2,199,451	2,681,049	22,062,066
Charges for services	2,473,567	77,634	1,101,036	3,652,237
Fines and forfeitures	698,551	-	77,171	775,722
Investment earnings	109,341	152,293	54,865	316,499
Miscellaneous	1,035,885	2,475	11,543	1,049,903
TABOR revenue refund	1,937,904	-	-	1,937,904
Total revenues	<u>65,131,008</u>	<u>4,048,360</u>	<u>3,980,831</u>	<u>73,160,199</u>
EXPENDITURES				
Current:				
General government	14,546,538	494,744	23,452	15,064,734
Public safety	34,276,896	1,306,091	160,437	35,743,424
Highway and streets	4,535,440	1,123,249	-	5,658,689
Welfare	350,236	-	-	350,236
Culture and recreation	5,111,272	49,456	823,385	5,984,113
Debt service:				
Principal	-	1,287,089	-	1,287,089
Interest	-	212,240	-	212,240
Capital outlay	115,881	4,721,876	1,396,534	6,234,291
Total expenditures	<u>58,936,263</u>	<u>9,194,745</u>	<u>2,403,808</u>	<u>70,534,816</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,194,745</u>	<u>(5,146,385)</u>	<u>1,577,023</u>	<u>2,625,383</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,937,904	-	1,937,904
Transfers out	(2,286,228)	-	-	(2,286,228)
Proceeds from sale of capital assets	-	103,410	-	103,410
Proceeds from capital lease	-	1,400,000	-	1,400,000
Total other financing sources (uses)	<u>(2,286,228)</u>	<u>3,441,314</u>	<u>-</u>	<u>1,155,086</u>
Net change in fund balance	3,908,517	(1,705,071)	1,577,023	3,780,469
Fund balance - beginning	<u>9,150,373</u>	<u>15,803,853</u>	<u>4,445,085</u>	<u>29,399,311</u>
Fund balance - ending	<u>\$ 13,058,890</u>	<u>\$ 14,098,782</u>	<u>\$ 6,022,108</u>	<u>\$ 33,179,780</u>

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

City of Littleton, Colorado
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For The Year Ended December 31, 2017

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

Net change in fund balances - total governmental funds (page 25)	\$ 3,780,469
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which contributed capital of \$3,937,104 and capital outlays of \$6,234,291 exceeded depreciation of \$6,680,179 and capital disposals of \$145,184.	3,346,032
Under the accrual basis, an adjustment is needed to reflect the change in unearned revenues which is a change in revenues in the statement of activities.	(6,201)
The cumulative effects of the total pension liability and the fair value of pension plan net position available to pay pension benefits is the pension expense reported in the statement of activities. These effects result in a decrease to pension expense.	91,331
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the change in net position. This amount is the net effect of the issuance of debt of \$1,400,000 and the repayment of \$1,287,089 in principal of long-term debt and amortization of \$36,539.	(76,372)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the decrease in compensated absences of \$183,458 and increase in interest expense of \$14,653.	168,805
Internal service funds are used by management to charge the costs of various insurance to individual funds.	517,262
Change in net position of governmental activities (page 23)	<u>\$ 7,821,326</u>

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

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado

Statement of Net Position

Proprietary Funds

December 31, 2017

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
ASSETS			
Current assets:			
Cash and investments	\$ 25,983,281	\$ 444,907	\$ -
Receivables (net of allowance for uncollectibles)	759,445	50,409	1,258,507
Total current assets	<u>26,742,726</u>	<u>495,316</u>	<u>1,258,507</u>
Noncurrent assets:			
Restricted assets:			
Cash and investments	4,210,000	-	-
Equity in Bi-City joint venture	47,509,579	-	-
Net pension asset	-	-	164,510
Capital assets:			
Land	255,815	1,982,652	-
Buildings and systems	18,820,701	19,362,249	-
Improvements other than buildings	-	-	-
Machinery and equipment	392,553	3,148	371,715
Construction in progress	217,561	1,100,000	-
Less accumulated depreciation	<u>(12,794,157)</u>	<u>(10,140,717)</u>	<u>(280,596)</u>
Total capital assets (net of accumulated depreciation)	6,892,473	12,307,332	91,119
Total noncurrent assets	<u>58,612,052</u>	<u>12,307,332</u>	<u>255,629</u>
Total assets	<u>85,354,778</u>	<u>12,802,648</u>	<u>1,514,136</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related:			
Differences between expected and actual experience	-	-	207,789
Net difference between projected and actual earnings on pension plan investments	-	-	408,653
Changes in assumptions	-	-	101,480
Changes in proportion	-	-	355
City contributions subsequent to the measurement date	-	-	187,500
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>905,777</u>
Total assets and deferred outflows of resources	<u>\$ 85,354,778</u>	<u>\$ 12,802,648</u>	<u>\$ 2,419,913</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 1,810,905	\$ 117,152	\$ 204,567
Due to other funds	-	-	334,107
Claims and judgments	-	-	-
Unearned revenue	283,313	7,282	-
Accrued interest payable	254,774	-	-
Long term debt payable - current	2,710,642	-	-
Total current liabilities	<u>5,059,634</u>	<u>124,434</u>	<u>538,674</u>
Noncurrent liabilities:			
Net pension liability	-	-	137,877
Long term debt payable	21,197,673	-	-
Total noncurrent liabilities	<u>21,197,673</u>	<u>-</u>	<u>137,877</u>
Total liabilities	<u>26,257,307</u>	<u>124,434</u>	<u>676,551</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related:			
Differences between expected and actual experience	-	-	7,012
Changes in proportion	-	-	91,203
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>98,215</u>
NET POSITION			
Net investment in capital assets	6,892,473	12,307,332	91,119
Restricted for:			
Rate stabilization	3,000,000	-	-
Bi-city joint venture	1,210,000	-	-
Employee benefits	-	-	834,195
Debt service	-	-	-
Unrestricted	47,994,998	370,882	719,833
Total net position	<u>59,097,471</u>	<u>12,678,214</u>	<u>1,645,147</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 85,354,778</u>	<u>\$ 12,802,648</u>	<u>\$ 2,419,913</u>

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

Non-Major Proprietary Funds	Totals	Governmental Activities- Internal Service Funds
\$ 363,755	\$ 26,791,943	\$ 5,527,751
10,362	2,078,723	-
<u>374,117</u>	<u>28,870,666</u>	<u>5,527,751</u>
95	4,210,095	176,976
-	47,509,579	-
-	164,510	-
451,071	2,689,538	-
3,394,606	41,577,556	-
65,740	65,740	-
166,690	934,106	-
-	1,317,561	-
<u>(1,481,375)</u>	<u>(24,696,845)</u>	<u>-</u>
2,596,732	21,887,656	-
<u>2,596,827</u>	<u>73,771,840</u>	<u>176,976</u>
<u>2,970,944</u>	<u>102,642,506</u>	<u>5,704,727</u>
-	207,789	-
-	408,653	-
-	101,480	-
-	355	-
-	187,500	-
<u>-</u>	<u>905,777</u>	<u>-</u>
<u>\$ 2,970,944</u>	<u>\$ 103,548,283</u>	<u>\$ 5,704,727</u>
\$ 26,539	\$ 2,159,163	\$ 163,132
-	334,107	-
-	-	1,459,758
-	290,595	-
5,615	260,389	-
175,000	2,885,642	-
<u>207,154</u>	<u>5,929,896</u>	<u>1,622,890</u>
-	137,877	-
1,170,000	22,367,673	-
<u>1,170,000</u>	<u>22,505,550</u>	<u>-</u>
<u>1,377,154</u>	<u>28,435,446</u>	<u>1,622,890</u>
-	7,012	-
-	91,203	-
<u>-</u>	<u>98,215</u>	<u>-</u>
1,251,732	20,542,656	-
-	3,000,000	-
-	1,210,000	-
-	834,195	176,976
95	95	-
341,963	49,427,676	3,904,861
<u>1,593,790</u>	<u>75,014,622</u>	<u>4,081,837</u>
<u>\$ 2,970,944</u>	<u>\$ 103,548,283</u>	<u>\$ 5,704,727</u>

City of Littleton, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For The Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
OPERATING REVENUES			
Charges for services (net of contractual adjustments of \$3,313,109 in the Emergency Medical Transport Fund)	\$ 13,646,641	\$ 778,156	\$ 4,233,381
Employer/employee contributions	-	-	-
Rental payments	-	-	-
Intergovernmental	-	-	-
Miscellaneous	164,000	9,794	138,081
Total operating revenues	<u>13,810,641</u>	<u>787,950</u>	<u>4,371,462</u>
OPERATING EXPENSES			
Personnel services	337,165	207,666	3,579,491
Supplies	15,621	1,462	348,794
Bi-City operating costs	7,024,570	-	-
Contractual services	39,466	21,127	129,907
Services by General Fund	510,000	-	-
Insurance	-	-	-
Benefits and claims	-	-	-
Other services and charges	953,078	57,376	301,239
Bad debt expense	-	-	1,118,707
Amortization	15,344	-	-
Depreciation	384,607	549,402	36,752
Total operating expenses	<u>9,279,851</u>	<u>837,033</u>	<u>5,514,890</u>
Operating income (loss)	<u>4,530,790</u>	<u>(49,083)</u>	<u>(1,143,428)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	251,170	8,341	-
Debt administration costs	(249,282)	-	-
Change in Bi-City joint venture equity	(3,378,955)	-	-
Insurance recovery	-	-	-
Loss on sale of capital assets	-	-	-
Interest charges	(598,611)	-	-
Total nonoperating revenues (expenses)	<u>(3,975,678)</u>	<u>8,341</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>555,112</u>	<u>(40,742)</u>	<u>(1,143,428)</u>
Transfers in	-	-	-
Capital contributions	5,282,947	956,614	-
Total capital contributions and transfers	<u>5,282,947</u>	<u>956,614</u>	<u>-</u>
Change in net position	5,838,059	915,872	(1,143,428)
Net position - beginning	<u>53,259,412</u>	<u>11,762,342</u>	<u>2,788,575</u>
Net position - ending	<u>\$ 59,097,471</u>	<u>\$ 12,678,214</u>	<u>\$ 1,645,147</u>

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

Non-Major Proprietary Funds	Totals	Governmental Activities- Internal Service Funds
\$ 1,085,220	\$ 19,743,398	\$ 845,508
-	-	9,096,321
337,046	337,046	-
132,986	132,986	-
1,551	313,426	64,675
<u>1,556,803</u>	<u>20,526,856</u>	<u>10,006,504</u>
1,216,811	5,341,133	-
15,509	381,386	-
-	7,024,570	-
45,940	236,440	-
-	510,000	-
-	-	1,994,691
-	-	7,323,795
187,013	1,498,706	561,286
-	1,118,707	-
-	15,344	-
102,919	1,073,680	-
<u>1,568,192</u>	<u>17,199,966</u>	<u>9,879,772</u>
<u>(11,389)</u>	<u>3,326,890</u>	<u>126,732</u>
1,113	260,624	41,298
(1,774)	(251,056)	-
-	(3,378,955)	-
-	-	349,232
(150,180)	(150,180)	-
(49,745)	(648,356)	-
<u>(200,586)</u>	<u>(4,167,923)</u>	<u>390,530</u>
<u>(211,975)</u>	<u>(841,033)</u>	<u>517,262</u>
348,324	348,324	-
-	6,239,561	-
<u>348,324</u>	<u>6,587,885</u>	<u>-</u>
136,349	5,746,852	517,262
<u>1,457,441</u>	<u>69,267,770</u>	<u>3,564,575</u>
<u>\$ 1,593,790</u>	<u>\$ 75,014,622</u>	<u>\$ 4,081,837</u>

City of Littleton, Colorado
Statement of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Emergency Medical Transport Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 13,783,211	\$ 738,172	\$ 4,604,765
Cash received from interfund services provided	-	-	-
Cash paid to suppliers	(7,682,612)	10,739	(1,856,161)
Cash paid to employees	(347,701)	(214,676)	(3,516,891)
Cash paid to other funds for services	(510,000)	-	-
Net cash provided by (used by) operating activities	<u>5,242,898</u>	<u>534,235</u>	<u>(768,287)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments from other funds	-	-	334,107
Transfers in	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>334,107</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Investment in Bi-City joint venture	(1,053,036)	-	-
Purchase of capital assets	(217,561)	(620,365)	(30,903)
Principal paid on debt	(2,646,358)	-	-
Interest paid on debt	(629,299)	-	-
Insurance proceeds	-	-	-
Debt administration costs	(249,282)	-	-
Contributed capital	1,441,976	-	-
Net cash provided by (used by) capital and related financing activities	<u>(3,353,560)</u>	<u>(620,365)</u>	<u>(30,903)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	<u>251,170</u>	<u>8,341</u>	<u>-</u>
Net cash provided by investing activities	<u>251,170</u>	<u>8,341</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	2,140,508	(77,789)	(465,083)
Cash and cash equivalents - January 1	<u>28,052,773</u>	<u>522,696</u>	<u>465,083</u>
Cash and cash equivalents - December 31	<u><u>\$ 30,193,281</u></u>	<u><u>\$ 444,907</u></u>	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash provided by (used by) operating activities:			
Operating income (loss)	<u>\$ 4,530,790</u>	<u>\$ (49,083)</u>	<u>\$ (1,143,428)</u>
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:			
Depreciation expense	384,607	549,402	36,752
Bad debt expense	-	-	1,118,707
Amortization expense	15,344	-	-
(Increase) decrease in current assets:			
Receivables	(27,430)	(49,778)	(885,404)
Prepaid expenses	-	-	28,560
Pension expense	-	-	13,407
Increase (decrease) in current liabilities:			
Accounts payable and other current liabilities	339,587	83,694	63,119
Claims and judgments payable	-	-	-
Total adjustments	<u>712,108</u>	<u>583,318</u>	<u>375,141</u>
Net cash provided by operating activities	<u><u>\$ 5,242,898</u></u>	<u><u>\$ 534,235</u></u>	<u><u>\$ (768,287)</u></u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 25,983,281	\$ 444,907	\$ -
Restricted	<u>4,210,000</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u><u>\$ 30,193,281</u></u>	<u><u>\$ 444,907</u></u>	<u><u>\$ -</u></u>
Noncash, investing, capital, and financing activities			
Contribution of capital assets	\$ 3,840,971	\$ 956,614	\$ -

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

Non-Major Proprietary Funds	Totals	Governmental Activities- Internal Service Funds
\$ 1,546,441	\$ 20,672,589	\$ 845,508
-	-	9,096,321
(295,871)	(9,823,905)	(9,509,992)
(1,268,737)	(5,348,005)	-
-	(510,000)	-
<u>(18,167)</u>	<u>4,990,679</u>	<u>431,837</u>
-	334,107	-
348,324	348,324	-
<u>348,324</u>	<u>682,431</u>	<u>-</u>
-	(1,053,036)	-
(141,247)	(1,010,076)	-
(165,000)	(2,811,358)	-
(50,434)	(679,733)	-
-	-	349,232
(1,774)	(251,056)	-
-	1,441,976	-
<u>(358,455)</u>	<u>(4,363,283)</u>	<u>349,232</u>
1,113	260,624	41,298
<u>1,113</u>	<u>260,624</u>	<u>41,298</u>
(27,185)	1,570,451	822,367
391,035	29,431,587	4,882,360
<u>\$ 363,850</u>	<u>\$ 31,002,038</u>	<u>\$ 5,704,727</u>
<u>\$ (11,389)</u>	<u>\$ 3,326,890</u>	<u>\$ 126,732</u>
102,919	1,073,680	-
-	1,118,707	-
-	15,344	-
(10,362)	(972,974)	-
-	28,560	113,613
-	13,407	-
(99,335)	387,065	(7,007)
-	-	198,499
(6,778)	1,663,789	305,105
<u>\$ (18,167)</u>	<u>\$ 4,990,679</u>	<u>\$ 431,837</u>
\$ 363,755	\$ 26,791,943	\$ 5,527,751
95	4,210,095	176,976
<u>\$ 363,850</u>	<u>\$ 31,002,038</u>	<u>\$ 5,704,727</u>
\$ -	\$ 4,797,585	\$ -

City of Littleton, Colorado
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2017

	Private - Purpose Trust Fund
ASSETS	
Cash and investments	\$ 30,644
Cash and investments with trustee, at fair value	<u>233,276</u>
Total assets	<u>263,920</u>
LIABILITIES	
Contract and accounts payable	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION	
Held in trust for specific purposes	<u>\$ 263,920</u>

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

City of Littleton, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For The Year Ended December 31, 2017

	Private - Purpose Trust Fund
ADDITIONS	
Interest	\$ 2,938
Total additions	<u>2,938</u>
DEDUCTIONS	
Culture and recreation	<u>7,960</u>
Total deductions	<u>7,960</u>
Change in net position	(5,022)
Net position - beginning	<u>268,942</u>
Net position - ending	<u><u>\$ 263,920</u></u>

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City's significant accounting policies applied in the preparation of these financial statements.

Reporting Entity

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

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

Blended Component Unit

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

Discrete Component Unit

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

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

In December 2016, the City Council repealed three of the four urban renewal areas consisting of Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area; thus ending incremental sales and property taxes for these areas. Columbine Urban Renewal Area remains the only urban renewal area as of December 31, 2017.

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term liabilities are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period.

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

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

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following major proprietary funds:

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

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

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

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other entities, on a cost reimbursement basis. This category consists of the *Employee Insurance Fund*, and the *Property and Liability Insurance Fund*.

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

Cash and Investments

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

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

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

Receivables

Receivables consist primarily of sales and use tax, charges for emergency medical transports, and other miscellaneous receivables and are reported net of an allowance for uncollectible accounts. The City has determined that \$1,997,671 of the Emergency Medical Transport Fund receivables is uncollectible.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Interfund Receivables/Payables and Advances**

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

Property Taxes Receivable

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

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

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

Inventories and Prepaid Items

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks, and similar items) purchased since 1980 are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets are stated at actual cost for purchased and constructed assets, estimated historical cost for older assets for which actual cost was not determinable, and estimated acquisition value at the time of receipt for donated or contributed items and capital assets received in a service concession arrangement. Expenditures incurred during the construction phase are recorded as construction in progress. These amounts are transferred from construction in progress to the appropriate classification (land, building improvements, etc.) upon completion of the project.

Salvage value is not material and is therefore not computed. Accordingly, assets are completely depreciated if retained for their total estimated useful life. Assets recorded under capital lease agreements are amortized over either the term of the lease or the estimated useful life of the asset, whichever period is shorter.

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Long-Term Obligations

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

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

Pensions

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

Deferred Inflows and Outflows of Resources

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

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

Net Position/Fund Balance

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

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

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Nonspendable Fund Balance** – amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- **Restricted Fund Balance** – amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- **Committed Fund Balance** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council by ordinance. The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. This classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned Fund Balance** – amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by City Council through an informal action or City Council can delegate the authority to express intent to a committee, the city manager or other city official on a case by case basis.
- **Unassigned Fund Balance** – the remaining fund balance after amounts are set aside for other classifications. Only the General Fund may report a positive unassigned fund balance.

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

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

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Total capital assets, net of accumulated depreciation	\$ 96,365,471	\$ 21,887,656
Capital lease obligation (current and non-current)	<u>(8,055,493)</u>	<u>(1,345,000)</u>
Net investment in capital assets	<u>\$ 88,309,978</u>	<u>\$ 20,542,656</u>

NOTE II – CASH AND INVESTMENTS**Primary Government****Reconciliation of Cash and Investments to Financial Statements**

Cash and investments	\$ 61,820,802
Restricted cash and investments	4,412,655
Fiduciary cash and investments	263,920
Total	<u>\$ 66,497,377</u>
Petty cash	\$ 2,895
Deposits with financial institutions	5,109,486
Cash and investments held by third party	1,575,039
Investments	59,809,957
Total	<u>\$ 66,497,377</u>

NOTE II – CASH AND INVESTMENTS (Continued)**Component Unit**

At December 31, 2017, the component unit cash and investments consisted of the following:

Total Cash and Investments	\$ <u>391,558</u>
Cash	\$ 29,279
Local government investment pool	<u>362,279</u>
Total Cash and Investments	\$ <u>391,558</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2017, the City had bank deposits of \$4,361,122 collateralized with securities held by the pledging financial institutions' trust department or agent but not in the City's name. In July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act became law which permanently raised the standard maximum deposit insurance amount to \$250,000. The City does not have a deposit policy.

