



COMPREHENSIVE ANNUAL  
**FINANCIAL**  
**REPORT**  
2016

# **City of Fort Collins, Colorado**

Comprehensive Annual Financial Report  
For the fiscal year ended  
December 31, 2016

*Prepared by the Finance Department:*

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*Special thanks for their contributions:*

*Harold Hall, Investment Administrator  
Blaine Dunn, Senior Sales Tax Auditor*

## *About our cover and section tabs...*

**The cover picture photograph features** two grain silos formerly located at the intersection of Prospect and Timberline roads. The relocation made space for roadway safety improvements, but the silos themselves were repurposed for use as a playground feature at a new community park. This partnership between the Engineering and Parks Planning departments ensured the silos would see new life as the centerpiece of the agriculturally themed park. Opening in the fall of 2017, this unique 54 acre park will include gardens, trails, an orchard, and, with the addition of the silos, the tallest slide in Fort Collins.

**The Introductory Section tab** features the Michigan Ditch Tunneling Project. A monumental undertaking for the City, Michigan Ditch is an invaluable to the community. The City-owned trans-mountain water rights were not available due to an ongoing landslide that covered part of the ditch in 2015. Crews bored an 800-foot, 96-inch diameter rock tunnel through the mountainside and ran a 100 cubic feet per second capacity pipe through the tunnel. Between the remote area and inclement weather, the project was a challenge; however the tunnel opened for full use of water rights in time for spring of 2017.

**The Financial Section tab** features the 9/11 memorial ceremony at Spring Park. Through the Terry Farrell Firefighters Fund, Poudre Fire Authority (PFA) accepted a 5-foot-long, 3,000-pound steel beam recovered from the wreckage of the World Trade Center. The beam will become part of a memorial that will honor the 343 firefighters who lost their lives on September 11, 2001. After the attack, a response team from Colorado including several PFA firefighters assisted the Fire Department of New York with recovering victims and removing debris. Four of those crewmembers drove the beam the 1,800 miles from New York to Fort Collins in October 2015 for permanent display.

**The Management's Discussion & Analysis tab** features the new Utilities Administration Building. The City completed one of the most energy efficient offices in the state in 2016. More than 95 percent of the construction waste was diverted from landfills. It is targeting LEED Platinum level and is a shining example of our City's sustainability in action.

**The Basic Financial Information tab** features scenes from area parks and recreation facilities. Parks and Recreation celebrated 50 years of service in 2016, hosting a free family concert event for the community in honor of their support. Since 1966 the City has added 35 miles of paved trails, 48 parks, three recreation centers, and two golf courses.

**The Notes to the Basic Financial Statements tab** features scenes from Bow Wowvania on October 29, 2016. This annual Halloween-themed event for costumed canine friends gives dogs opportunities to trick-or-treat, take photos, and leave with a treat bag just for them.

**The Supplementary Information tab** features the newly opened Timberline Recycling Center. The City of Fort Collins debuted its new recycling center with options for more hard-to-recycle items at 1903 Timberline Road on August 22, 2016. The new center helps support the City's ambitious goal of zero waste by 2030 and treats recycled materials as resources that can be better managed and reinvested in the local economy.

**The Statistical Section tab** features third year of Fort Collins joining in the national Open Streets celebration. The twice-annual event encourages community participation and healthy living in activities for all ages and abilities by temporarily closing select streets to motorized traffic and opening it to physically active forms of transportation. Activities sponsored by community businesses include workout and yoga classes, a bicycle obstacle course, life-sized Jenga, interactive hopscotch, and more.

**The Other Schedules tab** features the newly opened Foothills Activity Center. Opening within the newly renovated Foothills Mall, the new facility replaces the former Youth Activity Center and provides Recreation services in a key mid-town location. The 24,000 square foot facility includes a full size gymnasium, two fitness/dance studios, weight/cardio room, locker rooms, multi-purpose space, classrooms, and conference rooms.

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# INTRODUCTORY SECTION





# **INTRODUCTORY SECTION**

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June 19, 2017

Honorable Mayor, Members of City Council, Residents and Customers of the City of Fort Collins, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) for the City of Fort Collins, Colorado (the City), for the year ended December 31, 2016.

This report consists of management's representations concerning the finances of the City of Fort Collins. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City Charter and State law require an annual audit by independent certified public accountants selected by the City Council. 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, 2016 are free of material misstatement. The independent accountant, RSM US LLP, 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, 2016, are fairly presented in conformity with accounting principles generally accepted in the United States of America.

The independent audit of the financial statements of the City is required to complete the federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The results of the single audit are available in the City's separately issued Single Audit Report (Compliance Report).

Accounting principles generally accepted in the United States of America require 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. The City's MD&A can be found immediately following the report of the independent auditor.

### **Governmental Structure**

The City of Fort Collins, incorporated in 1872, is located in north central Colorado, east of the continental divide, and is approximately sixty miles north of Denver. It is the fourth largest city in Colorado with an estimated population of 167,500 as of March 2017. This is approximately 50% of the Larimer County population.

The City provides services that include community planning, general government, police, streets and highways, cultural facilities, parks and recreation, transportation, golf courses and public utilities. The City's utilities include electric distribution, water treatment, wastewater treatment and storm drainage. Fire

protection and library services are not provided by the City but instead by Poudre Fire Authority (PFA) and Poudre River Public Library District. The City is the primary financial supporter for PFA.

The City's financial statements include the Downtown Development Authority, Fort Collins Capital Leasing Corporation, General Improvement District No. 1, General Improvement District No. 15 – Skyview and the Urban Renewal Authority.

The City is a home rule city, organized under provisions of the Colorado Constitution. The City Charter, adopted in 1953, provides for the council-manager form of local government. The voters directly elect the mayor to serve a two-year term. Within districts, voters elect six Council members on a non-partisan basis, to staggered four-year terms. The financial statements, schedules and statistical tables contained in this report include all funds under the control of City Council. The Council is responsible for passing ordinances, adopting the two-year budget and annual appropriations ordinance, appointing advisory board and commission members, and hiring the City Manager, City Attorney, and Municipal Judge. The City Manager is responsible for implementing the policies and ordinances of Council, overseeing the day-to-day operations and appointing service area directors and other staff members.

### **Financial Condition: Economy, Long-Term Financial Planning and Major Initiatives**

The essential economic indicators for the City were moderate to strong in 2016. At the end of 2016, the local unemployment rate stood at 2.2%, which compares favorably to the state rate of 3.0% and national rate of 4.7%. The City relies heavily on sales and use tax revenues. In 2016, sales taxes and use taxes were up 4.4% and down 7.7%, respectively, for a blended increase of 1.8%. Inflation was 2.6%, as measured by the Denver-Boulder-Greeley Consumer Price Index for the second half of 2016 vs. the second half of 2015.

Overall governmental fund revenue increased 0.3% in 2016. This was attributable to offsetting changes: the aforementioned increase in sales and use taxes, an increase in volume of development-related fees, and decreased grant revenues with the close-out of the MAX project and North College Avenue improvements. At year-end, the City held \$313.7 million in unrestricted net position and \$1.823 billion in total net position, \$16.0 million less and \$67.1 million more, respectively, than it held in 2015. Please see page 18 for more information about the City's total net position.

Continuous Improvement. In 2014, Rocky Mountain Performance Excellence (RMPEX) awarded Fort Collins Peak status, the highest level in the state performance excellence program. It recognizes applicants who undergo a rigorous examination of their processes using the Baldrige National Quality Award Criteria. The City was only the fifth organization to receive this honor in the thirteen-year history of RMPEX. The City incorporated feedback from RMPEX into its planning process in 2015 and 2016 to continue to improve the organization and applied to the Malcolm Baldrige Performance Excellence Program at the national level.

The City was one of 15 organizations to receive a site visit from the National Institute of Standards and Technology in 2016. This site visit is the final stage in the evaluation process for the Malcolm Baldrige National Quality Award. Although the City did not achieve the award in 2016, it was selected as a "Best Practice" for Category 1 – Leadership and was invited to the annual Quest for Excellence event in April 2017 to present on how its integrated leadership system meets community needs and creates organizational success. The City received valuable feedback from the site visit and will continue to incorporate the strategies of performance excellence in pursuit of the prestigious Baldrige national recognition.

Data-driven and Transparent. Over the last decade, the City has undergone transformational change, deliberately embracing transparency, accountability and continuous improvement. Citizens have more avenues than ever to keep up to speed on initiatives, news, programs, or requests for City services:

- Access Fort Collins at [fcgov.com/accessfortcollins](http://fcgov.com/accessfortcollins) is an easy way to reach the City with questions, comments, or service requests. The platform ensures that citizens directly reach the staff best equipped to address their concerns.

