

CITY OF FORT LUPTON

Colorado



Comprehensive Annual Financial Report For the Year Ended December 31, 2018

City of Fort Lupton, Colorado

Comprehensive Annual Financial Report For The Fiscal Year Ending December 31, 2018

Issued by:
City of Fort Lupton
Finance
Department



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City of Fort Lupton

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2016

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Finance Department

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July 03, 2019

To: Honorable Mayor Zo Stieber, Members of Council and

Residents of the City of Fort Lupton:

State Law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Fort Lupton (the City) for the fiscal year ended December 31, 2018.

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

CliftonLarsonAllen, LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2018, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

The Government Finance Officers Association of the United States and Canada (GFAO) awarded a



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Certificate of Achievement for Excellence in Financial Reporting to the City of Fort Lupton for its comprehensive annual financial statements for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable requirements.

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

PROFILE OF THE CITY

The City is located in Weld County along State Highway 85 approximately 30 miles north of Denver. Fort Lupton encompasses 26 square miles and serves approximately 7,420 residents.

The City is the oldest continuously inhabited settlement in Weld County, founded in 1836 as a trading post on the banks of the South Platte River and was incorporated in 1890. The City operates under the council – manager form of government. Legislative and policy making authority are vested in the City Council, consisting of a mayor and six council members. The mayor is elected at large and the council is elected by wards. The mayor and council members are elected to four year staggered terms with three to four members being elected every two years.

The Council is responsible for passing ordinances, adopting the annual budget, appointing committees, hiring the city administrator, clerk, attorney and judge. The city administrator is responsible for carrying out policies and ordinances passed by the council and appointing heads of departments to oversee the operations of the City.

The City provides a range of services to its residents including: police protection courts, municipal water, sanitary sewer and storm water, construction and maintenance of streets, parks and trails, recreation center and golf course facilities, cultural events, planning, development, code enforcement and general government services.

LOCAL ECONOMY

37% of the City's general fund revenues are derived from sales taxes. Sales tax is used to provide services such as police, parks, municipal court, planning and economic development, and general governmental services. In addition to services the sales tax revenue in the general fund also provided for street maintenance and repair and the purchase of water. The major sources of sales tax within the City are grocery stores, auto sales, and restaurants.

Four of the top ten major employers in the City are in the oil and gas industry or related services. In 2018 the employment statistics show an increase in employment in the top oil and gas companies located in



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Fort Lupton. The 2018 increase in City sales tax of 8% is related to the oil & gas industry. The property tax valuation for 2018, taxes collected in 2018, increased 8%, due to construction of new homes and commercial property.

LONG-TERM FINANCIAL PLANNING

The annual budget and the six year capital improvement plan are the tools used by the City to project cash flows needed for improvements. Every department of the City is required to submit a capital request and six year improvement plan by the end of July and a budget request for the following year, by the beginning of September. The Finance Department presents the budget to the City Administrator and Council for review and amendment before October 31st. Public hearings are held and the Council adopts the budget before December 15th.

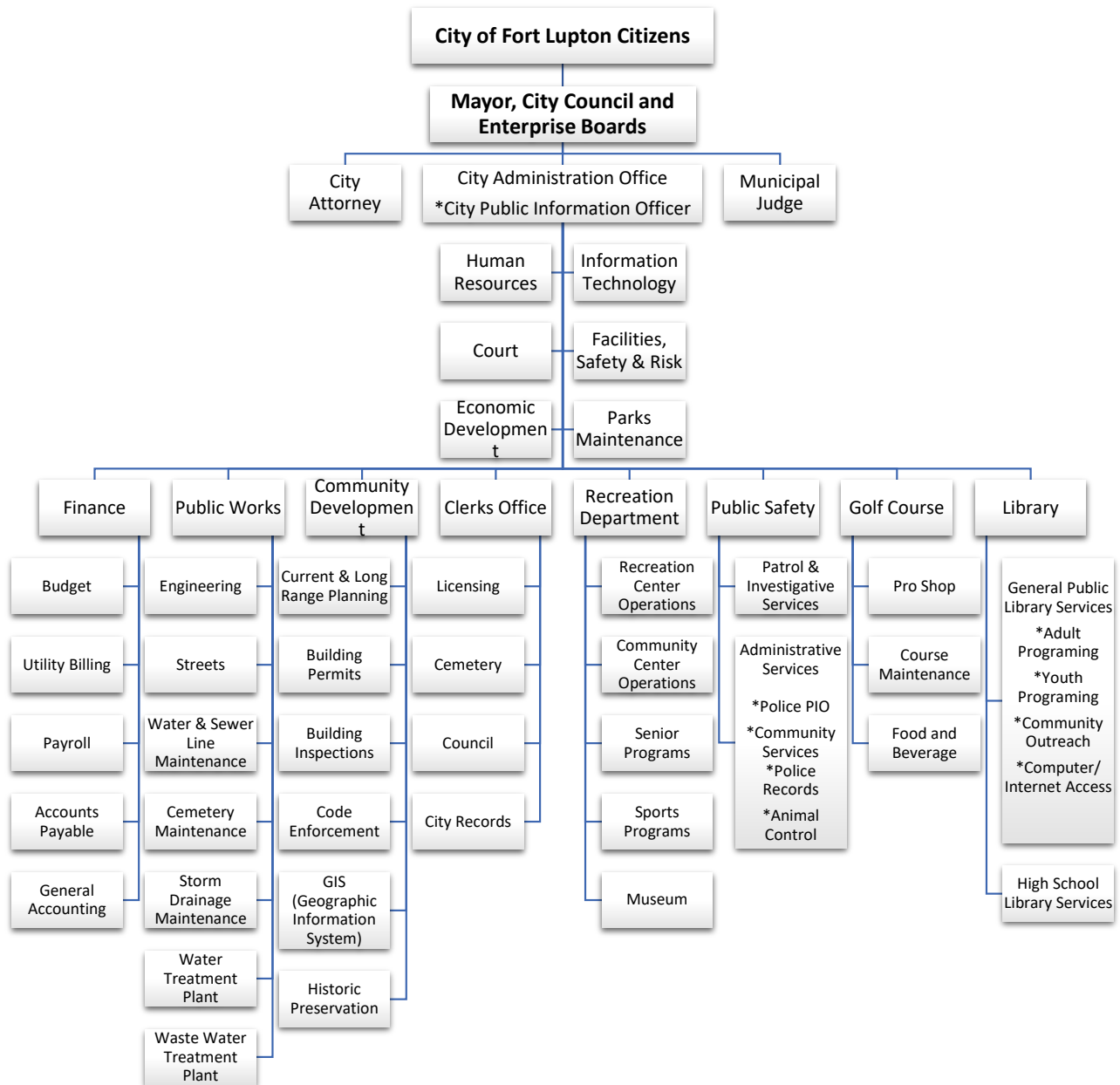
The City monitors the budget throughout the year and makes adjustments as necessary to provide services and infrastructure improvements.

Sincerely,

Leann Perino
Finance Director

CITY OF FORT LUPTON

2019 FUNCTIONAL ORGANIZATIONAL CHART



**CITY OF FORT LUPTON
PRINCIPAL OFFICIALS
OF THE PRIMARY GOVERNMENTS**

CITY COUNCIL

ZO STIEBER

Mayor
At-Large

SHANNON RHODA

Council Member Ward 1
Mayor Pro-Tem

CHRIS CERETTO

Council Member Ward 2
Treasurer

MICHAEL SANCHEZ

Council Member
Ward 3

DAVID CRESPIN

Council Member
Ward 1

TOMMY HOLTON

Council Member
Ward 2

MICHAEL LONG

Council Member
Ward 3

LEGAL AND COURT

ANDREW AUSMUS

City Attorney

LOUIS A. GRESH

Municipal Court Judge

CITY ADMINISTRATION

CLAUD HANES

City Administrator

CHRIS CROSS

Assistant City Administrator

LEANN PERINO

Finance Director

Maricela Pena

City Clerk

JOHN FRYAR

Public Safety Director

JEANELLE ANDERSEN

Court Coordinator

LAURA HOWE

Human Resource Manager

MONTY SCHUMAN

Recreation Director

ROY VESTAL

Public Works Manager

CHRISTOPHER NELSON

Facility Safety & Risk Manager

TYLER TARPLEY

Golf Course Manager

SARA FRANK

Library Director

TODD HODGES

City Planner
Todd Hodges Designs LLC

JON MAYS

Wastewater/Water Plant
Operator - OMI

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**Certificate of
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Presented to

**City of Fort Lupton
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO

BASIC FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

City Council
City of Fort Lupton
Fort Lupton, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fort Lupton, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fort Lupton as of December 31, 2018, 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.

Emphasis of a Matter

As noted in Note 13, the Golf Course Enterprise Fund has been in technical default since June 2000 resulting in a current bond payable balance at December 31, 2018 of \$1,785,000. The 2018 payments on the remaining balance were not paid and the outstanding warrants will remain in default. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fort Lupton's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

City Council
City of Fort Lupton

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
July 3, 2019

CITY OF FORT LUPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended December 31, 2018

This discussion and analysis of the City's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the transmittal letter and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's financial position continues to be strong and improving during 2018.
- The City's assets exceeded liabilities and deferred inflows of resources by \$87,997,971 at the end of 2018. Of this amount \$10,011,061 or 11% is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$77,986,910 includes \$70,017,007 invested in capital assets and \$7,969,903 restricted by agreement or regulation.
- The City's total net position increased by \$3,614,413 in 2018. \$2,973,568 of the increase was in the Governmental Activities. In the Governmental Activities current assets increased \$6,044,865 current liabilities decreased \$60,205, and deferred inflows of resources increased \$1,973,515.
- The City's General Fund balance was \$11,473,672 as of December 31, 2018; which is an increase of \$4,252,989 from the previous year. The unassigned fund balance in 2018 is \$4,448,296 or 54% of expenditures.
- Sales tax revenue for the Governmental Funds increased by \$368,664 or 8.5% in 2018.
- The enterprise funds had an unrestricted net position of \$3,502,657, an increase of \$1,232,880 or 54% at the end of 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds, and individual fund statements.

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

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

The *statement of activities* presents information showing how the government's assets changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues

and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (*business-type activities*). The City's governmental activities include general government, public safety, public works, parks and recreation, and other auxiliary services. The business-type activities include water treatment, sewage treatment, storm water drainage, recreation center, and a golf course.

Fund Financial Statements A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. 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 five individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, which is considered to be the City's only major fund. Data from the other four funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in the report.

The basic governmental fund financial statements can be found from pages 16 through 19 of this report.

Proprietary Funds The City maintains four operations that are considered enterprise in nature. The four *enterprise funds* are the Recreation Center, Utility Fund, Storm Water Drainage Fund and the Golf Fund that are presented in the *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Recreation Center, Utility Fund, Storm Water Drainage Fund and the Golf Fund, which are all considered major funds of the City.

The basic proprietary fund financial statements can be found on pages 20 through 24 of this report.

Budget Comparisons The City adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all governmental and enterprise funds to demonstrate compliance with the budgets.

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

Other Information In addition to the financial statements and accompanying notes this report also includes required and other supplementary information.

CITY-WIDE FINANCIAL ANALYSIS

Net position As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December, 31, 2018, assets exceeded liabilities and deferred inflows of resources by \$87,997,971.

The following table provides a summary of the City's governmental and business-type net position for 2017 and 2018.

Table 1
Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current assets	\$17,973	\$11,924	\$ 10,115	\$ 8,367	\$ 28,088	\$ 20,291
Capital Assets	28,377	29,476	82,835	79,071	112,212	108,547
Total Assets	46,350	41,400	92,950	87,438	140,300	128,838
Liabilities						
Current liabilities	555	594	5,844	5,731	6,399	6,325
Long term liabilities	215	172	38,418	33,973	38,632	34,145
Total liabilities	770	766	44,262	39,704	45,031	40,470
Deferred Inflows of Resources						
Property Taxes	4,915	2,941	1,356	1,043	6,720	3,984
Total Deferred Inflow of Resources	4,915	2,941	1,356	1,043	6,720	3,984

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Net position						
Net Investment in capital assets	28,377	29,476	41,640	42,492	70,017	71,968
Restricted	5,781	4,109	2,189	1,930	7,970	6,039
Unrestricted	6,508	4,107	3,503	2,270	10,011	6,377
Total net position	\$ 40,666	\$ 37,692	\$ 47,332	\$ 46,692	\$ 87,998	\$ 84,384

A significant portion of the City's net position (80%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment, and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Another small portion of the City's net position (9%) represents resources that are subject to external restrictions and City ordinance on how they may be used. 2% of the funds are restricted for the payment of debt. 7% of the funds have been legally restricted by ordinance for the purchase and maintenance of infrastructure. 1.2% of funds have been restricted by ordinance for use in parks and recreation. 0.4% of the funds have been restricted by the State of Colorado Conservation Trust Fund for use in parks and recreation.

Changes in Net Position Governmental and Business-type activities increased the City's net position by \$3,614,413 in 2018. The following table indicates the changes in net position for governmental and business-type activities in 2018.

Table 2
Changes in Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for service	\$1,848	\$1,090	\$7,517	\$6,924	\$9,365	\$8,014
Operating grants & contributions	191	171	-	8	191	179
Capital grants & contributions	985	803	658	465	1,643	1,268
General revenue:						
Sales tax	5,603	4,958	-	-	5,603	4,958
Property taxes	2,941	2,608	1,060	1,070	4,001	3,678
Other taxes	1,433	1,152	-	-	1,433	1,152
Other revenue	1,070	483	180	205	1,250	688
Total revenue	14,071	11,265	9,415	8,672	23,486	19,937

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Expenses						
General government	3,730	3,426	-	-	3,730	3,426
Public safety	1,920	1,861	-	-	1,920	1,861
Public works	1,963	1,480	-	-	1,963	1,480
Culture, parks, recreation	696	816	1,503	1,429	2,199	2,245
Other	1,814	778	57	518	1,871	1,296
Utilities	-	-	6,752	4,611	6,752	4,611
Storm Water Drainage	-	-	48	40	48	40
Golf	-	-	1,394	1,306	1,394	1,307
Total expenses	10,117	8,361	9,754	7,904	19,871	16,266
Increase in Net Position Before Transfers	3,953	2,904	(339)	767	3,615	3,671
Transfers	(980)	(934)	980	934	-	-
Gain on Extinguishment of Debt	-	-	-	-	-	-
Increase in net position	2,974	1,969	641	1,702	3,615	3,671
Beginning Net Position	\$37,692	\$35,723	\$46,691	\$44,989	\$84,382	\$80,713
Ending Net Position	\$40,666	\$37,692	\$47,332	\$46,691	\$87,998	\$84,384

Governmental Activities Governmental activities increased the City's net position by \$2,973,568 in 2018. Key elements of this increase are as follows:

- Revenues increased \$2,886,443 or 26% primarily in property (39% increase) and sales taxes (33%) due to an increase in oil and gas production.
- Expenses increased \$756,000 mainly due to depreciation of capital assets.

Business-type Activities Business-type activities increased the City's net position by \$640,845 in 2018. The key elements are as follows:

- Revenues increased \$592,853 or 8% primarily from infrastructure assessments on industrial building permits.
- Expenses increased \$1,139,626 or 12% due three factors
 - increase cost to run the water treatment and waste water treatment facilities charged by the contractor
 - an increase in the assessment for the Southern Water Supply Pipeline for design of a pump station to be built in 2020
 - and an increase in the Windy Gap water delivery charges.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At the end of 2018, the combined ending fund balance of the City's government funds was \$12,587,086, with \$4,410,260 unassigned, which is available as working capital and for current spending in accordance with the purposes of specific funds.

The City has one major governmental fund. The General Fund:

1. General Fund. This is the primary operating fund of the City. It accounts for many of the City's core services, such as law enforcement, legal and court, public works, planning, finance and administration. The general fund balance was \$11,473,672 as of December 31, 2018, of which \$4,448,296 was unassigned. The 2018 general fund balance increased \$4,252,978. This fund generates a 1% sales tax reserved for the operation and maintenance of the water treatment facility, as well as purchase of water for future needs. The fund also collects a ½ % sales tax reserved for street improvements and maintenance. The water and street sales tax accounts for 63% of the \$4,209,262 restricted balance in the general fund.

PROPRIETARY FUNDS OVERVIEW

The City's proprietary fund statements provide the same information found in the government-wide statements, but in more detail. The City has four enterprise-type funds. These are 1) Utility Enterprise Fund, 2) Storm Water Drainage Fund, 3) Golf Course Fund, and 4) Recreation Center Fund.

1. Utility Enterprise Fund - This fund generates revenue through billings for water and sewer usage in the incorporated area of the City. Funds are utilized for the maintenance of the sewer treatment plant, water treatment plant, and the various water and sewer infrastructure for the City. The net position for this fund was \$43,439,216 down \$689,980 from 2017, with 1% of the assets obligated to debt service. The increase was due to a 10% increase in water and sewer user's fees offset by higher costs.
2. Storm Water Drainage Fund – This fund was created to address storm water issues in the City and has accumulated \$1,105,894 in unrestricted funds for this purpose by year end. Revenues increased 117% in 2018 due to infrastructure assessments charged on building permits issued for new construction.
3. Golf Course Fund - This fund accounts for the operation of the Coyote Creek Golf Course, which is City owned. At year end the golf course net position was (\$410,615), a decrease of 77%. The decrease is largely due to expenditures made golf cart path repaving.
4. Recreation Center Fund - The recreation center opened in 2004 and provides various activities for the citizenry of all ages. At year end the net position totaled \$1,893,452, up

68% from 2017 largely due operating transfers from the Culture, Parks and Recreation Sales Tax Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund; excluding funds consolidated with the General Fund for reporting purposes (see General Fund Budgetary Comparison Schedule in Required Supplementary information).

The Council appropriated \$7,739,074 for general fund expenditures and other financing uses, no reserves. The budget was amended to include an additional \$380,703 in expenditures.

Table 3
2018 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual
Revenue and other Financing Sources	\$7,231,818	\$ -	\$7,312,875	\$9,904,145
Expenditures and other financing uses	\$7,863,649	\$ 380,703	\$8,244,352	\$7,437,909

Actual expenditures were within the budgetary limits. General government expenditures of \$7,437,909 came in \$806,443 under budget, due to two factors 1) capital projects were not completed; 2) property tax increase due to an increase in property valuations.

The over budgeted revenue of \$2,591,287 is a result of the increase oil and gas royalties and property tax. Oil and gas production within the City was responsible for both the increase in royalties. Property tax increase due to an increase in property valuations.

The ending fund balance increased \$2,466,236 from the prior year.

CAPITAL ASSET AND DEBT ADMINISTRATION

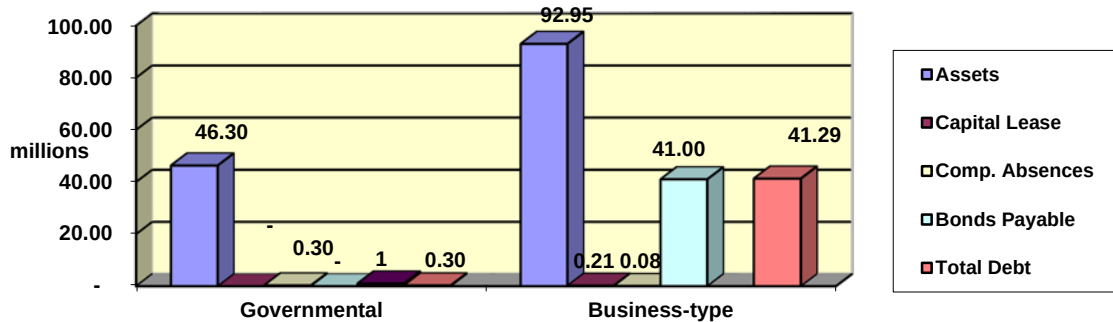
Capital Assets The City's investment in capital assets for its governmental and business-type activities as of December 31, 2018 totals \$111,212,217 (net of accumulated depreciation). This investment includes land, buildings, machinery, equipment, and infrastructure. The increase in investment in capital assets for the current fiscal year is \$6,752,045 which includes construction of a terminal storage reservoir, the City's share was \$5,898,273 see note 11.