Investments

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

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

Fair Value of Investments

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

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

NOTE II – CASH AND INVESTMENTS (Continued)

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

		Fair Value Measurements Using			
	12/31/2017	Level 1	Level 2	Level 3	
Investments by fair value level					
U.S. Agencies	\$ 30,640,822	\$ -	\$ 30,640,822	\$ -	
Corporate Bonds	6,829,101	-	6,829,101	-	
Municipal Bonds	12,407,352	-	12,407,352	-	
Certificates of Deposit	6,282,656	-	6,282,656	-	
Total investments by fair value level	56,159,931	\$ -	\$ 56,159,931	\$ -	
Investments measured at the net asset value (NAV) or amortized cost					
ColoTrust	3,338,787				
CSAFE (amortized cost)	311,239				
Total Investments	\$ 59,809,957				

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

- U. S. Agencies: quoted prices for identical securities in markets that are not active;
- Corporate and municipal bonds: quoted prices for similar securities in active markets; and,
- Negotiable Certificates of Deposits: matrix pricing based on securities' relationship to benchmark quoted prices.

At December 31, 2017, the City's investments consisted of the following:

Investments	Fair Value	% to Total
U.S. Agency Securities	\$ 30,640,822	51%
Corporate Bonds	6,829,101	11%
Municipal Bonds	12,407,352	21%
Certificates of Deposit	6,282,656	11%
Subtotal investments at fair value	56,159,931	94%
Local government investment pools	3,650,026	6%
Total Investments	\$ 59,809,957	100%

As of December 31, 2017 the City had the following investments and maturities:

Investments	S & P Rating	Fair Value	Investment Maturities		
			Less than 1 yr	1-5 yrs	5+ yrs
U.S. Agency Securities	AA+	\$ 30,640,822	\$ 2,997,519	\$ 27,643,303	\$ -
Corporate Bonds	AAA	999,075	999,075	-	-
Corporate Bonds	AA+	1,994,927	-	1,994,927	-
Corporate Bonds	AA	2,013,216	1,512,152	501,064	-
Corporate Bonds	AA-	999,901	999,901	-	-
Corporate Bonds	A+	821,982	821,982	-	-
Municipal Bonds	AAA	3,893,455	-	3,893,455	-
Municipal Bonds	AA+	1,533,590	741,336	792,254	-
Municipal Bonds	AA	4,771,697	1,024,960	3,746,737	-
Municipal Bonds	AA-	1,234,340	249,760	984,580	-
Municipal Bonds	A+	974,270	-	974,270	-
Certificates of Deposit	AAA	6,282,656	1,982,026	4,300,630	-
Subtotal Investments		\$ 56,159,931	\$ 11,328,711	\$ 44,831,220	\$ -

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

NOTE II – CASH AND INVESTMENTS (Continued)

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

Custodial Credit Risk. At December 31, 2017, the City had deposits held by third parties. The City of Englewood holds \$1,210,000 as required by the operating agreement for the Littleton/Englewood Wastewater Treatment Plant Joint Venture. In addition, \$175,244 is held by Deutsche Bank in escrow for the fire platform truck lease, \$167,000 is held by CIGNA Insurance Company as required minimum balances for healthcare costs, \$17,795 is held by 24 Hour Flex Retirement Services Planning Inc. as required for flex spending accounts and \$5,000 is held by the State Land Board related to a lease agreement.

Concentration of Credit Risk. The City's investment policy requires that investments be diversified to reduce the concentration of credit risk. The City may invest up to 10% of the book value of its investment portfolio in commercial paper or corporate debt as long as the aggregate investment in commercial paper and corporate debt does not exceed 20% of the City's investment portfolio, and no more than 10% of the City's investment portfolio may be invested in the obligations of any one issuer. The City may invest up to 20% of the City's investment portfolio in municipal bonds, and no more than 10% of the City's investment portfolio may be invested in the obligations of any one issuer. Municipal bonds were at 20% of the book value of the portfolio and 21% of the fair value of the portfolio.

Local Government Investment Pools

Colotrust – At December 31, 2017, the City had \$3,338,787 and LIFT had \$362,279 invested in Colorado Local Government Liquid Asset Trust (Colotrust). Colotrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. This investment is valued using the NAV per share (or its equivalent) of the investments.

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

CSAFE – At December 31, 2017, the city had \$311,239 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is considered to be a 2a7-like investment and is valued at amortized cost. The 2a7-like investments do not have any unfunded commitments, redemption restrictions or redemption notice periods.

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

NOTE II – CASH AND INVESTMENTS (Continued)**Restricted Cash and Investments**

At December 31, 2017, the City's restricted cash and investments consisted of the following:

Rate Stabilization	\$	3,000,000
Joint venture deposit		1,210,000
Employee benefit funds		176,976
Other		<u>25,679</u>
Total restricted cash and investments	\$	<u><u>4,412,655</u></u>

NOTE III – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2017, is as follows:

Advances To/From Other Funds. City Council approved an interfund loan from the Capital Projects Fund to the Impact Fee Fund related to the Fire Station 19 project. The loan amount is \$72,000 payable over the next two years at 1.20% annual interest.

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grant Fund	\$ 610,706
Purpose: City utilizes pooled cash. At December 31, 2017 the fund was overdrawn.		
General Fund	EMT Fund	334,107
Purpose: City utilizes pooled cash. At December 31, 2017 the fund was overdrawn.		
Capital Projects	Impact Fees	72,000
Purpose: An interfund loan approved for construction of Fire Station 19.		
		<u><u>\$ 1,016,813</u></u>

The following interfund transfers occurred during 2017 for the purposes stated below:

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 1,937,904
Purpose: Transfer TABOR excess funds as approved by citizens during Nov. 2017 election.		
General Fund	South Metro Comm Center	348,324
Purpose: City's portion of funding operations		
		<u><u>\$ 2,286,228</u></u>

NOTE IV – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2017:

	12/31/2016 Beginning Balance	Increases	Decreases	12/31/2017 Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 24,583,062	\$ -	\$ -	\$ 24,583,062
Construction in progress	3,585,651	1,274,341	(2,455,187)	2,404,805
Total capital assets, not being depreciated	28,168,713	1,274,341	(2,455,187)	26,987,867
Capital assets, being depreciated:				
Buildings	35,315,625	612,298	-	35,927,923
Machinery and equipment	21,109,390	2,227,321	(1,144,488)	22,192,223
Infrastructure	96,869,420	8,512,622	(891,133)	104,490,909
Total capital assets, being depreciated	153,294,435	11,352,241	(2,035,621)	162,611,055
Less accumulated depreciation for:				
Buildings	(13,896,052)	(1,050,936)	-	(14,946,988)
Machinery and equipment	(13,941,814)	(1,967,825)	999,304	(14,910,335)
Infrastructure	(60,605,843)	(3,661,418)	891,133	(63,376,128)
Total capital assets, being depreciated	(88,443,709)	(6,680,179)	1,890,437	(93,233,451)
Total capital assets, being depreciated, net	64,850,726	4,672,062	(145,184)	69,377,604
Governmental activities capital assets, net	\$ 93,019,439	\$ 5,946,403	\$ (2,600,371)	\$ 96,365,471
	12/31/2016 Beginning Balance	Increases	Decreases	12/31/2017 Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,689,538	\$ -	\$ -	\$ 2,689,538
Construction in progress	772,578	842,561	(297,578)	1,317,561
Total capital assets, not being depreciated	3,462,116	842,561	(297,578)	4,007,099
Capital assets, being depreciated:				
Buildings and systems	36,495,578	5,081,978	-	41,577,556
Other improvements	65,740	-	-	65,740
Machinery and equipment	1,153,838	180,700	(400,432)	934,106
Total capital assets, being depreciated	37,715,156	5,262,678	(400,432)	42,577,402
Less accumulated depreciation for:				
Buildings and systems	(22,993,804)	(989,798)	-	(23,983,602)
Other improvements	(65,740)	-	-	(65,740)
Machinery and equipment	(813,873)	(83,882)	250,252	(647,503)
Total capital assets, being depreciated	(23,873,417)	(1,073,680)	250,252	(24,696,845)
Total capital assets, being depreciated, net	13,841,739	4,188,998	(150,180)	17,880,557
Business-type activities capital assets, net	\$ 17,303,855	\$ 5,031,559	\$ (447,758)	\$ 21,887,656

NOTE IV – CAPITAL ASSETS (Continued)

Capitalized interest of \$156,690, net of accumulated depreciation of \$53,672, is included in the Littleton Colorado Municipal Building Authority Fund.

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

Governmental activities:

General government	\$ 761,926
Public safety	1,520,456
Highways and streets, including depreciation of general infrastructure assets	3,323,031
Welfare	39,526
Culture and recreation	1,035,240

Total depreciation expense - governmental activities	\$ 6,680,179
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Business-type activities:

Sewer Utility Fund	\$ 384,607
Storm Drainage Fund	549,402
EMT Fund	36,752
So. Metro. Area Comm. Center Fund	22,200
Geneva Village Fund	17,113
Building Authority Fund	63,606

Total depreciation expense - business-type activities	\$ 1,073,680
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NOTE V – CAPITAL LEASES

During 2012, 2016 and 2017, the City acquired capital assets using leases as an alternate method of financing for governmental activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the lower of the cost of the asset or present value of the future minimum lease payments. Capital lease payments are funded by capital projects fund revenues.

Museum Building – In 2012, the City of Littleton issued Certificates of Participation to refund the 2003 Certificates of Participation of the Littleton Building Corporation. In turn, the City entered into a Master Lease Purchase Agreement to lease the museum property from the Trustee, UMB Bank, for a twenty year term pursuant to the site lease agreement. The net present value benefit to the City was \$1,374,807 with a total debt service savings of \$1,477,592. All financial obligations of the City under the lease, including the City's obligation to pay base rentals, are subject to annual appropriation by the City Council. The museum is recorded in the City's capital assets at \$10,077,338 with accumulated depreciation of \$956,696. Annual payments range from \$1,086,350 to \$1,092,550, including principal and interest accruing at 2.00% to 3.00%, payable semi-annually beginning in December 2013 through December 2022.

Communications Equipment – In 2016, the City entered into a lease agreement as lessee to finance the acquisition of communications equipment for police, fire and public works. The equipment is recorded in the City's capital assets at \$1,383,879 with accumulated depreciation of \$314,154. Annual payments of \$255,902 (subject to appropriation by the city council), including principal and interest accruing at an imputed rate of 1.751%, are due in annual installments beginning in January 2017 through January 2024.

NOTE V – CAPITAL LEASES (Continued)

Fire Platform Truck – In 2017, the City entered into a lease agreement as lessee to purchase a fire platform truck. The equipment is recorded in the City's capital assets at \$1,320,594 with no accumulated depreciation as of the end of 2017. Annual payments of \$187,476 (subject to appropriation by the city council), including principal and interest accruing at a rate of 1.951%, are due in annual installments beginning in February 2017 through February 2024.

The following table presents minimum future payments for governmental activities capital leases as of December 31, 2017:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>
2018	\$ 1,532,929
2019	1,529,728
2020	1,530,778
2021	1,535,928
2022	1,530,028
2023-2024	<u>886,756</u>
Total minimum lease payments	\$ 8,546,147
Less: amount representing interest	<u>(673,349)</u>
Present value of minimum lease payments	\$ <u><u>7,872,798</u></u>

NOTE VI – LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital leases payable					
Communications Equipment	\$ 1,894,887	\$ -	\$ (222,723)	\$ 1,672,164	\$ 226,623
Fire Platform Truck	-	1,400,000	(184,366)	1,215,634	163,759
Museum Building	5,865,000	-	(880,000)	4,985,000	940,000
Museum Building premium	<u>219,234</u>	<u>-</u>	<u>(36,539)</u>	<u>182,695</u>	<u>-</u>
Total capital leases	<u>7,979,121</u>	<u>1,400,000</u>	<u>(1,323,628)</u>	<u>8,055,493</u>	<u>1,330,382</u>
Compensated absences	<u>1,583,245</u>	<u>2,783,351</u>	<u>(2,966,809)</u>	<u>1,399,787</u>	<u>144,487</u>
Governmental activity Long-term liabilities	\$ <u><u>9,562,366</u></u>	\$ <u><u>4,183,351</u></u>	\$ <u><u>(4,290,437)</u></u>	\$ <u><u>9,455,280</u></u>	\$ <u><u>1,474,869</u></u>
Business-type Activities:					
Assignment Certificate, 2011	\$ 1,510,000	\$ -	\$ (165,000)	\$ 1,345,000	\$ 175,000
Revenue loan payable, 2004	26,442,152	-	(2,646,358)	23,795,794	2,710,642
Revenue loan premium	<u>127,865</u>	<u>-</u>	<u>(15,344)</u>	<u>112,521</u>	<u>-</u>
Business-type activity Long-term liabilities	\$ <u><u>28,080,017</u></u>	\$ <u><u>-</u></u>	\$ <u><u>(2,826,702)</u></u>	\$ <u><u>25,253,315</u></u>	\$ <u><u>2,885,642</u></u>

NOTE VI – LONG-TERM DEBT (Continued)**2011 Assignment Certificate**

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

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

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

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

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

Year Ending <u>December-31</u>	Business-type activities		
	Principal	Interest	Total
2018	\$ 175,000	\$ 44,923	\$ 219,923
2019	180,000	39,078	219,078
2020	185,000	33,066	218,066
2021	190,000	26,887	216,887
2022	200,000	20,541	220,541
2023-2024	415,000	20,875	435,875
Total	\$ 1,345,000	\$ 185,370	\$ 1,530,370

2004 Revenue Loans

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

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

NOTE VI – LONG-TERM DEBT (Continued)

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

Year Ending December-31	Business-type activities		
	Principal	Interest & Admin Fees	Total
2018	\$ 2,710,642	\$ 841,742	\$ 3,552,384
2019	2,796,354	758,802	3,555,156
2020	2,882,066	673,612	3,555,678
2021	2,967,778	585,922	3,553,700
2022	3,064,204	493,927	3,558,131
2023-2025	9,374,750	646,691	10,021,441
Total	\$ 23,795,794	\$ 4,000,696	\$ 27,796,490

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

Littleton Invests for Tomorrow Debt

In December 2014, the city authorized a loan of up to \$200,000 to LIFT. Interest accrues at a rate equal to the 2-year treasury rate at the time of the advance, but no less than 0.51% per annum. Repayments shall be made annually before December 31 of each year, or by mutual agreement, with final payment of loan balance is to be paid to the City on or before December 16, 2019. No payments have been made by LIFT to the City as of December 31, 2017.

Advances of \$50,000 each were made December 2014, March 2015 and October 2015. Interest rates on these advances are 0.56%, 0.70%, and 0.65%, respectively. At December 31, 2017, total accrued interest was \$2,534 and the principal amount was \$150,000.

Compensated Absences

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

Conduit Debt Obligations

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

The principal amount payable for the bonds issued prior to December 31, 1995 could not be determined. The City authorized tax exempt bonds for the Colorado Mental Health Facilities Development in December 2013. The principal amount payable for these bonds as of December 31, 2017 was \$8,150,035.

NOTE VII – EMPLOYEE RETIREMENT PLANS

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

Money purchase pension plan – general employees

All full time regular city employees (except fire fighters and police officers) are required to participate in a defined contribution money purchase plan created in accordance with Internal Revenue Code Section 401(a). Under this plan, 5% of the employee's regular salary was withheld and contributed to the plan. The City contributes 7%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. This plan is governed by a four member Board of Trustees, and employees may choose from various investment options offered by ICMA, the plans administrator. The City Council has authority to change the contributions and other provisions. The employee's contributions to this plan for December 31, 2017 and December 31, 2016 were \$602,076 and \$598,988, with the City's contributions being \$842,907 and \$836,584, respectively.

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

Money purchase pension plans – police employees

The City provides pension benefits for paid police officers hired on and after April 8, 1978 and active duty police officers who were hired prior to April 8, 1978 through defined contribution money purchase plans. Commissioned police personnel are required to participate in the plans from the date of employment and are fully vested after five years of continuous service at the rate of 20% per year. Both the City and the covered employees contribute an amount equal to 10% of the covered employee's base salary. Trustees govern the plan, but record keeping and asset management are performed by ICMA for the Police Department. The City has no liability for these plans beyond its current annual contributions. The City Council has authority to establish contribution requirements and other provisions. The employee and employer contributions to this plan for December 31, 2017 and December 31, 2016 were \$624,597 and \$596,122, respectively.

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

Defined benefit pension plans – fire employees

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

Statewide Defined Benefit Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple – employer defined benefit pension plan. The SWDB plan became effective January 1, 1980 and as of December 31, 2016 has 216 participating employer fire and police departments. The SWDB plan is administered by FPPA.

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

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

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

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

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

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

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2016 was \$61,543,732. This amount was not included in the SWDB Plan net position.

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

Members of the SWDB plan and their employers are contributing at the rate of 9 percent and 8 percent, respectively, of base salary for a total contribution rate of 17 percent through 2016. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022. The member contribution rate as of December 31, 2017 for members hired prior to April 1, 2009 was 11.0% and the City's contribution rate was 10%. For members hired after April 1, 2009 the member contribution rate as of December 31, 2017 was 9.5% and the City's contribution rate as of December 31, 2017 was 8%. Contributions to the SWDB plan from the City were \$1,097,687 for the year ended December 31, 2017.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20.5 percent of base salary through 2015. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2017, the City reported a liability of \$893,441 for its proportionate share of the net pension liability. 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 calculation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at December 31, 2016. At December 31, 2016, the City's proportion was 2.47 percent, which was an increase of 0.18 from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the City recognized pension expense of \$1,353,184. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 797,738	\$ 45,440
Net difference between projected and actual earnings on pension plan investments	2,411,589	-
Changes in assumptions	610,295	-
Changes in proportion	2,301	230,641
City contributions subsequent to the measurement date	1,097,687	-
	\$ 4,919,610	\$ 276,081

The \$1,097,687 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2018. 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	\$ 882,267
2019	882,267
2020	831,673
2021	356,345
2022	135,241
2023-2026	458,049
	\$ 3,545,842

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial assumptions. The actuarial assumptions used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2016. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2017	January 1, 2016
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Amortization Period	30 Years	30 Years
Long-term Investment Rate of Return *	7.5%	7.5%
Projected salary Increases	4.0% - 14.0%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

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

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

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

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

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

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	36.0%	9.3%
Equity Long/Short	10.0%	7.4%
Illiquid Alternatives	23.0%	10.8%
Fixed Income	15.0%	4.1%
Absolute Return	10.0%	6.6%
Managed Futures	4.0%	5.5%
Cash	2.0%	0.0% *
Total	100.0%	

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

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset)	\$ 7,601,750	\$ 893,441	\$ (4,678,140)

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

Statewide Hybrid Plan

Plan description. The Statewide Hybrid Plan (SWH) is a cost-sharing multiple employer defined benefit pension plan covering full-time firefighters and police officers from departments that elect coverage. The SWH plan may also cover clerical staff or other fire district personnel whose services are auxiliary to fire protection. The SWH plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, employees have the option of choosing among various mutual funds offered by an outside investment manager. As of December 31, 2016, the SWH plan has 37 participating employer departments. Employers may not withdraw from the SWH plan once affiliated.

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

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

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

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

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

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2016 was \$706,120. This amount was not included in the SWH Plan net position.

Contributions. The SWH plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWH plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both the employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the SWH plan. The Defined Benefit Component contribution rate from July 1, 2016 through June 30, 2017 was 13.5 percent. The Defined Benefit Component contribution rate from July 1, 2015 through June 30, 2016 was 12.6 percent.