- Open Book is an online tool designed to disclose expenses in a simple to use format for members of the public interested in how the local government spends its revenues. Open Book can be viewed online at [fcgov.com/openbook](http://fcgov.com/openbook)
- OpenCity is a City initiative started in 2016 to take transparency to the next level. The goal is to maintain a web portal to host data sets that are available to the public in a format that citizens can easily search, filter, and utilize in an innovative and creative way. There are a number of data sets already available with more scheduled to go-live in the near future, including crime statistics, traffic information, construction permits, City facility utility usage, annexations, and various master plans.
- Regularly updated video content, available at [fcgov.com/ctv](http://fcgov.com/ctv) or on basic cable, provides several programming options designed to inform, educate, and inspire. Content includes Council meetings and public forums, plus regular programming including *CityView*, a bi-weekly news series that highlights major stories, initiatives, and upcoming events throughout the City in less than five minutes.
- The Community Dashboard, an online tool that measures the community's progress in attaining the City's strategic outcomes. Key metrics such as voluntary code compliance, unemployment rate, community energy use, number of local traffic crashes and transit passengers per revenue hour are measured and monitored so the City can adapt certain programs to ensure targets are met and improve performance where necessary. The Community Dashboard can be viewed at [fcgov.com/dashboard](http://fcgov.com/dashboard).
- Strategy Maps are a newly created internal management tool designed to enhance the use of metrics, targets, and initiatives to track the City's progress against its 7 Key Outcome Areas and 55 Strategic Objectives. More information about the 2016 Strategic Plan and Strategy Maps can be found at [fcgov.com/strategicplan](http://fcgov.com/strategicplan).
- Another tool staff is using to become more data driven is the Financial Monthly Report (FMR), an internal report prepared monthly by managers and reviewed by City executives. Management uses this report to closely analyze their department's budget expenditures and revenues. The report also communicates departments' projects, goals and needs to other departments.
- Citizens can also stay current and provide feedback utilizing social media platforms such as Facebook, Twitter, or Instagram.

Michigan Ditch Tunnel Project. In 2015, a significant landslide rendered a City-owned water delivery ditch unusable. This essential distribution system maintains invaluable City-owned trans-mountain water rights and distributes winter runoff into the Joe Wright Reservoir for water storage. The landslide is ongoing and rebuilding the ditch would not be a sustainable solution. From mid-May to mid-October the City undertook an \$8.5 million to bore an 800-foot, 96-inch tunnel through the mountainside and run a 100 cubic feet per second capacity pipe through the tunnel. Utilizing a custom-built state of the art tunnel boring machine, the project finished ahead of schedule and was able to successfully allow water to flow in time for spring 2017.

Timberline Recycling Center. As part of the City's ambitious goal of zero waste by 2030, in August 2016 the City opened a new, expanded recycling center on Timberline Road. The new site accepts everyday items such as cardboard, paper, glass, and mixed bottles/cans along with hard-to-recycle items such as plastic bags, paint, concrete, used motor oil, batteries, cooking oil, electronic waste, and more. The site aligns with the Fort Collins Climate Action Plan and treats recycled materials as resources that can be better managed and reinvested in the local economy.

Transportation Infrastructure Improvements. The City's Transportation Master Plan identifies projects that can reduce accident rates, create efficient multi-modal options, and improve air quality. Major projects completed in 2016 include the Mulberry Bridge Urban Design & Landscaping Project, the Timberline Road and Horsetooth Road intersection, North College Avenue roadway improvements, and a new bicycle/pedestrian underpass at Prospect and Centre. Looking ahead, the project plan includes the Lincoln Corridor, a new bicycle/pedestrian underpass at Elizabeth and Shields, improvements at Interstate 25 and Prospect Road, and improvements at Prospect Road and College Avenue.

Enhancing Service Capacity. The City opened a new Utilities administration building, known as 222 Laporte, located in downtown Fort Collins. The \$14.4 million, 37,500 square foot building is a shining example of innovation and forward thinking. The location helps consolidate much of the City workforce into one area and

was designed to offer dynamic and productive spaces for staff to carry out the City’s mission. The site includes a living wall experiment, a landscape feature where one of the walls is partially covered with plant species being tested and monitored to see how they hold up to temperature extremes, fluctuations in water and nutrients, and vertical growing conditions. As part of the 222 project, the historic landmark “butterfly” building was relocated to one corner of the construction site and leased to a local business, where a 400-square-foot cafe recently opened.

Budgeting for Outcomes. In even-numbered years the City undertakes its two-year Strategic Plan and Budgeting for Outcomes (BFO) processes. The Strategic Plan reflects the input of engaged citizens, community and business partners, the Mayor and Council Members, and City staff. The plan finalized in May of 2016 represents an organization-wide, issues-driven and Council-reviewed strategic plan. Incorporating 55 strategic objectives aligned around 7 key outcome areas, the Strategic Plan is a tool that clearly articulates City priorities to the community and served to drive the 2017-2018 budget.

Once the Strategic Plan is complete, the City moves into its BFO process. BFO better aligns City services with the community’s most important priorities by creating a market for service providers (“sellers”) to make service offers to teams of staff and citizens (“buyers”). Buyers rank these offers according to priority and recommend them for adoption by City Council until available funds are spent. The final output is a budget that reflects citizen and City Council priorities and delivers service efficiently. The total budget for all City funds for 2017 and 2018 are \$619.4 million and \$615.5 million, respectively.

**Other Information**

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fort Collins for its comprehensive annual financial report for the year ended December 31, 2015. This was the 30th consecutive year that the City has achieved this prestigious award. In order to earn a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both applicable legal requirements and accounting principles generally accepted in the United States of America. A reproduction of the Certificate of Achievement is included at the end of the introductory section of the comprehensive annual financial report. 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 requirements of the Certificate of Achievement Program and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgments. We recognize the dedicated efforts of all officials and staff involved in managing and accounting for the City’s financial operations. The process of financial planning, management, and accounting requires a team effort by City Council and City staff to be successful. The preparation of this 2016 Comprehensive Annual Financial Report was made possible by the dedicated service of the entire Finance Department. We would like to recognize the members of the Accounting Division who worked many extra hours to ensure the completion of this document and fulfill other financial responsibilities over the past few months. We also thank RSM US LLP, the firm that serves as the City’s external auditor.