Additional information on the City's capital assets can be found in Note 5 of this report.

Long-Term Debt At December 31, 2018, the City had outstanding long-term debt totaling \$41.5 million. This debt consists of: 1) bonds payable; 2) notes payable; 3) capital leases; and 4) compensated absences payable.

A debt limit is not imposed by the State of Colorado, but it is measured by the worth of the entity. Below is a graphic presentation of each of the debt segments compared to the assets of the City segregated into governmental and business-type activities:

Table 4
Debt compared to Asset (in millions)



Additional information on the City's debt can be found in Notes 6 through 8.

Other matters: The following factors are expected to have a significant effect on the City's financial position or results of operations and were taken into account in developing the 2018 budget.

- The Planning director continues to work with landowners as the annexation demand is increasing monthly. He continues to assist developers in their site plan review process to assure proper infrastructure is in place on each annexation.
- The City Council is supportive of the development plan for the City, which will position us well for the upcoming growth and development that the City should experience.
- The State Board of Adjustment determined that a constitutionally required adjustment to the residential assessment rate will decrease the assessed value of property for the 2018 property tax assessment year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this or for additional financial information should be addressed to the Fort Lupton City Administrator, 130 South McKinley Avenue, Fort Lupton, CO 80621.

CITY OF FORT LUPTON, COLORADO

STATEMENT OF NET POSITION

December 31, 2018

	Primary Government			Component Units	
	Governmental	Business-type	Total	Public & School Library	Fort Lupton Urban Renewal Authority
	Activities	Activities	2018		
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and investments	\$ 11,098,733	\$ 6,337,471	\$ 17,436,204	\$ 6,233,365	\$ 202,220
Restricted cash	41,672	2,136,443	2,178,115	105,326	-
Receivables:					
Accounts	277,174	629,124	906,298	278	-
Sales taxes	834,164	-	834,164	-	-
Property taxes	4,914,633	1,355,821	6,270,454	-	-
Internal Balance	789,880	(789,880)	-	-	-
Prepaid items	16,991	138,538	155,529	-	-
Other assets	-	307,256	307,256	-	-
Total Current Assets	17,973,247	10,114,773	28,088,020	6,338,969	202,220
LONG-TERM ASSETS					
Capital assets					
Nondepreciable capital assets	10,247,404	46,292,867	56,540,271	-	-
Depreciable capital assets, net	18,129,545	36,542,401	54,671,946	27,061	-
Total Long-term Assets	28,376,949	82,835,268	111,212,217	27,061	-
Total Assets	46,350,196	92,950,041	139,300,237	6,366,030	202,220
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>					
CURRENT LIABILITIES					
Accounts payable	188,571	372,549	561,120	25,559	19,995
Accrued expenses	229,819	2,242,112	2,471,931	25,092	-
Bonds and note payable - current	-	2,751,462	2,751,462	-	-
Capital lease - current	-	84,200	84,200	-	-
Payment in lieu of water	-	54,000	54,000	-	-
Compensated absences - current	83,441	22,655	106,096	8,043	-
Unearned Revenue	53,138	317,500	370,638	-	-
Total Current Liabilities	554,969	5,844,478	6,399,447	58,694	19,995
LONG-TERM LIABILITIES					
Bonds payable - Long-Term	-	32,913,455	32,913,455	-	-
Notes payable - Long-Term	-	5,322,278	5,322,278	-	45,000
Capital lease - Long Term	-	123,815	123,815	-	-
Compensated absences payable	214,561	58,256	272,817	20,682	-
Total Long-Term Liabilities	214,561	38,417,804	38,632,365	20,682	45,000
Total Liabilities	769,530	44,262,282	45,031,812	79,376	64,995

CITY OF FORT LUPTON, COLORADO

STATEMENT OF NET POSITION

December 31, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total 2018	Public & School Library	Fort Lupton Urban Renewal Authority
DEFERRED INFLOWS OF RESOURCES					
Property tax revenue	4,914,633	1,355,821	6,270,454	-	-
Total Deferred Inflows of Resources	4,914,633	1,355,821	6,270,454	-	-
NET POSITION					
Net investment in capital assets	28,376,949	41,640,058	70,017,007	27,061	-
Restricted for debt service	-	2,136,443	2,136,443	-	-
Restricted for streets & water projects	4,209,262	-	4,209,262	-	-
Restricted for culture, parks & recreation	1,091,634	-	1,091,634	-	-
Restricted for cemeteries	21,684	-	21,684	-	-
Restricted for donations	25,941	-	25,941	105,326	-
Restricted for Police Evidence	7,646	-	7,646	-	-
Restricted for emergencies	424,513	52,780	477,293	53,994	-
Unrestricted	6,508,404	3,502,657	10,011,061	6,100,273	137,225
Total Net Position	<u>\$ 40,666,033</u>	<u>\$ 47,331,938</u>	<u>\$ 87,997,971</u>	<u>\$ 6,286,654</u>	<u>\$ 137,225</u>

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Functions	Expenses	Program Revenues	
		Charges for Services, Sales and Fines	Operating Grants, and Contributions
GOVERNMENTAL ACTIVITIES			
General Government	\$ 3,730,084	\$ 331,153	\$ 103,946
Public Safety	1,920,820	275,372	50
Public Works	1,962,923	1,118,532	-
Culture, Parks and Recreation	690,185	122,733	86,950
Other	1,814,351	-	-
Total Governmental Activities	10,118,363	1,847,790	190,946
BUSINESS-TYPE ACTIVITIES			
Utilities	6,751,672	4,831,577	-
Storm Water Drainage	48,070	787,776	-
Golf	1,394,451	1,214,313	-
Recreation	1,502,879	683,536	-
Other	56,660	-	-
Total Business Activities	9,753,732	7,517,202	-
Total Primary Government	19,872,095	9,364,992	190,946
COMPONENT UNITS			
Public and School Library	777,155	15,154	1,784,646
Fort Lupton Urban Renewal Authority	59,482	148,693	-
Total Component Units	836,637	163,847	1,784,646

GENERAL REVENUES

Taxes:

Sales and use

Property

Other

Investment earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION, Beginning of Year

NET POSITION, End of Year

The accompanying notes are an integral part of the financial statements

Net (Expense) Revenue and Changes in Net Position

Capital Grants, and Contributions	Governmental Activities	Business-Type Activities	Total 2018	Component Units	
				Public & School Library	Fort Lupton Urban Renewal Authority
\$ 985,112	\$ (2,309,873)	\$ -	\$ (2,309,873)	\$ -	\$ -
-	(1,645,398)	-	(1,645,398)	-	-
-	(844,391)	-	(844,391)	-	-
-	(480,502)	-	(480,502)	-	-
-	(1,814,351)	-	(1,814,351)	-	-
985,112	(7,094,515)	-	(7,094,515)	-	-
657,929	-	(1,262,166)	(1,262,166)	-	-
-	-	739,706	739,706	-	-
-	-	(180,138)	(180,138)	-	-
-	-	(819,343)	(819,343)	-	-
-	-	(56,660)	(56,660)	-	-
657,929	-	(1,578,601)	(1,578,601)	-	-
1,643,041	(7,094,515)	(1,578,601)	(8,673,116)	-	-
-	-	-	-	1,022,645	-
-	-	-	-	-	89,211
-	-	-	-	1,022,645	89,211
5,603,061	-	-	5,603,061	-	-
2,941,375	1,059,659	-	4,001,034	-	-
1,433,390	-	-	1,433,390	-	-
55,687	179,329	-	235,016	-	-
1,014,186	842	-	1,015,028	-	-
(979,616)	979,616	-	-	-	-
10,068,083	2,219,446	-	12,287,529	-	-
2,973,568	640,845	-	3,614,413	1,022,645	89,211
37,692,465	46,691,093	-	84,383,558	5,264,009	48,014
\$ 40,666,033	\$ 47,331,938	\$ 87,997,971	\$ 6,286,654	\$ 137,225	

CITY OF FORT LUPTON, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	<u>General</u>	<u>Non Major Governmental Funds</u>	<u>Total 2018</u>
<u>ASSETS</u>			
Cash	\$ 9,984,195	\$ 1,156,210	\$ 11,140,405
Receivables			
Accounts	276,360	814	277,174
Property Taxes	4,914,633	-	4,914,633
Sales Tax	733,147	101,017	834,164
Prepaid Items	16,991	-	16,991
Due from Other Funds	888,113	-	888,113
Total Assets	<u>\$ 16,813,439</u>	<u>\$ 1,258,041</u>	<u>\$ 18,071,480</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
LIABILITIES			
Accounts Payable	\$ 165,116	\$ 23,455	\$ 188,571
Accrued Expenditures	206,880	22,939	229,819
Unearned Revenue	53,138	-	53,138
Due to Other Funds	-	98,233	98,233
Total Liabilities	<u>425,134</u>	<u>144,627</u>	<u>569,761</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	4,914,633	-	4,914,633
Total Deferred Inflows of Resources	<u>4,914,633</u>	<u>-</u>	<u>4,914,633</u>
FUND BALANCES			
Nonspendable	16,991	-	16,991
Restricted	4,636,230	1,144,450	5,780,680
Committed	181,694	-	181,694
Assigned	2,190,461	-	2,190,461
Unassigned	4,448,296	(31,036)	4,417,260
Total Fund Balances	<u>11,473,672</u>	<u>1,113,414</u>	<u>12,587,086</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,813,439</u>	<u>\$ 1,258,041</u>	<u>\$ 18,071,480</u>

The accompanying notes are an integral part of the financial statements

TO THE STATEMENT OF NET POSITION-GOVERNMENTAL ACTIVITIES

December 31, 2018

TOTAL GOVERNMENTAL FUND BALANCE	\$	12,587,086
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Amounts reported for governmental activities in the
statement of net position are different because:

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds

Cost	\$	49,901,426	
Less accumulated depreciation		<u>(21,524,477)</u>	28,376,949

Liabilities, including compensated absences are
Compensated absences

		<u>(298,002)</u>
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NET POSITION OF GOVERNMENTAL ACTIVITIES

	\$	<u><u>40,666,033</u></u>
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The accompanying notes are an integral part of the financial statements

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	General	Non Major Governmental Funds	Total 2018
REVENUES			
Taxes & Assessments	\$ 8,188,597	\$ 700,383	\$ 8,888,980
Licenses & Permits	236,240	-	236,240
Intergovernmental	1,642,535	80,750	1,723,285
Charges for Services	586,621	160,552	747,173
Fines & Forfeits	224,635	-	224,635
Other	2,234,093	96,040	2,330,133
Total Revenues	<u>13,112,721</u>	<u>1,037,725</u>	<u>14,150,446</u>
EXPENDITURES			
Current:			
General Government	3,512,670	-	3,512,670
Public Safety	1,920,820	-	1,920,820
Public Works	684,173	-	684,173
Culture, Parks & Recreation	-	587,815	587,815
Other	1,574,914	157,699	1,732,613
Capital Outlay	598,684	2,500	601,184
Total Expenditures	<u>8,291,261</u>	<u>748,014</u>	<u>9,039,275</u>
Excess of Revenues Over Expenditures	<u>4,821,460</u>	<u>289,711</u>	<u>5,111,171</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	105,037	105,037
Transfers Out	(568,471)	(516,182)	(1,084,653)
Total Other Financing Sources (Uses)	<u>(568,471)</u>	<u>(411,145)</u>	<u>(979,616)</u>
NET CHANGE IN FUND BALANCES	<u>4,252,989</u>	<u>(121,434)</u>	<u>4,131,555</u>
FUND BALANCES, Beginning of Year	<u>7,220,683</u>	<u>1,234,848</u>	<u>8,455,531</u>
FUND BALANCES, End of Year	<u><u>\$ 11,473,672</u></u>	<u><u>\$ 1,113,414</u></u>	<u><u>\$ 12,587,086</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES**
For the Year Ended December 31, 2018

NET CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS **\$ 4,131,555**

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

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense.

Depreciation expense	(1,621,792)	
Net book value of disposed assets	(78,902)	
Capital additions	<u>601,187</u>	(1,099,507)

Compensated absences 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.

Balance at 12/31/2017	239,522	
Balance at 12/31/2018	<u>(298,002)</u>	<u>(58,480)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 2,973,568**

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2018

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2018
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 4,658,929	\$ 1,087,960	\$ 498,568	\$ 92,014	\$ 6,337,471
Restricted Cash	2,136,443	-	-	-	2,136,443
Receivables:					
Accounts Receivable	557,765	18,582	306	52,471	629,124
Sales Tax					
Property Tax Receivable	-	-	-	1,355,821	1,355,821
Inventory	-	-	31,854	-	31,854
Prepaid Items	138,538	-	-	-	138,538
Total Current Assets	<u>7,491,675</u>	<u>1,106,542</u>	<u>530,728</u>	<u>1,500,306</u>	<u>10,629,251</u>
NON-CURRENT ASSETS					
Non-Depreciable					
Land	372,077	-	3,383,203	-	3,755,280
Water Rights	42,442,216	-	-	-	42,442,216
Construction in Progress	73,902	-	21,469	-	95,371
Depreciable					
Wells	1,027,539	-	-	-	1,027,539
Buildings	13,226,661	-	1,560,804	6,831,205	21,618,670
Utility System	33,028,661	1,376,332	-	-	34,404,993
Equipment	2,764,322	-	712,685	379,398	3,856,405
Total	92,935,378	1,376,332	5,678,161	7,210,603	107,200,474
Less: Accumulated Depreciation	<u>(18,870,019)</u>	<u>(72,341)</u>	<u>(1,890,280)</u>	<u>(3,532,566)</u>	<u>(24,365,206)</u>
Total Non-Current Assets	<u>74,065,359</u>	<u>1,303,991</u>	<u>3,787,881</u>	<u>3,678,037</u>	<u>82,835,268</u>
OTHER ASSETS					
Inclusion Fee	275,402	-	-	-	275,402
Total Other Assets	<u>275,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,402</u>
Total Assets	<u><u>\$ 81,832,436</u></u>	<u><u>\$ 2,410,533</u></u>	<u><u>\$ 4,318,609</u></u>	<u><u>\$ 5,178,343</u></u>	<u><u>\$ 93,739,921</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

December 31, 2018

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2018
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY</u>					
CURRENT LIABILITIES					
Accounts Payable	\$ 295,570	\$ -	\$ 62,944	\$ 14,035	\$ 372,549
Due to Other Funds	-	-	789,880	-	789,880
Accrued Expenses	137,190	648	2,065,104	39,170	2,242,112
Bonds and Loans Payable	527,551	-	1,785,000	438,911	2,751,462
Current Leases Payable	84,200	-	-	-	84,200
Payment in Lieu of Water	54,000	-	-	-	54,000
Compensated Absences	8,535	-	7,363	6,757	22,655
Unearned Revenue	317,500	-	-	-	317,500
Total Current Liabilities	<u>1,424,546</u>	<u>648</u>	<u>4,710,291</u>	<u>498,873</u>	<u>6,634,358</u>
LONG-TERM LIABILITIES					
Lease Payable	123,815	-	-	-	123,815
Bonds Payable	31,500,634	-	-	1,412,821	32,913,455
Loans Payable	5,322,278	-	-	-	5,322,278
Compensated absences	21,947	-	18,933	17,376	58,256
Total Long-Term Liabilities	<u>36,968,674</u>	<u>-</u>	<u>18,933</u>	<u>1,430,197</u>	<u>38,417,804</u>
Total Liabilities	<u>38,393,220</u>	<u>648</u>	<u>4,729,224</u>	<u>1,929,070</u>	<u>45,052,162</u>
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	-	-	-	1,355,821	1,355,821
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,355,821</u>	<u>1,355,821</u>
NET POSITION					
Net investment in capital assets	36,506,881	1,303,991	2,002,881	1,826,305	41,640,058
Restricted for debt service	2,136,443	-	-	-	2,136,443
Restricted for emergencies	-	-	-	52,780	52,780
Unrestricted	4,795,892	1,105,894	(2,413,496)	14,367	3,502,657
Total Net Position	<u>43,439,216</u>	<u>2,409,885</u>	<u>(410,615)</u>	<u>1,893,452</u>	<u>47,331,938</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 81,832,436</u></u>	<u><u>\$ 2,410,533</u></u>	<u><u>\$ 4,318,609</u></u>	<u><u>\$ 5,178,343</u></u>	<u><u>\$ 93,739,921</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2018
OPERATING REVENUES					
Charges for Services	\$ 4,476,276	\$ 787,776	\$ 895,487	\$ 396,018	\$ 6,555,557
Sales of Merchandise	-	-	316,692	-	316,692
Other Income	355,301	-	2,134	287,518	644,953
Total Operating Revenues	4,831,577	787,776	1,214,313	683,536	7,517,202
OPERATING EXPENSES					
Salaries and Benefits	533,811	12,355	597,597	793,786	1,937,549
Professional Fees	60,674	-	12,480	-	73,154
Contract Management	929,905	-	-	-	929,905
Insurance	76,314	-	5,714	26,664	108,692
Maintenance	728,263	-	37,264	57,365	822,892
Merchandise for Resale	-	-	147,982	1,406	149,388
Supplies	69,408	91	118,763	62,194	250,456
Utilities	283,053	-	73,613	124,190	480,856
Water Assessments	800,672	-	-	-	800,672
Depreciation	1,328,038	35,624	104,967	253,461	1,722,090
Other	138,647	-	135,596	110,827	385,070
Total Operating Expenses	4,948,785	48,070	1,233,976	1,429,893	7,660,724
Net Operating Income (Loss)	(117,208)	739,706	(19,663)	(746,357)	(143,522)
NONOPERATING REVENUES (EXPENSES)					
Property Taxes (Pledged for Debt)	-	-	-	1,059,659	1,059,659
Investment Income	162,912	751	357	15,309	179,329
Gain (Loss) on Disposal of Assets	(499,475)	-	-	842	(498,633)
Interest Expense	(1,303,412)	-	(160,475)	(72,986)	(1,536,873)
Bond Issue Costs	(56,660)	-	-	-	(56,660)
Total Nonoperating Revenues (Expenses)	(1,696,635)	751	(160,118)	1,002,824	(853,178)
Net Income (Loss) Before Transfers	(1,813,843)	740,457	(179,781)	256,467	(996,700)
TRANSFERS AND CAPITAL CONTRIBUTIONS					
Transfers In	465,934	-	-	513,682	979,616
Capital Contributions	657,929	-	-	-	657,929
Transfers and Capital Contributions	1,123,863	-	-	513,682	1,637,545

CITY OF FORT LUPTON, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2018
Change In Net Position	<u>(689,980)</u>	<u>740,457</u>	<u>(179,781)</u>	<u>770,149</u>	<u>640,845</u>
NET POSITION, Beginning of Year	<u>44,129,196</u>	<u>1,669,428</u>	<u>(230,834)</u>	<u>1,123,303</u>	<u>46,691,093</u>
NET POSITION, End of Year	<u><u>\$ 43,439,216</u></u>	<u><u>\$ 2,409,885</u></u>	<u><u>\$ (410,615)</u></u>	<u><u>\$ 1,893,452</u></u>	<u><u>\$ 47,331,938</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF FORT LUPTON, COLORADO