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

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

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

Contributions to the SWH plan from the City were \$117,309 for the year ended December 31, 2017.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2016, the City reported an asset of \$1,066,019 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2016, and the total pension asset used to calculate the net pension asset was determined by an actuarial calculation as of that date. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at December 31, 2016. At December 31, 2016, the City's proportion was 9.79 percent, which was an increase of 0.83 from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the city recognized a pension credit of \$216,114. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 548,726	\$ -
Net difference between projected and actual earnings on pension plan investments	236,473	-
Change in assumptions	47,292	
Changes in proportion	-	360,349
City contributions subsequent to the measurement date	117,309	-
	\$ 949,800	\$ 360,349

The \$117,309 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2018. 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	\$ 107,533
2019	107,533
2020	104,558
2021	57,523
2022	35,168
2023-2024	59,827
	\$ 472,142

Actuarial assumptions. The actuarial assumptions used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2016. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2017	January 1, 2016
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Amortization Period	30 Years	30 Years
Long-term Investment Rate of Return *	7.5%	7.5%
Projected salary Increases	4.0% - 14.0%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

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

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

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	36.0%	9.3%
Equity Long/Short	10.0%	7.4%
Illiquid Alternatives	23.0%	10.8%
Fixed Income	15.0%	4.1%
Absolute Return	10.0%	6.6%
Managed Futures	4.0%	5.5%
Cash	2.0%	0.0% *
Total	100.0%	

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

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset)	\$ (566,869)	\$ (1,066,019)	\$ (1,482,437)

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

Statewide Money Purchase plan – fire employees

FPPA offers a statewide money purchase plan for fire employees. This plan is a defined contribution plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. Under this plan, 10% of the employee's regular salary was withheld and contributed to the plan. The City contributes 10%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. The employee's contributions to this plan for December 31, 2017 and December 31, 2016 were \$76,114 and \$73,384, with the City's contributions and pension expense being \$76,114 and \$73,384, respectively.

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

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

Deferred compensation

A deferred compensation plan under Section 457 of the Internal Revenue Code is available for voluntary employee contributions. Under this plan, all employees may make voluntary contributions in accordance with Internal Revenue Service limitations. In July 2014, an amendment to the plan was made to allow for a city match of the employee's contribution, limited to 2% of the employee's regular salary. In accordance with the plan, distribution is not available to employees until termination, retirement, disability, death or unforeseen emergency. All assets are held for the exclusive benefit of the employees. This plan is administered by ICMA. The employee's contributions to this plan for December 31, 2017 and December 31, 2016 were \$1,561,671 and \$1,577,064, with the City's contribution being \$374,469 and \$469,106, respectively. The City Council has authority to establish contribution requirements and other provisions.

Aggregate Pension Expenditures/Expenses

The City's aggregate pension expenditures/expenses associated with the net pension liabilities for all plans for the year ended December 31, 2017 are \$1,137,070.

NOTE VIII – JOINT VENTURE

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

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

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

NOTE IX – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; health costs of employees; and natural disasters. These risks are financed and funded through the Property and Liability Insurance Fund, the Employee Insurance Fund (Internal Service Funds) and through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

The Property and Liability Insurance Fund provides coverage for up to a maximum of \$50,000 for each general liability claim and \$5,000 for each property damage claim. The City purchases insurance from CIRSA for claims in excess of coverage provided by the Property and Liability Insurance Fund and for all other risks of loss. All city funds participate in the insurance program. There have been no significant changes in insurance coverage in 2017 as compared to prior periods.

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

The Employee Insurance Fund includes Accidental Death and Dismemberment, Long-Term Disability and Life Insurance coverage provided by commercial carriers as well as self insurance plans for health, workers compensation and unemployment coverage. Outside administrators monitor individual employee claims and negotiate excess coverage insurance policies. Excess coverage health insurance policies are purchased to cover individual incident claims in excess of \$150,000. The City pays all unemployment insurance claims as a reimbursable employer with the State of Colorado. The city provides compensation for work-related injuries and disabilities as mandated by federal law through self-funded workers compensation coverage. The City is self-insured for Workers Compensation and has a stop loss limit of \$500,000. Settled benefit claims did not exceed the individual yearly claims limit for the last three years. Liabilities are reported when it is possible that a loss has occurred and the amount of the loss can be reasonably estimated. Changes in the balances of claims liabilities, as provided by outside administrators, during the year ended December 31, 2017 are as follows:

	<u>Employee Insurance Fund</u>		<u>Property and Liability Insurance Fund</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Unpaid claims and reserve for incurred but not reported claims-beginning of year	\$ 1,194,823	\$ 1,371,751	\$ 66,436	\$ 57,619
Incurred claims and reserve estimates	6,828,327	6,541,832	426,499	414,058
Claim payments	(6,660,282)	(6,718,760)	(396,045)	(405,241)
Unpaid claims and reserve for incurred but not reported claims-end of year	<u>\$ 1,362,868</u>	<u>\$ 1,194,823</u>	<u>\$ 96,890</u>	<u>\$ 66,436</u>

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

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

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

Fire Protection Agreements

The City has agreements through which the City provides fire protection services outside of its boundaries to the Littleton Fire Protection District and the Highlands Ranch Metropolitan District (Districts). The agreements provide for the joint use of personnel, certain equipment and facilities. The City incurs normal operating expenditures for the fire protection operations such as salaries, fringe benefits and other operation/maintenance expenses. The City bills the districts for their share of the actual costs based on a predetermined allocation formula combining fire calls made and assessed valuation on a five-year moving average. Both Districts provided notice to the City of their intent to terminate the agreements effective December 2018 (see note on Subsequent Events). For 2017, the Littleton Fire Protection District's share was \$8,855,083 and the Highlands Ranch Metropolitan District's share was \$9,212,326.

Litigation

Various suits and claims are pending against the City as of December 31, 2017. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists in situations where monetary damages are claimed and that the final settlements of these matters will not materially affect the financial statements of the City.

Tax, Spending and Debt Limitations

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

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The TABOR Emergency Reserve at December 31, 2017 was \$2,155,723. The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, the City's base for purposes of calculating fiscal year spending under TABOR. In order to collect, retain, and spend revenues in excess of the above-referenced limit in 1994, 2000, 2002, 2008 and 2016, the City submitted to its electors, and received voter approval, to retain and spend certain revenues received during 1994 and 1995, 1999 through 2001, 2002 through 2004, 2008, and 2016 respectively, for specific purposes as set forth in the approved election questions. There was no TABOR excess in 2017.

NOTE X – COMMITMENTS AND CONTINGENCIES (Continued)*Construction contracts*

The City has active construction projects as of December 31, 2017. The projects include street rehabilitation, street reconstruction and traffic signal crosswalk improvements. At year end, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Expenditures-to-Date</u>	<u>Remaining Commitment</u>
2017 Street Rehabilitation Mill and Overlay	\$ 888,302	\$ 80,138
Bemis Street Reconstruction	431,967	71,527
2017 Traffic Signal Crosswalk Improvements	-	63,888
Totals	<u>\$ 1,320,269</u>	<u>\$ 215,553</u>

Encumbrances

Encumbrance commitments for the City at year-end total \$1,280,328. Encumbrances were formally adopted by the City Council as carryforward appropriations into the 2018 Budget in March 2018.

<u>Fund</u>	<u>Encumbrances</u>
General	\$ 564,847
Capital Projects	326,003
Conservation Trust	24,000
Grants	119,610
Open Space	165,421
Sewer Utility	19,040
Storm Drainage	5,525
Property & Liability	55,882
Totals	<u>\$ 1,280,328</u>

NOTE XI – PLEDGED REVENUES

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$23,795,794 in outstanding sewer system revenues bonds. Proceeds from the bonds provided financing for the expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The bonds are payable solely from the sewer customer net revenues and are payable through 2025. The total pledged revenue cannot be estimated in comparison to pledged debt in that revenues are uncertain as to future amounts. In the event that annual principal and interest payments on the bonds are expected to require more than available net revenues of which, cash reserve will be used. The total principal and interest remaining to be paid on the bonds at December 31, 2017 is \$27,796,490. Principal and interest paid for the current year (net of refunding credits) and total customer net revenues were \$3,525,000 and \$10,465,000, respectively.

NOTE XII– TAX ABATEMENTS*Economic Development Agreements*

The City has entered into certain agreements in an effort to attract and retain high quality development, to provide employment opportunities, and community service delivery. The City has three agreements as of December 31, 2017.

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

Grocery store chain - Abatement of sales tax of 50% over minimum annual amount for a period of the earlier of six years (beginning January 2015) or \$500,000, whichever occurs first.

NOTE XII– TAX ABATEMENTS (Continued)

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

Due to the confidential nature of tax information and pursuant the Littleton City Code, the aggregated amount of sales and use tax abatements during the fiscal year was \$77,314.

Littleton Invests for Tomorrow Urban Renewal Authority Agreement

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

The incremental sales tax revenue remitted to LIFT by the City in fiscal year December 31, 2017, for the four urban renewal areas of Columbine URA, Littleton Blvd URA, North Broadway URA and Santa Fe URA was \$50,758 collectively.

NOTE XIII – SUBSEQUENT EVENTS**Primary Government**

In November 2017, the City received notice from the Littleton Fire Protection District and the Highlands Ranch Metro District (the Districts) of their intent to terminate the fire services agreement effective December 31, 2018. Voters in both Districts approved inclusion with South Metro Fire Rescue District effective January 1, 2019 at an election held May 8, 2018. On April 17, 2018 the Littleton City Council approved a pre-unification agreement between Littleton Fire Rescue and South Metro Fire Rescue (SMFR) for fire services beginning January 1, 2019. SMFR will hold an election on November 6, 2018 to ask voters to consider including the City of Littleton in the SMFR service area. If voters approve the question, a portion of the current property tax assessed by the City would be reduced to 2.0 mills and SMFR's mill levy of 9.25 mills would be applied across the entire City effective for property taxes collected in 2020.

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado



2017 CAFR



**Required Supplementary
Information
(RSI)**

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For The Year Ended December 31, 2017

	Budget Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Taxes:				
Property	\$ 4,823,000	\$ 4,823,000	\$ 4,712,762	\$ (110,238)
Sales and use	32,162,980	32,162,980	32,749,360	586,380
Specific ownership tax	340,000	340,000	416,734	76,734
Cigarette Tax	207,000	207,000	188,302	(18,698)
Franchise	2,257,500	2,257,500	2,226,655	(30,845)
Licenses and permits	1,498,000	1,498,000	1,400,381	(97,619)
Intergovernmental	16,789,540	16,789,540	17,181,566	392,026
Charges for services	2,529,210	2,529,210	2,473,567	(55,643)
Fines and forfeitures	780,000	780,000	698,551	(81,449)
Investment earnings	115,000	115,000	109,341	(5,659)
Miscellaneous	1,207,000	1,207,000	1,035,885	(171,115)
TABOR revenue refund	-	-	1,937,904	1,937,904
Total revenues	62,709,230	62,709,230	65,131,008	2,421,778
EXPENDITURES				
General Government:				
City council	258,760	335,260	320,202	15,058
City attorney	543,940	678,140	586,588	91,552
City manager	666,600	726,600	585,346	141,254
Communications and marketing	1,229,940	1,229,940	1,049,013	180,927
Economic development	573,830	685,020	539,968	145,052
Finance	1,111,600	1,111,600	973,886	137,714
Information services	1,941,240	1,956,650	1,893,047	63,603
City clerk	958,880	958,880	977,724	(18,844)
Human resources	1,090,550	1,143,350	880,081	263,269
Public works	2,605,250	2,603,370	2,197,480	405,890
Community development	2,632,890	2,959,580	2,514,216	445,364
General operations	2,103,940	2,458,070	2,028,987	429,083
Public Safety:				
Police	12,325,240	12,575,240	12,233,800	341,440
Fire	22,752,130	22,898,890	22,043,096	855,794
Highways and Streets:				
Public works	4,794,950	4,960,870	4,535,440	425,430
Welfare:				
City clerk	236,210	236,210	240,950	(4,740)
Library and museum	190,470	189,470	109,286	80,184
Culture and Recreation:				
Public works	1,072,660	1,080,000	1,068,975	11,025
Library and museum	4,227,270	4,305,130	4,042,297	262,833
Total current expenditures	61,316,350	63,092,270	58,820,382	4,271,888
Capital outlay	10,000	79,840	115,881	(36,041)
Total expenditures	61,326,350	63,172,110	58,936,263	4,235,847
Excess of revenues over expenditures	1,382,880	(462,880)	6,194,745	6,657,625
OTHER FINANCING USES				
Transfers out	(1,276,690)	(3,214,594)	(2,286,228)	928,366
Total other financing uses	(1,276,690)	(3,214,594)	(2,286,228)	928,366
Net change in fund balance	106,190	(3,677,474)	3,908,517	7,585,991
Fund balances - beginning	9,948,370	9,150,373	9,150,373	-
Fund balances - ending	\$ 10,054,560	\$ 5,472,899	\$ 13,058,890	\$ 7,585,991

See the accompanying Independent Auditor's Report

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	2.47%	2.29%	2.27%	2.28%
City's proportionate share of the net pension liability (asset)	\$ 893,441	\$ (40,340)	\$ (2,566,775)	\$ (2,855,133)
City's covered payroll	\$ 10,956,124	\$ 9,385,746	\$ 8,541,294	\$ 8,139,582
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	8.15%	0.43%	30.05%	35.08%
Plan fiduciary net position as a percentage of the total pension liability	98.21%	100.10%	106.80%	105.80%

* The amounts presented for each fiscal year were determined as of the measurement date.

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Independent Auditor's Report

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 1,097,687	\$ 1,012,342	\$ 887,449	\$ 818,224	\$ 791,524
Contributions in relation to the statutorily required contribution	<u>(1,097,687)</u>	<u>(1,012,342)</u>	<u>(887,449)</u>	<u>(818,224)</u>	<u>(791,524)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,957,103	\$ 10,956,124	\$ 9,385,746	\$ 8,541,294	\$ 8,139,582
Contributions as a percentage of covered payroll	9.18%	9.24%	9.46%	9.58%	9.72%

Note: Fiscal year 2008 is not present. Fire employees became members of the FPPA pension group effective April 1, 2009.

See the accompanying Independent Auditor's Report

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 761,088	\$ 770,419	\$ 795,747	\$ 596,273
<u>(761,088)</u>	<u>(770,419)</u>	<u>(795,747)</u>	<u>(596,273)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,749,807	\$ 7,788,961	\$ 8,019,030	\$ 5,996,834
9.82%	9.89%	9.92%	9.94%

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	9.79%	8.96%	6.47%	6.43%
City's proportionate share of the net pension liability (asset)	\$ (1,066,019)	\$ (958,990)	\$ (766,863)	\$ (736,130)
City's covered payroll	\$ 1,266,456	\$ 1,179,941	\$ 800,410	\$ 832,125
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	84.17%	81.27%	95.81%	88.46%
Plan fiduciary net position as a percentage of the total pension liability	127.50%	129.44%	140.60%	139.00%

* The amounts presented for each fiscal year were determined as of the measurement date.

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Independent Auditor's Report

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 117,309	\$ 126,646	\$ 117,994	\$ 80,041	\$ 83,213
Contributions in relation to the statutorily required contribution	<u>(117,309)</u>	<u>(126,646)</u>	<u>(117,994)</u>	<u>(80,041)</u>	<u>(83,213)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,173,082	\$ 1,266,456	\$ 1,179,941	\$ 800,410	\$ 832,125
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%

Note: Fiscal year 2008 is not present. Fire employees became members of the FPPA pension group effective April 1, 2009.

See the accompanying Independent Auditor's Report

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 81,286	\$ 88,382	\$ 88,552	\$ 65,055
<u>(81,286)</u>	<u>(88,382)</u>	<u>(88,552)</u>	<u>(65,055)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 812,856	\$ 883,205	\$ 885,524	\$ 650,549
10.00%	10.01%	10.00%	10.00%

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE I – BUDGETARY INFORMATION

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

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

Public hearings are conducted to obtain citizen comments.

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

The city manager and finance director have authority to transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same department, office or agency, in accordance with the city charter; provided that such transfers over \$100,000 per transaction would require formal council consent. Per state statute, budgetary control is based on total appropriated expenditures at the fund level.

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

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

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

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

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

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

The Emergency Medical Transport Fund was in excess of appropriated expenditures in 2017. This may be in violation of state statutes and of the city ordinance.



2017 CAFR



**Combining and Individual
Fund Statements
and Schedules**

City of Littleton, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017

	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Open Space Fund
ASSETS				
Cash and investments	\$ 375,819	\$ 385,976	\$ -	\$ 2,525,310
Receivables	-	26,758	670,243	16,117
Restricted cash and investments	-	20,584	-	5,000
Total assets	<u>\$ 375,819</u>	<u>\$ 433,318</u>	<u>\$ 670,243</u>	<u>\$ 2,546,427</u>
LIABILITIES				
Contracts and accounts payable	\$ 136,008	\$ 10,196	\$ 38,033	\$ 203,246
Due to other funds	-	-	610,706	-
Unearned revenue	-	-	19,390	-
Other liabilities	-	4,208	2,114	-
Total liabilities	<u>136,008</u>	<u>14,404</u>	<u>670,243</u>	<u>203,246</u>
FUND BALANCES				
Restricted	239,811	20,584	-	2,343,181
Assigned	-	398,330	-	-
Total fund balances	<u>239,811</u>	<u>418,914</u>	<u>-</u>	<u>2,343,181</u>
Total liabilities and fund balances	<u>\$ 375,819</u>	<u>\$ 433,318</u>	<u>\$ 670,243</u>	<u>\$ 2,546,427</u>

See the accompanying Independent Auditor's Report

Impact Fee Fund	Total Nonmajor Governmental Funds
\$ 3,092,202	\$ 6,379,307
-	713,118
-	25,584
<u>\$ 3,092,202</u>	<u>\$ 7,118,009</u>
\$ -	\$ 387,483
72,000	682,706
-	19,390
-	6,322
<u>72,000</u>	<u>1,095,901</u>
-	2,603,576
3,020,202	3,418,532
<u>3,020,202</u>	<u>6,022,108</u>
<u>\$ 3,092,202</u>	<u>\$ 7,118,009</u>

City of Littleton, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2017

	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Open Space Fund
REVENUES				
Taxes	\$ -	\$ 55,167	\$ -	\$ -
Intergovernmental	221,189	35,465	948,041	1,476,354
Charges for services	-	200	15,585	-
Fines and forfeitures	-	77,171	-	-
Investment earnings	4,538	3,959	-	21,674
Miscellaneous	-	4,414	-	7,129
Total revenues	<u>225,727</u>	<u>176,376</u>	<u>963,626</u>	<u>1,505,157</u>
EXPENDITURES				
General government	-	20,997	2,455	-
Public safety	-	103,428	54,534	-
Culture and recreation	150,000	1,070	182,332	489,983
Capital outlay	<u>293,818</u>	<u>19,597</u>	<u>724,305</u>	<u>358,814</u>
Total expenditures	<u>443,818</u>	<u>145,092</u>	<u>963,626</u>	<u>848,797</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(218,091)</u>	<u>31,284</u>	<u>-</u>	<u>656,360</u>
Fund balances - beginning	<u>457,902</u>	<u>387,630</u>	<u>-</u>	<u>1,686,821</u>
Fund balances - ending	<u>\$ 239,811</u>	<u>\$ 418,914</u>	<u>\$ -</u>	<u>\$ 2,343,181</u>

See the accompanying Independent Auditor's Report

Impact Fee Fund	Total Nonmajor Governmental Funds
\$ -	\$ 55,167
-	2,681,049
1,085,251	1,101,036
-	77,171
24,694	54,865
-	11,543
<u>1,109,945</u>	<u>3,980,831</u>
-	23,452
2,475	160,437
-	823,385
-	1,396,534
<u>2,475</u>	<u>2,403,808</u>
<u>1,107,470</u>	<u>1,577,023</u>
<u>1,912,732</u>	<u>4,445,085</u>
<u>\$ 3,020,202</u>	<u>\$ 6,022,108</u>