Respectfully submitted,



Darin A. Atteberry  
City Manager



Michael N. Beckstead  
Chief Financial Officer



Government Finance Officers Association

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

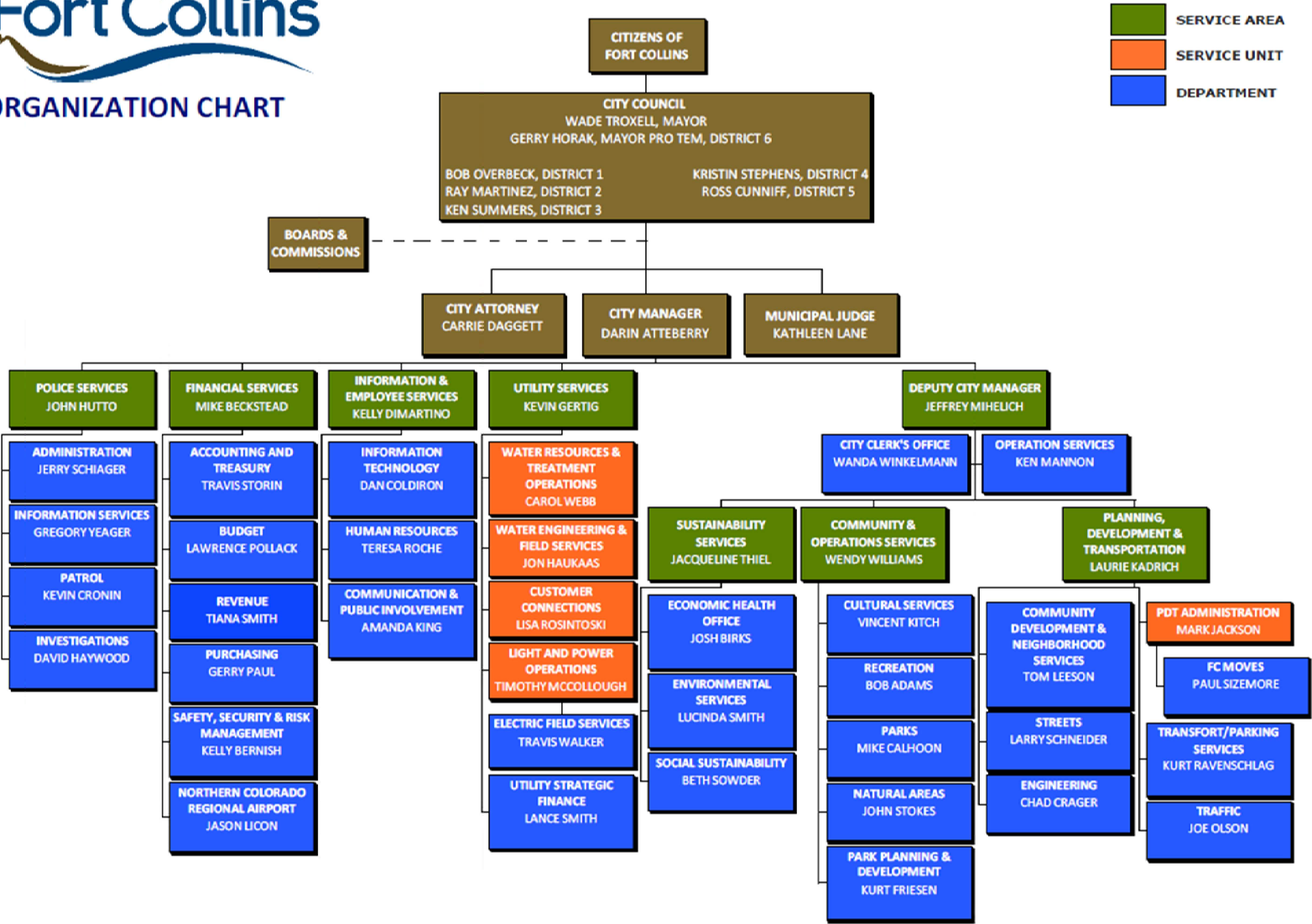
Presented to

**City of Fort Collins  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO





City of Fort Collins, Colorado  
Elected and Appointed Officials  
As of December 31, 2016

**Elected Officials**

Wade Troxell .....Mayor  
Bob Overbeck .....District 1 Councilmember  
Ray Martinez.....District 2 Councilmember  
Gino Campana .....District 3 Councilmember  
Kristin Stephens.....District 4 Councilmember  
Ross Cunniff .....District 5 Councilmember  
Gerry Horak ..... Mayor Pro Tem, District 6 Councilmember

**Appointed Officials**

Darin Atteberry ..... City Manager  
Wanda Winkelmann.....City Clerk\*  
Carrie Daggett..... City Attorney  
Kathleen Lane .....Municipal Judge  
\*City Manager appointed, City Council approved

**City Officials and Department Directors**

Jeff Mihelich ..... Deputy City Manager  
Wendy Williams .....Assistant City Manager  
Kelly DiMartino.....Assistant City Manager  
Mike Beckstead..... Chief Financial Officer  
Laurie Kadrich ..... Planning, Development and Transportation Director  
Jackie Kozak-Thiel ..... Chief Sustainability Officer  
John Hutto..... Chief of Police  
Kevin Gertig ..... Utilities Executive Director

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# FINANCIAL SECTION



# **FINANCIAL SECTION**

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## Independent Auditor's Report

To the Honorable Mayor and  
Members of the City Council and City Manager  
City of Fort Collins, Colorado  
Fort Collins, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Collins, Colorado (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Collins, Colorado, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Keep Fort Collins Great Fund, the Transportation Services Fund, and Urban Renewal Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 15 through 26, the modified approach for City Streets Infrastructure capital assets on pages 96 and 97, and pension and postemployment information on pages 98 through 100 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 Collins, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section 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 other schedules, 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2017 on our consideration of the City of Fort Collins, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Fort Collins, Colorado's internal control over financial reporting and compliance.

*RSM US LLP*

Denver, Colorado  
June 19, 2017

# MANAGEMENT'S DISCUSSION & ANALYSIS





# MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Fort Collins (the City) offers the readers of the City's financial statements this narrative overview and analysis of the financial activities for the year ended December 31, 2016. In addition to this overview and analysis based on currently known facts, decisions and conditions, the City would encourage readers to consider the information presented in the City's letter of transmittal and the City's financial statements, which begin on pages 3 and 27 of this report, respectively.

## Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2016 by \$1.8 billion (net position). Of the net position balance, \$313.7 million is unrestricted and is available to meet the government's ongoing obligations in accordance with the City's fund designations and fiscal policies.

The City's net position increased by \$67.1 million (3.8%). The governmental net position increased by \$36.7 million (3.7%) and the business-type position increased by \$30.4 million (4.0%).

The General Fund, the City's primary operating fund, ended 2016 with a \$75.4 million fund balance, an increase of \$2.4 million on a current financial resource basis. Of this amount, \$68.4 million is spendable.

The City's total long-term liabilities decreased by \$14.3 million (10.6%) during the current year. Within that activity, the City's governmental long-term liabilities decreased by \$5.2 million and business-type long-term liabilities decreased by \$9.1 million. The City did not issue any new bonded debt in 2016. Market conditions existed that allowed the Wastewater Fund to refinance a portion of a 2009 revenue bond. With a net interest cost of 1.61% the net present value savings will be \$2.8 million.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements and 3) Notes to the Financial Statements. Other supplementary information is also included at the end of the report.

Government-Wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources are reported as net position. Over time, increases and decreases in net position may provide an indication of whether the City's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the City's net position has changed during the fiscal year just ended. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, cultural, parks, recreation, and

natural areas, planning and development services, transportation, and interest on long term debt. The business-type activities of the City include light and power, water, wastewater, storm drainage, and golf. The government-wide financial statements also include the Fort Collins, Colorado Downtown Development Authority (DDA) as a discretely presented component unit of the City. See Note I.A in the notes to the City's financial statements (page 50) for more details regarding the DDA and its relationship to the City.

Fund Financial Statements. Traditional users of the City's financial statements will find the fund financial statement presentation more familiar. The focus is now on major funds rather than fund types.

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. A major fund should generally meet both of the following criteria: 1) total assets, deferred inflows of resources, liabilities, deferred outflows of resources, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets, liabilities, etc.) for that fund type (i.e., governmental or enterprise funds) and 2) total assets, deferred inflows of resources, liabilities, deferred outflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is 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.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Keep Fort Collins Great, Urban Renewal Authority Fund, the Transportation Special Revenue Fund and the Capital Projects Fund. These five funds are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

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

The basic governmental fund financial statements can be found on pages 32-39 of this report.

Proprietary funds. The City maintains two different types of proprietary funds, enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its light & power, water, wastewater, storm drainage and golf operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for

employee benefits provided by the City, its communications system, its fleet of vehicles and its self-insurance programs. These services predominantly benefit the governmental rather than business-type functions. As such, they have been included within the governmental activities in the government-wide financial statements. The activity in the Equipment Fund used for monitoring the fleet of vehicles is allocated between the governmental and business-type activities based upon actual usage. In addition, the utilities use an internal service fund to account for customer and administrative services. Because this fund is used solely by the utilities, it is included within 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 Light & Power, Water, Wastewater and Storm Drainage enterprise funds are considered to be major funds and are therefore presented separately within the proprietary fund financial statements. The Golf Fund is presented as a non-major enterprise fund. All internal service funds are considered to be non-major funds and therefore are combined into a single, aggregated presentation in the proprietary fund statements. Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

The City adopts an annual appropriated budget for all of its proprietary funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic proprietary fund financial statements can be found on pages 40-45 of this report.

Fiduciary funds. The City maintains two different types of fiduciary funds, trust and agency funds. The fiduciary fund financial statements are prepared on the accrual basis of accounting.

The fiduciary funds are used to account for resources held by the City in a trustee capacity or as an agent for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The funds underlying each of the fiduciary fund types are combined into a single, aggregated presentation in the fiduciary fund statements. Individual fund data for each of the fiduciary funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

Aside from the General Employees' Retirement Plan Trust fund, the City does not adopt an annual appropriated budget for its fiduciary funds. A budgetary comparison statement for the General Employees' Retirement Plan Trust fund has been provided to demonstrate compliance with the budget.

The basic fiduciary fund financial statements can be found on pages 46-47 of this report.

Notes to the Financial Statements. The notes to the financial statements are considered an integral part of the basic financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-95 of this report.

Other Information. The City has elected to use the modified approach to account for and report its street infrastructure capital assets. The City has included required supplementary information that explains the modified approach and recent assessments that have been performed using the related asset management system. Information about the City's pension and other post-employment benefit plan is also included as required supplemental information. These schedules can be found on pages 96-100 of this report.