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2018

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 5,236,380	\$ 787,623	\$ 1,211,485	\$ 683,800	\$ 7,919,288
Cash Paid to Suppliers	(3,672,448)	41	(513,908)	(367,436)	(4,553,751)
Cash Paid to Employees	(530,836)	(13,741)	(589,577)	(792,073)	(1,926,227)
Net Cash Provided (Used) by Operating Activities	1,033,096	773,923	108,000	(475,709)	1,439,310
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES					
Transfers from Other Funds	465,934	-	-	513,682	979,616
Payment to Other Funds	-	-	-	(507,703)	(507,703)
Property Taxes	-	-	-	552,763	552,763
Net Cash Provided By Non-Capital and Related Financing Activities	465,934	-	-	558,742	1,024,676
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Capital Assets	(6,135,947)	-	(32,482)	(17,300)	(6,185,729)
Proceeds from Disposal of Assets	200,000	-	-	842	200,842
Proceeds from Debt Financing	5,500,000	-	-	-	5,500,000
Debt Issuance Cost	(56,660)	-	-	-	(56,660)
Principal Paid on Notes and Bonds	(248,112)	-	-	(420,000)	(668,112)
Interest Paid on Notes and Bonds	(1,505,582)	-	-	(86,896)	(1,592,478)
Property Taxes	-	-	-	506,896	506,896
Capital Contributions	657,929	-	-	-	657,929
Net Cash Used by Capital and Related Financing Activities	(1,588,372)	-	(32,482)	(16,458)	(1,637,312)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	162,912	751	357	15,309	179,329
Net Cash Provided by Investing Activities	162,912	751	357	15,309	179,329
NET INCREASE IN CASH AND CASH EQUIVALENTS	73,570	774,674	75,875	81,884	1,006,003
CASH AND CASH EQUIVALENTS, Beginning of Year	6,721,802	313,286	422,693	10,130	7,467,911
CASH AND CASH EQUIVALENTS, End of Year	\$ 6,795,372	\$ 1,087,960	\$ 498,568	\$ 92,014	\$ 8,473,914
Cash and Cash Equivalents	\$ 4,658,929	\$ 1,087,960	\$ 498,568	\$ 92,014	6,337,471
Restricted Cash	2,136,443	-	-	-	2,136,443
CASH AND CASH EQUIVALENTS, End of Year	\$ 6,795,372	\$ 1,087,960	\$ 498,568	\$ 92,014	\$ 8,473,914

CITY OF FORT LUPTON, COLORADO

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2018

	<u>Utility Enterprise Fund</u>	<u>StormWater Drainage Fund</u>	<u>Golf Course Fund</u>	<u>Recreation Center Fund</u>	<u>Total 2018</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ (117,208)	\$ 739,706	\$ (19,663)	\$ (746,357)	\$ (143,522)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Depreciation	1,328,038	35,624	104,967	253,461	1,722,090
Changes in Assets and Liabilities:					
Accounts Receivable	87,297	(154)	1,331	263	88,737
Prepaid Expenses	(5,210)	-	-	-	(5,210)
Inventory	-	-	(4,161)	-	(4,161)
Accounts Payable	(389,497)	(8)	9,634	3,967	(375,904)
Accrued Expenses	(187,824)	(1,245)	15,892	12,957	(160,220)
Unearned Revenues	317,500	-	-	-	317,500
Total Adjustments	<u>1,150,304</u>	<u>34,217</u>	<u>127,663</u>	<u>270,648</u>	<u>1,582,832</u>
Net Cash Provided By (Used By) Operating Activities	<u>\$ 1,033,096</u>	<u>\$ 773,923</u>	<u>\$ 108,000</u>	<u>\$ (475,709)</u>	<u>\$ 1,439,310</u>

The accompanying notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Fort Lupton (City) incorporated on February 4, 1890. In compliance with the Colorado Revised Statutes, the City Council is the policy making legislative body of the City. Council is made up of six members from three wards. The Mayor is elected at large and can vote on all matters. Two-thirds vote of the Council is required to pass, change or veto any ordinance.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The determination to include separate governmental entities is based on the criteria of Governmental Accounting Standards Board (GASB), which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the component unit's board must be appointed by the primary government, and either A) the primary government must be able to impose its will, or B) the primary government may potentially benefit financially or be financially responsible for the component unit.

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

Discretely Presented Component Units

The Fort Lupton Urban Renewal Authority (FLURA) was established by Resolution 2015R43 on August 18, 2015 as an independent organization under Colorado Law with the objective of carrying on urban renewal activities. The FLURA board is appointed by the Mayor with the consent of the City Council. The City council will have no authority to modify or approve FLURA's budget. The City will not be able to significantly influence the programs and decisions of the FLURA board. FLURA does not issue separate financial statements.

The Fort Lupton Public and School Library (Library) was created in 1976 by an intergovernmental agreement between the City and Weld County School District RE-8 (the School). In 1985 the City and School entered into an intergovernmental agreement with Weld County and five other municipalities to create the Weld County Library District, now High Plains Library District. The City and the School appoint 3 members of the seven member Library board. The six appointed members appoint their seventh member. The Library is currently funded by a property tax levied by the High Plains Library District. The 1976 intergovernmental agreement requires the City and School to fund the approved budgeted expenditures. The City council approves by resolution the budget set by the Library board but has no ability to significantly influence the programs and running of the Library. The Library does not issue separate financial statements.

Basis of Presentation

The objectives of the statements are to establish a basic financial reporting model that will result in greater accountability by governments, while providing more useful information to a wider range of users.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole and its component units. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with usage fees charged. For the most part, the effect of inter-fund activity has been removed from these statements.

The statement of net position presents the financial position of the governmental and business-type activities of the City at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets.

These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

The government-wide financial statements are reported using the *economic resource measurement focus* and the *accrual basis of accounting*, as are the proprietary finds. Revenues are recorded when earned and liabilities are recorded when incurred regardless of the timing of cash flows.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collected within the current year or

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

soon thereafter to pay liabilities of the current year. For this purpose the City considers revenues available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues in the current year. All other revenues are considered to be measurable and available only when cash is received.

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

Major individual governmental and the enterprise funds are reported in separate columns. The General Fund is the only major governmental fund and accounts for the general activities of the City including administration, community policing, community development, and public works.

Governmental Funds - Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are separate for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law to another fund are used to finance general operating expenditures.

Special Revenue Funds - Special Revenue Funds (Conservation Trust, Perpetual Care Cemetery, Memorial Trust Fund, and Culture, Parks, and Recreation Sales Tax) are established to account for revenues derived from specific taxes or other restricted revenue sources which finance specific activities as required by law or administrative action.

Proprietary Funds - The focus of the proprietary funds is on the measurement of net income (e.g., revenues, expenses). This measurement focus allows the proprietary fund to report all assets, liabilities and deferred inflow of resources associated with an activity.

Enterprise Funds are established to account for the financing where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

There are four major enterprise funds:

Utility Enterprise Fund – includes all activities relating to the City’s water and sanitary sewer systems.

Storm Water Drainage Fund – includes maintenance, repair of all lines and installation of new storm drainage lines.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Golf Course Fund – provides pro-shop and restaurant services and repair and maintenance of the golf course, club house and restaurant.

Recreation Center Fund – provides recreational services including exercise classes and equipment, gym facilities and a swimming pool.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflow of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Statement of Cash Flows

For purposes of the statement of cash flows, the City considers highly liquid investments with maturity of three months or less at date of purchase to be cash equivalents.

Pooled Cash

The City has a single checking account for all cash transactions, with separate accounting into each fund. An overdraft in one fund will not result in returned checks with the single checking accounts. At December 31, 2018, the checking account of the City shows a positive bank balance. Any fund that issued checks in excess of its available funds from the checking account is treated as having borrowed cash from other funds.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Capital Assets

Capital assets, which include land, buildings, equipment, water shares and all infrastructure owned by the City, are reported in the applicable governmental or business type activities columns in the government-wide financial statements and the proprietary funds. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

All capital assets are valued at acquisition cost or estimated acquisition cost if actual acquisition cost is not available. Contributed capital assets, including water rights, fire hydrants, water and sewer lines from sub-dividers and property owners, are recorded at acquisition value at the time received.

Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds.

Depreciation is charged as an expense against their operations and accumulated depreciation is reported on proprietary fund balance sheets.

Depreciation has been provided using the straight-line method over the estimated useful lives as follows:

<u>Description</u>	<u>Estimated Useful life</u>
Water Rights	N/A
Land & Improvements	0-50
Buildings & Improvements	0-50
Streets	20-50
Distribution Systems	10-100
Machinery & Equipment	5-10

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return include property taxes, specific ownership taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Unearned Revenue – An acquisition of net position that applies to future periods and is not recognized as revenue in the current period. The City’s unearned revenues consist primarily of revenue for the sale of bulk water for industrial use.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section as deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and is not recognized as an outflow of resources (expense/expenditure) in the current period. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section as deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and is not recognized as an inflow of resources (revenue) in the current period. The City has one item reported in this category. Property tax revenue which is considered a deferred inflow of resources in the year the taxes are levied and measurable and recognized as an inflow of resources in the period they are collected.

Basis of Accounting

Since property taxes are levied in December (i.e., there is a legal claim) for the next calendar year's operations, the total levy is reported as taxes receivable and a deferred inflow of resources.

Those revenues susceptible to accrual are property taxes, use tax, tobacco tax, highway user tax, and franchise fees. Sales taxes collected and held by the state for the current year on behalf of the City are also recognized as revenue. Fines, permits and license revenues are not susceptible to accrual, generally they are not measurable until received in cash.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Budget and Budgetary Accounting

An annual budget and appropriation resolution is adopted by the City Council in accordance with Colorado State Statutes. The City adopts annual budgets on a basis consistent with general accepted accounting principles for all governmental funds. The budget for the proprietary funds are adopted on a non GAAP basis. The appropriated budget is adopted at the fund level. On or about October 15th, the finance department submits to the Council a proposed budget for the next fiscal year beginning January 1st. The operating budget includes proposed expenditures and the revenues or reserves used to finance them. A public hearing is conducted in October at a special meeting to obtain comments from citizens. The budget must be adopted before the mill levy certification deadline of December 15th.

Property Taxes

Under Colorado law, all property taxes become due and payable in the year following that in which they are levied. Property taxes are recognized as revenue when received by the County Treasurer. The 2018 fiscal year property tax calendar for Weld County was as follows:

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Lien Date	January 1
Levy Date	December 29
Tax bills mailed	January 1
First installment due	February 28
Second installment due	June 15
If paid in full, due	April 30
Tax sale - delinquent property taxes	November 6

Accumulated Unpaid Vacation and Sick Leave

Under terms of City personnel policies, City employees are granted vacation and sick leave in varying amounts. In the event of termination or retirement, an employee who was hired prior to February 14, 2001 is paid for accumulated vacation days up to a maximum of 30 days. They are also paid 50% of their accumulated sick leave up to a maximum of 90 days. An employee hired after February 14, 2001 is paid for accumulated vacation days up to a maximum of 30 days. They are paid 25% of accumulated sick leave up to a maximum of 90 days.

Inventory

Inventory is valued at cost (first-in, first-out) in the proprietary funds. Inventory in all other funds is not recorded, as it is not significant. The cost is recorded as an expenditure when the individual inventory items are purchased.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year end are accounted for using the consumption method and are recorded as other current assets in the government-wide financial statements and will be reported as expenditures when actually used.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities and deferred inflows of resources. In the fund financial statement, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent. Fund Balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. The City Council also may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City’s Finance Director to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balances only in the general fund. Negative unassigned fund balances may be reported in all funds.

Minimum Fund Balance Requirement- Resolution 98-035 set the minimum fund balances as follows: The Culture, Parks & Recreation Sales Tax Fund must maintain the 3% emergency reserve defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer’s Bill of Rights (TABOR); the General Fund, Utility Enterprise Fund and the Golf Enterprise Fund are required to maintain the 3% TABOR reserve plus an additional 10% in emergency reserves. Ordinance 2012-950 created a contingency reserve starting with \$500,000 transferred from the General Fund’s fund balance. A percentage of the General Fund’s property tax is transferred to the contingency reserve annually. In 2018 the percentage transferred was 2% as set by council as part of the budget process. The Golf Course Enterprise Fund is not required to maintain the 3% emergency reserve.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted.

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions is reported as unrestricted.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the City, these revenues are charges for services. Operating expenses are necessary costs incurred to provide the good or services.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated.

NOTE 2: CASH AND INVESTMENTS

The City categorizes its fair value measurements within the fair value hierarchy established by the generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2018, the City had invested \$9,033,831 in the Colorado Local Government Liquid Asset Trust – PLUS, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. As of December 31, 2018, the investments in COLOTRUST were valued at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

As of December 31, 2018, the City had invested \$176,205 in the Federated Government Obligation Fund #5, a money market fund. The Fund operates similarly to a money market fund and each share is equal in value to \$1.00. As of December 31, 2018, the investments in the Fund were valued at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

As of December 31, 2018, the City had invested \$119,371 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is valued at amortized cost.

As of December 31, 2018 The City has the following recurring fair value measurements.

Type	Rating	Carrying Value
Deposits:		
Cash on hand		\$ 4,150
Demand deposits		10,280,762
Investments		0
Money Market	AAAm by S & P	176,205
ColoTrust	AAAm by S & P	9,033,831
CSAFE	AAAm by S & P	119,371
Total deposits and investments		<u>\$ 19,614,319</u>

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Reconciliation to Statement of net position

Current:

Cash and investments	\$ 17,436,204
Restricted cash	2,178,115
Total deposits and investments	<u>\$ 19,614,319</u>

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The allowed investments include local government investment pools and obligations of the United States Government, and certain other investment types.

The City maintains a cash pool that is available for use by all funds.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash only in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by the financial institution. The eligible collateral is determined by the PDPA.

PDPA allows the financial institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution and held in trust for all the uninsured public deposits as a group. Colorado State Statutes require the market value of the collateral to be at least 102 percent of the aggregate uninsured deposits.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. State statute limits investment maturities to five years or less. Investments in local government pools have a maturity of less than one year.

Credit Risk - State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk - The City places no limit on the amount the City may invest in any one issuer.

The City invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; and 3) yield.

The City invests in two investment pools, the Colorado Liquid Assets Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). COLOTRUST and CSAFE operate under the Colorado Revised Statutes (24-75-701) and are overseen by Colorado Securities Commissioner. The pool invests in securities that are specified by the Colorado Revised Statutes (24-75-601). Authorized securities include U.S. treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA).

Discretely Presented Component Units

As of December 31, 2018 the Library had the following cash and investments

Reconciliation to Statement of net position

Current:

Cash and investments	\$ 6,233,365
Investments	105,326
Total deposits and investments	<u>\$ 6,338,691</u>

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

As of December 31, 2018 FLURA had the following cash and investments

Reconciliation to Statement of net position

Current:

Cash and investments	\$ 202,220
Total cash and investments	<u>\$ 202,220</u>

NOTE 3: RESTRICTED CASH AND INVESTMENTS

The restricted cash in the Governmental activities and Business-type activities represents special development loan accounts, and specific use funds.

Business-type Activities	
2005 Series B Bond	\$ 188,286
2017 Series A Bonds	1,291,345
CWCB Loan	176,787
2018 Bank of Colorado Loan	480,025
	<u>\$ 2,136,443</u>
Governmental Activities	
Revolving Loan Fund	\$ 25,000
Museum Bequest	16,672
	<u>\$ 41,672</u>
Total Restricted	<u>\$ 2,178,115</u>

NOTE 4: INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS

	General Fund	Non-Major Funds	Utility Enterprise Fund	Golf Course Enterprise Fund	Total
Due From Golf Enterprise Fund	\$ 1,372,177	\$ 347,848	\$ 548,428	\$ -	\$ 2,268,453
Golf – Allowance for Doubtful Receivables	(582,297)	(347,848)	(548,428)	-	(\$1,478,573)
Due from Non Major Funds	98,233	-	-	-	98,233
Due to the General Fund	-	(98,233)	-	(789,880)	(888,113)
Total	<u>\$ 888,113</u>	<u>(\$98,233)</u>	<u>\$ -</u>	<u>(\$ 789,880)</u>	<u>\$ -</u>

The General Fund, Culture Parks and Recreation Sales Tax Fund, and the Utility Enterprise Fund loaned cash to the Golf Enterprise Fund during the initial startup for the purpose of funding operations. The loans have been written off as there is no expectation of repayment.

In 2015 the Golf Enterprise Fund made an offer to purchase all outstanding warrants (see note 13). The offer was funded by a \$1,100,000 loan from the General Fund. At the close of the offer the cash remaining from the untendered bonds of \$310,120 was repaid to the General Fund. The loan due from the Golf Course to the General Fund as of December 31, 2018 is \$789,880.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

In 2018 the General Fund also loaned the Perpetual Care Cemetery Fund \$98,233 for operation due to insufficient revenues.

City ordinance requires the sales tax for debt service of the utility fund be collected by a separate fund. The funds are moved monthly to cover a portion of the debt service.

Transfers In:	Transfers Out: <u>General</u> <u>Fund</u>	Transfers Out: <u>CPR Fund</u>	Transfers Out: <u>Memorial</u> <u>Fund</u>	Transfers Out: <u>Total</u>
Governmental Funds:				
Non-Major Funds				
Culture, Parks & Recreation Sales Tax				
Fund	\$ 42,537	\$ -	\$ -	\$ 42,537
(CPR Fund)				
Perpetual Care Cemetery	60,000	-	2,500	62,500
Proprietary Fund:				
Major Fund				
Utility Enterprise Fund	465,934	-	-	465,934
Recreation Center Enterprise Fund	-	513,682	-	513,682
	<u>\$ 568,471</u>	<u>\$ 513,682</u>	<u>\$ 2,500</u>	<u>\$ 1,084,653</u>

The general fund transfers 100% of the museum's expenditures to the Culture, Parks and Recreation Sales Tax (CPR Fund). This transfer insures none of the sales tax collected for the operation of the CPR fund are used in for purposes not approved by the voters. Annually, the general fund transfers funds to cover the costs of irrigation water to the cemetery fund. Council approved the transfer from the general fund to the storm drainage enterprise fund to cover costs of major infrastructure project that involved replacing water, sewer and storm drainage lines and repaving streets.