City of Littleton, Colorado
Budgetary Comparison Schedule
Capital Projects Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 1,680,000	\$ 1,680,000	\$ 1,616,507	\$ (63,493)
Intergovernmental	2,276,460	2,276,460	2,199,451	(77,009)
Charges for services	-	-	77,634	77,634
Investment earnings	138,000	138,000	152,293	14,293
Miscellaneous	8,780	8,780	2,475	(6,305)
Total revenues	<u>4,103,240</u>	<u>4,103,240</u>	<u>4,048,360</u>	<u>(54,880)</u>
EXPENDITURES				
Current:				
General government	496,180	497,880	494,744	3,136
Public safety	1,547,040	1,594,540	1,306,091	288,449
Highways and streets	1,180,000	1,180,000	1,123,249	56,751
Culture and recreation	50,000	50,000	49,456	544
Debt Service:				
Principal	1,287,090	1,287,090	1,287,089	1
Interest	212,260	212,260	212,240	20
Capital outlay	<u>4,256,840</u>	<u>5,505,980</u>	<u>4,721,876</u>	<u>784,104</u>
Total expenditures	<u>9,029,410</u>	<u>10,327,750</u>	<u>9,194,745</u>	<u>1,133,005</u>
Deficiency of revenues under expenditures	<u>(4,926,170)</u>	<u>(6,224,510)</u>	<u>(5,146,385)</u>	<u>1,078,125</u>
OTHER FINANCING SOURCES				
Transfers in	925,000	925,000	1,937,904	1,012,904
Proceeds from sale of capital assets	130,000	130,000	103,410	(26,590)
Proceeds from capital lease	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>
Total other financing sources	<u>2,455,000</u>	<u>2,455,000</u>	<u>3,441,314</u>	<u>986,314</u>
Net change in fund balance	(2,471,170)	(3,769,510)	(1,705,071)	2,064,439
Fund balances - beginning	<u>13,636,900</u>	<u>15,803,853</u>	<u>15,803,853</u>	<u>-</u>
Fund balances - ending	<u>\$ 11,165,730</u>	<u>\$ 12,034,343</u>	<u>\$ 14,098,782</u>	<u>\$ 2,064,439</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 220,000	\$ 220,000	\$ 221,189	\$ 1,189
Investment earnings	4,500	4,500	4,538	38
Total revenues	<u>224,500</u>	<u>224,500</u>	<u>225,727</u>	<u>1,227</u>
EXPENDITURES				
Culture and recreation	150,000	150,000	150,000	-
Capital outlay	40,000	392,950	293,818	99,132
Total expenditures	<u>190,000</u>	<u>542,950</u>	<u>443,818</u>	<u>99,132</u>
Net change in fund balance	34,500	(318,450)	(218,091)	100,359
Fund balances - beginning	<u>209,590</u>	<u>457,902</u>	<u>457,902</u>	<u>-</u>
Fund balances - ending	<u>\$ 244,090</u>	<u>\$ 139,452</u>	<u>\$ 239,811</u>	<u>\$ 100,359</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Consolidated Special Revenue Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 54,000	\$ 54,000	\$ 55,167	\$ 1,167
Intergovernmental	500,000	500,000	35,465	(464,535)
Charges for services	2,500	2,500	200	(2,300)
Fines and forfeitures	73,000	73,000	77,171	4,171
Investment earnings	6,060	6,060	3,959	(2,101)
Miscellaneous	3,500	3,500	4,414	914
Total revenues	<u>639,060</u>	<u>639,060</u>	<u>176,376</u>	<u>(462,684)</u>
EXPENDITURES				
General government	16,000	20,120	20,997	(877)
Public safety	617,350	617,350	103,428	513,922
Culture and recreation	5,000	5,000	1,070	3,930
Capital outlay	39,000	39,000	19,597	19,403
Total expenditures	<u>677,350</u>	<u>681,470</u>	<u>145,092</u>	<u>536,378</u>
Net change in fund balance	(38,290)	(42,410)	31,284	73,694
Fund balances - beginning	<u>396,720</u>	<u>387,630</u>	<u>387,630</u>	<u>-</u>
Fund balances - ending	<u>\$ 358,430</u>	<u>\$ 345,220</u>	<u>\$ 418,914</u>	<u>\$ 73,694</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Grants Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,071,750	\$ 1,071,750	\$ 948,041	\$ (123,709)
Charges for services	14,000	14,000	15,585	1,585
Total revenues	<u>1,085,750</u>	<u>1,085,750</u>	<u>963,626</u>	<u>(122,124)</u>
EXPENDITURES				
General government	100,000	229,000	2,455	226,545
Public safety	151,000	151,000	54,534	96,466
Culture and recreation	214,000	214,000	182,332	31,668
Capital outlay	620,750	1,165,800	724,305	441,495
Total expenditures	<u>1,085,750</u>	<u>1,759,800</u>	<u>963,626</u>	<u>796,174</u>
Net change in fund balance	-	(674,050)	-	674,050
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ (674,050)</u>	<u>\$ -</u>	<u>\$ 674,050</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Open Space Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,125,000	\$ 1,125,000	\$ 1,476,354	\$ 351,354
Investment earnings	10,400	10,400	21,674	11,274
Miscellaneous	6,520	6,520	7,129	609
Total revenues	<u>1,141,920</u>	<u>1,141,920</u>	<u>1,505,157</u>	<u>363,237</u>
EXPENDITURES				
Culture and recreation	306,570	315,740	489,983	(174,243)
Capital outlay	<u>1,193,200</u>	<u>2,272,280</u>	<u>358,814</u>	<u>1,913,466</u>
Total expenditures	<u>1,499,770</u>	<u>2,588,020</u>	<u>848,797</u>	<u>1,739,223</u>
Net change in fund balance	(357,850)	(1,446,100)	656,360	2,102,460
Fund balances - beginning	<u>586,970</u>	<u>1,686,821</u>	<u>1,686,821</u>	-
Fund balances - ending	<u>\$ 229,120</u>	<u>\$ 240,721</u>	<u>\$ 2,343,181</u>	<u>\$ 2,102,460</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Impact Fees Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 1,132,240	\$ 1,132,240	\$ 1,085,251	\$ (46,989)
Investment earnings	25,500	25,500	24,694	(806)
Total revenues	<u>1,157,740</u>	<u>1,157,740</u>	<u>1,109,945</u>	<u>(47,795)</u>
EXPENDITURES				
Public safety	<u>8,780</u>	<u>8,780</u>	<u>2,475</u>	<u>6,305</u>
Net change in fund balance	1,148,960	1,148,960	1,107,470	(41,490)
Fund balances - beginning	<u>1,948,050</u>	<u>1,912,732</u>	<u>1,912,732</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,097,010</u>	<u>\$ 3,061,692</u>	<u>\$ 3,020,202</u>	<u>\$ (41,490)</u>

See the accompanying Independent Auditor's Report

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2017

	So. Metro Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 292,053	\$ 71,702	\$ -	\$ 363,755
Receivables	-	10,362	-	10,362
Total current assets	<u>292,053</u>	<u>82,064</u>	<u>-</u>	<u>374,117</u>
Noncurrent assets:				
Restricted assets:				
Cash and investments	-	-	95	95
Capital assets:				
Land	-	70,408	380,663	451,071
Buildings and systems	-	429,318	2,965,288	3,394,606
Improvements other than buildings	-	-	65,740	65,740
Machinery and equipment	-	-	166,690	166,690
Less accumulated depreciation	-	(183,183)	(1,298,192)	(1,481,375)
Total capital assets (net of accumulated depreciation)	-	316,543	2,280,189	2,596,732
Total noncurrent assets	-	316,543	2,280,284	2,596,827
Total assets	<u>\$ 292,053</u>	<u>\$ 398,607</u>	<u>\$ 2,280,284</u>	<u>\$ 2,970,944</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	\$ -	\$ 26,539	\$ -	\$ 26,539
Accrued interest payable	-	-	5,615	5,615
Long-term debt payable - current	-	-	175,000	175,000
Total current liabilities	<u>-</u>	<u>26,539</u>	<u>180,615</u>	<u>207,154</u>
Noncurrent liabilities:				
Long-term debt payable	-	-	1,170,000	1,170,000
Total noncurrent liabilities	-	-	1,170,000	1,170,000
Total liabilities	<u>-</u>	<u>26,539</u>	<u>1,350,615</u>	<u>1,377,154</u>
NET POSITION				
Net investment in capital assets	-	316,543	935,189	1,251,732
Restricted for:				
Debt service	-	-	95	95
Unrestricted	292,053	55,525	(5,615)	341,963
Total net position	<u>292,053</u>	<u>372,068</u>	<u>929,669</u>	<u>1,593,790</u>
Total liabilities and net position	<u>\$ 292,053</u>	<u>\$ 398,607</u>	<u>\$ 2,280,284</u>	<u>\$ 2,970,944</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For The Year Ended December 31, 2017

	So. Metro Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
OPERATING REVENUES				
Charges for services	\$ 1,085,220	\$ -	\$ -	\$ 1,085,220
Rental payments	-	119,922	217,124	337,046
Intergovernmental	132,986	-	-	132,986
Miscellaneous	-	1,551	-	1,551
Total operating revenues	<u>1,218,206</u>	<u>121,473</u>	<u>217,124</u>	<u>1,556,803</u>
OPERATING EXPENSES				
Personnel services	1,216,811	-	-	1,216,811
Supplies	15,509	-	-	15,509
Contractual services	12,323	33,617	-	45,940
Other services and charges	47,653	139,360	-	187,013
Depreciation	22,200	17,113	63,606	102,919
Total operating expenses	<u>1,314,496</u>	<u>190,090</u>	<u>63,606</u>	<u>1,568,192</u>
Operating income (loss)	<u>(96,290)</u>	<u>(68,617)</u>	<u>153,518</u>	<u>(11,389)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	993	120	1,113
Debt administration costs	-	-	(1,774)	(1,774)
Loss on sale of capital assets	(150,180)	-	-	(150,180)
Interest charges	-	-	(49,745)	(49,745)
Total nonoperating revenues (expenses)	<u>(150,180)</u>	<u>993</u>	<u>(51,399)</u>	<u>(200,586)</u>
Income (loss) before transfers	(246,470)	(67,624)	102,119	(211,975)
OTHER FINANCING SOURCES				
Transfers in	<u>348,324</u>	<u>-</u>	<u>-</u>	<u>348,324</u>
Change in net position	101,854	(67,624)	102,119	136,349
Total net position - beginning	<u>190,199</u>	<u>439,692</u>	<u>827,550</u>	<u>1,457,441</u>
Total net position - ending	<u>\$ 292,053</u>	<u>\$ 372,068</u>	<u>\$ 929,669</u>	<u>\$ 1,593,790</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2017

	So. Metro. Area Comm. Center Fund	Geneva Village Fund	Building Authority Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,218,206	\$ 111,111	\$ 217,124	\$ 1,546,441
Cash paid to suppliers	(120,643)	(175,228)	-	(295,871)
Cash paid to employees	(1,268,737)	-	-	(1,268,737)
Net cash provided (used) by operating activities	(171,174)	(64,117)	217,124	(18,167)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	348,324	-	-	348,324
Net cash provided by noncapital financing activities	348,324	-	-	348,324
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(141,247)	-	-	(141,247)
Principal paid on debt	-	-	(165,000)	(165,000)
Interest paid on debt	-	-	(50,434)	(50,434)
Debt administration costs	-	-	(1,774)	(1,774)
Net cash used by capital and related financing activities	(141,247)	-	(217,208)	(358,455)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	-	993	120	1,113
Net cash provided by investing activities	-	993	120	1,113
Net increase (decrease) in cash and cash equivalents	35,903	(63,124)	36	(27,185)
Cash and cash equivalents - January 1	256,150	134,826	59	391,035
Cash and cash equivalents - December 31	<u>\$ 292,053</u>	<u>\$ 71,702</u>	<u>\$ 95</u>	<u>\$ 363,850</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
operating activities:				
Operating income (loss)	\$ (96,290)	\$ (68,617)	\$ 153,518	\$ (11,389)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	22,200	17,113	63,606	102,919
Increase in current assets				
Receivables	-	(10,362)	-	(10,362)
Decrease in current liabilities				
Accounts payable and other current liabilities	(97,084)	(2,251)	-	(99,335)
Total adjustments	(74,884)	4,500	63,606	(6,778)
Net cash provided (used) by operating activities	<u>\$ (171,174)</u>	<u>\$ (64,117)</u>	<u>\$ 217,124</u>	<u>\$ (18,167)</u>
Reconciliation of cash and cash equivalents				
Unrestricted	\$ 292,053	\$ 71,702	\$ -	\$ 363,755
Restricted	-	-	95	95
Total cash and cash equivalents	<u>\$ 292,053</u>	<u>\$ 71,702</u>	<u>\$ 95</u>	<u>\$ 363,850</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Sewer Utility Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 13,937,800	\$ 13,937,800	\$ 13,646,641	\$ (291,159)
Investment earnings	210,000	210,000	251,170	41,170
Miscellaneous	195,000	195,000	164,000	(31,000)
Total revenues	<u>14,342,800</u>	<u>14,342,800</u>	<u>14,061,811</u>	<u>(280,989)</u>
EXPENDITURES				
Personnel services	390,200	390,200	337,165	53,035
Supplies	20,560	20,560	15,621	4,939
Bi-City operating costs	9,471,550	9,471,550	7,024,570	2,446,980
Contractual services	314,000	423,060	39,466	383,594
Services by General Fund	491,000	491,000	510,000	(19,000)
Other services and charges	3,227,750	3,443,086	953,078	2,490,008
Debt - Principal	2,646,360	2,646,360	2,646,358	2
Debt - Interest	655,170	655,170	598,611	56,559
Debt - Administration Costs	249,280	249,280	249,282	(2)
Capital outlay	205,000	212,524	217,561	(5,037)
Total expenditures	<u>17,670,870</u>	<u>18,002,790</u>	<u>12,591,712</u>	<u>5,411,078</u>
Excess (deficiency) of revenues over (under) expenditures	(3,328,070)	(3,659,990)	1,470,099	5,130,089
OTHER FINANCING SOURCES				
Capital contributions	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,441,976</u>	<u>(258,024)</u>
Change in net position	<u>\$ (1,628,070)</u>	<u>\$ (1,959,990)</u>	<u>2,912,075</u>	<u>\$ 4,872,065</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			217,561	
Capital contributions			3,840,971	
Change in Bi-City joint venture equity			(3,378,955)	
Debt - Principal			2,646,358	
Amortization			(15,344)	
Depreciation			(384,607)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 5,838,059</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Storm Drainage Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 779,820	\$ 779,820	\$ 778,156	\$ (1,664)
Investment earnings	5,000	5,000	8,341	3,341
Miscellaneous	10,000	10,000	9,794	(206)
Total revenues	<u>794,820</u>	<u>794,820</u>	<u>796,291</u>	<u>1,471</u>
EXPENDITURES				
Personnel services	261,700	261,700	207,666	54,034
Supplies	8,570	6,420	1,462	4,958
Contractual services	10,000	24,000	21,127	2,873
Other services and charges	108,760	110,910	57,376	53,534
Capital outlay	260,000	652,100	620,365	31,735
Total expenditures	<u>649,030</u>	<u>1,055,130</u>	<u>907,996</u>	<u>147,134</u>
Change in net position	<u>\$ 145,790</u>	<u>\$ (260,310)</u>	<u>(111,705)</u>	<u>\$ 148,605</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			620,365	
Capital contributions			956,614	
Depreciation			<u>(549,402)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 915,872</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Emergency Medical Transport Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services (net of contractual adjustments of \$3,313,109)	\$ 3,697,950	\$ 3,697,950	\$ 4,233,381	\$ 535,431
Miscellaneous	150,000	150,000	138,081	(11,919)
Total revenues	<u>3,847,950</u>	<u>3,847,950</u>	<u>4,371,462</u>	<u>523,512</u>
EXPENDITURES				
Personnel services	3,080,430	3,430,430	3,579,491	(149,061)
Supplies	340,000	356,680	348,794	7,886
Contractual services	160,000	160,000	129,907	30,093
Other services and charges	328,180	311,500	301,239	10,261
Capital outlay	68,500	68,500	30,903	37,597
Total expenditures	<u>3,977,110</u>	<u>4,327,110</u>	<u>4,390,334</u>	<u>(63,224)</u>
Change in net position	<u>\$ (129,160)</u>	<u>\$ (479,160)</u>	(18,872)	<u>\$ 460,288</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			30,903	
Bad debt			(1,118,707)	
Depreciation			<u>(36,752)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (1,143,428)</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
South Metro Area Communication Center Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 1,074,370	\$ 1,074,370	\$ 1,085,220	\$ 10,850
Intergovernmental	188,000	188,000	132,986	(55,014)
Total revenues	<u>1,262,370</u>	<u>1,262,370</u>	<u>1,218,206</u>	<u>(44,164)</u>
EXPENDITURES				
Personnel services	1,215,380	1,215,380	1,216,811	(1,431)
Supplies	17,300	17,300	15,509	1,791
Contractual services	23,500	23,500	12,323	11,177
Other services and charges	72,880	72,880	47,653	25,227
Capital outlay	285,000	285,000	141,247	143,753
Total expenditures	<u>1,614,060</u>	<u>1,614,060</u>	<u>1,433,543</u>	<u>180,517</u>
Deficiency of revenues under expenditures	(351,690)	(351,690)	(215,337)	136,353
OTHER FINANCING SOURCES				
Transfers in	<u>351,690</u>	<u>351,690</u>	<u>348,324</u>	<u>(3,366)</u>
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>132,987</u>	<u>\$ 132,987</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			141,247	
Loss on sale of assets			(150,180)	
Depreciation			<u>(22,200)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 101,854</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Geneva Village Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Rental payments	\$ 126,000	\$ 126,000	\$ 119,922	\$ (6,078)
Investment earnings	1,000	1,000	993	(7)
Miscellaneous	1,000	1,000	1,551	551
Total revenues	<u>128,000</u>	<u>128,000</u>	<u>122,466</u>	<u>(5,534)</u>
EXPENDITURES				
Contractual services	30,000	30,000	33,617	(3,617)
Other services and charges	103,000	146,425	139,360	7,065
Total expenditures	<u>133,000</u>	<u>176,425</u>	<u>172,977</u>	<u>3,448</u>
Change in net position	<u>\$ (5,000)</u>	<u>\$ (48,425)</u>	<u>(50,511)</u>	<u>\$ (2,086)</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation			(17,113)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (67,624)</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2017

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 4,947,083	\$ 580,668	\$ 5,527,751
Total current assets	<u>4,947,083</u>	<u>580,668</u>	<u>5,527,751</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	176,976	-	176,976
Total noncurrent assets	<u>176,976</u>	<u>-</u>	<u>176,976</u>
Total assets	<u>\$ 5,124,059</u>	<u>\$ 580,668</u>	<u>\$ 5,704,727</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 96,832	\$ 66,300	\$ 163,132
Claims and judgments	1,362,868	96,890	1,459,758
Total liabilities	<u>1,459,700</u>	<u>163,190</u>	<u>1,622,890</u>
NET POSITION			
Restricted for:			
Employee benefits	176,976	-	176,976
Unrestricted	<u>3,487,383</u>	<u>417,478</u>	<u>3,904,861</u>
Total net position	<u>3,664,359</u>	<u>417,478</u>	<u>4,081,837</u>
Total liabilities and net position	<u>\$ 5,124,059</u>	<u>\$ 580,668</u>	<u>\$ 5,704,727</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For The Year Ended December 31, 2017