Combining Statements. The combining statements referred to earlier in connection with the non-major governmental funds, non-major enterprise fund, internal service funds, fiduciary funds, and the component unit funds are presented following the required supplementary information. In addition, budget statements for the Capital Projects Fund and the major enterprise funds are also presented following the required supplementary information.

Government-Wide Financial Analysis

Statement of Net Position

The following table reflects the condensed Statement of Net Position.

**Statement of Net Position**

as of December 31

(amounts expressed in thousands, totals may not add due to rounding)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 313,630	\$ 296,714	\$ 178,336	\$ 194,780	\$ 491,965	\$ 491,494
Capital assets	824,965	802,454	701,684	658,900	1,526,649	1,461,355
Total assets	<u>1,138,595</u>	<u>1,099,169</u>	<u>880,020</u>	<u>853,680</u>	<u>2,018,615</u>	<u>1,952,849</u>
Deferred Outflows of Resources	2,203	2,566	2,872	1,863	5,076	4,429
Other liabilities	28,915	23,422	25,369	19,307	54,284	42,729
Long-term liabilities	58,424	63,617	62,903	72,054	121,327	135,671
Total liabilities	<u>87,339</u>	<u>87,039</u>	<u>88,272</u>	<u>91,361</u>	<u>175,611</u>	<u>178,400</u>
Deferred Inflows of Resources	25,216	23,119	5	8	25,221	23,127
Net position:						
Net investment in capital assets	781,421	754,652	646,367	595,216	1,427,789	1,349,868
Restricted	80,520	75,207	859	1,027	81,379	76,234
Unrestricted	166,301	161,718	147,389	167,931	313,691	329,648
Total net position	<u>\$ 1,028,243</u>	<u>\$ 991,577</u>	<u>\$ 794,615</u>	<u>\$ 764,174</u>	<u>\$ 1,822,858</u>	<u>\$ 1,755,751</u>

For more detailed information see the Statement of Net Position on page 29 of this report.

By far, the largest portion of the City’s net position, \$1.4 billion (78.3%) is invested in capital assets (e.g., land, buildings, machinery and equipment), less any debt used to acquire those assets that is still outstanding. Net Capital assets increased by \$77.9 million (5.8%) in 2016. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of 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.

An additional portion of the City’s net position, \$81.4 million (4.5%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$313.7 million (17.2%), may be used to meet the City’s ongoing obligations to its citizens and creditors.

The City’s total net position increased by \$67.1 million in 2016. Unrestricted net position decreased \$16.0 million and was used to support core operations, maintain infrastructure, and invest in critical capital assets. Additional details of capital asset activity can be seen on pages 25.

Changes in Net Position. The following table reflects a condensed summary of activities and changes in net position.

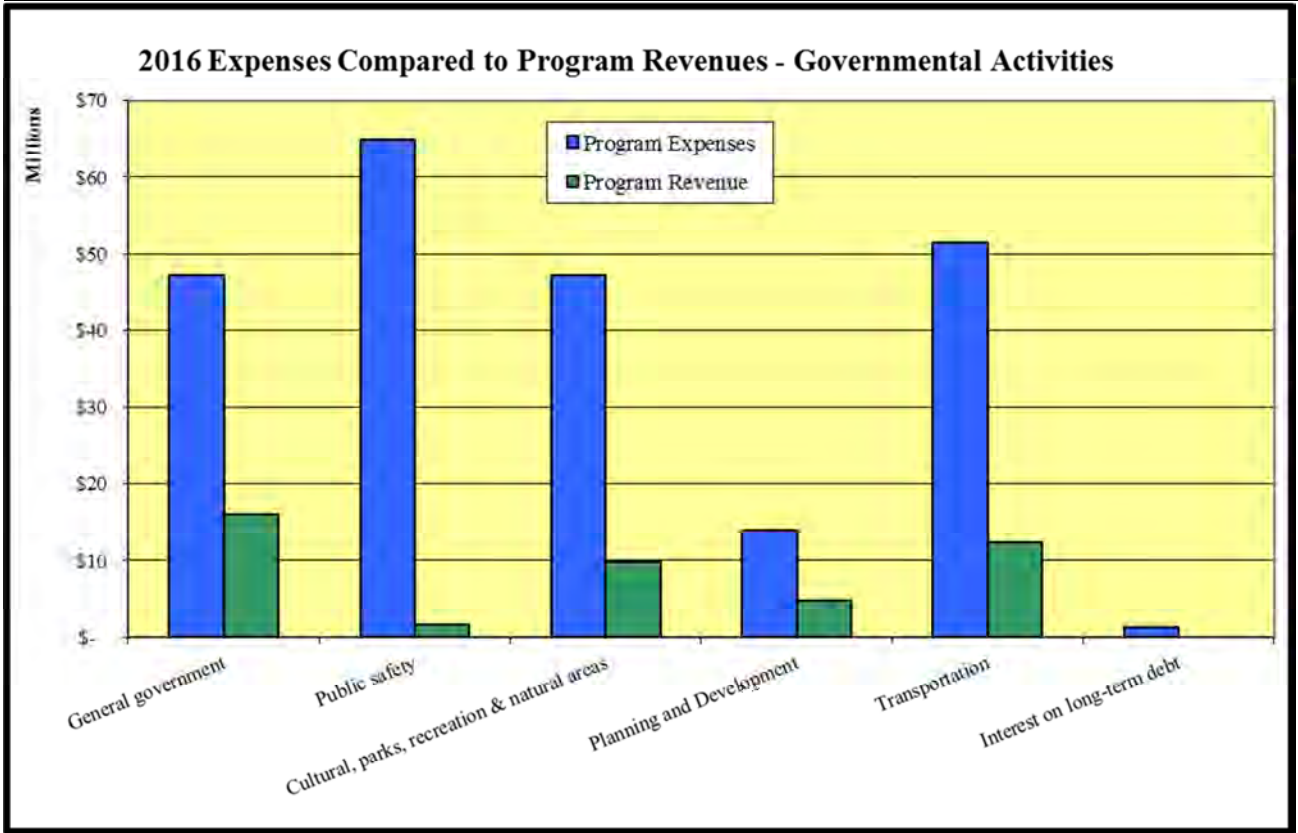
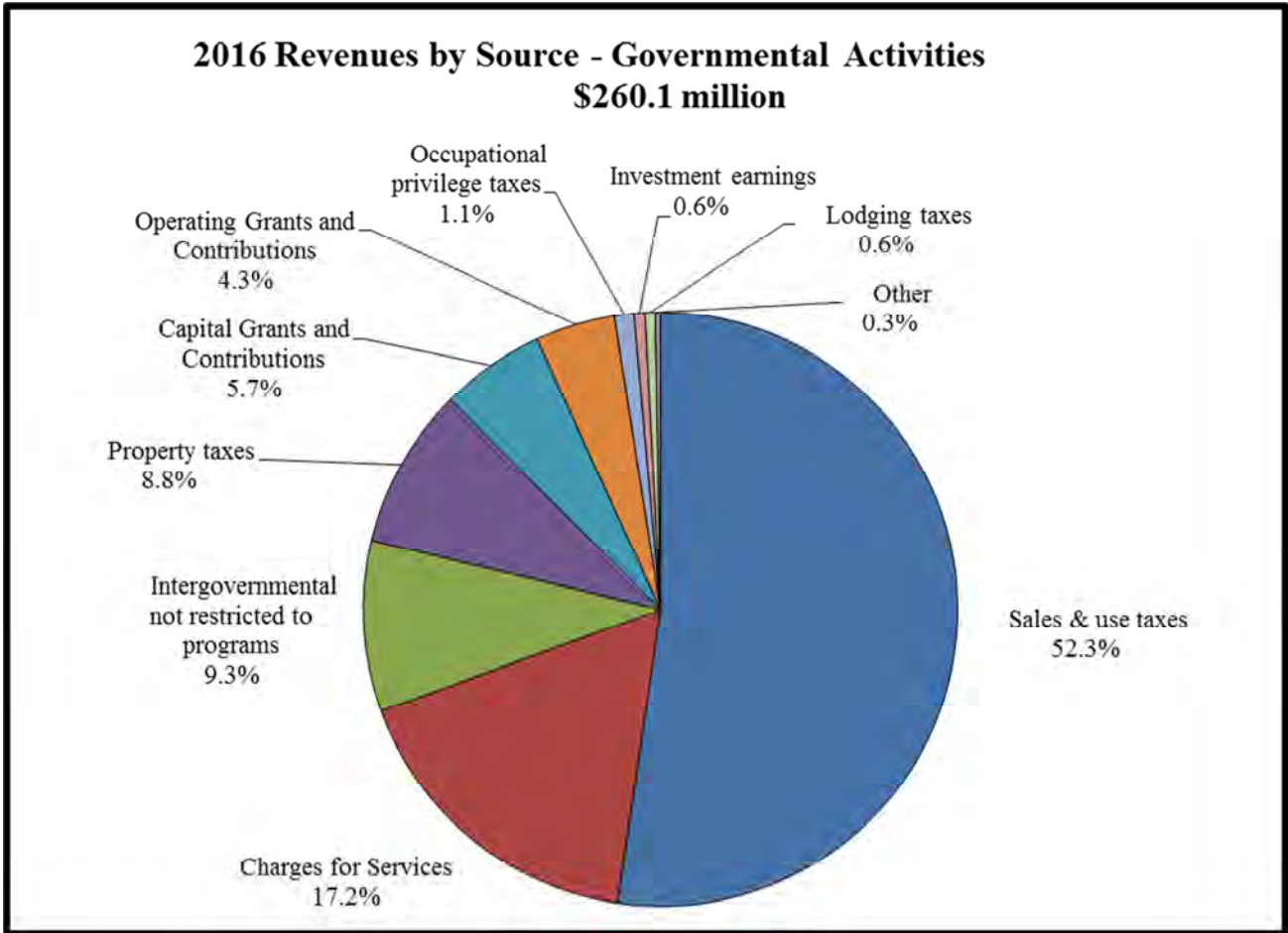
**Statement of Activities & Changes in Net Position**  
as of December 31  
(amounts expressed in thousands, totals may not add due to rounding)