NOTE 5: CAPITAL ASSETS

Primary Government Capital Asset activity for the year ended December 31, 2018 is as follows:

<u>Government Activities</u>	<u>Balance</u> <u>1/1/2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>12/31/2018</u>
Capital Assets not Being Depreciated					
Land	\$ 8,919,636	\$ -	\$ -	\$ -	\$ 8,919,636
Water Rights	823,700	-	-	-	823,700
Construction in Progress	473,561	125,493	(78,902)	(16,084)	504,068
Total Capital Assets not Being Depreciated	<u>10,216,897</u>	<u>125,493</u>	<u>(78,902)</u>	<u>(16,084)</u>	<u>10,247,404</u>
Capital Assets Being Depreciated					
Building and Improvements	4,045,790	-	-	-	4,045,790
Land Improvements	1,203,272	-	-	-	1,203,272
Equipment and Machinery	4,152,029	218,245	-	-	4,370,273
Furniture and Fixtures	18,059	-	-	-	18,059

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

<u>Government Activities</u>	<u>Balance 1/1/2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance 12/31/2018</u>
Infrastructure	29,743,094	257,451	-	16,084	30,016,628
Total Capital Being Depreciated	39,162,244	475,694	-	16,084	39,654,022
Total Capital Assets	49,379,141	601,187	-	-	49,901,426
Accumulated Depreciation					
Buildings and Improvements	(2,218,520)	(105,361)	-	-	(2,323,881)
Land Improvements	(777,458)	(31,040)	-	-	(808,498)
Equipment and Machinery	(2,662,680)	(375,823)	-	-	(3,039,103)
Furniture and Fixtures	(18,060)	-	-	-	(18,060)
Infrastructure	(14,225,967)	(1,108,968)	-	-	(15,334,935)
Total Accumulated Depreciation	(19,902,685)	(1,621,792)	-	-	(21,524,477)
Depreciated Capital Assets, Net	19,259,559	(1,146,098))	-	16,084	18,129,545
Government Activities Capital Assets, Net	\$ 29,476,456	\$ (1,020,605)	\$ (78,902)	\$ -	\$ 28,376,949

<u>Business-Type Activities</u>	<u>Balance 1/1/2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance 12/31/2018</u>
Capital Assets not Being Depreciated					
Land	\$ 3,755,280	\$ -	\$ -	\$ -	\$ 3,755,280
Water Rights	43,141,691	-	(699,475)	-	42,442,216
Construction in Progress	1,046,590	34,873	-	(986,901)	95,371
Total Capital Assets not Being Depreciated	47,943,561	34,873	(699,475)	(986,901)	46,292,867
Capital Assets Being Depreciated					
Wells	777,975	210,661	-	38,903	1,027,539
Land Improvements	1,055,394	-	-	-	1,055,394
Buildings	20,545,976	17,300	-	-	20,563,276
Utility Systems	27,545,921	5,911,884	-	947,188	34,404,993
Equipment	3,845,392	11,013	-	-	3,856,405
Total Capital Being Depreciated	53,770,658	6,150,858	-	986,091	60,907,607
Total Capital Assets	101,714,219	6,185,730	(699,475)	-	107,200,474

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

<u>Business-Type Activities</u>	<u>Balance</u> <u>1/1/2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>12/31/2018</u>
Accumulated Depreciation					
Wells	(433,231)	(28,373)	-	-	(461,604)
Buildings	(10,348,739)	(724,823)	-	-	(11,073,562)
Utility Systems	(9,241,469)	(733,450)	-	-	(9,974,919)
Equipment	(2,619,677)	(235,444)	-	-	(2,855,121)
Total Accumulated Depreciation	(22,643,116)	(1,722,090)	-	-	(24,365,206)
Depreciated Capital Assets, Net	31,127,542	4,428,768	-	986,091	36,542,401
Business-Type Activities Capital Assets, Net	\$ 79,071,103	\$ 4,463,640	\$ (699,475)	\$ -	\$ 82,835,268

	Amount
Depreciation by Function	
Governmental Activities:	
General Government	\$ 152,970
Public Safety	87,702
Public Works	1,278,750
Culture, Parks & Recreation	102,370
Total depreciation for governmental activities	\$ 1,621,792
Business-Type Activities:	
Utility	\$ 1,328,038
Storm Drainage	35,624
Golf Course	104,967
Recreation	253,461
Total depreciation for business-type activities	\$ 1,722,090
Total Depreciation	\$ 3,343,882

A reclass was done to Beginning Business Type Assets. Southern Supply Pipeline assets valued at \$12,053,292 were moved from distribution systems to water rights.

Discretely Presented Component Units Capital Asset activity for the year ended December 31, 2018 is as follows:

FLURA has no investments in capital assets

The Library building is part of Fort Lupton High School and is owned by Weld County School District RE-8. Although the Library owns all the contents, collections, and equipment in the Library none of these items exceed the \$5,000 limit required for capitalization.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

	Balance <u>1/1/2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	Balance <u>12/31/2018</u>
Library Activities					
Capital Assets Being Depreciated					
Building and Improvements	\$ 60,135	\$ -	\$ -	\$ -	\$ 60,135
Accumulated Depreciation					
Buildings and Improvements	(12,027)	(21,047)	-	-	(33,074)
Library Activities Capital Assets, Net	<u>\$ 48,108</u>	<u>\$ (21,047)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,061</u>

NOTE 6: NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT

	Balance <u>1/1/2018</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>12/31/2018</u>	Due in <u>1 Year</u>
<u>Enterprise Funds-Utility:</u>					
\$25,195,000 Revenue Bond, Series 2018, for the purchase of 10 units of Windy Gap Water. Principal payments due annually December 1, 2021 through 2047. Interest due June 1 and December 1 2018 through 2047 with rates varying from 2% to 5%.	\$25,195,000	\$ -	\$ -	\$25,195,000	\$ -
\$3,607,647, Series 2018 Bond Premium	3,607,647	-	120,255	3,487,392	120,254
\$4,396,456 Carter Lake Pipeline Construction Loan from the State of Colorado through the Colorado Water Conservation Board. The forty-year loan requires annual payments of \$160,716 beginning January 1, 1997, and provides for interest at 2%.	2,276,184	-	115,192	2,160,992	117,496
\$5,500,000 Loan from the Bank of Colorado. This twenty year loan requires monthly payments of \$36,365 beginning December 30 2018 and ending November 30, 2038 with an interest rate of 4.95% per annum.	-	5,500,000	12,921	5,487,079	164,801
\$2,300,000 Revenue Bond, Series 2005, owned by the Colorado Water Resources and Power Development Authority for the	1,140,000	-	120,000	1,020,000	125,000

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

	Balance 1/1/2018	Additions	Retirements	Balance 12/31/2018	Due in 1 Year
purchase of 3 units of Windy Gap water. Principal payment due on November 1, 2006 through 2025. Principal and interest are payable each May 1 and November 1, thereafter, with interest rates varying between 3% to 4.625%.					
<u>Recreation Center Fund:</u>					
\$4,930,000 Principal with a \$139,108 Premium, General Obligation Bond Series 2011 for the construction of the Recreation Center refinanced October 28, 2018. Principal and interest payments due December 1 starting in 2018 ending December 1, 2022. Interest only payments due Jun 1 starting 2018. Interest rates start at 3.0% in 2018 and increase to 3.5%.	2,230,000	-	420,000	1,810,000	425,000
Remaining Bond Premium	55,643		13,911	41,732	13,911
<u>Golf Enterprise Fund:</u>					
\$5,900,000, Bond for construction of a Golf Course, went into default in 2002	1,785,000	-	-	1,785,000	1,785,000
Total Business Type Activities	\$36,289,474	\$5,500,000	\$802,279	\$40,987,195	\$2,751,462

Golf Enterprise Fund bonds are classified as current bond payable. (Please see note 14.)

	Balance 1/1/2018	Additions	Retirements	Balance 12/31/2018	Due in 1 Year
<u>Governmental Activities</u>					
Accrued Compensated Absences	\$ 239,522	\$ 223,462	\$ (164,982)	\$ 298,002	\$ 83,441
<u>Business Type Activities</u>					
Accrued Compensated Absences	\$ 69,589	\$ 69,127	\$ (57,805)	\$ 80,911	\$ 22,655
Capital Leases	289,931	-	(81,916)	208,015	84,200
Total Business Type Activities	\$ 359,520	\$ 69,127	\$ (139,721)	\$ 288,926	\$ 106,855

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

The City will liquidate compensated absences in the General, Utility Enterprise, Golf Course and Recreation Center funds.

The business-type capital lease is a lease purchase agreement through the Bank of Colorado for a sewer jet truck used to maintain sewer lines.

The annual requirements to amortize all debt outstanding, excluding accrued compensated absences, as of December 31, 2018 are as follows:

	Principal	Premiums	Interest	Total
2019	\$ 2,617,297	\$ 134,165	\$ 1,596,142	\$ 4,347,604
2020	862,349	134,165	1,567,871	2,564,385
2021	934,367	134,166	1,534,722	2,603,254
2022	1,071,162	120,255	1,500,073	2,691,490
2023	663,493	120,255	1,461,521	2,245,268
2024-2028	4,506,453	601,275	6,845,833	11,953,561
2029-2033	5,955,980	601,275	5,683,747	12,241,001
2034-2038	7,291,970	601,274	4,146,727	12,039,970
2039-2043	6,855,000	601,274	2,593,200	10,049,474
2044-2047	6,700,000	481,023	858,000	8,039,023
Total	<u>\$ 37,458,071</u>	<u>\$ 3,529,124</u>	<u>\$ 27,787,835</u>	<u>\$ 68,775,030</u>

Capital Leases			
	Principal	Interest	Total
2019	\$ 84,200	\$ 5,800	\$ 90,000
2020	123,815	3,462	127,277
Total	<u>\$ 208,015</u>	<u>\$ 9,262</u>	<u>\$ 217,277</u>

The principal of outstanding debt due in 2018 includes the default bonds of the Golf Course, amounting to \$1,785,000 after the tender offer.

Discretely Presented Component Units long term debt activity for the year ended December 31, 2018

FLURA General Fund

A ten year \$50,000 loan from the City to FLURA. FLURA made the first \$5,000 payment to the City in 2018. \$45,000 is the remaining debt at the end of 2018. No interest rates specified in the loan.

Library General Fund

	Balance 1/1/2018	Additions	Retirements	Balance 12/31/2018	Due in 1 Year
<u>Governmental Activities</u>					
Accrued Compensated Absences	\$ 32,777	\$ 28,597	\$ (32,649)	\$ 28,725	\$ 8,043

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 7: NET POSITION AND FUND BALANCE

Net position:

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2018 are as follows:

	Governmental Activities	Business- Type Activities
Net Investment in capital assets		
Cost of capital assets	\$ 49,901,426	\$ 107,200,475
Less accumulated depreciation	(21,524,477)	(24,365,207)
Book value	28,376,949	82,835,268
Less capital related debt	-	(37,666,086)
Less deferred refunding amounts and bond premiums and discounts (net)	-	(3,529,124)
Net investment in capital assets	<u>\$ 28,376,949</u>	<u>\$ 41,640,058</u>

Primary Government's non-spendable, restricted, committed and assigned fund balances of the governmental funds consist of the following:

	General Fund	Non-Major Governmental Funds	Total
<i>Non-Spendable Fund Balance</i>	\$ 16,991	\$ -	\$ 16,991
<i>Restricted Fund Balance</i>			
<u>Emergency Reserves</u> – A portion restricted for emergencies as defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer's Bill of Rights (TABOR)	393,381	31,132	424,513
<u>Children's Fund</u> – Private donations made to the police department	25,941	-	25,941
<u>Street Sales Tax</u> – used to maintain, build and replace streets, sidewalks, curbs and gutters	2,535,544	-	2,535,544
<u>Evidence</u> – cash taken into evidence as part of police investigations	7,646	-	7,646
<u>Water Sales Tax</u> – to support maintenance of water systems, assure quality and quantity and acquire water	1,673,718	-	1,673,718
<u>Culture Parks & Recreation Sales Tax Fund</u> – to provide culture and recreation programs and maintain parks	-	755,036	755,036
<u>Memorial Trust Fund</u> – administer funds donated to the cemetery	-	584	584

CITY OF FORT LUPTON
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For the Year Ended December 31, 2018

	General Fund	Non-Major Governmental Funds	Total
<u>Perpetual Care Cemetery Fund</u> – maintain cemetery grounds, provide services and acquire new property	-	21,100	21,100
<u>Conservation Trust Fund</u> – for the administration of lottery funds.	-	336,598	336,598
Total Restricted Fund Balance	4,636,230	1,144,450	5,780,680
<i>Committed Fund Balance:</i>			
Police Equipment	32,052	-	32,052
Victims Compensation	130,786	-	130,786
Court Surcharge	18,856	-	18,856
Total Committed Fund Balance	181,694	-	181,694
<i>Assigned Fund Balance:</i>			
Boys & Girls Club Building Fund	255,074		255,074
Subsequent Year Expenditures	1,935,387	-	1,935,387
Total Assigned Fund Balance	2,190,461	-	2,190,461
<i>Unassigned</i>	4,448,296	(31,036)	4,417,260
Total Net Position	<u>\$ 11,473,672</u>	<u>\$ 1,113,414</u>	<u>\$ 12,587,086</u>

The Restricted Fund Balance of \$2,025,006 in the Business-type funds is primarily for debt service.

Discretely Presented Component Units restricted and unassigned fund balances are as follows.

	Library General Fund	FLURA General Fund
<i>Restricted Net Position</i>		
<u>Emergency Reserves</u> – A portion restricted for emergencies as defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer’s Bill of Rights (TABOR)	\$ 53,994	\$ -
<u>Restricted Donations</u> – Private donations made to the library	105,326	-
Total Restricted Net Position	159,320	-
<i>Investment in Capital Assets</i>	27,061	-
<i>Unrestricted</i>	6,100,273	137,225
Total Net Position	<u>\$ 6,286,654</u>	<u>\$ 137,225</u>

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 8: RETIREMENT PLAN

The City and its employees participate in a defined contribution pension plan with AIG Retirement.

A defined contribution plan states that contributions of the employee and contributions of the City are, although invested jointly, maintained in separate accounts for each employee. The amount of benefit to be received at retirement is determined by the amount of monies accumulated in the employee's account at the time of retirement. All sworn police department employees contribute 9.7% of their salaries to the plan with all other employees contributing 4.0% of their salaries to the plan. The total amount of the City's current year covered payroll was \$4,423,474 and the total current year payroll was \$5,109,836. The City matches the respective contributions, with the total pension expense during 2018 amounted to \$242,219.

The FPPA of the State of Colorado continues to provide death and disability to all police officers in accordance with state statutes, Section 31-30-1008; C.R.S. Survivors' benefits are available for spouses, dependent parents and children under the age of 18.

Component Units

The Library employee participate in the City's defined contribution pension plan with AIG Retirement. Employees' contribute 4.0% of their salaries to the plan. The total amount of the Library's current year covered payroll was \$430,557 and the total current year payroll was \$445,403. The City matches the respective contributions, with the total pension expense during 2018 amounting to \$17,222.

NOTE 9: CONTINGENCY

The City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The ultimate liability to the City resulting from claims not covered by CIRSA is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the City's financial statements.

There is only one case wherein CIRSA would not be involved and it involves the warrant holders of the Golf Course bonds. The City Attorney states "The City has kept no funds from the Enterprise revenues, so there is no possibility that there would be a ruling that the City improperly kept funds, and there are no funds to "pay back". The City itself is in no way obligated to pay Enterprise debt or liability and is not a guarantor of the Enterprise. As such, no provision is necessary to further protect the general fund of the City".

NOTE 10: RISK MANAGEMENT

Fort Lupton is exposed to various risks of loss related to torts: theft of, damage to, destruction of assets: errors and omissions: injuries to employees: and natural disasters. On January 1, 1984, the City Council authorized participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). A separate and independent

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

governmental and legal entity, which was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, C.R.S. as amended, 29-1-101 et. seq., C.R.S., as amended, 29-13-102, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2).

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

The scope, terms, conditions and limitations of the coverages are governed by the applicable coverage policies and/or excess coverage policies, the CIRSA bylaws, and other applicable documents. There has been no change in the deductibles or coverage over the last three years. The types and monetary limits of the coverages are generally described below.

I. TYPES OF COVERAGES (subject to the limit of CIRSA's liability as described in Section II below):

1. Property coverage.
2. Liability coverage.
 - a. General liability.
 - b. Auto liability.
 - c. Law enforcement liability.
 - d. Public official errors and omissions liability.
 - e. Excess liability (for federal and out-of-state public official's claims and federal and out-of-state law enforcement).
3. Crime coverage (including employee dishonesty and money and securities).
4. Supplemental defense cost coverage for Colorado liability claims.

II. EXCESS INSURERS, AGGREGATE LIMITS AND MEMBER DEDUCTIBLE:

For the coverages described in Section I, CIRSA is liable only for payment of the applicable self-insured retentions and only to a total annual aggregate amount for CIRSA members as a whole of the amount of the applicable CIRSA loss fund for the coverage period. There is no aggregate excess coverage over any loss fund. Only the applicable excess insurers in applicable excess and reinsurance policies shall be payable, and only by those excess insurers in excess of these CIRSA self-insured retentions. Fort Lupton has no settlements that exceeded insurance coverage in the past three years.

A member-selected deductible applies to each municipality's claims/occurrences. Payment of the deductible shall reduce the amount otherwise payable under the applicable CIRSA retention.

2018 CIRSA SELF-INSURED RETENTIONS:

1. \$500,000 per claim/occurrence property
2. \$1,000,000 per claim/occurrence liability
3. \$100,000 per claim/occurrence Public Officials Liability.

2018 CIRSA LOSS FUND AMOUNTS:

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Loss fund amounts are as adopted or amended from time to time by the Board of Directors based on the members in the property/casualty pool for the year and interest earnings on those amounts. Information on current loss fund amounts is available from the CIRSA Deputy Executive Director/Chief Financial Officer, at (303) 757-5475.

There is a deductible paid by the City of \$1,000 (liability) and \$1,000 (property), which applies to each of its claims/occurrences.

Fort Lupton continues to carry CIRSA insurance for Workers' Compensation, and Voluntary Accident Medical Insurance for volunteer and service workers.

NOTE 11: JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an on-going financial interest or an on-going financial responsibility. The City participates in the following joint venture:

Northern Colorado Water Conservancy District - NISP.

Northern Colorado Water Conservancy District (District), a quasi-municipal entity and political subdivision of the State of Colorado was established July 6, 1970, pursuant to the Water Conservancy District Act. Acting by and through its Northern Integrated Supply Project Water Activity Enterprise (NISP) (a government owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. 37-45,1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513. In January 2003, Fort Lupton entered into an agreement with NISP in developing a water project for the purpose of developing a new reliable water supply.

Overall Project costs will be divided among the entities that participate in the Project.

The First Phase of the Project consisted of preliminary studies to evaluate both the potential of Poudre reservoir sites and the South Platte Water Conservation Project. The First Phase has been accomplished and there appears to be potential project configurations that may serve the needs of the Project.

The Second Phase of the Project, which consists of additional reservoir site evaluations, alternatives analysis, environmental studies, financial analyses, and related work, will require funding to complete the phase.

The Third Phase of the Project consists of further agency consultation, permitting with the U.S. Army Corps of Engineers and other agencies, compliance with the National Environmental Policy Act and other requirements for federal permitting, field work and analysis for permitting, modeling, and other activities related to designing and permitting the Project.

The City has agreed to provide to the NISP Enterprise funds for its pro rata share of the costs necessary to complete the Project.

Our pro rata share is:

Year Paid

Amount

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

2003-2013	\$ 918,062
2014	112,500
2015	195,000
2016	262,500
2017	300,000
2018	<u>410,000</u>
Total	<u>\$2,198,062</u>

Investments in the joint ventures by governmental funds are recorded as expenditures at the time the investment is made.

Complete financial statements of the District can be obtained from Northern Colorado Water Conservancy District.

Town of Hudson

The Town of Hudson and the City are Colorado municipal corporations empowered to enter into intergovernmental agreements pursuant to the provisions of Article XIV, Section 18 of the Constitution of the State of Colorado, and the provisions of C.R.S. 29-1-201 et seq. in those circumstances where governmental entities may make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with each other to accomplish mutually beneficial ends. They entered into an Intergovernmental Agreement on July 26, 1995, to jointly provide for the construction, operation and maintenance of the water treatment plant to treat raw water, owned, controlled by the respective parties hereto, which water when treated will be available for use and consumption by the residents and customers of Hudson and Fort Lupton respectively.

Upon completion of the original water treatment plant, each party owned the following rights and interests: Fort Lupton owned an undivided five-sixths (5/6ths) of the treatment capacity of said plant, as well as an undivided five-sixths (5/6ths) of the personal property which constitutes the physical plant. Hudson owned the remaining undivided one-sixth (1/6th) of the treatment capacity and personal property constituting the physical plant. Each party shall own as its sole and separate property the right to deliver to the plant for treatment the raw untreated water that it owns or controls and is entitled to receive by means of the Northern Colorado Water Conservancy District's Southern Water Supply Project.