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
OPERATING REVENUES			
Charges for services	\$ 14,878	\$ 830,630	\$ 845,508
Employer/employee contributions	9,096,321	-	9,096,321
Miscellaneous	64,675	-	64,675
Total operating revenues	<u>9,175,874</u>	<u>830,630</u>	<u>10,006,504</u>
OPERATING EXPENSES			
Insurance	1,497,935	496,756	1,994,691
Benefits and claims	6,828,327	495,468	7,323,795
Other services and charges	461,986	99,300	561,286
Total operating expenses	<u>8,788,248</u>	<u>1,091,524</u>	<u>9,879,772</u>
Operating income (loss)	<u>387,626</u>	<u>(260,894)</u>	<u>126,732</u>
NONOPERATING REVENUES			
Investment earnings	41,946	(648)	41,298
Insurance recovery	-	349,232	349,232
Total nonoperating revenues	<u>41,946</u>	<u>348,584</u>	<u>390,530</u>
Change in net position	429,572	87,690	517,262
Net position - beginning	<u>3,234,787</u>	<u>329,788</u>	<u>3,564,575</u>
Net position - ending	<u>\$ 3,664,359</u>	<u>\$ 417,478</u>	<u>\$ 4,081,837</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2017

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 14,878	\$ 830,630	\$ 845,508
Cash received from other funds	9,096,321	-	9,096,321
Cash paid to suppliers	(8,449,509)	(1,060,483)	(9,509,992)
Net cash provided (used) by operating activities	<u>661,690</u>	<u>(229,853)</u>	<u>431,837</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Insurance proceeds	-	349,232	349,232
Net cash provided by capital and related financing activities	<u>-</u>	<u>349,232</u>	<u>349,232</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	41,946	(648)	41,298
Net cash provided by investing activities	<u>41,946</u>	<u>(648)</u>	<u>41,298</u>
Net increase in cash and cash equivalents	703,636	118,731	822,367
Cash and cash equivalents - January 1	<u>4,420,423</u>	<u>461,937</u>	<u>4,882,360</u>
Cash and cash equivalents - December 31	<u>\$ 5,124,059</u>	<u>\$ 580,668</u>	<u>\$ 5,704,727</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	<u>\$ 387,626</u>	<u>\$ (260,894)</u>	<u>\$ 126,732</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Decrease in current assets:			
Prepaid items	107,694	5,919	113,613
Increase (decrease) in current liabilities:			
Accounts payable and other current liabilities	(1,675)	(5,332)	(7,007)
Claims and judgments	168,045	30,454	198,499
Total adjustments	<u>274,064</u>	<u>31,041</u>	<u>305,105</u>
Net cash provided (used) by operating activities	<u>\$ 661,690</u>	<u>\$ (229,853)</u>	<u>\$ 431,837</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 4,947,083	\$ 580,668	\$ 5,527,751
Restricted	176,976	-	176,976
Total cash and cash equivalents	<u>\$ 5,124,059</u>	<u>\$ 580,668</u>	<u>\$ 5,704,727</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Employee Insurance Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 700	\$ 700	\$ 14,878	\$ 14,178
Employer/employee contributions	9,374,460	9,374,460	9,096,321	(278,139)
Miscellaneous	13,000	13,000	64,675	51,675
Investment earnings	37,500	37,500	41,946	4,446
Total revenues	<u>9,425,660</u>	<u>9,425,660</u>	<u>9,217,820</u>	<u>(207,840)</u>
EXPENDITURES				
Insurance	1,472,000	1,472,000	1,497,935	(25,935)
Benefits and claims	7,162,960	7,360,440	6,660,282	700,158
Other services and charges	536,480	539,000	461,986	77,014
Total expenditures	<u>9,171,440</u>	<u>9,371,440</u>	<u>8,620,203</u>	<u>751,237</u>
Excess of revenues over expenditures	254,220	54,220	597,617	543,397
OTHER FINANCING USES				
Transfers out	<u>(250,000)</u>	<u>(250,000)</u>	-	250,000
Change in net position	<u>\$ 4,220</u>	<u>\$ (195,780)</u>	597,617	<u>\$ 793,397</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			(168,045)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 429,572</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Property and Liability Insurance Fund
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 461,720	\$ 461,720	\$ 830,630	\$ 368,910
Insurance recovery	50,000	50,000	349,232	299,232
Investment earnings	2,000	2,000	(648)	(2,648)
Total revenues	<u>513,720</u>	<u>513,720</u>	<u>1,179,214</u>	<u>665,494</u>
EXPENDITURES				
Insurance	482,000	532,000	496,756	35,244
Benefits and claims	303,120	453,120	465,014	(11,894)
Other services and charges	155,000	155,000	99,300	55,700
Total expenditures	<u>940,120</u>	<u>1,140,120</u>	<u>1,061,070</u>	<u>79,050</u>
Excess (deficiency) of revenues over (under) expenditures	(426,400)	(626,400)	118,144	744,544
OTHER FINANCING SOURCES				
Transfers in	<u>250,000</u>	<u>250,000</u>	-	(250,000)
Change in net position	<u>\$ (176,400)</u>	<u>\$ (376,400)</u>	118,144	<u>\$ 494,544</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			<u>(30,454)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 87,690</u>	

See the accompanying Independent Auditor's Report

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Balance Sheet
Littleton Invests for Tomorrow
December 31, 2017

ASSETS

Cash and cash equivalents	\$ 391,558
Receivables	164
Total assets	<u>\$ 391,722</u>

LIABILITIES

Accounts payable and other current liabilities	\$ 152,338
Due to primary government	150,000
Accrued interest	2,534
Total liabilities	<u>304,872</u>

DEFERRED INFLOWS OF RESOURCES

Property tax	164
Total deferred inflows of resources	<u>164</u>

FUND BALANCE

Unassigned	86,686
Total fund balances	<u>86,686</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 391,722</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Littleton Invests for Tomorrow
For The Year Ended December 31, 2017

REVENUES	
Incremental property tax	\$ 156
Incremental sales tax	50,758
Investment earnings	4,008
Total revenues	<u>54,922</u>
EXPENDITURES	
General government	<u>3,734</u>
Total expenditures	<u>3,734</u>
NON-OPERATING EXPENDITURES	
Interest charges	<u>(955)</u>
Total non-operating expenditures	<u>(955)</u>
Change in fund balance	50,233
Fund balance - beginning	<u>36,453</u>
Fund balance - ending	<u>\$ 86,686</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Littleton Invests for Tomorrow
For The Year Ended December 31, 2017

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Incremental property taxes	\$ 500	\$ 336,397	\$ 156	\$ (336,241)
Incremental sales tax	24,000	24,000	50,758	26,758
Investment earnings	150	150	4,008	3,858
Total revenues	<u>24,650</u>	<u>360,547</u>	<u>54,922</u>	<u>(305,625)</u>
EXPENDITURES				
General government	295,259	633,641	3,734	629,907
Debt - Principal	150,000	150,000	-	150,000
Total expenditures	<u>445,259</u>	<u>783,641</u>	<u>3,734</u>	<u>779,907</u>
NON-OPERATING EXPENDITURES				
Interest charges	<u>(1,190)</u>	<u>(1,190)</u>	<u>(955)</u>	<u>235</u>
Change in fund balance	<u>\$ (421,799)</u>	<u>\$ (424,284)</u>	50,233	<u>\$ 474,517</u>
Fund balance - beginning			<u>36,453</u>	
Fund balance - ending			<u>\$ 86,686</u>	

See the accompanying Independent Auditor's Report

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado



2017 CAFR



Statistical Section

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

Statistical Section

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

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

	Fiscal Year			
	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 70,466,299	\$ 71,157,178	\$ 76,797,038	\$ 76,426,073
Restricted	5,941,403	6,201,254	5,664,176	6,071,441
Unrestricted	15,275,377	22,839,741	19,086,214	21,180,822
Total governmental activities net position	<u>91,683,079</u>	<u>100,198,173</u>	<u>101,547,428</u>	<u>103,678,336</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	16,528,736	16,328,433	16,131,176	15,927,389
Restricted*	-	-	-	-
Unrestricted	54,676,153	43,861,361	43,754,732	43,121,194
Total business-type activities net position	<u>71,204,889</u>	<u>60,189,794</u>	<u>59,885,908</u>	<u>59,048,583</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	86,995,035	87,485,611	92,928,214	92,353,462
Restricted	5,941,403	6,201,254	5,664,176	6,071,441
Unrestricted	69,951,530	66,701,102	62,840,946	64,302,016
Total primary government net position	<u>\$ 162,887,968</u>	<u>\$ 160,387,967</u>	<u>\$ 161,433,336</u>	<u>\$ 162,726,919</u>

* Years 2008-2012 not available.

Table 1

2012	2013	2014	2015	2016	2017
\$ 77,559,003	\$ 77,315,098	\$ 78,701,746	\$ 78,368,195	\$ 85,040,318	\$ 88,309,978
5,576,128	5,673,866	5,815,783	8,115,272	9,011,472	9,507,638
23,021,495	22,422,781	25,144,246	28,130,360	26,826,951	30,882,450
<u>106,156,626</u>	<u>105,411,745</u>	<u>109,661,775</u>	<u>114,613,827</u>	<u>120,878,741</u>	<u>128,700,066</u>
13,674,427	13,611,233	14,037,853	13,980,616	15,793,855	20,542,656
-	4,060,005	4,130,004	4,843,904	5,027,661	5,044,290 *
<u>42,511,211</u>	<u>37,551,694</u>	<u>40,622,895</u>	<u>42,052,800</u>	<u>48,466,254</u>	<u>49,427,676</u>
<u>56,185,638</u>	<u>55,222,932</u>	<u>58,790,752</u>	<u>60,877,320</u>	<u>69,287,770</u>	<u>75,014,622</u>
91,233,430	90,926,331	92,739,599	92,348,811	100,834,173	108,852,634
5,576,128	9,733,871	9,945,787	12,959,176	14,039,132	14,551,928
<u>65,532,706</u>	<u>59,974,475</u>	<u>65,767,141</u>	<u>70,183,160</u>	<u>75,273,205</u>	<u>80,310,126</u>
<u>\$ 162,342,264</u>	<u>\$ 160,634,677</u>	<u>\$ 168,452,527</u>	<u>\$ 175,491,147</u>	<u>\$ 190,146,510</u>	<u>\$ 203,714,688</u>

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

	Fiscal Year			
	2008	2009	2010	2011
EXPENSES				
Governmental activities:				
General government	\$ 12,632,366	\$ 12,655,778	\$ 12,996,864	\$ 13,620,922
Public safety	27,313,322	27,005,362	27,945,448	26,308,116
Highways and streets	6,964,756	6,732,039	6,957,074	6,944,326
Welfare	304,738	307,783	309,346	290,764
Culture and recreation	5,199,576	5,314,622	5,387,860	5,227,921
Interest on long term debt	29,552	50,858	42,276	51,238
Total governmental activities expenses	<u>52,444,310</u>	<u>52,066,442</u>	<u>53,638,868</u>	<u>52,443,287</u>
Business-type activities:				
Sewer Utility	10,086,201	12,279,515	15,298,747	13,770,635
Water Utility	157,263	1,924	-	-
Building Corporation	878,645	861,537	844,033	822,422
Storm Drainage	775,519	722,265	736,667	747,416
So. Metro Area Comm. Center	1,104,498	1,062,996	1,073,886	1,034,265
Geneva Village	123,525	102,662	98,438	92,161
Emergency Med. Trans	2,443,482	2,684,222	2,765,744	2,816,098
Permit Plan Review	188,052	187,990	203,233	518,343
Building Authority	215,249	208,917	192,906	162,905
Total business-type activities expenses	<u>15,972,434</u>	<u>18,112,028</u>	<u>21,213,654</u>	<u>19,964,245</u>
Total primary government expenses	<u>\$ 68,416,744</u>	<u>\$ 70,178,470</u>	<u>\$ 74,852,522</u>	<u>\$ 72,407,532</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 2,938,179	\$ 3,349,187	\$ 4,144,441	\$ 3,248,308
Public safety	12,190,752	11,895,379	12,121,480	12,435,914
Highways and streets	1,197,554	1,285,967	1,372,091	1,426,410
Welfare	25,461	26,226	27,014	27,013
Culture and recreation	1,282,286	1,240,487	1,326,727	1,428,209
Operating grants and contributions	184,071	340,406	2,426,853	254,674
Capital grants and contributions	761,359	528,268	2,572,781	3,424,995
Total governmental activities program revenues	<u>18,579,662</u>	<u>18,665,920</u>	<u>23,991,387</u>	<u>22,245,523</u>
Business-type activities:				
Charges for services:				
Sewer Utility	10,315,215	11,110,077	12,138,999	12,090,440
Building Corporation	1,127,899	1,137,669	1,180,471	1,181,940
Storm Drainage	577,350	580,441	570,287	571,770
Emergency Med. Trans	2,914,418	2,975,949	3,263,251	3,475,562
So. Metro Area Comm. Center	764,876	826,147	802,869	782,048
Geneva Village	123,049	126,104	127,680	127,056
Permit Plan Review	313,909	264,306	224,184	203,158
Building Authority	238,626	238,741	238,150	215,522
Capital grants and contributions	1,920,400	658,218	1,887,941	247,646
Total business-type activities program revenues	<u>18,295,742</u>	<u>17,917,652</u>	<u>20,433,832</u>	<u>18,895,142</u>
Total primary government program revenues	<u>36,875,404</u>	<u>36,583,572</u>	<u>44,425,219</u>	<u>41,140,665</u>
NET REVENUE (EXPENSE)				
Government activities	(33,864,648)	(33,400,522)	(29,647,481)	(30,197,764)
Business-type activities	2,323,308	(194,376)	(779,822)	(1,069,103)
Total primary government net expense	<u>\$ (31,541,340)</u>	<u>\$ (33,594,898)</u>	<u>\$ (30,427,303)</u>	<u>\$ (31,266,867)</u>

Table 2

2012	2013	2014	2015	2016	2017
\$ 11,842,233	\$ 12,116,159	\$ 13,267,301	\$ 14,285,728	\$ 15,642,308	\$ 15,549,725
29,457,065	30,456,576	31,327,241	32,488,949	34,709,839	37,100,415
7,559,532	7,796,145	7,750,455	7,232,289	8,112,334	8,958,729
317,281	321,001	286,597	208,169	445,663	375,201
5,499,602	6,111,665	6,065,902	8,520,522	6,659,154	6,961,335
50,642	271,213	247,407	225,132	239,314	226,893
54,726,355	57,072,759	58,944,903	62,960,789	65,808,612	69,172,298
13,008,924	13,623,040	14,112,456	13,417,130	12,856,629	13,506,699
-	-	-	-	-	-
499,281	-	-	-	-	-
770,380	714,510	772,222	901,218	808,619	837,033
1,107,756	1,040,198	1,051,481	1,204,948	1,225,387	1,314,496
91,265	99,751	105,069	132,198	148,263	190,090
2,717,362	4,436,423	4,496,732	5,160,483	4,482,429	5,514,890
-	-	-	-	-	-
140,953	135,899	129,263	124,088	122,842	115,125
18,335,921	20,049,821	20,667,223	20,940,065	19,644,169	21,478,333
\$ 73,062,276	\$ 77,122,580	\$ 79,612,126	\$ 83,900,854	\$ 85,452,781	\$ 90,650,631
\$ 4,313,031	\$ 3,692,044	\$ 5,207,221	\$ 4,985,565	\$ 6,022,513	\$ 4,390,875
13,353,261	13,309,756	15,320,774	15,614,747	17,345,257	19,268,570
1,431,227	1,402,203	1,876,543	1,448,608	1,755,078	1,813,495
27,013	27,822	26,142	29,304	30,182	37,868
1,125,891	1,629,188	700,780	1,422,974	2,255,929	1,645,647
183,347	246,554	203,068	385,936	451,102	373,617
2,644,401	1,064,785	1,440,851	1,285,703	4,291,367	5,098,256
23,078,171	21,372,352	24,775,379	25,172,837	32,151,428	32,628,328
12,363,863	12,581,195	12,906,994	13,277,694	13,388,538	13,810,641
251,855	-	-	-	-	-
575,037	713,505	717,957	726,994	773,283	787,950
3,216,497	4,274,507	4,560,243	5,237,415	4,591,670	4,371,462
824,591	788,277	789,106	920,521	954,780	1,218,206
126,644	125,561	126,720	127,408	125,961	121,473
-	-	-	-	-	-
215,812	217,879	221,293	216,117	224,895	217,124
954,580	360,211	4,555,148	2,233,287	6,577,884	6,239,561
18,528,879	19,061,135	23,877,461	22,739,436	26,637,011	26,766,417
41,607,050	40,433,487	48,652,840	47,912,273	58,788,439	59,394,745
(31,648,184)	(35,700,407)	(34,169,524)	(37,787,952)	(33,657,184)	(36,543,970)
192,958	(988,686)	3,210,238	1,799,371	6,992,842	5,288,084
\$ (31,455,226)	\$ (36,689,093)	\$ (30,959,286)	\$ (35,988,581)	\$ (26,664,342)	\$ (31,255,886)

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

	Fiscal Year			
	2008	2009	2010	2011
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	\$ 3,948,218	\$ 3,985,103	\$ 4,082,829	\$ 4,035,291
Sales and building use	24,745,896	23,533,463	23,612,739	25,303,662
Franchise	2,159,979	1,971,980	2,173,988	2,155,114
Other	531,214	483,015	469,971	457,585
Investment earnings	879,246	(1,864)	377,532	470,821
Miscellaneous	672,528	584,593	636,607	869,257
Gain on sale of capital assets	-	-	-	(1,085,418)
TABOR revenue refund	-	-	-	-
Transfers	745,985	11,359,326	(356,930)	122,360
	<u>33,683,066</u>	<u>41,915,616</u>	<u>30,996,736</u>	<u>32,328,672</u>
Business activities:				
Investment earnings	1,529,687	538,607	119,006	339,138
Miscellaneous	-	-	-	1,300
Gain on extinguishment of debt	-	-	-	-
Gain/loss on sale of capital asset	-	-	-	13,700
Transfers	(745,985)	(11,359,326)	356,930	(122,360)
Total business activities	<u>783,702</u>	<u>(10,820,719)</u>	<u>475,936</u>	<u>231,778</u>
Total primary government	<u>34,466,768</u>	<u>31,094,897</u>	<u>31,472,672</u>	<u>32,560,450</u>
CHANGES IN NET POSITION				
Governmental activities	(181,582)	8,515,094	1,349,255	2,130,908
Business-type activities	3,107,010	(11,015,095)	(303,886)	(837,325)
Total primary government	<u>\$ 2,925,428</u>	<u>\$ (2,500,001)</u>	<u>\$ 1,045,369</u>	<u>\$ 1,293,583</u>

Table 2

2012	2013	2014	2015	2016	2017
\$ 3,903,353	\$ 3,899,646	\$ 3,952,851	\$ 3,980,867	\$ 4,602,678	\$ 4,712,762
26,778,043	27,781,755	30,150,752	32,289,132	33,972,607	34,365,867
2,145,188	2,239,171	2,454,564	2,250,414	2,247,202	2,281,822
470,852	490,924	501,609	517,886	577,608	605,036
226,151	228,913	229,210	244,799	273,309	357,797
464,062	587,286	1,345,692	738,631	336,163	452,432
44,285	-	-	-	194,600	-
-	-	-	-	(1,937,904)	1,937,904
94,540	(32,627)	(215,124)	(301,634)	(344,166)	(348,324)
34,126,474	35,195,068	38,419,554	39,720,095	39,922,097	44,365,296
94,000	32,181	142,458	204,342	159,982	260,624
-	-	-	-	-	-
430,281	-	-	-	-	-
(3,485,644)	-	-	-	-	(150,180)
(94,540)	32,627	215,124	301,634	344,166	348,324
(3,055,903)	64,808	357,582	505,976	504,148	458,768
31,070,571	35,259,876	38,777,136	40,226,071	40,426,245	44,824,064
2,478,290	(505,339)	4,250,030	1,932,143	6,264,913	7,821,326
(2,862,945)	(923,878)	3,567,820	2,305,347	7,496,990	5,746,852
\$ (384,655)	\$ (1,429,217)	\$ 7,817,850	\$ 4,237,490	\$ 13,761,903	\$ 13,568,178