	Governmental		Business-type		Total	
	<u>Activities</u>		<u>Activities</u>		<u>Primary Government</u>	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 44,618	\$ 40,576	\$ 198,964	\$ 187,497	\$ 243,582	\$ 228,073
Operating grants & contributions	11,277	8,737	260	74	11,537	8,811
Capital grants and contributions	14,788	17,788	23,155	16,280	37,943	34,068
General revenues:						
Sales & use taxes	136,087	134,899	-	-	136,087	134,899
Property taxes	22,822	19,988	-	-	22,822	19,988
Occupational privilege taxes	2,757	2,851	-	-	2,757	2,851
Lodging taxes	1,453	1,451	-	-	1,453	1,451
Intergovernmental not restricted to programs	24,075	22,436	-	-	24,075	22,436
Investment earnings	1,541	7,497	890	2,113	2,430	9,610
Miscellaneous	708	2,912	890	1,984	1,598	4,895
Total Revenues	<u>260,126</u>	<u>259,134</u>	<u>224,159</u>	<u>207,948</u>	<u>484,285</u>	<u>467,082</u>
Expenses:						
General government	46,706	47,737	-	-	46,706	47,737
Public safety	64,852	61,018	-	-	64,852	61,018
Cultural, parks, recreation and natural areas	47,315	35,423	-	-	47,315	35,423
Planning and development	13,982	11,241	-	-	13,982	11,241
Transportation	51,514	57,596	-	-	51,514	57,596
Interest on long-term debt	1,326	1,317	-	-	1,326	1,317
Light & power	-	-	131,780	124,304	131,780	124,304
Water	-	-	26,383	27,698	26,383	27,698
Wastewater	-	-	20,197	19,492	20,197	19,492
Storm drainage	-	-	9,913	9,287	9,913	9,287
Golf	-	-	3,208	3,169	3,208	3,169
Total expenses	<u>225,695</u>	<u>214,332</u>	<u>191,481</u>	<u>183,949</u>	<u>417,177</u>	<u>398,281</u>
Increase in net position before transfers	34,430	44,801	32,678	23,999	67,108	68,800
Transfers	<u>2,236</u>	<u>1,532</u>	<u>(2,236)</u>	<u>(1,532)</u>	<u>-</u>	<u>-</u>
Increase in net position	36,666	46,333	30,441	22,467	67,108	68,800
Net position - beginning	<u>991,577</u>	<u>945,243</u>	<u>764,174</u>	<u>741,707</u>	<u>1,755,751</u>	<u>1,686,950</u>
Net position - ending	<u>\$ 1,028,243</u>	<u>\$ 991,577</u>	<u>\$ 794,615</u>	<u>\$ 764,174</u>	<u>\$ 1,822,858</u>	<u>\$ 1,755,751</u>

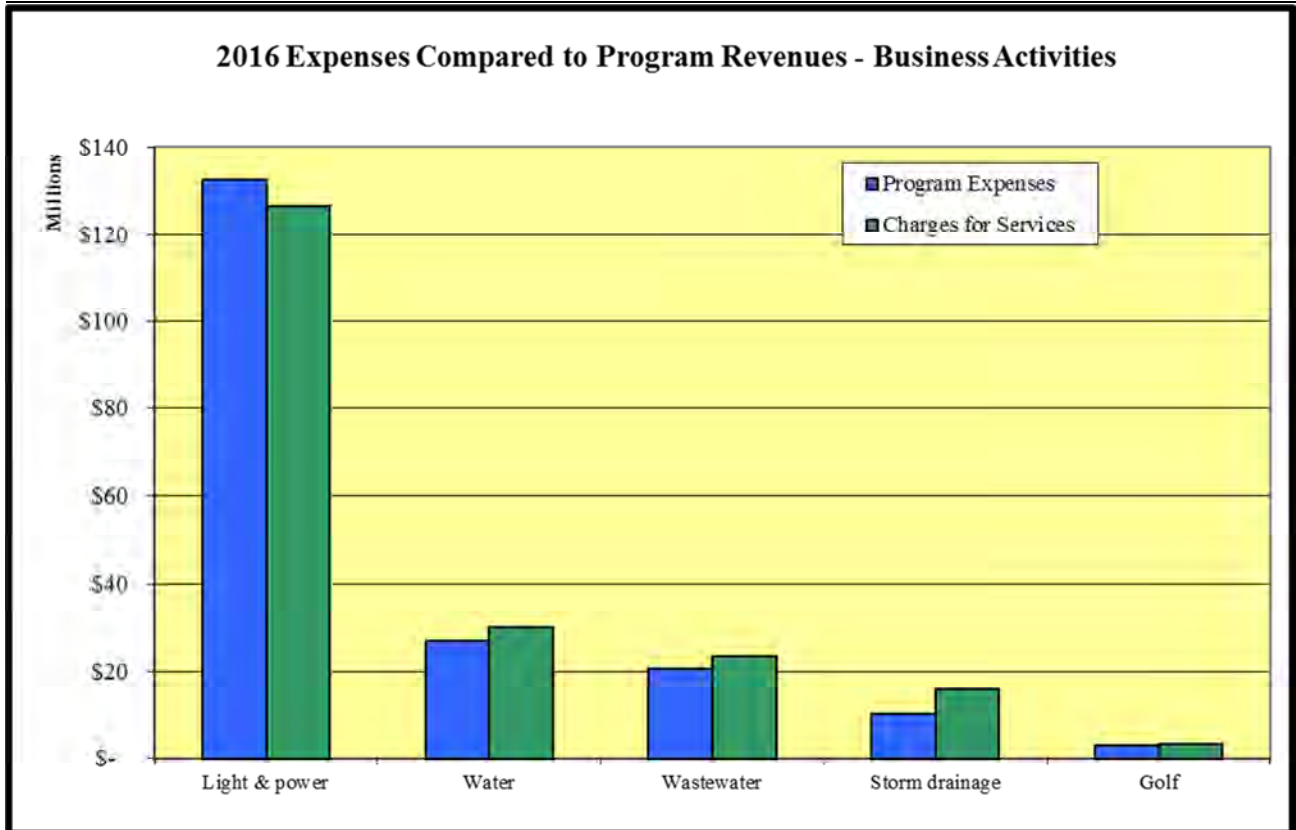
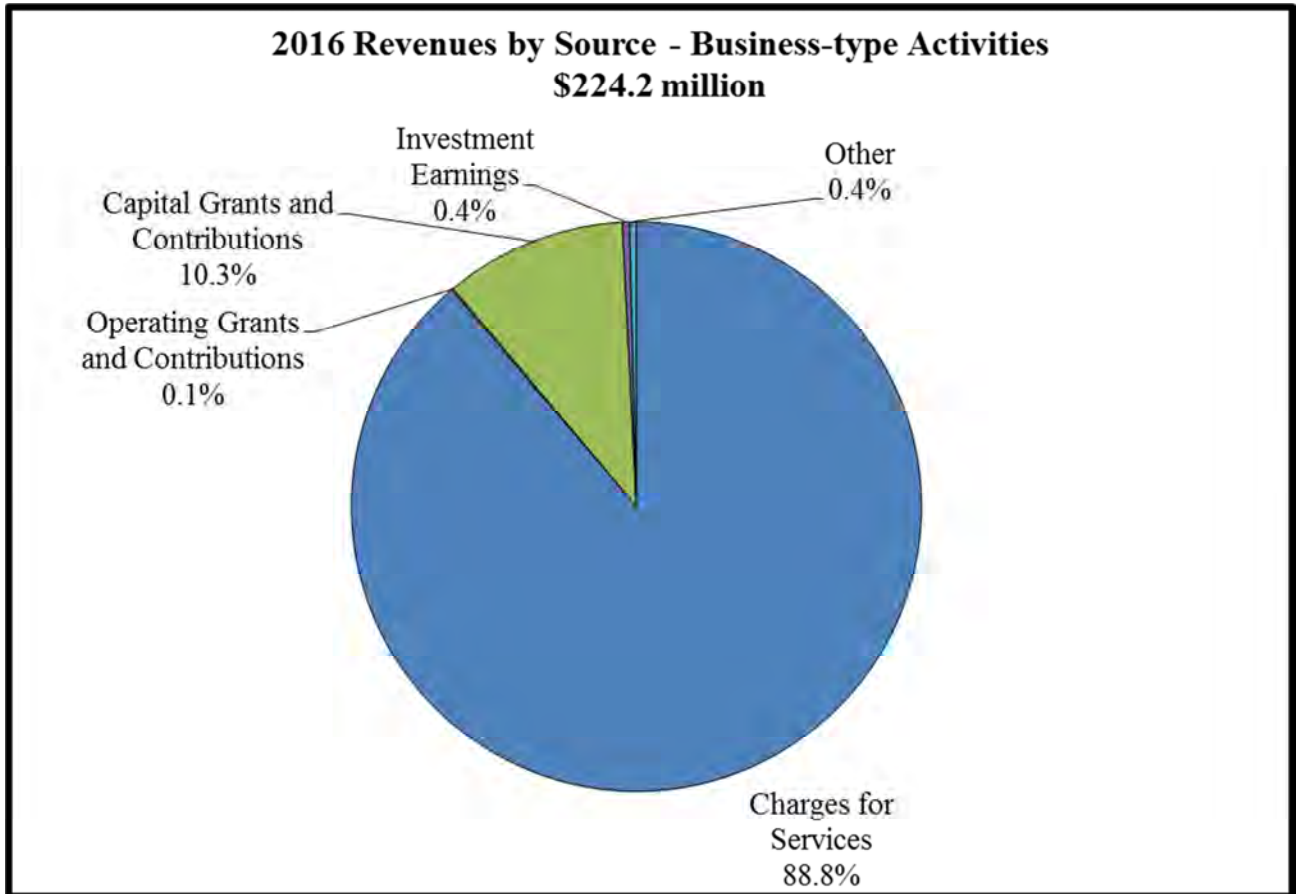
For more detailed information see the Statement of Activities on pages 30-31 of this report.