A separate flow meter is installed at the discharge point of the plant and at which treated water is delivered to the separate delivery systems of Fort Lupton and Hudson, which separate flow meters shall measure the number of gallons of treated water delivered to each party. On a monthly basis, the total of the treated water delivered from the plant to each party shall be added together to determine the total number of gallons in and delivered from the plant. The number of gallons of treated water separately delivered to Hudson shall then become the numerator in a fraction in which the entire total of treated gallons delivered to both parties is the denominator. The fraction which results shall be multiplied by the total operations and maintenance costs incurred by the operator in operating the plant during the month, and shall constitute the cost to each party of operations and maintenance for the month including fixed monthly operating costs. Hudson's amount shall be billed to Hudson on or before the 12th day of the following calendar month, and must be received by the next to the last business day of the calendar month.

Complete financial statements for the Town of Hudson may be obtained from the Town of Hudson, Colorado.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Tri-State Generation and Transmission Association, Inc.

Tri-State Generation and Transmission Association, Inc. (Tri-State) and the City entered into an agreement to build a 252 acre foot water storage reservoir on the City's water treatment plant (WTP) facility grounds. Tri-State owns 100 acre feet. The City owns the remaining approximately 152 acre feet.

Design costs of the reservoir were split equally between the City and Tri-State. The construction costs were apportioned based on the benefit of the infrastructure, Tri-State benefit, City benefit, and Common benefit. Each entity paid 100% of the infrastructure construction costs that benefited them. The Common benefit infrastructure costs were apportioned by the pro-rata share of storage capacity.

The City granted Tri-State an easement and access to the WTP grounds. Tri-State has a pipeline and pump station of the WTP grounds and will be responsible for all maintenance.

NOTE 12: TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine its compliance.

As a result of this constitutional requirement, the residents of Fort Lupton, in 1993, passed Referendum A. This referendum requires that if, in any given year, the City has revenues in excess of current spending limits due to property (ad valorem), sales, or use taxes, then that excess must be used for water and wastewater projects, purchase of water rights, and construction of the water system.

In 2010, the residents of Fort Lupton renewed the ½ cent Sales and Use Tax for Street Improvements for 20 years; in 2001, the ½ cent Sales and Use Tax for Culture, Parks and Recreation was renewed for 20 years; in 2002, the residents approved a \$6.7 million general obligation tax to construct a Recreation Center, and in 2005 the citizens authorized extension of the ½ cent water sales tax slated to expire in 2006 for an additional 20 years. All four of these issues have been exempted from the revenue restrictions of Article X, Section 20, and from the requirements of Referendum A.

NOTE 13: DEFAULT ON GOLF COURSE REVENUE ANTICIPATION WARRANTS

The Golf Enterprise has been in technical default since June 2000, due to the level of its bond reserves. The course has not collected sufficient green fees and other revenues to pay the bond interest or principal on its 1996 Revenue Anticipation Warrants.

As a result of the default, the bond covenant states that the bonds become due and payable and thus the balance has been re-classified to Current Bonds Payable, resulting in a Current Bond Payable Balance at December 31, 2018 of \$1,785,000.

The Golf Enterprise Fund issued an offer to purchase any and all outstanding warrants on December 19, 2015 for the consideration described in the table below:

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

<u>Security</u>	<u>Principal Amount</u>	<u>Consideration</u>
	<u>Outstanding</u>	<u>Per \$1,000</u> <u>Principal Amount</u>
Senior Warrants	\$ 4,500,000	\$ 208
Subordinate 1996A1 Warrants	1,000,000	25
"B" Registered Coupons	27,000	25
Subordinate 1996B Warrants	300,000	10

If all outstanding warrants were to be tendered the Golf Course Enterprise Fund's future debt service payments would decrease by \$5,800,000, resulting in a net present value savings of \$10,570,328. The Golf Enterprise will, additionally, pay all costs and expenses incurred in connection with the offer. The City (General Fund) has loaned the Golf Enterprise Fund the funds necessary to pay the Warrants Consideration assuming 100% of the warrant holders tender their outstanding warrants. The offer expired on January 30, 2015 at 5:00 p.m. Eastern Time and was extended twice. The final closing date was March 31, 2015 at 5:00pm Eastern Time.

As a result of this offer, \$4,015,000 of the outstanding warrants (\$3,115,000 of the Senior Warrants, \$875,000 of the Subordinate 1996A1 Warrants and \$25,000 of the "B" Registered Coupons) were tendered and purchased by the Golf Course Enterprise. The result is a decrease in future debt service principal payments of \$4,015,000 and a net present value savings of \$6,955,713. The remaining warrants outstanding, totaling \$1,785,000, will remain as current bonds payable outstanding in fiscal year 2018. It is anticipated that the payments on the remaining balance will not be paid and the outstanding warrants will remain in default.

NOTE 14: COMMITMENTS AND CONTRACTS & BUDGET OVERAGES

On July 30, 2008 the City entered into an agreement with Weld County Dispatch Center (WELDCOM), until December 31, 2009 with automatic one year renewals through December 19, 2019. The City's share of expenses for 2018 total \$3,165.

The City and Jacobs Engineering Group entered into an agreement for compensation for services to manage, operate, and maintain the effluent discharged from the Wastewater Treatment Plant and the finished water discharged for the Water Treatment Facility. Compensation for services is negotiated every three years. Compensation for years two & three will be adjusted based on the base fee adjustment formula shown in Appendix F of the negotiated agreement. Subsequent years' base fees shall be determined as hereinafter specified. 2018 fees were \$1,189,467. A 1.47% increase compared to 2018.

On April 1, 2013 the City entered into a ten year agreement with Consolidated Mutual Water Company to lease 150 acre feet of water storage in the Perry Pit East Reservoir. The lease base rate is \$206.21 per acre foot of water capacity. The rate will increase annually based on a formula in paragraphs 6 (b) (c) and (d) of the lease agreement. Subsequently, the City has agreed to lease the remaining 300 acre feet of capacity in the Perry Pit East Reservoir for the same terms as the initial lease and an additional 50 acre feet for \$1,434 per acre foot. In 2018 Consolidated Mutual Water Company resumed mining operation. Perry Pit was unavailable for water storage and no lease payment were made. Mining will be completed during 2018 and the lease agreement will resume in 2019.

In 2010 The City and Halliburton Energy Services, Inc. (Halliburton) entered into an agreement to extend water lines and sanitary sewer lines to the Halliburton facility at Denver Avenue and Weld County Road 8.

CITY OF FORT LUPTON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

Halliburton funded the construction in the amount of \$2,400,000. The lines will benefit all properties in the service area and as sites are developed along the services lines a proportionate share of the original cost and accrued interest will be charged by the City on building permits and refunded to Halliburton. On December 31, 2018, \$2,057,839 was the amount of the original construction costs to be collected on future development along the water and sewer lines. The interest accrued in 2018 at a rate of prime plus one percent (6.5%) was \$167,480. The total accrued interest as of December 31, 2018 is \$673,635. As the City is not required to reimburse Halliburton unless sufficient development occurs, these balances are not reported as a liability in the City's financial statements.

In 2015 The City and Martin Marietta Materials, Inc. (Martin Marietta) entered into an agreement to extend water lines from Weld County Road 8 525 lineal feet south along Denver Avenue to the Martin Marietta facility. Martin Marietta funded the construction in the amount of \$114,077. The lines will benefit all properties in the service area and as sites are developed along the service lines a proportionate share of the original cost and accrued interest will be charged by the City on building permits and refunded to Martin Marietta.

NOTE 15: SALES TAX REBATES

In 2013 the City entered into an annexation agreement with L.G. Everest, Inc. The agreement contains a "Development Incentive Payment" requiring the City to refund the City's portion of sales tax collected by the State Department of Revenue for the previous year less \$35,000 by April 30. The 2018 the City's sales tax rebate totaled \$62,891.

NOTE 16: COMPLIANCE

The Golf Course Enterprise Fund and Cemetery Fund may be in violation of state statutes as the expenditures exceed the appropriated budgets.

Primary Government Expenditures				
	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
<u>Governmental Fund Expenditures</u>				
Cemetery Fund	\$ 152,762	\$ 155,262	\$ 160,199	(\$ 4,937)
<u>Enterprise Fund Expenditures</u>				
Golf Course				
Enterprise Fund	\$ 1,061,503	\$ 1,064,561	\$ 1,129,011	(\$ 64,450)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FORT LUPTON, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	2018			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Taxes	\$ 5,014,541	\$ 5,014,541	6,028,620	\$ 1,014,079
Licenses and Permits	162,200	162,200	236,238	74,038
Intergovernmental	1,230,597	1,230,597	1,642,536	411,938
Charges for Services	439,350	439,350	586,621	147,271
Fines and Forfeits	211,050	211,050	224,703	13,653
Other	174,080	255,119	1,185,427	930,308
Total Revenues	<u>7,231,818</u>	<u>7,312,857</u>	<u>9,904,145</u>	<u>2,591,287</u>
EXPENDITURES				
General Government	3,720,488	3,916,202	3,512,679	403,523
Public Safety	1,874,509	1,928,665	1,920,728	7,937
Public Works	637,149	637,149	596,960	40,189
Capital Outlay	1,089,848	1,220,681	221,342	999,339
Other	417,080	417,080	1,083,663	(666,583)
Total Expenditures	<u>7,739,074</u>	<u>8,119,777</u>	<u>7,335,372</u>	<u>784,405</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(507,256)</u>	<u>(806,920)</u>	<u>2,568,773</u>	<u>3,375,692</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(124,575)</u>	<u>(124,575)</u>	<u>(102,537)</u>	<u>22,038</u>
Total Other Financing Sources (Uses)	<u>(124,575)</u>	<u>(124,575)</u>	<u>(102,537)</u>	<u>22,038</u>
NET CHANGE IN FUND BALANCES	<u>\$ (631,831)</u>	<u>\$ (931,495)</u>	<u>2,466,236</u>	<u>\$ 3,397,731</u>
FUND BALANCES, Beginning of Year			<u>3,936,011</u>	
Prior Period Adjustment				
FUND BALANCES, End of Year			<u>6,402,247</u>	

CITY OF FORT LUPTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2018

NOTE 1: EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES) FOR THE GENERAL FUND BUDGETARY COMPARISON SCHEDULE AND THE GENERAL FUND AS REPORTED IN THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Certain funds used for accounting purposes are combined with the General Fund for reporting purposes. In accordance with GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences*, the activity of such funds is not included in the General Fund budgetary comparison schedule. The following is a reconciliation of the General Fund budgetary comparison schedule to the General Fund as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance for the year ended December 31, 2018.

Revenue

General Fund Budgetary Comparison Schedule	\$ 9,904,145
Adjustments:	
Street Sales Tax	1,720,813
Water Sales Tax	1,414,192
Contingency	73,571
Total General Fund revenues as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 13,112,721

Expenditures

General Fund Budgetary Comparison Schedule	7,335,372
Adjustments:	0
Street Sales Tax	354,344
Water Sales Tax	601,550
Total General Fund expenditures as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	8,291,266

Other Financing Sources (uses)

General Fund Budgetary Comparison Schedule	(102,537)
Adjustments:	
Water Sales Tax	(465,934)
Total General Fund other financing sources (uses) as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	(568,471)

SUPPLEMENTARY INFORMATION

CITY OF FORT LUPTON, COLORADO

CONTINGENCY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original and Final Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Property Tax	\$ 58,822	\$ 58,822	58,828	\$ 6
Interest Income	4,000	4,000	14,743	10,743
Total Revenues	62,822	62,822	73,571	10,749
EXPENDITURES				
Capital Outlay	753,257	753,257	-	753,257
Total Expenditures	753,257	753,257	-	753,257
Excess of Revenues (Deficiency) Over Expenditures	(690,435)	(690,435)	73,571	764,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (690,435)</u>	<u>\$ (690,435)</u>	73,571	<u>\$ 764,006</u>
FUND BALANCES, Beginning of Year			694,542	
FUND BALANCES, End of Year			<u>768,113</u>	

CITY OF FORT LUPTON, COLORADO

STREET IMPROVEMENT SALES TAX FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Sales Tax	\$ 484,311	\$ 484,311	\$ 700,383	\$ 216,072
Interest Income	2,000	2,000	12,131	10,132
Infrastructure Assessment Fees	72,200	72,200	1,008,299	936,099
Total Revenues	558,511	558,511	1,720,813	1,162,303
EXPENDITURES				
Current:				
Other	84,000	84,000	87,302	(3,302)
Capital Outlay:				
Streets	545,000	545,000	267,042	277,958
Total Expenditures	629,000	629,000	354,344	274,656
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (70,489)</u>	<u>\$ (70,489)</u>	1,366,469	<u>\$ 1,436,959</u>
FUND BALANCES, Beginning of Year			<u>1,220,699</u>	
FUND BALANCES, End of Year			<u>\$ 2,587,168</u>	

CITY OF FORT LUPTON, COLORADO

WATER SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original and Final Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUE				
Sales Tax	\$ 968,623	\$ 968,623	\$ 1,400,765	\$ 432,142
Interest Income	4,000	4,000	13,427	9,426
Total Revenues	972,623	972,623	1,414,192	441,568
EXPENDITURES				
Water Carryover	30,000	30,000	11,565	18,435
Capital Outlay	170,000	170,000	110,300	59,700
Other	870,000	870,000	479,685	390,315
Total Expenditures	1,070,000	1,070,000	601,550	468,450
Excess of Revenues Over Expenditures	(97,377)	(97,377)	812,642	910,018
Other Financing Sources (Uses)				
Operating Transfer Out	(465,934)	(465,934)	(465,934)	-
Total other Financing (Uses)	(465,934)	(465,934)	(465,934)	-
Excess (Deficiencies) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ (563,311)</u>	<u>\$ (563,311)</u>	346,708	<u>\$ 910,018</u>
FUND BALANCE, Beginning of Year			1,369,436	
FUND BALANCE, End of Year			<u>\$ 1,716,144</u>	

CITY OF FORT LUPTON, COLORADO

NON MAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

December 31, 2018

	Culture, Parks & Recreation Sales Tax Fund	Conservation Trust Fund	Perpetual Care Cemetery Fund	Memorial Trust Fund	Non Major Governmental Funds
<u>ASSETS</u>					
Cash	\$ 723,073	\$ 339,028	\$ 93,525	\$ 584	\$ 1,156,210
Accounts Receivable	814	-	-	-	814
Sales Tax Receivable	101,017	-	-	-	101,017
Total Assets	<u>\$ 824,904</u>	<u>\$ 339,028</u>	<u>\$ 93,525</u>	<u>\$ 584</u>	<u>\$ 1,258,041</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>					
Liabilities					
Accounts Payable	\$ 23,264	\$ -	\$ 191	\$ -	\$ 23,455
Accrued Expenses	21,034	-	1,905	-	22,939
Due To Other Funds	-	-	98,233	-	98,233
Total Liabilities	<u>44,298</u>	<u>-</u>	<u>100,329</u>	<u>-</u>	<u>144,627</u>
Fund Balances					
Restricted	738,364	336,598		584	1,075,546
Tabor	25,570	2,430	3,132	-	31,132
Museum	16,672	-	-	-	16,672
Perpetual Care	-	-	21,100	-	21,100
Unassigned	-	-	(31,036)	-	(31,036)
Total Fund Balances	<u>780,606</u>	<u>339,028</u>	<u>(6,804)</u>	<u>584</u>	<u>1,113,414</u>
Total Liabilities and Fund Balances	<u>\$ 824,904</u>	<u>\$ 339,028</u>	<u>\$ 93,525</u>	<u>\$ 584</u>	<u>\$ 1,258,041</u>

CITY OF FORT LUPTON, COLORADO

NON MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Year Ended December 31, 2018

	Culture, Parks & Recreation Sales Tax Fund	Conservation Trust Fund	Perpetual Care Cemetery Fund	Memorial Trust Fund	Total
REVENUES					
Sales Taxes	\$ 700,383	\$ -	\$ -	\$ -	\$ 700,383
Federal and State Sources	-	80,750	-	-	80,750
Charges for Services	85,082	-	75,470	-	160,552
Interest Income	1,830	238	1,924	-	3,992
Other	65,047	-	27,000	1	92,048
Total Revenues	852,342	80,988	104,394	1	1,037,725
EXPENDITURES					
Current:					
Culture, Parks & Recreation	-	-	-	-	-
Other	72,992	-	9,370	-	82,362
Salaries and Benefits	419,206	-	58,499	-	477,705
Supplies	28,779	-	804	-	29,583
Utilities	40,500	-	83,502	-	124,002
Maintenance	26,338	-	5,524	-	31,862
Capital Outlay:					
Land and Land Improvements	-	-	2,500	-	2,500
Total Expenditures	587,815	-	160,199	-	748,014
Excess (Deficiency) of Revenues Over Expenditures	264,527	80,988	(55,805)	1	289,711
Other Financing Sources (Uses)					
Transfers In	42,537	-	62,500	-	105,037
Transfers Out	(513,682)	-	-	(2,500)	(516,182)
Total Other Financing Sources (Uses)	(471,145)	-	62,500	(2,500)	(411,145)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	(206,618)	80,988	6,695	(2,499)	(121,434)
FUND BALANCE, Beginning of Year	987,224	258,040	(13,499)	3,083	1,234,848
FUND BALANCE, End of Year	\$ 780,606	\$ 339,028	\$ (6,804)	\$ 584	\$ 1,113,414

CITY OF FORT LUPTON, COLORADO

CULTURE, PARKS, AND RECREATION SALES TAX FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Sales Tax	\$ 484,311	\$ 484,311	\$ 700,383	\$ 216,072
Interest Income	1,000	1,000	1,830	830
Enhancement Fees	157,000	157,000	37,650	(119,350)
Private Contributions	1,500	1,500	6,200	4,700
Usage Fees	98,600	98,600	85,082	(13,518)
Other	12,000	12,000	21,197	9,197
Total Revenues	<u>762,411</u>	<u>762,411</u>	<u>852,342</u>	<u>89,931</u>
EXPENDITURES				
Current:				
Salaries and Benefits	415,815	420,824	419,206	1,618
Maintenance	38,300	38,300	26,338	11,962
Supplies	28,500	28,500	28,779	(279)
Utilities	37,300	37,300	40,500	(3,200)
Other	91,970	91,970	72,992	18,978
Capital Outlay:				
Museum	10,000	10,000	-	10,000
Total Expenditures	<u>621,885</u>	<u>626,894</u>	<u>587,815</u>	<u>39,079</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>140,526</u>	<u>135,517</u>	<u>264,527</u>	<u>129,010</u>
Other Financing Sources (Uses)				
Transfers In	64,575	64,575	42,537	(22,038)
Transfers Out	<u>(472,016)</u>	<u>(513,682)</u>	<u>(513,682)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(407,441)</u>	<u>(449,107)</u>	<u>(471,145)</u>	<u>(22,038)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ (266,915)</u>	<u>\$ (313,590)</u>	<u>(206,618)</u>	<u>\$ 106,972</u>
FUND BALANCES, Beginning of Year			<u>987,224</u>	
FUND BALANCES, End of Year			<u>780,606</u>	

CITY OF FORT LUPTON, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Positive (Negative) Variance
REVENUES			
Lottery Funds	\$ 73,000	80,750	\$ 7,750
Interest Income	100	238	138
Total Revenues	73,100	80,988	7,888
EXPENDITURES			
Capital Outlay:			
Land and Improvements	128,000	-	128,000
Total Expenditures	128,000	-	128,000
Excess (Deficiency) of Revenues Over Expenditures	\$ (54,900)	80,988	\$ 135,888
FUND BALANCES, Beginning of Year		258,040	
FUND BALANCES, End of Year		339,028	