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

	Fiscal Year			
	2008	2009	2010	2011
GENERAL FUND				
Nonspendable	\$ -	\$ -	\$ -	\$ 65,901
Restricted	-	-	-	1,556,306
Committed	-	-	-	-
Assigned	-	-	-	270,607
Unassigned	-	-	-	7,034,253
Total general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,927,067</u>
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	4,515,135
Assigned	-	-	-	8,534,180
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,049,315</u>
GENERAL FUND				
Reserved	\$ 2,133,570	\$ 2,064,021	\$ 2,176,602	\$ -
Unreserved	6,144,173	4,737,385	4,484,433	-
Total general fund	<u>8,277,743</u>	<u>6,801,406</u>	<u>6,661,035</u>	<u>-</u>
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	6,542,776	5,289,637	6,875,108	-
Unreserved, reported in:				
Special revenue funds	2,688,238	12,851,304	6,988,576	-
Total all other governmental funds	<u>\$ 9,231,014</u>	<u>\$ 18,140,941</u>	<u>\$ 13,863,684</u>	<u>\$ -</u>

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

Table 3

2012	2013	2014	2015	2016	2017
\$ 70,303	\$ 96,675	\$ 524,489	\$ 426,503	\$ 312,448	\$ 340,654
1,695,854	1,723,475	1,840,195	1,997,419	2,212,002	2,155,723
-	-	-	-	-	-
211,946	279,578	396,190	786,877	1,149,471	564,847
6,972,032	6,761,300	6,743,067	6,618,771	5,476,452	9,997,666
<u>8,950,135</u>	<u>8,861,028</u>	<u>9,503,941</u>	<u>9,829,570</u>	<u>9,150,373</u>	<u>13,058,890</u>
\$ 2,272	\$ -	\$ -	\$ -	\$ 255,902	\$ 255,902
3,880,274	3,693,068	3,729,150	2,055,263	2,165,079	2,603,576
11,489,851	12,234,617	15,371,517	18,816,370	17,827,957	17,261,412
<u>\$ 15,372,397</u>	<u>\$ 15,927,685</u>	<u>\$ 19,100,667</u>	<u>\$ 20,871,633</u>	<u>\$ 20,248,938</u>	<u>\$ 20,120,890</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Fiscal Year			
	2008	2009	2010	2011
REVENUES				
Taxes	\$ 29,225,328	\$ 28,123,190	\$ 28,280,411	\$ 29,911,779
Franchise	2,093,583	1,916,623	2,119,006	2,101,696
Licenses and permits	757,601	860,878	970,769	684,187
Intergovernmental	14,722,289	14,446,832	18,208,977	16,711,026
Charges for services	1,225,745	1,377,102	1,397,958	1,233,613
Fines and forfeitures	1,045,174	1,197,276	1,863,930	1,597,266
Investment earnings	677,056	(63,317)	290,689	394,801
Miscellaneous	941,610	656,388	557,580	1,175,226
TABOR revenue refund	-	-	-	-
Total governmental activities revenues	<u>50,688,386</u>	<u>48,514,972</u>	<u>53,689,320</u>	<u>53,809,594</u>
EXPENDITURES				
General government	11,986,163	11,970,948	12,009,264	11,941,573
Public safety	26,592,463	26,324,351	26,739,429	26,377,106
Highways and streets	4,125,318	4,137,483	4,192,210	4,445,325
Welfare	304,518	307,808	302,830	290,849
Culture and recreation	4,777,724	4,881,268	5,177,368	4,808,319
Debt service:				
Principal	131,753	233,854	242,436	183,990
Interest	29,552	50,858	42,276	33,376
Capital Outlay	<u>4,422,611</u>	<u>4,514,141</u>	<u>9,044,202</u>	<u>4,399,753</u>
Total expenditures	<u>52,370,102</u>	<u>52,420,711</u>	<u>57,750,015</u>	<u>52,480,291</u>
Excess of revenues over (under) expenditures	(1,681,716)	(3,905,739)	(4,060,695)	1,329,303
OTHER FINANCING SOURCES (USES)				
Transfers in	4,634,914	11,967,734	126,866	365,922
Transfers out	(4,138,929)	(628,408)	(483,796)	(243,562)
Interest charges	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Proceeds from capital lease	<u>755,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,250,985</u>	<u>11,339,326</u>	<u>(356,930)</u>	<u>122,360</u>
Net change in fund balance	<u>\$ (430,731)</u>	<u>\$ 7,433,587</u>	<u>\$ (4,417,625)</u>	<u>\$ 1,451,663</u>
Debt service as a percentage of noncapital expenditures	0.3%	0.6%	0.6%	0.5%

Table 4

2012		2013		2014		2015		2016		2017	
\$	31,261,877	\$	32,275,301	\$	34,605,212	\$	36,787,885	\$	39,152,893	\$	39,683,665
	2,088,897		2,190,084		2,454,564		2,250,414		2,247,202		2,281,822
	933,808		764,213		1,414,909		1,556,099		1,896,766		1,400,381
	16,529,618		15,608,226		18,150,342		18,683,333		19,861,078		22,062,066
	1,802,150		1,778,433		2,106,442		2,872,470		6,117,195		3,652,237
	1,892,067		1,737,866		1,350,540		1,232,811		826,438		775,722
	186,490		162,750		120,646		188,027		240,527		316,499
	942,456		687,686		2,163,221		1,226,837		1,054,878		1,049,903
	-		-		-		-		(1,937,904)		1,937,904
	<u>55,637,363</u>		<u>5,520,459</u>		<u>62,365,876</u>		<u>64,797,876</u>		<u>69,459,073</u>		<u>73,160,199</u>
	11,082,834		11,146,138		12,386,345		13,575,230		15,129,512		15,064,734
	27,747,617		28,458,072		29,881,588		31,493,354		34,101,160		35,743,424
	4,512,866		4,697,958		4,688,740		3,924,775		4,819,952		5,658,689
	307,531		306,996		279,222		363,014		405,259		350,236
	4,879,812		5,324,362		5,363,323		5,907,257		5,883,424		5,984,113
	630,893		920,238		1,019,532		1,000,181		932,852		1,287,089
	26,473		280,282		255,393		231,684		202,506		212,240
	14,218,117		3,571,705		5,156,557		6,026,710		11,024,231		6,234,291
	<u>63,406,143</u>		<u>54,705,751</u>		<u>59,030,700</u>		<u>62,522,205</u>		<u>72,498,896</u>		<u>70,534,816</u>
	(7,768,780)		498,808		3,335,176		2,275,671		(3,039,823)		2,625,383
	2,712,743		2,970,488		3,520,177		4,358,806		1,400,000		1,937,904
	(2,615,203)		(3,003,115)		(3,039,458)		(4,660,440)		(1,744,166)		(2,286,228)
	-		-		-		-		(7,390)		-
	-		-		-		122,558		194,600		103,410
	10,020,930		-		-		-		1,894,887		1,400,000
	<u>10,118,470</u>		<u>(32,627)</u>		<u>480,719</u>		<u>(179,076)</u>		<u>1,737,931</u>		<u>1,155,086</u>
\$	<u>2,349,690</u>	\$	<u>466,181</u>	\$	<u>3,815,895</u>	\$	<u>2,096,595</u>	\$	<u>(1,301,892)</u>	\$	<u>3,780,469</u>
	1.3%		2.3%		2.4%		2.2%		1.8%		2.3%

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

Table 5

Fiscal Year	General Government	Public Safety	Highways and Streets	Welfare	Culture and Recreation	Debt Service	Capital Outlay	Total
2008	\$ 11,986,000	\$ 26,592,000	\$ 4,125,000	\$ 305,000	\$ 4,778,000	\$ 161,000	\$ 4,423,000	\$ 52,370,000
2009	11,971,000	26,324,000	4,138,000	308,000	4,881,000	285,000	4,514,000	52,421,000
2010	12,009,000	26,740,000	4,192,000	303,000	5,178,000	284,000	9,044,000	57,750,000
2011	11,942,000	26,377,000	4,445,000	291,000	4,808,000	217,000	4,400,000	52,480,000
2012	11,083,000	27,748,000	4,513,000	307,000	4,880,000	657,000	14,218,000	63,406,000
2013	11,146,000	28,458,000	4,698,000	307,000	5,324,000	1,201,000	3,572,000	54,706,000
2014	12,386,000	29,882,000	4,689,000	279,000	5,363,000	1,275,000	5,157,000	59,031,000
2015	13,575,000	31,493,000	3,925,000	363,000	5,907,000	1,232,000	6,027,000	62,522,000
2016	15,130,000	34,101,000	4,820,000	405,000	5,884,000	1,135,000	11,024,000	72,499,000
2017	\$ 15,065,000	\$ 35,744,000	\$ 5,659,000	\$ 350,000	\$ 5,984,000	\$ 1,499,000	\$ 6,234,000	\$ 70,535,000

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

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.

Annual Percentage Change								
2008	-7%	4%	-27%	2%	-2%	0%	N/A	6%
2009	0%	-1%	0%	1%	2%	77%	2%	0%
2010	0%	2%	1%	-2%	6%	0%	100%	10%
2011	-1%	-1%	6%	-4%	-7%	-24%	-51%	-9%
2012	-7%	5%	2%	5%	1%	203%	223%	21%
2013	1%	3%	4%	0%	9%	83%	-75%	-14%
2014	11%	5%	0%	-9%	1%	6%	44%	8%
2015	10%	5%	-16%	30%	10%	-3%	17%	6%
2016	11%	8%	23%	12%	0%	-8%	83%	16%
2017	0%	5%	17%	-14%	2%	32%	-43%	-3%

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

Table 6

Fiscal Year	Taxes	Licenses and Permits	Inter-Governmental Revenue	Charges for Services	Fines and Forfeitures	Other	Total
2008	\$ 29,225,000	\$ 758,000	\$ 14,722,000	\$ 1,226,000	\$ 1,045,000	\$ 3,712,000	\$ 50,688,000
2009	30,040,000	861,000	14,447,000	1,377,000	1,107,000	673,000	48,505,000
2010	30,399,000	971,000	18,209,000	1,398,000	1,864,000	848,000	53,689,000
2011	32,014,000	684,000	16,711,000	1,234,000	1,597,000	1,570,000	53,810,000
2012	33,351,000	934,000	16,530,000	1,802,000	1,892,000	1,128,000	55,637,000
2013	34,466,000	764,000	15,608,000	1,778,000	1,738,000	851,000	55,205,000
2014	37,060,000	1,415,000	18,150,000	2,107,000	1,351,000	2,283,000	62,366,000
2015	39,038,000	1,556,000	18,683,000	2,873,000	1,233,000	1,415,000	64,798,000
2016	41,400,000	1,897,000	19,861,000	6,117,000	826,000	1,296,000	71,397,000
2017	\$ 41,966,000	\$ 1,400,000	\$ 22,062,000	\$ 3,652,000	\$ 776,000	\$ 1,364,000	\$ 71,220,000

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

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

Annual Percentage Change							
2008	1%	-7%	9%	-6%	0%	-1%	3%
2009	3%	14%	-2%	12%	6%	-82%	-4%
2010	1%	13%	26%	2%	68%	26%	11%
2011	5%	-30%	-8%	-12%	-14%	85%	0%
2012	4%	37%	-1%	46%	18%	-28%	3%
2013	3%	-18%	-6%	-1%	-8%	-25%	-1%
2014	8%	85%	16%	19%	-22%	168%	13%
2015	5%	10%	3%	36%	-9%	-38%	4%
2016	6%	22%	6%	113%	-33%	-8%	10%
2017	1%	-26%	11%	-40%	-6%	5%	0%

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

Table 7

Fiscal Year	Property Taxes	Sales and Use Taxes	Specific Ownership	Cigarette Taxes	Franchise Fees	Total
	(1)	(1)				
2008	\$ 3,948,000	\$ 24,746,000	\$ 303,000	\$ 228,000	\$ -	\$ 29,225,000
2009	4,107,000	23,533,000	283,000	200,000	1,917,000	30,040,000
2010	4,198,000	23,612,000	274,000	196,000	2,119,000	30,399,000
2011	4,151,000	25,304,000	255,000	202,000	2,102,000	32,014,000
2012	4,013,000	26,778,000	264,000	207,000	2,089,000	33,351,000
2013	4,003,000	27,782,000	281,000	210,000	2,190,000	34,466,000
2014	3,953,000	30,151,000	296,000	205,000	2,455,000	37,060,000
2015	3,981,000	32,289,000	311,000	207,000	2,250,000	39,038,000
2016	4,603,000	33,973,000	366,000	211,000	2,247,000	41,400,000
2017	\$ 4,713,000	\$ 34,366,000	\$ 417,000	\$ 188,000	\$ 2,282,000	\$ 41,966,000

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

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

Annual Percentage Change						
2008	13%	0%	-5%	-5%	N/A	1%
2009	4%	-5%	-7%	-12%	N/A	3%
2010	2%	0%	-3%	-2%	11%	1%
2011	-1%	7%	-7%	3%	-1%	5%
2012	-3%	6%	4%	2%	-1%	4%
2013	0%	4%	6%	1%	5%	3%
2014	-1%	9%	5%	-2%	12%	8%
2015	1%	7%	5%	1%	-8%	5%
2016	16%	5%	18%	2%	0%	6%
2017	2%	1%	14%	-11%	2%	1%

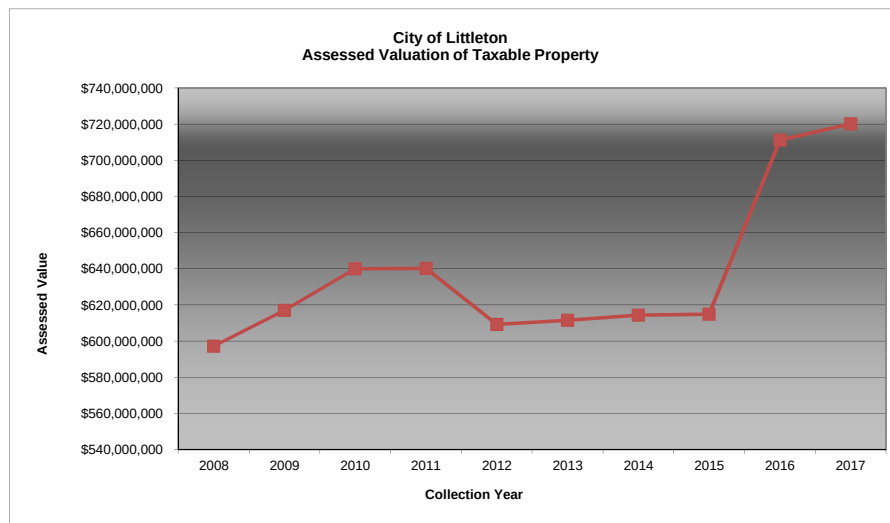
City of Littleton, Colorado
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 8

Collection Year	Levy Year	Assessed Valuation	Estimated Actual Value ⁽¹⁾	Ratio of Assessed to Estimated Actual Value (%)	Direct Rate
2008	2007	\$ 597,233,409	\$ 5,083,407,629	12	6.662
2009	2008	617,092,320	5,124,458,620	12	6.662
2010	2009	640,017,100	5,170,663,630	12	6.662
2011	2010	640,240,690	5,192,642,037	12	6.662
2012	2011	609,303,973	4,988,048,510	12	6.662
2013	2012	611,580,060	4,991,773,920	12	6.662
2014	2013	614,372,812	4,963,761,773	12	6.662
2015	2014	614,978,721	4,934,986,576	12	6.662
2016	2015	711,277,920	5,988,052,949	12	6.662
2017	2016	\$ 720,282,711	\$ 6,046,242,387	12	6.662

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

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

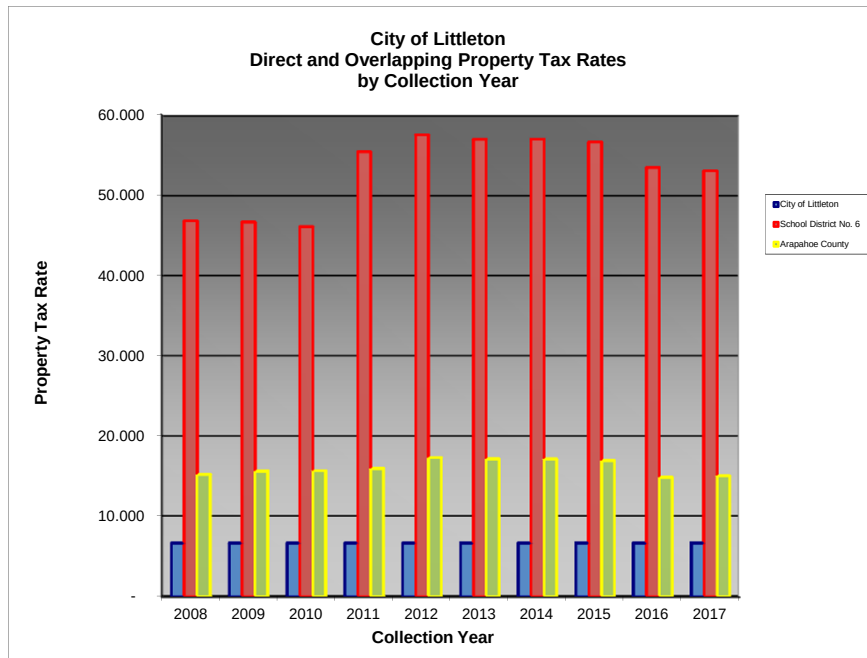


City of Littleton, Colorado
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Table 9

Collection Year	City of Littleton	School District No. 6	Arapahoe County	Total Tax Rate
2008	6.662	46.791	15.217	68.670
2009	6.662	46.650	15.609	68.921
2010	6.662	46.081	15.672	68.415
2011	6.662	55.389	15.949	78.000
2012	6.662	57.530	17.316	81.508
2013	6.662	56.935	17.150	80.747
2014	6.662	56.985	17.130	80.777
2015	6.662	56.601	16.950	80.213
2016	6.662	53.424	14.856	74.942
2017	6.662	53.030	15.039	74.731

Collection Year	City of Littleton (Arapahoe County only)	School District No. 6	Arapahoe County	Total
2008	\$ 3,826,597	\$ 60,094,979	\$ 116,228,978	\$ 180,150,554
2009	3,909,791	60,746,582	120,767,945	185,424,318
2010	4,059,109	61,673,457	124,062,713	189,795,279
2011	4,055,040	75,489,815	126,407,310	205,952,165
2012	3,861,894	74,585,160	127,903,059	206,350,113
2013	3,877,128	74,709,969	127,106,787	205,693,884
2014	3,918,154	75,997,166	130,520,965	210,436,285
2015	3,902,538	74,846,890	128,307,842	207,057,270
2016	4,519,508	82,909,759	134,054,143	221,483,410
2017	\$ 4,582,771	\$ 82,661,695	\$ 136,521,887	\$ 223,766,353