The above condensed summary of the City's governmental and business type activities for the period ended December 31, 2016 reflects net position increasing by \$67.1 million (3.8%). The prior period is also included for comparative purposes. In addition, revenue and expense graphs have been presented on pages 20-21 to enhance the reader's understanding of the current year activities.

Governmental Activities:



Business-type Activities:



Governmental activities. Governmental activities increased the City's net position by \$36.7 million, accounting for 54.6% of the City's \$67.1 million overall increase in net position. Major variations are due to the following:

Capital grants and contributions decreased by \$3.0 million in 2016 which was mostly due to decreases in transportation-related grant programs. The City's \$87 million MAX Bus Rapid Transit (BRT) project opened in 2014 after several years of planning and discussion and over two years of construction. This project was unique in its size and scope and its conclusion had a dramatic effect on grant revenues.

Sales and use tax collections increased a modest \$1.2 million (0.9%) from 2015 collections. Property tax revenue increased \$2.8 million (14.2%) as the result of significant increases in assessed values.

Investment earnings were down \$6.0 million in 2016 vs. 2015. The City's investment portfolio is entirely composed of fixed-income securities and cash. In 2016 rates began to rise that resulted in unrealized losses through mark to market accounting.

Expenses in governmental activities increased \$11.4 million over the prior year. Included in the increase were \$2.0 million of personnel costs in Police Services and \$1.8 million in support to Poudre Fire Authority within Public Safety. Cultural, Parks, Recreation and Natural Area increased \$11.9 million while Transportation had a decrease of \$6.1 million. Internal service fund costs were driven up by increases to employee healthcare costs and the self-insured risk pool.

Business-type activities. Business-type activities in the utility and golf funds increased the City's net position by \$30.4 million, accounting for 45.4% of the City's \$67.1 million increase in net position. Major variations are due to the following:

Charges for services in the utilities business activities totaled \$199.0 million for an increase of \$11.5 million (6.1%) from 2015 to 2016. Light and Power services charges increased 6.5% year-over-year driven by a 3.2% rate increase and 2.4% growth in energy sales. Water operating revenues increased 7.1% compared to 2015 due to below normal precipitation and strong commercial use. Wastewater operating revenues increased 5.6% from 2015 partially attributable to higher commercial demand as well as a 3.0% rate increase. Storm drainage operating revenue increased 4.2% compared to 2015 as development remained strong.

Other Utility revenues totaled \$25.2 million in 2016 vs. \$20.5 million in 2015. Total Light and Power capital grant and contribution revenues increased 13.9% in 2016 due to strong economic development. Total Water contributions and donations revenues increased 31.7% in 2016 for contribution for water permits and plant/system investment fees, driven by continued growth in new residential and commercial construction. Wastewater capital contributions increased 45.2% in 2016 driven by the continued strong development. Storm drainage capital contributions and donations revenue increased by 188.6% compared to 2015. Investment earnings decreased \$1.2 million due to unrealized losses on the City's hold-to-maturity portfolio.

Total business-type expenses totaled \$191.5 million in 2016, an increase of \$7.5 million compared to 2015. Light and Power expenses increased \$7.5 million (6.0%). Purchased Power costs within Light and Power were up \$5.0 million, operations and maintenance costs increased \$1.3 million, construction costs up \$2.4 million, efficiency rebates were up \$1.0 million, and administrative costs, including PILOTs, were up \$1.66 million. Water expenses decreased \$1.3 million (4.7%) mainly due to decreased debt service. Wastewater expenses increased \$0.7 million (3.6%). Storm Drainage expenses increased \$0.6 million (6.7%) due to increased operation and maintenance and administrative expenses.



## Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, 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 December 31, 2016, the total Governmental fund balances were \$211.3 million, an increase of \$3.6 million (1.7%) compared to the prior year. There was \$12.4 million non-spendable, restricted was \$80.5 million, committed was \$52.3 million, assigned was \$43.9 million, and unassigned was \$22.2 million. The explanations for these restrictions are contained in the Notes to the Basic Financial Statements, section III.F on page 81.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The fund experienced a net decrease of \$5.8 million which resulted in a December 31, 2016 fund balance of \$19.9 million. Restricted fund balance was \$10.4 million for voter approved projects and committed was \$10.0 million. The largest capital project expenditures were for Southeast Community Park (\$6.1 million), Timberline road improvements from Drake to Prospect (\$3.2 million), Lincoln Avenue road improvements from 1<sup>st</sup> Avenue to Lemay, and EPIC Pool Improvements (\$1.4 million).

The General Fund is the chief operating fund of the City. At December 31, 2016, the total fund balance was \$75.4 million. The spendable fund balance was \$68.4 million. The General Fund increase \$2.4 million in 2016 compared to a decrease of \$1.7 million in 2015. The increase is driven primarily by higher property taxes as a result of higher assessed values.

The Keep Fort Collins Great Special Revenue Fund is another major governmental fund of the City. As of December 31, 2016, the total fund balance, the entirety of which is restricted to voter constraints, was \$15.5 million. This is a decrease of \$1.4 million due primarily to planned use of fund balances for both operations and capital expenditures.

The Transportation Services Special Revenue Fund is another major governmental fund of the City. As of December 31, 2016, the fund balance was \$17.6 million and increase by \$0.5 million from 2015. The primary driver of the modest increase is due slowing development activity, leading to lower fee and service revenue.

The Urban Renewal Authority Fund primary purpose is to remedy blight by stimulating and leveraging private capital investment, using tax increment financing in private development projects and public improvement projects. The December 31, 2016 fund balance was a deficit \$2.9 million. The fund will continue to have a deficit fund balance for the next few years as Tax Increment Funding (TIF) monies are collected through increased property tax collections.

Proprietary funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The unrestricted net position balances and the growth in net position of the City’s proprietary funds (including the major enterprise funds) are reflected in the following table.