CITY OF FORT LUPTON, COLORADO

PERPETUAL CARE CEMETERY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original and Final Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Charges for Services	\$ 62,900	\$ 62,900	\$ 75,470	\$ 12,570
Perpetual Care	13,725	13,725	21,100	7,375
Interest Income	500	500	1,924	1,424
Other	2,000	2,000	5,900	3,900
Total Revenues	79,125	79,125	104,394	25,269
EXPENDITURES				
Current:				
Salaries and Benefits	63,862	63,862	58,499	5,363
Maintenance	22,500	22,500	5,524	16,976
Supplies	1,000	1,000	804	196
Utilities	60,450	60,450	83,502	(23,052)
Other	4,950	7,450	9,370	(1,920)
Capital Outlay:				
Other Capital	-	-	2,500	(2,500)
Total Expenditures	152,762	155,262	160,199	(4,937)
Excess (Deficiency) of Revenues Over Expenditures	(73,637)	(76,137)	(55,805)	20,332
Other Financing Sources (Uses)				
Transfers In	60,000	62,500	62,500	2,500
Total Other Financing Sources (Uses)	60,000	62,500	62,500	2,500
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	\$ (13,637)	\$ (13,637)	6,695	\$ 22,832
FUND BALANCES, Beginning of Year			(13,499)	
FUND BALANCES, End of Year			\$ (6,804)	

CITY OF FORT LUPTON, COLORADO

MEMORIAL TRUST FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Positive (Negative) Variance
Other	\$ -	\$ 1	\$ 1
Total Revenues		1	1
Excess of Revenues Over Expenditures	-	1	1
Other Financing Sources (Uses)			
Transfers Out	(2,500)	(2,500)	-
Total Other Financing Sources (Uses)	(2,500)	(2,500)	-
Excess of Revenues Over Expenditures	<u>\$ (2,500)</u>	(2,499)	<u>\$ 1</u>
FUND BALANCES, Beginning of Year		<u>3,083</u>	
FUND BALANCES, End of Year		<u>\$ 584</u>	

CITY OF FORT LUPTON, COLORADO

UTILITY ENTERPRISE FUND

BUDGET AND ACTUAL

For the Year Ended December 31, 2018

	2018				2018				2018			
	Combined Fund				Water				Sewer			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues												
Charges for Services	\$ 4,180,397	\$ 4,180,397	\$ 4,476,276	\$ 295,879	\$ 2,701,340	\$ 2,701,340	\$ 2,917,836	\$ 245,222	\$ 1,479,057	\$ 1,479,057	\$ 1,558,440	\$ (79,383)
Other Income	88,500	88,500	355,301	266,802	88,500	88,500	355,201	266,602	-	-	100	-
Total Operating Revenues	4,268,897	4,268,897	4,831,577	562,681	2,789,840	2,789,840	3,273,037	511,824	1,479,057	1,479,057	1,558,540	(79,383)
Operating Expenses												
Salaries and Benefits	550,800	580,846	533,811	47,034	237,284	252,630	215,871	36,762	313,515	328,215	317,940	10,282
Professional Fees	116,000	116,000	60,674	55,326	75,500	75,500	34,699	40,801	40,500	40,500	25,975	14,525
Contract Management	914,467	914,467	929,905	(15,437)	365,787	365,787	378,676	(12,888)	548,680	548,680	551,229	(2,549)
Insurance	70,472	70,472	76,314	(5,842)	35,236	35,236	38,157	(2,921)	35,236	35,236	38,157	(2,921)
Maintenance	526,500	598,538	728,263	(129,726)	344,900	416,938	569,019	(152,080)	181,600	181,600	159,244	22,355
Supplies	114,100	114,100	69,408	44,692	105,300	105,300	52,797	52,503	8,800	8,800	16,611	(7,811)
Utilities	273,675	273,675	283,053	(9,379)	142,300	142,300	151,593	(9,294)	131,375	131,375	131,460	(86)
Water Assessments	942,000	942,000	800,672	141,329	942,000	942,000	800,672	141,329	-	-	-	-
Other	273,950	288,950	138,647	150,305	140,850	148,350	77,232	71,118	133,100	140,600	61,415	79,186
Total Operating Expenses	3,781,964	3,899,048	3,620,747	278,302	2,389,157	2,484,041	2,318,716	165,330	1,392,806	1,415,006	1,302,031	112,981
Net Operating Income	486,933	369,849	1,210,830	840,981	400,683	305,799	954,321	677,154	86,251	64,051	256,509	(192,364)
Nonoperating Revenues (Expenses)												
Investment Income (Loss)	5,000	5,000	162,912	157,912	2,500	2,500	81,456	78,956	2,500	2,500	81,456	78,956
Gain (Loss) on Disposal of Assets	-	-	(499,475)	(499,475)	-	-	(499,475)	(499,475)	-	-	-	-
Capital Contributions	10,486,908	10,482,908	657,929	(9,824,979)	10,365,268	10,361,268	610,949	(9,750,319)	121,640	121,640	46,980	(74,660)
Interest Expense	(1,594,893)	(1,594,893)	(1,303,412)	291,480	(1,594,893)	(1,594,893)	(1,292,404)	302,489	-	-	(11,008)	(11,008)
Administrative Fee	-	-	(56,660)	(56,660)	-	-	(56,660)	(56,660)	-	-	-	-
Bond Principal	(235,192)	(235,192)	(330,029)	(94,837)	(235,192)	(235,192)	(248,113)	(12,921)	-	-	(81,916)	(81,916)
Capital Expenditures	(10,965,936)	(11,224,524)	(6,135,948)	5,088,576	(10,875,936)	(11,099,524)	(6,135,948)	4,963,576	(90,000)	(125,000)	-	125,000
Total Nonoperating Revenues (Expenses)	(2,304,113)	(2,566,701)	(7,504,683)	(4,937,983)	(2,338,253)	(2,565,841)	(7,540,195)	(4,974,354)	34,140	(860)	35,512	36,372
Net Income (Loss) Before Transfers	(1,817,180)	(2,196,852)	(6,293,853)	(4,097,001)	(1,937,570)	(2,260,042)	(6,585,874)	(4,297,200)	120,391	63,191	292,021	(155,992)
Transfers In	465,934	465,934	465,934	-	465,934	465,934	465,934	-	-	-	-	-
Net Transfers In	465,934	465,934	465,934	-	465,934	465,934	465,934	-	-	-	-	-
Net Income (Loss) - Budgetary Basis	<u>\$ (1,351,246)</u>	<u>\$ (1,730,918)</u>	(5,827,919)	<u>\$ (4,097,001)</u>	<u>\$ (1,471,636)</u>	<u>\$ (1,794,108)</u>	(6,119,940)	<u>\$ (4,297,200)</u>	<u>\$ 120,391</u>	<u>\$ 63,191</u>	292,021	<u>\$ (155,992)</u>
Reconciliation to GAAP Basis												
Bond Principal Payments			330,029				248,113				81,916	
Capital Outlay			6,135,948				6,135,948				-	
Depreciation and Amortization			(1,328,038)				(865,829.67)				(462,208.65)	
Net Income (Loss) - GAAP Basis			<u>(689,980)</u>				<u>(601,709)</u>				<u>(88,271)</u>	
NET POSITION, Beginning of Year			<u>44,129,196</u>				<u>32,996,385</u>				<u>11,132,811</u>	
NET POSITION, End of Year			<u>\$ 43,439,216</u>				<u>\$ 32,394,676</u>				<u>\$ 11,044,540</u>	

CITY OF FORT LUPTON, COLORADO

STORM WATER DRAINAGE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
Operating Revenues				
Charges for Services	\$ 349,560	\$ 349,560	\$ 787,776	\$ 438,218
Other Income				-
Total Operating Revenues	349,560	349,560	787,776	438,218
Operating Expenses				
Salaries and Benefits	19,838	19,838	12,355	7,482
Supplies	2,000	2,000	91	1,909
Depreciation and Amortization	-	-	-	-
Other	2,000	2,000	-	2,000
Total Operating Expenses	23,838	23,838	12,446	11,391
Net Operating Income	325,722	325,722	775,330	449,609
Nonoperating Revenues (Expenses)				
Investment Income	100	100	751	651
Total Nonoperating Revenues	100	100	751	651
Net Income Before Transfers	325,822	325,822	776,081	450,260
Net Income	<u>\$ 325,822</u>	<u>\$ 325,822</u>	776,081	<u>\$ 450,260</u>
Reconciliation to GAAP Basis				
Depreciation and Amortization			(35,624)	
Net Income (Loss) - GAAP Basis			740,457	
NET POSITION, Beginning of Year			1,669,428	
NET POSITION, End of Year			<u>\$ 2,409,885</u>	

CITY OF FORT LUPTON, COLORADO

**RECREATION CENTER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

BUDGET AND ACTUAL

For the Year Ended December 31, 2018

	Original and Final Budget	Final Budget	Actual	Positive (Negative) Variance
Operating Revenues				
Charges for Services	\$ 443,257	\$ 443,257	\$ 396,018	\$ (47,238)
Other	23,148	23,148	287,518	264,370
Total Operating Revenues	466,405	466,405	683,536	217,132
Operating Expenses				
Salaries	778,692	820,358	793,786	26,571
Insurance	27,165	27,165	26,664	501
Maintenance	50,000	50,000	57,365	(7,365)
Merchandise for Resale	1,500	1,500	1,406	94
Supplies	59,400	59,400	62,194	(2,794)
Utilities	115,000	115,000	124,190	(9,190)
Recreation Programs	50,650	50,650	47,003	3,647
Other	68,550	68,550	63,824	4,726
Total Operating Expenses	1,150,957	1,192,623	1,176,432	16,190
Net Operating Loss	(684,552)	(726,218)	(492,896)	233,322
Nonoperating Revenues (Expenses)				
Property Taxes	1,042,585	1,042,585	1,059,659	17,074
Gain on Disposal of Assets	1,500	1,500	842	(658)
Investment Income	750	750	15,309	14,559
Bond Principal	(420,000)	(420,000)	(420,000)	-
Interest Expense	(74,025)	(74,025)	(72,986)	1,039
Capital Expenditures	(25,000)	(25,000)	(17,300)	7,700
Total Nonoperating Revenues	525,810	525,810	565,524	39,714
Net Income Before Transfers	(158,742)	(200,408)	72,628	273,036
Net Transfers In	472,016	513,682	513,682	-
Net Income (Loss) - Budgetary Basis	\$ 313,274	\$ 313,274	586,310	\$ 273,036
Reconciliation to GAAP Basis				
Bond Principal Payments			420,000	
Capital Outlay			17,300	
Depreciation and Amortization			(253,461)	
Net Income (Loss) - GAAP Basis			770,149	
NET POSITION, Beginning of Year			1,123,303	
NET POSITION, End of Year			\$ 1,893,452	

CITY OF FORT LUPTON, COLORADO

GOLF COURSE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
Operating Revenues				
Charges for Services	\$ 901,735	\$ 901,735	\$ 895,487	\$ (6,250)
Sales of Merchandise	281,562	281,562	316,692	35,130
Other	-	-	2,134	2,134
Total Operating Revenues	<u>1,183,297</u>	<u>1,183,297</u>	<u>1,214,313</u>	<u>31,014</u>
Operating Expenses				
Salaries and Benefits	548,686	551,744	597,597	(45,855)
Professional Fees	13,000	13,000	12,480	520
Insurance	5,578	5,578	5,714	(136)
Maintenance	44,256	44,256	37,264	6,992
Merchandise for Resale	116,545	116,545	147,982	(31,437)
Supplies	110,692	110,692	118,763	(8,071)
Utilities	98,296	98,296	73,613	24,683
Other	124,450	124,450	135,596	(11,146)
Total Operating Expenses	<u>1,061,503</u>	<u>1,064,561</u>	<u>1,129,009</u>	<u>(64,450)</u>
Net Operating Income (Loss)	<u>121,794</u>	<u>118,736</u>	<u>85,304</u>	<u>(33,432)</u>
Nonoperating Revenues (Expenses)				
Interest Income	-	-	357	357
Capital Expenditures	-	(86,000)	(32,482)	53,518
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(86,000)</u>	<u>(192,600)</u>	<u>(106,600)</u>
Net Income (Loss) - Budgetary Basis	<u>\$ 121,794</u>	<u>\$ 32,736</u>	<u>(107,296)</u>	<u>\$ (140,032)</u>
Reconciliation to GAAP Basis				
Capital Outlay			32,482	
Depreciation and Amortization			(104,967)	
Net Income (Loss) - GAAP Basis			<u>(179,781)</u>	
NET POSITION, Beginning of Year			<u>(230,834)</u>	
NET POSITION, End of Year			<u>\$ (410,615)</u>	

COMPONENT UNITS

FORT LUPTON PUBLIC and SCHOOL LIBRARY

GENERAL FUND
BALANCE SHEET
December 31, 2018

	<u>2018</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash	\$ 6,233,365
Restricted Cash	105,326
Receivables:	
Other	278
Total Current Assets	<u>6,338,969</u>
Total Assets	\$ 6,338,969
<u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES	
Accounts Payable	\$ 25,559
Due to the City of Fort Lupton for Payroll	
Accrued Expenses	<u>25,092</u>
Total Liabilities	<u>50,651</u>
FUND BALANCES	
Restricted	
Emergency Reserve	53,994
Restricted Donations	105,326
Unassigned	<u>6,128,998</u>
Total Fund Balances	<u>6,288,318</u>
Total Liabilities and Fund Balances	<u><u>\$ 6,338,969</u></u>

FORT LUPTON PUBLIC AND SCHOOL LIBRARY

General Fund
Reconciliation of the Balance Sheet to the Statement of Net Position
 December 31, 2018

	2018 Balance Sheet	Adjustments	Statement of Net Position
<u>ASSETS</u>			
CURRENT ASSETS			
Cash	\$ 6,233,365	\$ -	\$ 6,233,365
Restricted Cash	105,326	-	105,326
Receivables:			
Other	278	-	278
Total Current Assets	6,338,969	-	6,338,969
CAPITAL ASSETS			
Depreciable:			
Buildings and Improvements		60,135	60,135
Accumulated Depreciation		(33,074)	(33,074)
Total Current Assets	-	27,061	27,061
Total Assets	<u>\$ 6,338,969</u>	<u>\$ 27,061</u>	<u>\$ 6,366,030</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts Payable	\$ 25,559	\$ -	\$ 25,559
Accrued Expenses	25,092	28,725 ¹	53,817
Total Liabilities	50,651	28,725	79,376
FUND BALANCES/NET POSITION			
Restricted			
Investment in capital assets		27,061	27,061
Emergency Reserve	53,994	-	53,994
Restricted Donations	105,326	-	105,326
Unrestricted	6,128,998	(28,725)	6,100,273
Total Fund Balances	6,288,318	(1,664)	6,286,654
Total Liabilities and Fund Balances	<u>\$ 6,338,969</u>		<u>\$ 6,366,030</u>

¹ Long-Term Liabilities including compensated absences are not due and payable in the current period, therefore not reported in the funds.

FORT LUPTON PUBLIC AND SCHOOL LIBRARY

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Intergovernment Revenue	\$ 1,775,937	\$ 1,775,937	\$ 1,784,646	\$ 8,709
Other	5,500	5,500	15,154	(9,652)
Total Revenues	1,781,437	1,781,437	1,799,800	(943)
EXPENDITURES				
Salary & Benefits	688,061	688,061	554,421	133,640
Maintenance	12,000	12,000	2,737	9,263
Supplies	142,000	142,000	83,661	58,339
Utilities	14,000	14,000	7,828	6,172
Programs	57,000	57,000	41,145	15,855
Other	106,719	106,719	70,368	36,351
Capital Outlay	954,000	954,000	-	954,000
Total Expenditures	1,973,780	1,973,780	760,160	1,213,620
Revenues Over (Under) Expenditures	(192,343)	(192,343)	1,039,640	1,212,677
Excess (Deficiency) Of Revenues Over Expenditure And The Other Sources	<u>\$ (192,343)</u>	<u>\$ (192,343)</u>	1,039,640	<u>\$ 1,231,983</u>
FUND BALANCES, Beginning of Year			5,248,678	
FUND BALANCES, End of Year			<u>\$ 6,288,318</u>	

FORT LUPTON PUBLIC AND SCHOOL LIBRARY

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF NET POSITION
For the Year Ended December 31, 2018

	Total 2018	Adjustments	Statement of Activities
Expenditures / Expenses			
Expenditures / Expenses	\$ 760,160	\$ 16,995	\$ 777,155
Program Revenues			
Charges for Services	15,154	-	15,154
Operating Grants, and Contributions	<u>1,784,646</u>	<u>-</u>	<u>1,784,646</u>
Net Program Revenue	<u>1,799,800</u>	<u>-</u>	<u>1,799,800</u>
Net Program Expenses	<u>1,039,640</u>	<u>(16,995)</u>	<u>1,022,645</u>
Change in Net Position	1,039,640	(16,995)	1,022,645
Fund Balance / Net Position			
Beginning of Year	<u>5,248,678</u>	<u>15,331</u>	<u>5,264,009</u>
End of Year	<u>\$ 6,288,318</u>	<u>\$ (1,664)</u>	<u>\$ 6,286,654</u>

FORT LUPTON URBAN RENEWAL AUTHORITY

GENERAL FUND
BALANCE SHEET
December 31, 2018

	<u>2018</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash	<u>\$ 202,220</u>
Total Current Assets	<u>202,220</u>
Total Assets	<u><u>\$ 202,220</u></u>
 <u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES	
Accounts Payable	<u>\$ 19,995</u>
Total Liabilities	<u>19,995</u>
 FUND BALANCES	
Restricted	
Emergency Reserve	4,461
Unassigned	<u>177,764</u>
Total Fund Balances	<u>182,225</u>
Total Liabilities and Fund Balances	<u><u>\$ 202,220</u></u>

FORT LUPTON URBAN RENEWAL AUTHORITY

Reconciliation of the Balance Sheet to the Statement of Net Position
December 31, 2018

	2018 Balance Sheet	Adjustments	Statement of Net Position
<u>ASSETS</u>			
CURRENT ASSETS			
Cash	\$ 202,220	\$ -	\$ 202,220
Total Current Assets	<u>202,220</u>	<u>-</u>	<u>202,220</u>
Total Assets	<u><u>202,220</u></u>	<u><u>-</u></u>	<u><u>202,220</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts Payable	19,995	-	19,995
Loan from City of Fort Lupton	<u>-</u>	<u>45,000</u>	<u>1 45,000</u>
Total Liabilities	<u>19,995</u>	<u>45,000</u>	<u>64,995</u>
FUND BALANCES/NET POSITION			
Restricted			
Emergency Reserve	4,461	-	4,461
Unassigned	<u>177,764</u>	<u>(45,000)</u>	<u>132,764</u>
Total Fund Balances	<u>182,225</u>	<u>(45,000)</u>	<u>137,225</u>
Total Liabilities and Fund Balances	<u><u>\$ 202,220</u></u>		<u><u>\$ 202,220</u></u>

1 Long-Term Liabilities are not due and payable in the current period, therefore not reported in the funds.

FORT LUPTON URBAN RENEWAL AUTHORITY

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
REVENUES				
Property Taxes	\$ 146,107	\$ 146,107	\$ 148,578	\$ 2,471
Other	-	-	115	115
Total Revenues	146,107	146,107	148,693	2,586
EXPENDITURES				
Supplies	500	500	124	376
Services	5,000	5,000	3,250	1,750
Other	12,600	17,600	61,105	(43,505)
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	118,100	123,100	64,479	58,621
Revenues Over (Under) Expenditures	28,007	23,007	84,214	61,207
Excess (Deficiency) Of Revenues Over Expenditure	<u>\$ 28,007</u>	<u>\$ 23,007</u>	84,214	<u>\$ 61,207</u>
FUND BALANCES, Beginning of Year			98,011	
FUND BALANCES, End of Year			<u>\$ 182,225</u>	