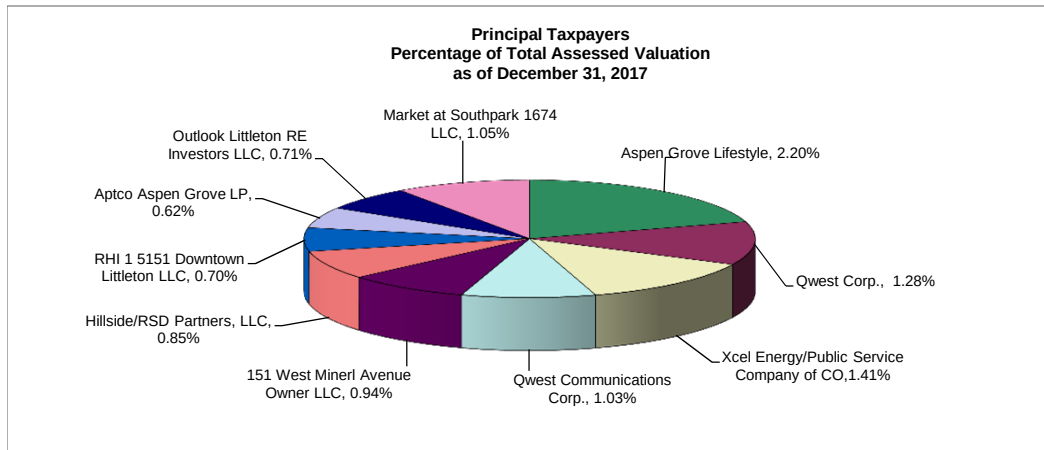


**City of Littleton, Colorado
Principal Property Taxpayers
December 31, 2017
Current Year and Nine Years Ago**

Table 10

Taxpayer	2007 Assessed Valuation	Percentage of Total Assessed Valuation	2017 Assessed Valuation	Percentage of Total Assessed Valuation
Aspen Grove Lifestyle	\$ 5,655,000	1.04%	\$ 15,817,470	2.20%
Xcel Energy/Public Service Company of CO	8,021,450	1.48%	10,133,420	1.41%
Qwest Corp/US West Communications	9,879,700	1.82%	9,235,800	1.28%
Market at Southpark 1674 LLC	-	-	7,537,100	1.05%
Qwest Communications Corp.	3,058,210	0.56%	7,444,750	1.03%
151 West Minerl Avenue Owner LLC	-	-	6,800,066	0.94%
Hillside/RSD Partners, LLC	-	-	6,125,090	0.85%
Outlook Littleton RE Investors LLC	-	-	5,130,000	0.71%
RHI 1 5151 Downtown Littleton LLC	-	-	5,040,000	0.70%
Aptco Aspen Grove LP	-	-	4,435,200	0.62%
Littleton Village LLC	4,205,000	0.78%	-	-
Echostar Real Estate	3,936,010	0.73%	-	-
M & J Investors LLP	3,770,000	0.70%	-	-
Renco Properties VIII	3,625,000	0.67%	-	-
LMC Properties Inc.	2,900,000	0.53%	-	-
Total Assessed Value - Principal Taxpayers	\$ 51,588,590	9.51%	\$ 84,195,931	11.69%
All Other Taxpayers	490,616,619		636,086,780	
Total Assessed Value	\$ 542,205,209		\$ 720,282,711	

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



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

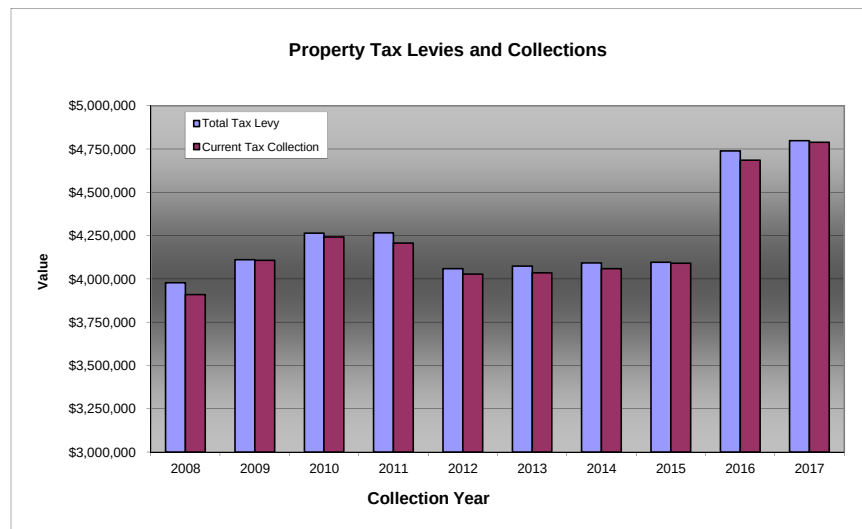
Table 11

Levy Year	Collection Year	Total Tax Levy ⁽¹⁾	Current Tax Collection ⁽²⁾	Percent of Current Taxes Collected	Percent of Tax Levy Outstanding
2007	2008	\$ 3,978,769	\$ 3,948,000	99.23%	0.77%
2008	2009	4,111,070	4,107,000	99.90	0.10
2009	2010	4,263,796	4,243,108	99.51	0.49
2010	2011	4,265,284	4,207,938	98.66	1.34
2011	2012	4,059,183	4,026,617	99.20	0.80
2012	2013	4,074,347	4,034,668	99.03	0.97
2013	2014	4,092,952	4,058,351	99.15	0.85
2014	2015	4,096,988	4,090,905	99.85	0.15
2015	2016	4,738,534	4,686,136	98.89	1.11
2016	2017	\$ 4,798,523	\$ 4,788,838	99.80%	0.20%

NOTES:

(1) Net of tax credits and tax abatements.

(2) Does not include penalties on delinquent taxes.



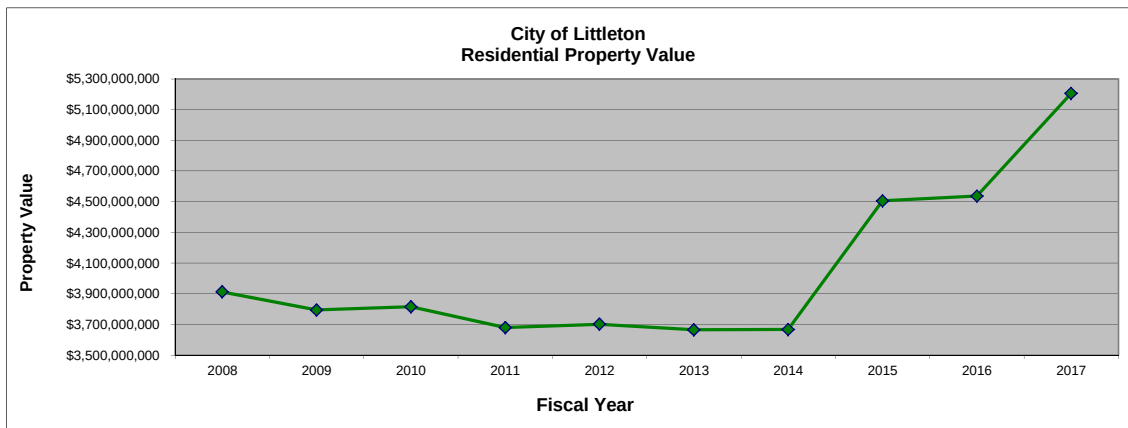
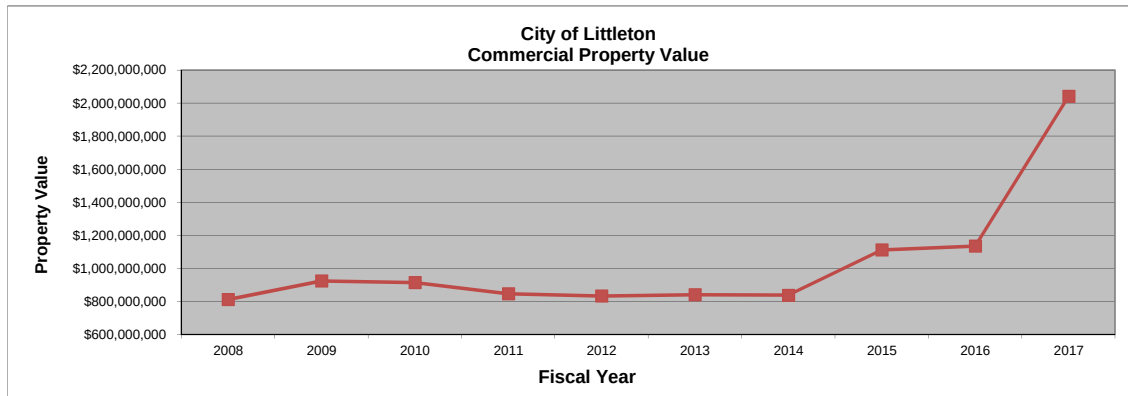
**City of Littleton, Colorado
Property Value and Construction
Last Ten Fiscal Years**

Table 12

Fiscal Year	New Residential Construction			Property Value ⁽¹⁾	
	New Commercial Construction Value	Number of Units	Value	Commercial	Residential
2008	\$ 22,314,231	10	\$ 3,738,169	\$ 810,898,781	\$ 3,911,777,373
2009	35,694,047	5	5,212,454	923,350,902	3,793,775,780
2010	40,569,446	2	1,150,000	913,085,036	3,815,538,394
2011	3,872,304	3	2,028,909	847,005,261	3,679,181,632
2012	28,196,376	7	2,676,167	831,746,406	3,701,657,400
2013	13,239,492	4	2,123,598	840,440,798	3,664,746,040
2014	30,526,127	38	52,047,662	837,494,334	3,667,056,307
2015	32,043,314	94	44,049,388	1,111,979,855	4,505,360,088
2016	53,353,782	203	79,105,642	1,135,453,003	4,536,465,955
2017	\$ 15,952,498	85	\$ 29,128,327	\$ 2,041,524,121	\$ 5,206,249,975

SOURCE:
City of Littleton - Building Department

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



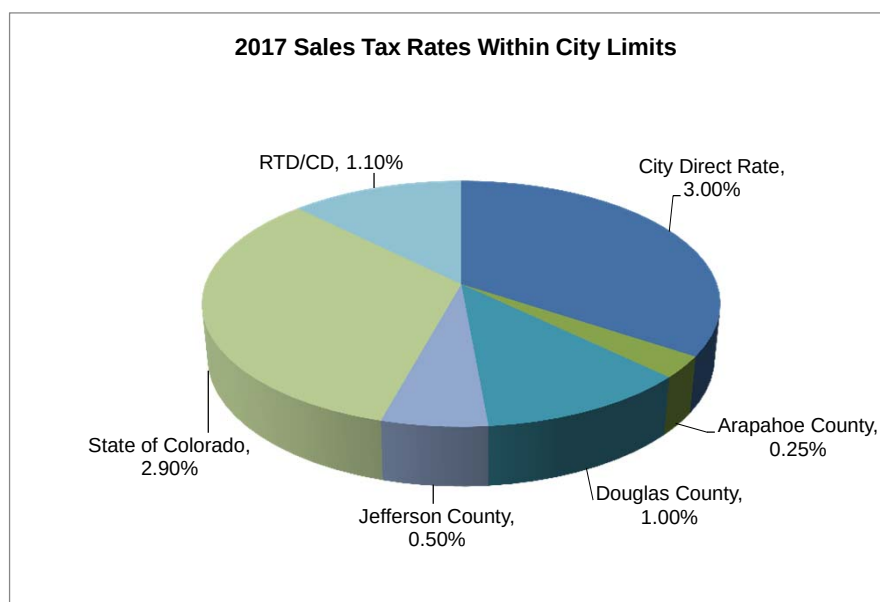
City of Littleton, Colorado
Sales Tax Rates Direct and Overlapping
Last Ten Fiscal Years

Table 13

Fiscal Year	City Direct Rate	Arapahoe County	Douglas County	Jefferson County	State of Colorado	RTD/CD/FD ⁽¹⁾
2008	3.00%	0.25%	1.00%	0.50%	2.90%	1.20%
2009	3.00	0.25	1.00	0.50	2.90	1.20
2010	3.00	0.25	1.00	0.50	2.90	1.20
2011	3.00	0.25	1.00	0.50	2.90	1.20
2012	3.00	0.25	1.00	0.50	2.90	1.10
2013	3.00	0.25	1.00	0.50	2.90	1.10
2014	3.00	0.25	1.00	0.50	2.90	1.10
2015	3.00	0.25	1.00	0.50	2.90	1.10
2016	3.00	0.25	1.00	0.50	2.90	1.10
2017	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%

SOURCE:
Colorado Department of Revenue

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



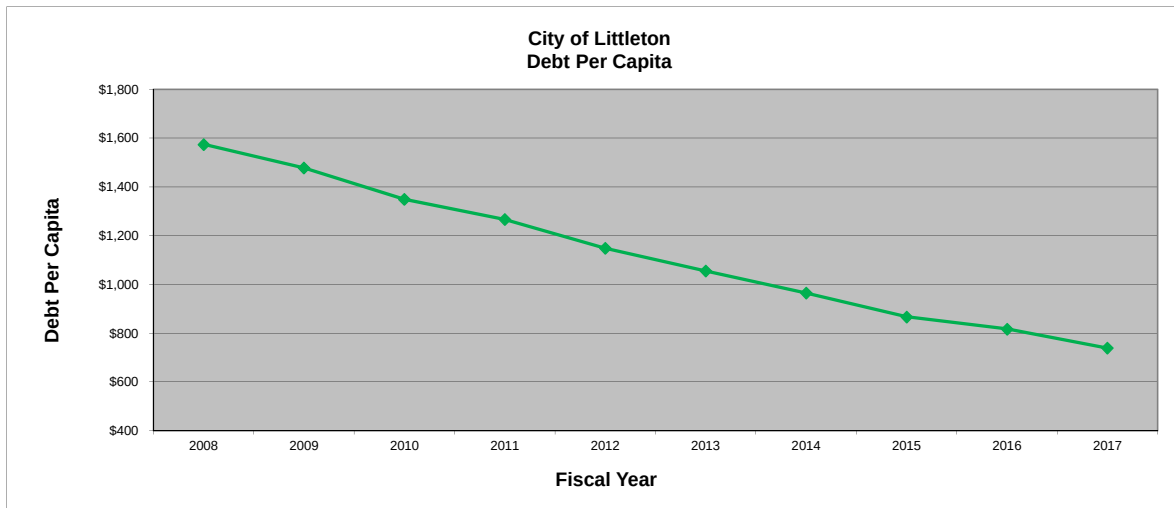
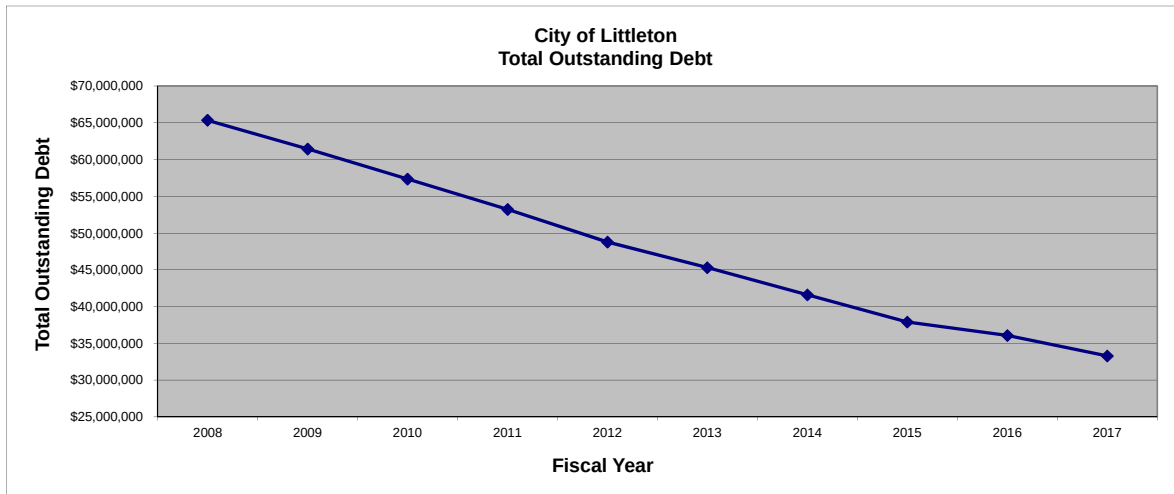
City of Littleton, Colorado
Ratio Of Outstanding Debt by Type
Last Ten Fiscal Years

Table 14

Collection Year	Governmental Activities		Business-type Activities				Total Outstanding Debt	Debt Per Capita	Percentage of Personal Income
	Net Bonded G.O. Debt	Capital Leases	G.O. Loans/Bonds	Revenue Loans	Certificate of Participation	Assignment Certificates			
2008	\$ -	\$ 1,373,976	\$ 2,356,837	\$ 46,580,912	\$ 15,030,000	\$ -	\$ 65,341,725	\$ 1,574	4.31%
2009	-	1,140,122	1,786,178	44,208,068	14,300,000	-	61,434,368	1,478	4.14%
2010	-	897,686	1,174,874	41,733,997	13,550,000	-	57,356,557	1,349	3.61%
2011	-	713,696	520,030	39,156,832	10,550,000	2,270,000	53,210,558	1,266	3.78%
2012	-	10,103,193	-	36,556,656	-	2,130,000	48,789,849	1,148	3.57%
2013	-	9,146,416	-	34,172,030	-	1,985,000	45,303,446	1,055	2.98%
2014	-	8,090,345	-	31,672,404	-	1,830,000	41,592,749	965	2.69%
2015	-	7,053,625	-	29,172,792	-	1,675,000	37,901,417	867	2.37%
2016	-	7,979,121	-	26,570,017	-	1,510,000	36,059,138	817	2.15%
2017	\$ -	\$ 8,055,493	\$ -	\$ 23,908,315	\$ -	\$ 1,345,000	\$ 33,308,808	\$ 739	1.82%

NOTES:

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



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

Table 15

Fiscal Year	Principal	⁽¹⁾	Interest	⁽¹⁾	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
2008	\$	-	\$	-	\$	52,370,000	0.00
2009		-		-	-	52,421,000	0.00
2010		-		-	-	57,750,000	0.00
2011		-		-	-	52,480,000	0.00
2012		-		-	-	63,406,000	0.00
2013		-		-	-	54,706,000	0.00
2014		-		-	-	59,031,000	0.00
2015		-		-	-	62,522,000	0.00
2016		-		-	-	72,499,000	0.00
2017	\$	-	\$	-	\$	70,535,000	0.00

NOTES:

Amounts include Government Funds

(1) Excludes interest and principal on Littleton Building Authority

City of Littleton, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2017

Table 16

<u>Government Entity</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u> ⁽¹⁾	<u>Amount Applicable to Primary Govt.</u>
School District #6 Arapahoe County	\$ 130,156,195	45.22	\$ 58,856,631
South Suburban Park and Recreation District	6,715,000	33.19	2,228,709
Centennial Downs Metropolitan District ⁽²⁾	7,360,000	100.00	7,360,000
Aspen Grove Business Improvement District	6,500,000	100.00	6,500,000
Englewood School District #1	168,402,491	0.91	1,532,463
Highline Business Improvement District	2,269,135	100.00	2,269,135
Polo Reserve Metropolitan District	555,000	100.00	555,000
Sheridan School District #2	19,573,184	2.65	518,689
Subtotal, overlapping debt			\$ 79,820,627
City of Littleton, direct debt ⁽³⁾	\$ 8,055,493		8,055,493
Total direct and overlapping debt			\$ 87,876,120

NOTES:

- (1) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit
- (2) Centennial Downs Metropolitan District is located within the City; however, it only encompasses 2.1% or .29 square miles of the City's total 13.5 square miles. The assessed valuation of Centennial Downs Metropolitan District is \$47,454,000
- (3) Excludes debt funded through Enterprise Funds.