**Change in Net Position - Proprietary Funds**  
(amounts expressed in thousands, totals may not add due to rounding)

<u>Proprietary Funds</u>	Unrestricted Net Position at 12/31/16	Change in Net Position for Year Ended 12/31/16
Light & Power	\$ 38,466	\$ 1,615
Water	55,940	10,912
Wastewater	42,161	7,933
Storm Drainage	21,576	10,075
Total of Major Enterprise Funds	158,144	30,534
Other Enterprise Fund - Golf	776	284
Total Enterprise Funds	158,920	30,818
Internal Service Funds	17,277	4,715
Total Proprietary Funds	<u>\$ 176,197</u>	<u>\$ 35,533</u>

General Fund Budgetary Highlights

The final budgeted lapsing expenditure appropriations were \$10.4 million higher than the original budget lapsing appropriations. Revision to budget revenue appropriations are generally a product of unanticipated grant revenues and/or self-funded projects being appropriated. Major revisions to lapsing appropriations are summarized below:

The 2016 ordinances created new budget appropriations for the following items: \$0.8 million to support the utilities Energy Efficiency Programs, \$1.1 million for lapsed 2015 expenses that were previously authorized in 2015, \$0.6 million for economic rebates, \$4.7 million in 2016 unanticipated revenue or prior year reserve adjustments, and \$3.1 million for purchase orders that were carried forward from 2015.

The variance between actual lapsing expenditures and the final budget amounted to \$6.7 million (4.6%) less than budget. Total lapsing expenditures of \$138.1M were \$1.7 million or 1.2% lower than in 2015.

The decreased expenditures vs. budget in the general fund were primarily due to the following: Operations Services spent \$1.3 million less on building systems, repair, and project management due to timing; Parks spent \$1.0 million less. Police Services spent \$1.2 million less on information services and patrol. The Social Sustainability Program had \$1.1 million unspent appropriations due to timing of the federal fiscal year ending in September and the new budget cycle starting in October. Environmental Services spent \$1.0 million less on Recycling Center, Climate Action Plan and Efficiency Works Program.

The City expects to maintain its solid financial condition by continuous control over expenditures and through the evaluation of viable options for diversifying revenues.

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounted to \$1.5 billion (net of accumulated depreciation). This was an increase of \$65.3 million (4.4%). This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, and light & power, water, wastewater and storm drainage infrastructure as well as street system infrastructure.

The City has elected to use the modified approach for infrastructure reporting of its street system infrastructure. The City completes assessments of its entire street system on a 3 year cycle. The most recent 3 year assessment was completed as of December 31, 2015. It resulted in a Pavement Condition Index (PCI) rating of 72. It met the City's policy of achieving a good (Level of Service B) rating. For 2016, the City spent \$16.1 million on its street maintenance program as compared to \$16.7 million, the asset management system estimate needed to maintain streets at Level of Service B. For more detailed information, see the Required Supplementary Information on pages 96-97 of this report.

### **Capital Assets Net of Depreciation**

as of December 31

(amounts expressed in thousands, totals may not add due to rounding)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land, rights of way, water rights, other	\$ 226,063	\$ 222,050	\$ 70,833	\$ 70,344	\$ 296,896	\$ 292,394
Street system infrastructure	326,038	304,285	-	-	326,038	304,285
Construction in progress	31,155	28,517	124,720	103,070	155,875	131,587
Infrastructure	14,966	15,352	-	-	14,966	15,352
Buildings and improvements	92,717	95,589	125,308	129,891	218,025	225,480
Improvements other than buildings	104,336	105,357	353,309	341,710	457,645	447,067
Machinery and equipment	29,690	31,305	27,513	13,886	57,204	45,191
<b>Total capital assets</b>	<b>\$ 824,965</b>	<b>\$ 802,454</b>	<b>\$ 701,684</b>	<b>\$ 658,900</b>	<b>\$ 1,526,649</b>	<b>\$ 1,461,355</b>

Major capital improvements during this fiscal year included the following:

#### Governmental Activities

##### *Completed in 2016:*

Timberline Improvements: Drake to Prospect	\$3.6 million
Lincoln Avenue Improvements: 1 <sup>st</sup> to Lemay	\$2.8 million
Pedestrian/ADA Improvements	\$3.0 million
Arthur Ditch Improvements	\$2.4 million
East Prospect Bridge Replacement	\$1.6 million

##### *Other capital assets in 2016:*

Natural Areas Land Acquisition and Improvements	\$3.9 million
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#### Proprietary Activities

##### *Completed in 2016:*

Water Advanced Meter Infrastructure	\$5.6 million
Wastewater South Process Train Improvements	\$5.8 million

Additional information on the City's capital assets can be found in Note III.C. on pages 69-70 of this report.

Long-term debt. At the end of the current fiscal year, the City had total debt outstanding of \$95.2 million (bonds, certificates of participation, capital leases, etc.). This was a decrease of \$16.9 million (15.1%). Of this amount, \$59.3 million represents bonds secured by specified revenue sources (i.e., revenue bonds). The remaining \$36.0 million represents debt primarily secured by the new facilities or equipment being financed by certificates of participation, assignment of lease payments or capital leases.

**Outstanding Debt**

as of December 31

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenue bonds	\$ 9,435	\$ 9,995	\$ 49,838	\$ 60,995	\$ 59,273	\$ 70,990
Certificates of participation	25,365	29,630	425	620	25,790	30,250
Assignment of lease payments	304	357	966	1,134	1,270	1,491
Capital leases	8,190	8,781	720	608	8,910	9,390
Total outstanding debt	\$ 43,294	\$ 48,763	\$ 51,949	\$ 63,357	\$ 95,243	\$ 112,121

Additional information on the City’s long-term obligations can be found in Note III.E on pages 72-80 of this report.

Requests for Information

The City’s financial statements are designed to provide users with a general overview of the City’s finances and to demonstrate the City’s accountability. Questions concerning any of the information presented in this report or requesting additional information should be sent to the Accounting Director’s attention at the following address:

Accounting Director  
 215 North Mason Street 2nd Floor  
 PO Box 580  
 Fort Collins, CO 80522-0580

# BASIC FINANCIAL INFORMATION



## **BASIC FINANCIAL STATEMENTS**

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**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2016**

	<b>Primary Government -- City of Fort Collins</b>			
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Unit</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 20,222,510	\$ 9,540,179	\$ 29,762,689	\$ 166,909
Investments	207,581,378	150,676,274	358,257,652	2,362,310
Receivables:				
Property taxes	25,208,532	-	25,208,532	5,387,446
Sales and use taxes	14,467,530	-	14,467,530	-
Accounts, net	14,127,921	20,471,995	34,599,916	44,123
Notes	5,303,939	1,315,117	6,619,056	-
Interest	701,634	502,172	1,203,806	18,310
Prepaid	347,760	-	347,760	-
Internal Balances	10,881,824	(10,881,824)	-	-
Due from other governments	135,822	79,344	215,166	-
Inventories of materials and supplies	632,983	5,766,841	6,399,824	-
Inventory of real property held for resale	1,837,894	-	1,837,894	135,464
Restricted cash and cash equivalents	2,039,722	865,475	2,905,197	-
Restricted investments	-	-	-	1,250,000
Investment in joint venture	10,140,418	-	10,140,418	-
Capital assets (non-depreciable)	583,256,162	195,553,296	778,809,458	2,544,197
Capital assets (net of accumulated depreciation)	241,708,685	506,130,944	747,839,629	2,493,601
<b>Total Assets</b>	<b>1,138,594,714</b>	<b>880,019,813</b>	<b>2,018,614,527</b>	<b>14,402,360</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on refunding	1,128,908	1,846,939	2,975,847	-
Other pension-related items	1,074,566	1,025,541	2,100,107	-
<b>Total Deferred outflows of resources</b>	<b>2,203,474</b>	<b>2,872,480</b>	<b>5,075,954</b>	<b>-</b>
<b>LIABILITIES</b>				
Accounts payable	17,033,585	21,780,888	38,814,473	62,818
Interest payable	102,887	163,325	266,212	24,792
Wages payable	3,925,707	1,440,872	5,366,579	18,358
Compensated absences	6,254,700	1,978,380	8,233,080	14,083
Due to other governments	87,562	-	87,562	-
Unearned revenue	1,130,195	-	1,130,195	-
Deposits held	380,537	5,671	386,208	-
Non-Current liabilities				
Due within one year	11,152,201	10,489,778	21,641,979	1,959,661
Due in more than one year	47,271,450	52,413,371	99,684,821	10,061,045
<b>Total Liabilities</b>	<b>87,338,824</b>	<b>88,272,285</b>	<b>175,611,109</b>	<b>12,140,757</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	25,208,532	-	25,208,532	5,387,446
Deferred gain on refunding	7,740	4,663	12,403	-
<b>Total Deferred inflows of resources</b>	<b>25,216,272</b>	<b>4,663</b>	<b>25,220,935</b>	<b>5,387,446</b>
<b>NET POSITION</b>				
Net investment in capital assets	781,421,461	646,367,330	1,427,788,791	5,037,798
Restricted for:				
Debt service	957,387	852,767	1,810,154	1,562,264
Capital Projects	29,267,720	-	29,267,720	-
Donations and grants	1,671,030	-	1,671,030	-
Parks and natural areas	19,100,460	-	19,100,460	-
Development Agreements	5,388,719	-	5,388,719	-
Emergencies	6,697,704	-	6,697,704	-
Other	17,437,135	6,166	17,443,301	-
Unrestricted (deficit)	166,301,476	147,389,082	313,690,558	(9,725,905)
<b>Total Net Position (Deficit)</b>	<b>\$ 1,028,243,092</b>	<b>\$ 794,615,345</b>	<b>\$ 1,822,858,437</b>	<b>\$ (3,125,843)</b>