FORT LUPTON URBAN RENEWAL AUTHORITY

GENERAL FUND

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

	<u>2018</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures / Expenses			
Expenditure	\$ 64,479	\$ (5,000)	\$ 59,479
Program Revenues			
TIFF Increment	<u>148,693</u>	<u>-</u>	<u>148,693</u>
Net Program Revenue	<u>148,693</u>	<u>-</u>	<u>148,693</u>
Net Program Expenses	<u>84,214</u>	<u>5,000</u>	<u>89,214</u>
Change in Net Position	<u>84,214</u>	<u>5,000</u>	<u>89,214</u>
Beginning of Year	<u>98,011</u>	<u>(50,000)</u>	<u>48,011</u>
End of Year	<u>\$ 182,225</u>	<u>\$ (45,000)</u>	<u>\$ 137,225</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

Financial Trends

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Sources: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

City of Fort Lupton, Colorado

Government-wide Net Position by Category
Fiscal Years 2009-2018
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 24,710,688	\$ 24,136,541	\$ 24,253,776	\$ 25,423,316	\$ 25,382,338	\$ 25,369,586	\$ 25,210,238	\$ 27,240,541	\$ 29,476,456	\$ 28,376,949
Restricted	259,208	226,073	3,121,421	2,233,960	2,932,189	3,488,518	4,316,235	4,683,596	4,120,226	5,780,680
Unrestricted	2,215,273	2,690,489	750,712	1,736,771	2,410,189	3,868,299	4,313,384	3,799,350	4,095,783	6,508,404
Subtotal Government Activities Net Position	27,185,169	27,053,103	28,125,909	29,394,047	30,724,716	32,726,403	33,839,857	35,723,487	37,692,465	40,666,033
Business Type Activities										
Net Investment in Capital Assets	23,244,405	24,948,580	24,474,959	25,524,613	32,494,395	33,275,694	41,729,359	42,568,285	42,491,698	41,640,058
Restricted	1,587,049	1,807,957	1,624,858	1,616,906	1,356,597	1,271,912	586,963	705,519	1,929,618	2,189,223
Unrestricted	76,219	(484,213)	345,497	394,235	(3,215,546)	(2,943,955)	840,139	1,715,637	2,269,777	3,502,657
Subtotal Business Type Activities Net Position	24,907,673	26,272,324	26,445,314	27,535,754	30,635,446	31,603,651	43,156,461	44,989,441	46,691,093	47,331,938
Total Government										
Net Investment in Capital Assets	47,955,093	49,085,121	48,728,735	50,947,929	57,876,733	58,645,280	66,939,597	69,808,826	71,968,154	70,017,007
Restricted	1,846,257	2,034,030	4,746,279	3,850,866	4,288,786	4,760,430	4,903,198	5,389,115	6,049,844	7,969,903
Unrestricted	2,291,492	2,206,276	1,096,209	2,131,006	(805,357)	924,344	5,153,523	5,514,987	6,365,560	10,011,061
Total Net Position	\$ 52,092,842	\$ 53,325,427	\$ 54,571,223	\$ 56,929,801	\$ 61,360,162	\$ 64,330,054	\$ 76,996,318	\$ 80,712,928	\$ 84,383,558	\$ 87,997,971

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado
Government-wide Changes in Net Position
Fiscal Years 2009-2018
(accrual basis of accounting)

	2009	2011	2012	2013	2014	2015	2016	2017	2018
Expenses									
Governmental Activities:									
General Government	\$ 1,402,046	\$ 1,511,845	\$ 1,649,002	\$ 1,983,618	\$ 2,336,076	\$ 2,765,380	\$ 3,208,613	\$ 3,426,257	\$ 3,730,084
Public Safety	1,674,082	1,181,606	1,132,846	1,188,061	1,269,834	1,642,454	1,707,739	1,860,861	1,920,820
Public Works	1,303,317	1,028,537	1,232,748	1,351,463	1,406,244	1,354,525	1,495,318	1,479,817	1,962,923
Culture, Parks and Recreation	754,907	803,453	902,575	639,145	621,742	666,666	681,405	816,082	690,185
Other	626,418	687,754	527,565	546,855	591,798	723,047	732,755	778,374	1,814,351
Total Governmental Activities Expenses	5,760,770	5,213,195	5,444,736	5,709,142	6,225,694	7,152,072	7,825,830	8,361,391	10,118,363
Business Type Activities:									
Utilities	2,856,120	3,170,747	3,534,405	4,591,194	5,738,153	4,318,890	4,971,703	4,610,554	6,751,672
Storm Water Drainage	21,523	12,192	14,884	33,747	28,852	21,788	27,492	40,277	48,070
Golf	879,753	899,114	983,607	1,060,304	1,231,840	1,185,890	1,076,466	1,306,738	1,394,451
Recreation	1,137,713	1,073,717	1,051,829	1,139,988	1,212,567	1,289,317	1,329,787	1,429,122	1,502,879
Interest	1,416,072	1,476,667	1,057,081	-	-	-	-	-	-
Other	50,359	52,855	50,196	12,750	-	-	-	518,095	56,660
Total Business Type Activities Expenses	6,361,540	6,685,292	6,692,002	6,837,983	8,211,412	6,815,885	7,405,448	7,904,786	9,753,732
Total Government Expenses	12,122,310	11,898,487	12,136,738	12,547,125	14,437,106	13,967,957	15,231,278	16,266,177	19,872,095
Program Revenues									
Governmental Activities:									
Charges for Services, Sales & Fines									
General Government	107,139	85,753	124,611	103,153	78,354	117,306	436,871	300,698	331,153
Public Safety	220,495	179,063	290,970	208,226	168,597	290,045	285,126	263,561	275,372
Public Works	238,474	832,671	343,635	371,754	276,280	648,451	301,513	361,881	1,118,532
Culture, Parks and Recreation	139,290	73,977	80,132	116,998	122,409	158,472	233,201	163,847	122,733
Operating Grants and Contributions	150,875	155,057	179,023	172,698	235,720	182,179	185,628	171,386	190,946
Capital Grants and Contributions	569,355	121,752	164,740	461,155	529,298	177,101	1,221,755	802,689	985,112
Total Governmental Activities Program Revenue	1,425,628	1,448,273	1,183,111	1,433,984	1,410,658	1,573,554	2,664,094	2,064,062	3,023,848
Business Type Activities:									
Utilities	3,506,146	4,122,995	4,498,327	4,967,660	4,915,359	5,218,152	4,549,974	4,966,162	4,831,577
Storm Water Drainage	126,781	67,774	107,887	106,172	139,480	237,721	350,590	363,776	787,776
Golf	865,126	830,940	916,153	859,367	987,288	1,138,444	1,048,208	1,124,524	1,214,313
Recreation	299,529	351,235	348,839	369,748	371,570	363,156	396,250	469,887	683,536
Operating Grants and Contributions	-	-	-	-	3,336	-	86	8,260	-
Capital Grants and Contributions	854,924	102,902	1,000	298,120	669,042	2,947,240	83,420	464,757	657,929
Total Business Activities Program Revenue	5,652,506	5,475,846	5,872,206	6,601,067	7,086,075	9,904,713	6,428,528	7,397,366	8,175,131
Total Program Revenues	7,078,134	6,924,119	7,055,317	8,035,051	8,496,733	11,478,267	9,092,622	9,461,428	11,198,979
Net (Expenses) / Revenues									
Government Activities	(4,335,142)	(3,764,922)	(4,261,625)	(4,275,158)	(4,815,036)	(5,578,518)	(5,161,736)	(6,297,329)	(7,094,515)
Business Type Activities	(709,034)	(1,209,446)	(819,796)	(236,916)	(1,125,337)	3,088,828	(976,920)	(507,420)	(1,578,601)
Total Government Net Expense	(5,044,176)	(4,974,368)	(5,081,421)	(4,512,074)	(5,940,373)	(2,489,690)	(6,138,656)	(6,804,749)	(8,673,116)

City of Fort Lupton, Colorado
Government-wide Changes in Net Position
Fiscal Years 2009-2018
(accrual basis of accounting)

	2009	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Transfers									
Governmental Activities:									
Taxes:									
Sales & Use Tax	\$ 2,317,028	\$ 2,644,241	\$ 2,970,656	\$ 3,177,171	\$ 4,141,976	\$ 3,862,467	\$ 4,399,231	\$ 4,957,598	\$ 5,603,061
Property Tax	1,215,210	1,401,364	1,410,597	1,501,966	1,668,804	1,849,386	1,936,197	2,607,663	2,941,375
Other	1,064,981	997,937	1,067,750	1,068,065	1,278,040	1,293,521	1,055,742	1,151,775	1,433,390
Investment Earnings	5,851	6,386	6,806	6,142	7,998	8,203	17,574	28,174	55,687
Miscellaneous	130,008	255,511	478,296	(367,316)	147,115	139,663	112,133	454,731	1,014,186
Transfers	(348,820)	(467,711)	(404,342)	219,799	(427,210)	(461,268)	(475,511)	(933,633)	(979,616)
Total Governmental Activities	4,384,258	4,837,728	5,529,763	5,605,827	6,816,723	6,691,972	7,045,366	8,266,308	10,068,083
Business Type Activities:									
Property Tax	884,175	880,245	871,184	1,252,924	952,629	1,010,267	978,857	1,070,125	1,059,659
Investment Earnings	8,326	4,101	18,225	38,520	17,190	(167,692)	22,162	47,096	179,329
Miscellaneous	-	30,380	616,485	111,121	696,511	6,663,013	1,333,370	158,218	842
Transfers	348,820	467,711	404,342	342,340	427,210	497,126	475,511	933,633	979,616
Total Business Activities	1,241,321	1,382,437	1,910,236	1,744,905	2,093,540	8,002,714	2,809,900	2,209,072	2,219,446
Total General Revenues and Transfers	5,625,579	6,220,165	7,439,999	7,350,732	8,910,263	14,694,686	9,855,266	10,475,380	12,287,529
Changes in Net Position									
Government Activities	49,116	1,072,806	1,268,138	1,330,669	2,001,687	1,113,454	1,883,630	1,968,978	2,973,568
Business Type Activities	532,287	172,991	1,090,440	1,507,989	968,203	11,091,542	1,832,980	1,701,652	640,845
Total Government-wide Changes in Net Position	\$ 581,403	\$ 1,245,797	\$ 2,358,578	\$ 2,838,658	\$ 2,969,890	\$ 12,204,996	\$ 3,716,610	\$ 3,670,630	\$ 3,614,413

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Fund Balances - Governmental Funds

Fiscal Years 2009-2018

(modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Restricted For:										
Emergency Reserve	\$ 168,317	\$ 141,993	\$ 133,517	\$ 172,124	\$ 186,151	\$ 257,218	\$ 237,422	\$ 278,038	\$ 308,947	\$ 393,381
Drug Forfeitures	10,414	10,685	5,207	5,208	-	-	-	-	-	-
Water Sales Tax	1,048,380	815,127	802,356	875,257	1,119,897	1,319,780	1,582,361	1,695,614	1,332,057	1,673,718
Street Sales Tax	1,169,635	1,440,946	1,703,013	559,717	889,080	954,895	1,527,542	1,337,051	1,194,440	2,535,544
Police Evidence									7,580	7,646
Children's Fund	-	-	-	5,038	1,248	12,248	6,629	11,681	15,039	25,941
Committed				136,960	133,707	131,235	117,507	134,514	158,173	181,694
Assigned				12,500	338,177	1,291,328	1,804,824	1,061,484	841,215	2,190,461
Non-Spendable				5,670	-	124,949	10,787	8,576	-	16,991
Unassigned	33,328	245,162	901,187	1,726,873	2,081,212	2,485,096	2,569,273	2,799,649	3,363,232	4,448,296
Total General Fund	2,430,074	2,653,913	3,545,280	3,499,347	4,749,472	6,576,749	7,856,345	7,326,607	7,220,683	11,473,672
All Other Governmental Funds										
Restricted for:										
Culture, Parks & Recreation	17,104	161,850	214,385	295,911	422,336	590,013	779,421	1,090,619	963,378	755,036
Other Non-Major Governmental Funds	195,421	243,419	262,943	320,705	313,477	354,364	182,860	270,593	298,785	389,414
Unassigned	-	-	-	-	-	-	-	-	(27,315)	(31,036)
Non-Spendable						49	74	-	-	-
Total All Other Governmental Funds	212,525	405,269	477,328	616,616	735,813	944,426	962,355	1,361,212	1,234,848	1,113,414
Total Governmental Funds										
Restricted	2,396,746	2,408,751	2,644,093	2,233,960	2,932,189	3,488,518	4,316,235	4,683,596	4,120,226	5,780,680
Committed				136,960	133,707	131,235	117,507	134,514	158,172	181,693
Assigned				12,500	338,177	1,291,328	1,804,824	1,061,484	841,215	2,190,461
Non-Spendable				5,670	-	124,998	10,861	8,576	-	16,991
Unassigned	245,853	650,431	1,378,515	1,726,873	2,081,212	2,485,096	2,569,273	2,799,649	3,335,918	4,417,260
Total Governmental Fund Balances	\$ 2,642,599	\$ 3,059,182	\$ 4,022,608	\$ 4,115,963	\$ 5,485,285	\$ 7,521,175	\$ 8,818,700	\$ 8,687,819	\$ 8,455,531	\$ 12,587,085

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Changes in Fund Balance - Governmental Funds

Fiscal Years 2009-2018

(modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES										
Taxes & Assessments	\$3,947,531	\$3,918,656	\$4,239,950	\$ 4,589,158	\$ 4,892,341	\$ 6,059,815	\$ 5,930,563	\$ 6,555,699	\$ 7,893,910	\$ 8,888,980
Licenses & Permits	59,794	168,899	151,975	131,636	126,146	111,044	182,204	367,397	216,861	236,240
Intergovernmental	1,292,855	683,294	747,953	877,978	1,151,973	971,940	895,658	1,793,551	1,392,232	1,723,285
Charges for Services	454,567	504,533	543,975	510,629	601,898	600,935	684,204	674,333	697,552	747,173
Fines & Forfeits	193,210	194,716	171,826	285,163	155,089	131,096	241,974	237,224	195,091	224,635
Other	199,167	198,421	765,327	722,654	472,612	779,758	792,602	632,580	868,357	2,330,133
Total Revenues	6,147,124	5,668,519	6,621,006	7,117,218	7,400,059	8,654,588	8,727,205	10,260,784	11,264,003	14,150,446
EXPENDITURES										
Current:										
General Government	1,360,426	1,317,658	1,480,055	1,678,331	1,961,113	2,270,095	2,688,586	3,129,031	3,297,296	3,512,670
Public Safety	1,641,162	1,589,310	1,157,474	1,103,279	1,136,985	1,221,589	1,572,600	1,631,175	1,762,064	1,920,820
Public Works	513,447	416,827	396,787	482,720	472,512	488,460	460,295	527,957	539,124	684,173
Culture, Parks & Recreation	683,580	568,170	626,472	723,720	462,009	439,996	484,036	509,810	602,814	587,815
Other	626,102	703,964	678,315	525,532	544,822	588,768	717,070	726,815	772,303	1,732,613
Capital Outlay	764,681	149,103	850,766	2,105,939	1,118,019	1,182,582	1,045,826	3,391,366	3,589,057	601,184
Total Expenditures	5,589,398	4,745,032	5,189,869	6,619,521	5,695,460	6,191,490	6,968,413	9,916,154	10,562,658	9,039,275
Excess (Deficiency) of Revenues Over Expenditures	557,726	923,487	1,431,137	497,697	1,704,599	2,463,098	1,758,792	344,630	701,345	5,111,171
Other Financing Sources (Uses)										
Payment of Loan	(29,845)	(29,845)	-	-	-	-	-	-	-	-
Transfers In	415,536	302,995	285,100	416,904	39,799	107,341	108,105	103,343	45,633	105,037
Transfers Out	(764,356)	(780,054)	(752,811)	(821,246)	(382,139)	(534,551)	(569,373)	(578,854)	(979,266)	(1,084,653)
Other	-	-	-	-	7,063	-	-	-	-	-
Total Other Financing Sources (Uses)	(378,665)	(506,904)	(467,711)	(404,342)	(335,277)	(427,210)	(461,268)	(475,511)	(933,633)	(979,616)
NET CHANGE IN FUND BALANCES	\$ 179,061	\$ 416,583	\$ 963,426	\$ 93,355	\$ 1,369,322	\$ 2,035,888	\$ 1,297,524	\$ (130,881)	\$ (232,288)	\$ 4,131,555
Debt Service as a percentage of Noncapital Expenditures	0.62%	0.65%	0%	0%	0%	0%	0%	0%	0%	0%

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

General Governmental Tax Revenue by Source

Fiscal Years 2009-2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES SOURCE										
Sales Tax	\$ 2,317,028	\$ 2,342,006	\$ 2,317,299	\$ 2,822,830	\$ 3,119,863	\$ 3,959,981	\$ 3,729,005	\$ 3,834,104	\$ 4,557,103	4,919,916
Property Tax	1,215,210	1,274,416	1,401,365	1,410,597	1,471,927	1,668,804	1,849,386	1,936,197	2,607,662	2,941,374
Motor Vehicle Tax	41,306	33,913	30,102	28,324	28,728	29,732	27,958	34,726	33,601	34,534
Specific Ownership Tax	196,257	134,835	164,243	179,581	184,481	219,304	190,753	185,546	295,048	310,010
Other	177,730	133,486	326,941	147,826	87,342	181,993	133,461	565,127	400,496	341,572
Total Revenues	<u>\$ 4,125,261</u>	<u>\$ 4,052,142</u>	<u>\$ 4,566,891</u>	<u>\$ 4,736,984</u>	<u>\$ 4,979,683</u>	<u>\$ 6,059,814</u>	<u>\$ 5,930,563</u>	<u>\$ 6,555,700</u>	<u>\$ 7,893,910</u>	<u>\$ 8,547,406</u>

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Sales Tax by Category

Fiscal Years 2009-2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES SOURCE										
Motor Vehicle	\$ 386,339	\$ 334,486	\$ 373,966	\$ 477,499	\$ 551,239	\$ 970,371	\$ 612,699	\$ 812,825	\$ 1,005,080	\$ 896,505
Hotels/motels	15,766	16,677	20,416	23,581	29,594	31,145	28,364	34,043	40,552	52,020
Restaurant	283,762	298,750	334,350	361,030	411,571	476,089	476,114	480,344	561,422	574,112
Food/grocery	459,563	458,181	475,766	503,190	533,937	585,585	570,364	601,844	617,134	651,331
Gas Stations/convenience	21,495	22,889	20,285	21,737	24,718	49,956	58,186	51,696	67,424	46,067
Utilities	446,835	399,472	410,238	394,362	446,456	469,668	447,897	405,310	465,782	443,482
Liquor/beer	109,888	111,697	127,394	143,911	149,661	166,235	163,093	158,144	144,442	109,681
Auto	107,504	125,661	123,024	152,924	162,591	161,063	144,766	187,348	203,472	210,980
Retail	141,458	156,364	156,922	188,070	220,988	282,560	291,123	284,504	338,166	574,235
Other	270,282	372,494	234,973	470,892	439,151	603,319	841,305	652,026	976,195	1,229,404
Wholesale	74,136	45,335	39,965	85,634	149,958	163,991	95,092	166,019	137,435	132,098
Total Revenues	\$ 2,317,028	\$ 2,342,006	\$ 2,317,299	\$ 2,822,830	\$ 3,119,863	\$ 3,959,981	\$ 3,729,003	\$ 3,834,103	\$ 4,557,103	\$ 4,919,916