DISCLAIMER:

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

City of Littleton, Colorado
Computation of Legal Debt Margin
December 31, 2017

Table 17

Other than water and sewer

Assessed value ⁽¹⁾	<u>\$ 720,282,711</u>
Debt limit 3.7% of assessed value ⁽²⁾	26,650,460
Amount of debt applicable to debt limit	<u>-</u>
Legal debt margin other than water and sewer	<u><u>\$ 26,650,460</u></u>

Water and sewer

Assessed value ⁽¹⁾	<u>\$ 720,282,711</u>
Debt limit 5% of assessed value ⁽³⁾	36,014,136
Amount of debt applicable to legal limit	<u>-</u>
Legal debt margin for water and sewer	<u><u>\$ 36,014,136</u></u>

NOTES:

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

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

Table 18

Coverage Ratio Test for Debt Service							
Fiscal Year	Calculated Revenues	Revenue Transfers (to) from Rate Stabilization Account	Total Revenues	Operating Expenses	Net Revenue for Debt Service	Total Debt Service Principal and Interest	Coverage
2008	\$ 13,060,576	\$ -	\$ 13,060,576	\$ 7,189,000	\$ 5,871,576	\$ 4,601,000	1.28
2009	11,926,000	937,600	12,863,600	7,830,000	5,033,600	4,576,000	1.10
2010	14,098,000	-	14,098,000	8,660,000	5,438,000	4,575,000	1.19
2011	12,665,000	100,000	12,765,000	7,745,000	5,020,000	4,570,000	1.10
2012	13,171,000	-	13,171,000	7,294,000	5,877,000	4,300,000	1.37
2013	12,897,000	-	12,897,000	7,815,000	5,082,000	3,627,000	1.40
2014	17,046,000	-	17,046,000	8,871,000	8,175,000	3,578,000	2.28
2015	15,533,000	-	15,533,000	8,843,000	6,690,000	3,479,000	1.92
2016	18,301,000	-	18,301,000	8,326,000	9,975,000	3,532,000	2.82
2017	\$ 19,345,000	\$ -	\$ 19,345,000	\$ 8,880,000	\$ 10,465,000	\$ 3,525,000	2.97

Restricted Cash - Rate Stabilization Account				
Fiscal Year	Beginning Rate Stabilization Account Balance	Transfers (to) from Revenues	Transfers (to) from Unrestricted cash	Ending rate Stabilization Account Balance
2008	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
2009	5,000,000	(937,600)	937,600	5,000,000
2010	5,000,000	-	-	5,000,000
2011	5,000,000	(100,000)	100,000	5,000,000
2012	5,000,000	-	-	5,000,000
2013	5,000,000	-	(2,000,000) ⁽¹⁾	3,000,000
2014	3,000,000	-	-	3,000,000
2015	3,000,000	-	-	3,000,000
2016	3,000,000	-	-	3,000,000
2017	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000

NOTES:

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

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

Table 19

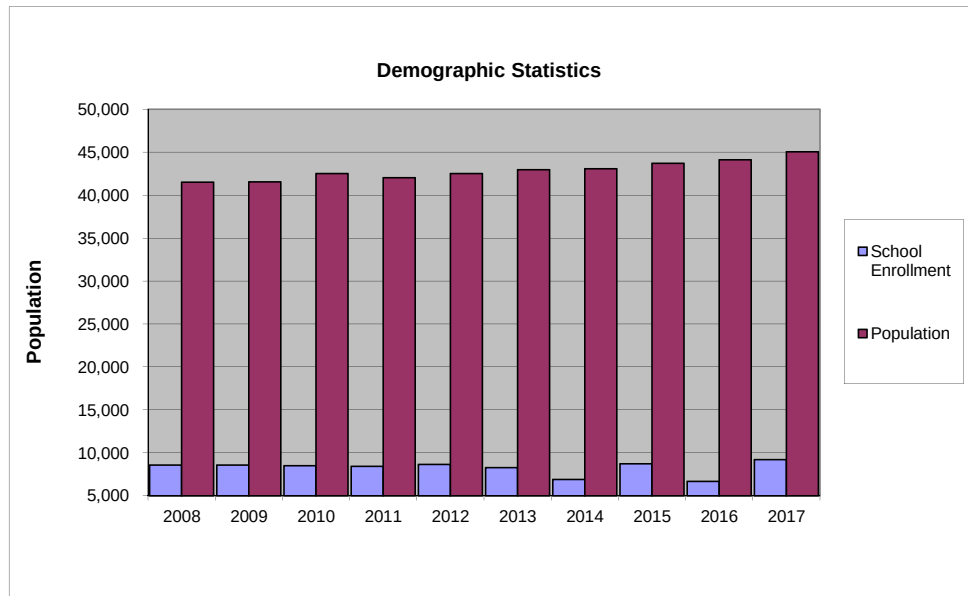
Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2008	41,500	\$ 36,505	41.7	8,565	4.4%
2009	41,552	35,693	41.8	8,576	6.5
2010	42,529	37,352	42.0	8,496	7.2
2011	42,044	33,530	41.8	8,423	7.6
2012	42,514	32,189	42.0	8,623	7.0
2013	42,960	35,459	42.3	8,253	5.2
2014	43,092	35,814	42.7	6,899	3.5
2015	43,710	36,577	42.8	8,723	3.1
2016	44,118	38,047	43.0	6,679	2.9
2017	45,068	\$ 40,574	43.3	9,185	2.8%

SOURCE:

(1) ESRI.com

(2) Littleton Public Schools within Littleton City limits

(3) BLS.gov



2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

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

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

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

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

Table 20

2012		2013		2014		2015		2016		2017	
Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
1	1,663	1	1,800	1	1,663	1	1,663	1	1,663	1	1,663
2	1,543	2	1,543	2	1,543	2	1,543	2	1,500	2	1,543
3	1,035	3	1,242	3	1,243	3	1,243	4	759	3	1,242
4	830	4	830	4	830	4	830	3	830	4	830
5	632	5	632	5	632	5	632	-	-	5	706
6	522	6	522	6	522	6	522	5	522	6	522
8	417	7	404	7	406	8	412	6	437	7	455
7	425	7	425	7	425	7	481	7	425	8	425
9	320	9	360	9	360	9	396	8	360	9	360
-	-	-	-	10	320	10	320	9	320	10	320
-	-	10	320	-	-	-	-	10	299	-	-
9	320	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-

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

	2008		2009		2010		2011	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government								
Admin Services	31	12	31	12	30	12	29	8
Attorney	5	-	5	-	5	-	4	-
Economic Development	4	1	4	1	4	1	4	1
City Manager	6	-	6	-	5	-	6	-
Community Development	15	6	15	6	15	7	15	7
City Council	-	7	-	7	-	7	-	7
Information Services	10	-	10	-	10	-	9.5	-
Finance	9	-	9	-	9	-	9	-
Fire								
ER/Paramedics	130	-	130	-	130	-	129	-
Support	25	3	25	3	25	3	24	2.5
Library	15	19	15	19	16	19	16	20
Museum	14	7	14	7	14	7	13	7
Police								
Officers	69	-	69	-	70	-	71	-
Support	27	-	27	-	26	-	24	1
Public Works								
Engineering	6	-	6	-	6	-	6	-
Sewer/Storm Drain	7	2	7	2	7	2	7	2
Support	31	23	31	23	31	23	29	23
Total	404	80	404	80	403	81	395.5	78.5

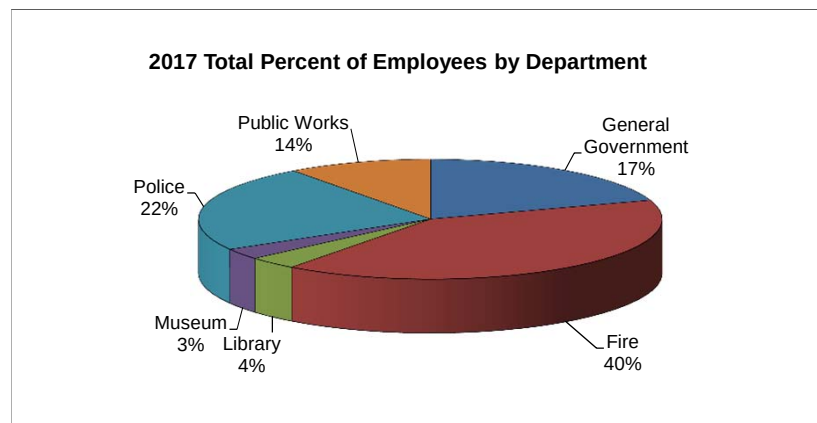


Table 21

2012		2013		2014		2015		2016		2017	
Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
30	8	31	8	17	7	16	28	17	28	17	22
4	-	3	-	3	-	3	1	3	1	4	-
5	-	5	-	4	-	4	-	4	-	4	-
6	-	6	-	2	1	8	1	9	1	8	1
13	3	13	4	20	3	17	2	20	3	20	-
-	7	-	7	-	7	-	7	-	7	-	7
11	-	11	-	11	-	11	-	13	-	13	-
9	-	9	-	9	-	10	-	10	-	10	-
144	-	141	-	138	-	135	-	150	-	162	-
15	-	23	-	22	5	26	5	26	5	28	3
14	20	14	21	17	20	16	32	16	32	17	34
13	7	12	7	13	7	13	7	13	9	13	9
72	-	70	-	73	-	71	1	71	1	76	1
38	1	25	-	22	-	26	1	26	2	24	2
6	-	6	-	6	-	6	-	6	-	6	-
7	-	7	-	7	2	7	-	7	2	7	2
30	-	28	-	42	26	43	22	46	20	46	20
417	46	404	47	406	78	412	107	437	111	455	101

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

	2008	2009	2010	2011
General Government				
Incoming calls	35,762	36,064	36,449	35,391
Littleton Center Visitors	6,106	5,486	5,905	5,341
Building permits processed	2,042	2,058	2,591	2,066
Building inspections conducted	7,127	6,747	8,447	7,359
Passports issued	35	1,038	1,211	1,151
New businesses (licensed/registered)	486	405	448	543
Fire				
Emergency responses	12,380	12,187	12,560	12,884
Fires extinguished	247	186	218	212
Inspections	1,449	1,966	2,335	1,263
Library				
Total circulation	483,067	500,029	523,451	545,187
Visitors	285,916	300,568	300,656	296,641
Registered borrowers	33,824	37,715	30,938	30,422
Programs	684	758	806	825
Program attendance	28,830	30,973	32,023	35,638
Volunteer hours	3,412	3,770	4,233	4,120
Museum				
Number of visitors	129,785	131,656	144,757	132,577
Gross sales for museum store	\$43,681	\$44,605	\$48,956	\$41,449
Events	45	42	53	49
Total volunteer hours	5,623	5,906	6,079	5,291
Police				
Number of crimes	1,602	1,593	1,501	2,660
Number of service request calls	52,103	52,372	52,139	56,213
Traffic citations	9,013	10,680	11,827	7,156
Traffic accidents	806	851	850	1,113
Public Works				
Lane miles reconstructed	<1	<1	1	<1
Lane miles overlayed	8	9	6	7
Lane miles sealcoated	0	34	0	0
Transit				
Number of vehicles	4	4	4	4
Passengers	24,560	20,332	17,750	18,819
Utility				
New residential taps issued	104	98	74	26
New commercial taps issued	5	10	9	6
Average daily sewage treatment (millions of gallons)	10.5	10.5	10.9	11.0

2012	2013	2014	2015	2016	2017
36,340	32,654	32,520	23,253	28,576	32,596
6,207	5,286	5,328	4,932	4,487	5,405
2,360	2,264	2,855	2,989	2,287	2,738
7,685	7,894	9,495	12,270	17,757	17,685
266	728	995	0	0	0
417	440	455	453	444	464
13,762	13,104	14,163	14,246	15,705	16,103
348	155	199	193	205	194
1,377	1,307	3,700	3,877	6,130	6,418
538,678	549,600	524,228	487,975	533,112	447,287
299,106	303,255	321,255	309,926	283,284	297,653
23,097	27,724	31,248	31,127	24,331	31,706
882	882	856	824	861	1,021
37,638	33,900	35,144	37,683	39,377	38,407
3,430	3,640	2,998	2,578	2,554	2,946
135,767	143,488	140,095	139,561	155,616	166,476
\$36,907	\$37,641	\$36,955	\$40,432	\$40,362	\$41,759
26	32	46	57	38	42
6,867	8,057	8,344	6,713	6,285	6,364
1,613	4,313	3,560	3,652	3,891	3,955
59,294	57,989	58,336	97,606	77,297	74,393
13,157	12,863	7,671	4,412	7,042	6,690
908	974	980	1,107	1,119	1,134
<1	1	0	<1	>1	0
11	12	10	10	7	5
2	0	0	0	0	3
4	5	5	4	5	5
19,715	27,010	25,299	22,454	20,517	18,270
42	32	62	164	289	148
4	5	22	10	19	14
9.3	11.0	11.0	11.0	9.6	8.9

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

	2008	2009	2010	2011
Fire				
Stations ⁽¹⁾	8	8	8	8
Licensed Vehicles ⁽²⁾	57	56	54	56
Fleet				
Licensed Vehicles ⁽²⁾	110	121	125	118
Library	1	1	1	1
Museum	1	1	1	1
Parks				
Developed (acres)	385	391	442	443
Undeveloped (acres)	816	836	836	831
Playgrounds	13	15	18	17
Baseball diamonds	11	13	22	22
Police				
Stations	1	1	1	1
Licensed Vehicles ⁽²⁾	64	65	50	63
Public Works				
Streets (lane miles) ⁽⁴⁾	616	616	350	350
Street lights	3,635	3,609	3,630	3,590
Traffic signals ⁽³⁾	111	113	111	111
Sanitary sewers (miles)	130.8	128.3	128.3	128
Storm sewers (miles)	30.8	30.8	30.9	30.9
Treatment capacity (millions of gallons)	10.5	10.5	25	25
Transit				
Buses	4	4	4	4

NOTES:

(1) 2 Stations within City limits; Increased to 3 in 2016.

(2) Fleet varies due to timing of transfer of titles.

(3) Includes pedestrian signals, fire station signals and school flashers.

(4) A calculation error by the Highway Users Tax Fund was corrected in 2010.

(5) Includes City of Englewood. City of Littleton share is 25

(6) Number reported will now be "Licensed Rolling Stock".

Table 23

2012	2013	2014	2015	2016	2017
8	8	8	8	9	9
55	55	55	57	65	60
122	123	130	130	249 ⁽⁶⁾	254
1	1	1	1	1	1
1	1	1	1	1	1
443	443	443	443	443	443
825	920	920	920	920	920
18	17	17	17	17	17
22	22	22	22	22	22
1	1	1	1	1	1
63	61	67	63	63	64
352	351	351	352	352	353
3,609	3,637	3,637	3,750	3,765	3,637
60	60	60	60	60	60
128	128	128	128	128	129.1
31.2	31	31	31	31	32.6
50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾
4	5	5	4	5	5

**City of Littleton, Colorado
Miscellaneous Statistics
December 31, 2017**

Table 24

Date of incorporation	1890	
Date charter adopted	July 28, 1959	
Form of government	Council-Manager	
Elevation	5,389 Feet	
Area	13.85 square miles	
Fire protection:		
Number of stations	9	(3 in City limits)
Emergency responses	16,103	
Police protection:		
Number of stations	1	
Number of sworn officers	76	
Education - School District No. 6:		
Number of students	15,264	(1)
Type and total number of schools:		
Early Childhood	7	(2 in City limits)
Elementary	13	(4 in City limits)
Middle School	4	(3 in City limits)
Senior High	3	(2 in City limits)
Charter	2	(2 in City limits)
Teacher/pupil ratio	1:24.5	
Sanitary sewers	129.1 miles	
Storm sewers	32.6 miles	
Building permits issued:		
Number	2,738	
Value	\$107,807,510	
Miles of streets		
Lane miles (10' wide)	353.44	
Centerline miles	161.89	
Recreation and culture:		
Libraries	1	
Museums	1	
Parks: ⁽²⁾		
Area	405 acres	
Swimming pools	9	(2 indoor)
Tennis courts	28	
Ball fields	22	
Shelters	14	
Trail ways	98.6 miles	
Greenbelt and open space	918.7 acres	

SOURCE:
City of Littleton

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



2017 CAFR



Compliance Section

2017
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado



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

Honorable Mayor and Members of City Council
City of Littleton
Littleton, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton, 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, and have issued our report thereon dated June 27, 2018. Our report includes a reference to other auditors who audited the financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture, a joint venture of the City, as described in our report on the City's financial statements. The financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of 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 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

Compliance and Other Matters

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



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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anton Collins Mitchell LLP

Denver, Colorado
June 27, 2018



Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor and Members of City Council
City of Littleton
Littleton, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Littleton, Colorado's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City'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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anton Collins Mitchell LLP

Denver, Colorado
June 27, 2018

CITY OF LITTLETON, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

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 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

<u>CFDA/Contract Number</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ Yes X No

CITY OF LITTLETON, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2017

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

Section IV – Prior Year Findings

No single audit was performed in the prior year, so there are no prior year findings to report.

City of Littleton, Colorado
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

<u>Federal Grantor</u> <i>Program Title (pass through grantor)</i> Grant Name	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
<u>Department of Housing and Urban Development</u>			
<i>Community Development Block Grants (pass through Arapahoe County)</i> 2016 Arapahoe County Community Development Block Grant (CDBG) Northeast Neighborhood Sidewalks	14.218	LTPF1608	\$ 119,010
<u>Department of Justice</u>			
<i>Bulletproof Vest Partnership Grant (Direct)</i> Bulletproof Vest Partnership Program Grant	16.607		4,947
<i>Equitable Sharing Program (pass through Arapahoe County Sheriff's Office)</i> South Metro Drug Task Force	16.922		12,806
<i>Office of Community Oriented Police Services</i> LPD School Resource Officer	16.710	2014UMWX0005	40,000
Total Department of Justice			\$ 57,753
<u>Department of Transportation</u>			
<i>Federal Highway Administration (FHWA)</i> <i>Federal Hazard Elimination (pass through CDOT)</i> County Line and Broadway Intersection	20.205	SHE M810-009; SA #19143	605,295
<i>National Highway Traffic Safety Administration</i> <i>DUI Enforcement (Pass through Colorado Department of Transportation)</i> Law Enforcement Assistance Funds DUI Grant	20.601	411009578	5,391
<i>DUI Enforcement (Pass through Colorado Department of Transportation)</i> Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	411009327	5,144
<i>DUI Enforcement (Pass through Colorado Department of Transportation)</i> Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	411013221	3,581
<i>Click It or Ticket (Pass through Colorado Department of Transportation)</i> Click It or Ticket	20.616	411012718	2,500
Total Department of Transportation			\$ 621,911
<u>Institute of Museum and Library Services</u>			
<i>Grants to States (pass through Colorado Department of Education/State Library)</i> Career Online High School	45.310	LS-00-16-006-16	27,375
<u>Department of Homeland Security</u>			
<i>Citizenship Instruction and Naturalization Application Services (Direct)</i> Citizen and Integration Direct Services Grant Program	97.010	2016-CS-010-000024	106,981
Total Federal Financial Assistance			\$ 933,030

See the accompanying Independent Auditor's Report.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE I – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

NOTE II – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The City has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance, because the City does not use an indirect cost allocation.

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		City of Littleton
		YEAR ENDING : December 2017
This Information From The Records Of (example - City of _ or County of City of Littleton, Colorado)		Prepared By: Kathleen Andriunas Phone: 303-795-3774

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	6,334,929
3. Other local imposts (from page 2)	675,822
4. Miscellaneous local receipts (from page 2)	148,728
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	7,159,479
B. Private Contributions	15,873
C. Receipts from State government (from page 2)	2,230,820
D. Receipts from Federal Government (from page 2)	
E. Total receipts (A.7 + B + C + D)	9,406,172

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	3,585,992
2. Maintenance:	1,706,102
3. Road and street services:	
a. Traffic control operations	1,766,347
b. Snow and ice removal	521,619
c. Other	
d. Total (a. through c.)	2,287,966
4. General administration & miscellaneous	601,639
5. Highway law enforcement and safety	1,224,473
6. Total (1 through 5)	9,406,172
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	9,406,172

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		9,406,172	9,406,172		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2017	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	148,728
5. Specific Ownership &/or Other	675,822	g. Other Misc. Receipts	
6. Total (1. through 5.)	675,822	h. Other (Local Grant)	0
c. Total (a. + b.)	675,822	i. Total (a. through h.)	148,728
(Carry forward to page 1)		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,380,276	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	160,591	d. Federal Transit Admin	
d. Other (Specify) - CDOT Agreement	45,240	e. U.S. Corps of Engineers	
e. Other (Specify) - CDOT Grant	644,713	f. Other Federal	
f. Total (a. through e.)	850,544	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	2,230,820	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		778,933	778,933
c. Construction:			
(1). New Facilities		15,873	15,873
(2). Capacity Improvements		724,599	724,599
(3). System Preservation		2,066,587	2,066,587
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	2,807,059	2,807,059
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	3,585,992	3,585,992
		(Carry forward to page 1)	
Notes and Comments:			
II.A.3.b.5 - Include Specific Ownership Tax of \$416,734 and County Road & Bridge Tax of \$259,088 II.C.3.e. - CDOT Grant - Project Number SHE M810-009 - Received only \$167,647.68 (remainder is billed but not received at 12/31/17)			