Source: Sales Tax reports provided by Colorado Department of Revenue

City of Fort Lupton, Colorado

Assessed and Estimated Actual Value of Taxable Property
Fiscal Years 2009-2018

Fort Lupton							
Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Property	Vacant Land	Other
2009	20,390,160	19,720,250	4,125,420	162,230	8,034,530	1,454,460	28,713,590
2010	20,449,300	19,174,600	4,270,680	218,150	7,209,310	1,451,790	28,647,170
2011	18,841,290	17,711,660	5,074,390	251,640	8,634,070	1,162,660	29,969,690
2012	18,971,660	18,144,720	5,607,200	259,340	22,494,410	1,123,790	32,472,850
2013	18,510,770	19,159,730	10,138,620	256,010	16,188,079	976,600	31,313,940
2014	18,826,110	19,687,500	11,989,010	399,200	12,016,590	894,760	30,632,340
2015	25,956,340	25,005,200	13,447,860	547,520	7,426,490	1,013,950	43,833,530
2016	26,189,080	30,797,040	15,197,690	559,230	27,856,950	1,019,480	21,871,800
2017	35,318,660	21,260,240	21,285,770	599,270	13,953,620	1,637,040	40,782,700
2018	35,777,760	23,001,470	23,311,580	599,010	76,034,490	1,438,170	43,339,620
	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Grand Total Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value		
2009	11,505,430	82,600,640	28.041	452,643,407	18.25%		
2010	11,788,130	81,421,000	27.981	451,060,161	18.05%		
2011	14,870,340	81,645,400	27.767	435,101,260	18.76%		
2012	14,844,050	99,073,970	27.166	465,816,142	21.27%		
2013	14,771,850	96,543,749	27.166	466,145,510	20.71%		
2014	15,758,840	94,445,510	30.274	471,538,955	20.03%		
2015	16,308,230	100,922,660	28.977	569,925,138	17.71%		
2016	16,490,750	107,000,520	30.766	604,356,199	17.70%		
2017	18,680,760	116,156,540	34.859	738,102,106	15.74%		
2018	18,518,020	184,984,080	34.293	843,886,344	21.92%		

Source: Weld County Assessor

City of Fort Lupton, Colorado
Property Tax Overlapping Mill Levey
Fiscal Years 2009-2018

Levy Year Rates (in mills)	City of Fort Lupton	Weld County	School District RE8	Fort Lupton Fire Protection District	Fort Lupton Fire Bond (2022)	High Plains Library District	Aims Junior College	Central CO Water Conservancy District
2008	25.952	16.804	24.220	8.465		3.260	6.323	0.540
2009	26.359	16.804	22.200	6.112	1.879	3.255	6.312	0.425
2010	28.041	16.804	25.319	6.101	2.380	3.281	6.360	0.425
2011	27.981	16.804	22.780	6.051	1.963	3.271	6.355	0.392
2012	27.767	16.804	22.350	8.524	1.514	3.261	6.318	1.856
2013	27.166	16.804	20.703	9.295	1.239	3.264	6.302	1.887
2014	30.274	15.800	19.563	9.303	1.032	3.267	6.333	1.737
2015	28.977	15.800	15.755	9.343	0.632	3.308	6.325	1.533
2016	30.766	15.800	21.379	9.302	0.583	3.271	6.308	2.004
2017	34.859	15.800	22.066	9.334	0.643	3.256	6.317	1.800
2018	34.293	15.038	19.480	9.295	0.459	3.252	6.299	2.739

Source: Weld County Assessor

City of Fort Lupton, Colo
Property Tax Overlappin
Fiscal Years 2009-2018

		Northern CO						
	Central CO	Water	Cottonwood	Cottonwood	Cottonwood	Cottonwood	Cottonwood	Mountain Sky
	Water Sub	Conservancy	Green District	Green District	Green District	Green District	Green District	Metropolitan
Levy Year	District	District	#1	#2	#3	#4	#5	District
Rates (in mills)								
2008	1.306	1.000	43.000	43.000	43.000	43.000	43.000	-
2009	1.338	1.000	43.000	43.000	43.000	43.000	43.000	-
2010	1.339	1.000	43.000	43.000	43.000	43.000	43.000	-
2011	1.319	1.000	43.000	43.000	43.000	43.000	43.000	-
2012	1.291	1.000	43.000	43.000	43.000	43.000	43.000	-
2013	1.301	1.000	43.000	43.000	43.000	43.000	43.000	-
2014	1.309	1.000	43.000	43.000	43.000	43.000	43.000	-
2015	1.272	1.000	43.000	43.000	43.000	43.000	43.000	-
2016	1.583	1.000	43.000	43.000	43.000	43.000	43.000	-
2017	1.353	1.000	43.000	43.000	43.000	43.000	43.000	-
2018	1.540	1.000	43.000	43.000	43.000	43.000	43.000	50.000

Source: Weld County As:

City of Fort Lupton, Colo
Property Tax Overlappin
Fiscal Years 2009-2018

Levy Year	N. Land Industrial Metro. District #1	N. Land Industrial Metro. District #2	Total (excluding metro districts)
Rates (in mills)			
2008	-	-	87.870
2009	-	-	85.684
2010	-	-	91.050
2011	-	-	87.916
2012	-	-	90.685
2013	-	-	88.961
2014	-	-	89.618
2015	-	-	83.945
2016	-	-	91.996
2017	-	50.000	96.428
2018	-	50.000	93.395

Source: Weld County Ass

City of Fort Lupton, Colorado
Property Tax Levies and Collections
Fiscal Years 2009-2018

Year Levied	Tax Levy	Year Collected	Tax Collected	Percent of Levy Collected	Delinquent Tax Collection	Total Collection	Percent of Total Tax Collected
2009	2,143,652	2010	2,164,289	101%	3,822	2,168,111	101%
2010	2,146,176	2011	2,281,596	106%	13	2,281,609	106%
2011	2,289,419	2012	2,276,265	99%	5,516	2,281,781	100%
2012	2,772,189	2013	2,754,890	99%	774	2,755,664	99%
2013	2,680,730	2014	2,624,832	98%	(3,399)	2,621,433	98%
2014	2,565,707	2015	2,869,349	112%	(9,696)	2,859,653	111%
2015	3,054,021	2016	2,920,190	96%	(5,137)	2,915,053	95%
2016	3,494,062	2017	3,677,798	105%	(51)	3,677,746	105%
2017	3,983,719	2018	4,001,003	100%		4,001,003	100%
2018	6,343,659						

Source: Fort Lupton Finance Department Source: Fort Lupton Finance Department & Weld County Assessor's Office

Note: Taxes Levied in one year are collected the following year. Years listed above represent the year taxes were

City of Fort Lupton, Colorado
Principal Property Taxpayers
Fiscal Years 2017

	2015	2016	2017	2018			2015	2016	2017	2018		
	Percent of Total Assessed Value	Percent of Total Assessed Value	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value	Percent of Total Assessed Value	Percent of Total Assessed Value	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value
Kerr-McGee Oil & Gas Onshore LP	5.74%	24.91%	10.60%	\$ 74,003,950	1	63.71%	23.68%	17.31%	14.57%	\$ 1,802,956,050	1	19.18%
Tri-State Cogeneration Partnership	16.77%	10.02%	9.72%	10,251,100	2	8.83%						
Halliburton Energy Services Inc	6.13%	8.94%	6.01%	8,375,130	3	7.21%						
Public Service Co Of Colo (Xcel)	4.00%	4.10%	4.01%	5,237,190	4	4.51%	2.04%	2.54%	2.60%	256,602,800	7	2.73%
Golden Aluminum Inc	3.51%	3.84%	4.15%	4,786,640	5	4.12%						
Kerr-McGee Gathering LLC	1.95%	2.17%	1.93%	2,622,020	6	2.26%	1.37%	2.04%	1.96%			
Complete Energy Services				2,383,270	7	2.05%						
1011 Fort LLC			1.36%	1,582,040	8	1.36%						
Safeway Stores 46 Inc	1.22%		1.22%	1,415,210	9	1.22%						
United Power Inc	1.22%			1,249,950	10	1.08%						
Noble Energy Inc							18.27%	11.99%	11.16%	1,257,406,810	2	13.38%
PDC Energy Inc							3.73%	3.89%	5.85%	930,951,300	3	9.90%
Extraction Oil & Gas LLC							1.61%	2.60%	3.73%	581,058,270	4	6.18%
Crestone Peak Resources, LP									2.65%	488,065,050	5	5.19%
SRC Energy Inc										383,549,170	6	4.08%
Bill Barrett Corporation							1.42%			226,408,930	8	2.41%
DCP Operating Company										210,688,000	9	2.24%
Great Western Oil & Gas CO LLC										198,815,390	10	2.11%
Qwest Corporation	1.67%	1.69%	1.46%									
KLX Energy Services, Inc		1.69%	1.36%									
A&W Water Services Inc	2.59%	1.48%										
Vision Oil Tools LLC	2.00%											
Encana Oil & Gas (USA) Inc	1.12%						5.52%	4.53%	0.00%			
Bonanza Creek Energy Inc							3.74%	3.01%	1.95%			
DCP Midstream LP							1.75%	2.14%	2.11%			
DCP Lucerne 2 Plant LLC									1.76%			
Whiting Oil and Gas							1.40%	2.02%	0.00%			
Carrizo Oil & Gas Inc							1.23%					
Black Diamond Energy Services Inc		2.56%										
	<u>47.92%</u>	<u>61.40%</u>	<u>41.81%</u>	<u>\$ 111,906,500</u>		<u>96.34%</u>	<u>65.76%</u>	<u>52.07%</u>	<u>48.35%</u>	<u>\$ 6,336,501,770</u>		<u>67.40%</u>

Source: Weld County Assessor's Office

City of Fort Lupton, Colorado
Ratio of Outstanding Debt by Type
Fiscal Years 2008-2017
(Unaudited)

Year	Governmental	Business Type Activities					Total Primary Government	Weld County	Per Capita
	Activities							Percentage of	
		General						Personal	
	Capital Leases	Revenue	Obligation	Construction	Capital Leases	Income			
		Bonded Debt	Bond	Loans					
2009	527,414	18,861,800	4,990,000	5,123,965	70,041	29,573,220	0.401%	3,944	
2010	268,886	18,503,300	4,690,000	4,527,627	28,886	28,018,699	0.396%	3,798	
2011	-	18,125,400	4,560,000	6,015,374	-	28,700,774	0.414%	3,835	
2012	-	17,731,800	4,200,000	3,138,014	-	25,069,814	0.323%	3,398	
2013	-	17,318,400	3,936,282	2,714,804	-	23,969,486	0.287%	3,249	
2014	-	16,882,900	3,542,379	2,608,381	-	23,033,660	0.297%	3,122	
2015	-	12,344,045	3,128,466	2,499,833	-	17,972,344	0.215%	2,309	
2016	-	11,670,282	2,714,554	2,389,118	-	16,773,906	0.201%	2,155	
2017	-	31,727,647	2,285,643	2,276,184	289,931	36,579,357	0.341%	4,700	
2018		31,487,392	1,851,732	2,160,992	208,015	35,708,083	0.337%	4,480	

Source: Fort Lupton Finance Department

City of Fort Lupton, Colorado

Ratio of General Bonded Debt Outstanding

Fiscal Years 2009-2018

(Unaudited)

Year	City Population (1)	Estimated Actual Value (2)	General Obligation Bond (3)	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2009	7,498	439,897,338	4,990,000	1.13%	666
2010	7,377	452,643,407	4,690,000	1.04%	636
2011	7,483	451,060,161	4,560,000	1.01%	609
2012	7,377	435,101,260	4,200,000	0.97%	569
2013	7,377	465,816,142	3,936,282	0.85%	534
2014	7,377	466,145,510	3,542,379	0.76%	480
2015	7,651	471,538,955	3,128,466	0.66%	409
2016	7,651	569,925,138	2,714,554	0.48%	355
2017	7,971	604,356,199	2,285,643	0.38%	287
2018	7,971	738,102,106	1,851,732	0.25%	232

Source: Fort Lupton Finance Department

(1) Department of Local Affairs / US Census

(2) Weld County Assessors Office

(3) General Obligation Bond Debt equal to the gross general obligation bond debt less obligations associated with proprietary Funds. In this table the gross general obligation debt is equal to net general obligation bond debt

City of Fort Lupton, Colorado

**Pledged Revenue Coverage
(Unaudited)**

Year	Utility Revenues	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2009	3,506,146	2,856,120	650,026	909,598	866,328	0.37
2010	3,918,328	2,800,607	1,117,721	956,802	822,435	0.63
2011	4,122,995	3,170,747	952,248	1,004,759	774,030	0.54
2012	4,498,327	3,534,405	963,922	1,058,035	723,345	0.54
2013	5,398,703	4,603,944	794,759	836,613	675,520	0.53
2014	4,915,359	4,603,119	312,240	316,420	168,472	0.64
2015	5,218,152	3,778,458	1,439,694	573,512	104,726	2.12
2016	4,549,974	3,333,880	1,216,094	711,902	94,826	1.51
2017	4,966,162	2,660,005	2,306,157	640,000	127,476	5.50
2018	-	138,647	(138,647)	235,192	1,476,334	(0.09)

Source: Fort Lupton Finance Department current & prior year financial statements

Operating expenditures are net of depreciation expense

City of Fort Lupton, Colorado

Direct and Overlapping General Bonded Debt

December 31, 2018

(Unaudited)

	Outstanding General Obligation Bond Debt	Percentage Applicable to the City	Share of Debt Applicable to the City
Direct Debt			
City of Fort Lupton	\$ 1,851,733	100%	\$ 1,851,733
Overlapping General Obligation Bond Debt			
Fort Lupton Fire Protection District	2,020,163	16.42%	331,711
Weld County School District RE-8	57,015,000	14.35%	8,181,653
Direct & Overlapping General Obligation Bonded Debt	<u>\$ 60,886,895</u>		<u>\$ 10,365,097</u>

Source: Provided by each entity

Note:

The following governments had no outstanding general obligation bond debt as of December 31, 2017:

Weld County, High Plains Library District, Northern Colorado Water Conservancy District, Central Colorado Water Conservancy District, Aims Community College

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

City of Fort Lupton, Colorado
Demographic and Economic Statistics
Fiscal Years 2008-2017
(Unaudited)

Year	City Population (1)	Weld County (2)		
		Personal Income Amounts (expressed in billions)	Per Capita Income	Unemployment Rate
2009	7,498	7.38	27,788	8.16%
2010	7,377	7.07	28,503	9.80%
2011	7,483	6.93	27,186	9.10%
2012	7,377	7.76	25,233	8.70%
2013	7,377	8.35	29,986	6.70%
2014	7,783	8.35	31,657	3.90%
2015	7,783	10.74	27,047	3.80%
2016	7,783	10.60	42,787	3.80%
2017	7,971	11.20	42,701	3.40%
2018	7,971	13.40	44,080	2.20%

(1) Source: Census Data or State of Colorado Department of Local Affairs, Division of Local Government.

(2) Weld County.

Source: Upstate Colorado in cooperation with University of Northern Colorado and the State of Colorado demographer.

City of Fort Lupton, Colorado

Principal Employers

Fiscal Years 2018

(Unaudited)

	Number of Employees						2018 Rank	% of Total Employment
	2013	2014	2015	2016	2017	2018		
Halliburton	950	950	800	800	1,030	1,200	1	43%
Weld School RE8	150	150	246	246	342	350	2	13%
Golden Aluminum	105	105	159	176	177	200	3	7%
City of Fort Lupton	126	126	181	159	159	193	4	7%
A&W Water Supply	500	500	325	117	117	143	5	5%
Salud Clinic	50			120	101	137	6	5%
Summit Body Works					100	125	7	5%
Pilot Thomas Logistics						121	8	4%
Nelson Pipeline Construction, LLC					150	111	9	4%
Merritt Aluminum				77	80	100	10	4%

Source: City of Fort Lupton

Information not available for prior

City of Fort Lupton, Colorado

Full time Equivalent City Government Employees by Function

Fiscal Years 2009-2018

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function:										
General Government	22.15	22.15	16.53	17.65	18.15	19.65	21.69	23.68	25.97	26.34
Building & Grounds	8.43	8.43	8.39	9.39	10.89	10.79	12.95	13.7	14.4	12.59
Public Works	12	12	11	10	12	12	12	12	13	14.5
Public Safety	19	19	13	12	13	13	15	15	17	17
Culture, Parks & Recreation	3.32	3.32	2.11	1.98	2.23	2.23	2.57	3.49	3.32	3.77
Utility	0	0	0	0	0	0	1	1	1	1
Recreation Center	4.53	4.53	3.44	3.44	3.44	3.44	11.3	10.49	12.22	15.01
Golf Course	0	0	0	0	0	0	10.53	13.53	13.91	12.42
Total	69.43	69.43	54.47	54.46	59.71	61.11	87.04	92.89	100.82	102.63

Source: City of Fort Lupton Finance Department

Miscellaneous Statistics
Fiscal Years 2017
(Unaudited)

	2018
Number of Employees	
Non-Exempt (hourly)	139
Exempt (salary)	23
Area (sq. miles)	12.14
Miles of streets maintained	53.83
Population (est.)	7,971
Elected Officials	7
Employees (Full-time equivalents)	115.48
Police Protection:	
Number of Stations	1
Number of Sworn Police Officers	17
Municipal Water and Sewer:	
Miles of Water Mains	45
Miles of Sanitary Sewer Mains	36
Miles of Storm Sewer Mains	26
Municipal Parks and Recreation:	
Number of Indoor Swimming Pools	1
Parks (Developed/Undeveloped)	11/3
Services not included in the reporting entity:	
Fire Protection (Fort Lupton Fire Protection District):	2
Electricity Services (United Power)	-
Natural Gas Service (Xcel Energy)	-
School District - Weld County School District RE-8	4

Source: City of Fort Lupton Finance Department

Information not available for prior years. Ten year data will be accumulated over time.

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		City
		YEAR ENDING :
This Information From The Records Of (for example - City of _ or County of _ City of Fort Lupton		Prepared By: Kris Kindle Phone: (720) 466-6121

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	272,642
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	451,316
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	86,463
2. General fund appropriations		b. Snow and ice removal	3,731
3. Other local imposts (from page 2)	2,065,848	c. Other	8,544
4. Miscellaneous local receipts (from page 2)	216,514	d. Total (a. through c.)	98,738
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	674,959
a. Bonds - Original Issues		6. Total (1 through 5)	1,497,655
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	2,282,362	b. Redemption	
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	469,849	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	2,752,211	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)	1,497,655

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	(3,820,184)	2,752,211	1,497,655	(2,565,628)	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): 12/18	
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	12,132
b. Other local imposts:		b. Traffic Fines & Penalties	118,989
1. Sales Taxes	614,989	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	1,008,299	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	0
4. Licenses		f. Charges for Services	
5. Specific Ownership/Cnty R&B	442,560	g. Other Misc. Receipts	0
6. Total (1. through 5.)	2,065,848	h. Other-SSTX Fund Use Tax	85,393
c. Total (a. + b.)	2,065,848	i. Total (a. through h.)	216,514
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	345,315	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	34,534	d. Federal Transit Admin	
d. Other	90,000	e. U.S. Corps of Engineers	
e. Project contribution		f. Other Federal	0
f. Total (a. through e.)	124,534	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	469,849	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	0	15,192	15,192
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		257,450	257,450
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	257,450	257,450
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	272,642	272,642
			(Carry forward to page 1)
Notes and Comments:			