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



STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>FUNCTIONS/ PROGRAM ACTIVITIES:</b>				
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 46,706,020	\$ 15,979,881	\$ 28,558	\$ 1,105,636
Public safety	64,852,096	1,598,352	2,028,958	1,187,024
Culture, parks, recreation and natural areas	47,315,489	9,813,367	1,365,697	7,420,581
Planning and development	13,982,190	4,870,037	1,304,334	617,488
Transportation	51,513,902	12,356,280	6,549,125	4,457,584
Interest on long-term debt	1,325,755	-	-	-
<b>Total Governmental Activities</b>	<b>225,695,452</b>	<b>44,617,917</b>	<b>11,276,672</b>	<b>14,788,313</b>
<b>Business-type Activities:</b>				
Light & Power	131,780,493	126,466,482	51,866	6,700,512
Water	26,382,891	29,912,235	-	8,085,319
Wastewater	20,197,117	23,460,053	83,044	3,963,474
Storm Drainage	9,913,196	15,695,850	125,037	4,405,329
Golf	3,207,630	3,429,769	-	-
<b>Total Business-type Activities</b>	<b>191,481,327</b>	<b>198,964,389</b>	<b>259,947</b>	<b>23,154,634</b>
<b>Total Primary Government</b>	<b>417,176,779</b>	<b>243,582,306</b>	<b>11,536,619</b>	<b>37,942,947</b>
<b>Component Unit:</b>				
Downtown Development Authority	\$ 3,326,943	\$ 68,800	\$ 73,539	\$ -

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

<b>Net (Expense) Revenue and Changes in Net Position</b>				
<b>Primary Government - City of Fort Collins</b>				
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Unit</b>
	\$ (29,591,945)	\$	\$ (29,591,945)	\$
	(60,037,762)		(60,037,762)	
	(28,715,844)		(28,715,844)	
	(7,190,331)		(7,190,331)	
	(28,150,913)		(28,150,913)	
	(1,325,755)		(1,325,755)	
	<u>(155,012,550)</u>		<u>(155,012,550)</u>	
		1,438,367	1,438,367	
		11,614,663	11,614,663	
		7,309,454	7,309,454	
		10,313,020	10,313,020	
		222,139	222,139	
	-	<u>30,897,643</u>	<u>30,897,643</u>	
	<u>(155,012,550)</u>	<u>30,897,643</u>	<u>(124,114,907)</u>	
				<u>(3,184,604)</u>
<b>General Revenues</b>				
Sales & use taxes	136,086,972	-	136,086,972	-
Property taxes	22,821,931	-	22,821,931	4,935,865
Occupational privilege taxes	2,756,735	-	2,756,735	-
Lodging taxes	1,453,307	-	1,453,307	-
Intergovernmental not restricted to programs	24,075,026	-	24,075,026	-
Investment earnings	1,540,645	889,773	2,430,418	9,679
Miscellaneous	708,230	890,143	1,598,373	41,968
Transfers	<u>2,236,191</u>	<u>(2,236,191)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>191,679,037</u>	<u>(456,275)</u>	<u>191,222,762</u>	<u>4,987,512</u>
Changes in Net Position	36,666,487	30,441,368	67,107,855	1,802,908
Net Position (Deficit)--January 1	<u>991,576,605</u>	<u>764,173,977</u>	<u>1,755,750,582</u>	<u>(4,928,751)</u>
Net Position (Deficit)--December 31	<u>\$ 1,028,243,092</u>	<u>\$ 794,615,345</u>	<u>\$ 1,822,858,437</u>	<u>\$ (3,125,843)</u>

GOVERNMENTAL FUNDS  
BALANCE SHEET  
DECEMBER 31, 2016

	Primary Government						
	General	Keep Fort Collins Great	Trans- portation Services	Capital Projects	Urban Renewal Authority	Total Other Governmental	Total Governmental
<b>ASSETS</b>							
Cash and cash equivalents	\$ 4,363,364	\$ 986,338	\$ 1,261,634	\$ 1,519,886	\$ 74,484	\$ 6,233,546	\$ 14,439,252
Investments	54,990,451	12,551,448	18,370,332	21,744,785	1,062,014	81,198,031	189,917,061
Receivables							
Property taxes	21,463,376	-	-	-	3,427,145	318,011	25,208,532
Sales and use taxes	8,995,635	2,881,821	861,902	-	-	1,728,172	14,467,530
Accounts, net	1,487,758	-	1,509,089	2,825,586	4,499	8,005,617	13,832,549
Notes and loans	-	-	-	-	5,303,939	-	5,303,939
Interest	204,001	41,680	44,591	69,168	3,587	278,087	641,114
Prepaid item	200	-	150	-	-	78,353	78,703
Due from other funds	5,548,530	-	-	-	-	-	5,548,530
Advances to other funds	5,034,986	-	-	-	-	2,651,970	7,686,956
Inventory of real property held for resale	1,837,894	-	-	-	-	-	1,837,894
Restricted - cash and cash equivalents	-	-	1,874	-	949,045	-	950,919
<b>Total Assets</b>	<b>103,926,195</b>	<b>16,461,287</b>	<b>22,049,572</b>	<b>26,159,425</b>	<b>10,824,713</b>	<b>100,491,787</b>	<b>279,912,979</b>
<b>LIABILITIES</b>							
Accounts payable, accruals, and other	4,078,205	763,859	4,061,058	3,425,454	194	3,427,395	15,756,165
Wages payable	2,211,711	217,534	341,435	17,829	5,056	776,350	3,569,915
Due to other governments	54,362	-	47	-	-	33,153	87,562
Due to other funds	-	-	-	-	-	5,548,532	5,548,532
Unearned revenue	-	-	56,604	-	-	937,769	994,373
Advance from other funds	-	-	-	-	10,338,924	-	10,338,924
Deposits held	20,000	-	-	-	-	360,537	380,537
<b>Total Liabilities</b>	<b>6,364,278</b>	<b>981,393</b>	<b>4,459,144</b>	<b>3,443,283</b>	<b>10,344,174</b>	<b>11,083,736</b>	<b>36,676,008</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	21,463,376	-	-	-	3,427,145	318,011	25,208,532
Unavailable revenue - grants	723,761	-	39,658	2,787,314	-	3,167,651	6,718,384
<b>Total Deferred inflows of resources</b>	<b>22,187,137</b>	<b>-</b>	<b>39,658</b>	<b>2,787,314</b>	<b>3,427,145</b>	<b>3,485,662</b>	<b>31,926,916</b>
<b>FUND BALANCES (DEFICIT)</b>							
Nonspendable	6,998,080	-	150	-	5,303,939	78,353	12,380,522
Restricted	13,540,399	15,479,894	1,874	10,411,346	949,055	40,131,129	80,513,697
Committed	481,523	-	611,864	10,007,396	-	41,244,341	52,345,124
Assigned	20,963,388	-	16,936,882	-	-	5,962,149	43,862,419
Unassigned	33,391,390	-	-	(489,914)	(9,199,600)	(1,493,583)	22,208,293
<b>Total Fund Balances (Deficit)</b>	<b>75,374,780</b>	<b>15,479,894</b>	<b>17,550,770</b>	<b>19,928,828</b>	<b>(2,946,606)</b>	<b>85,922,389</b>	<b>211,310,055</b>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 103,926,195	\$ 16,461,287	\$ 22,049,572	\$ 26,159,425	\$ 10,824,713	\$ 100,491,787	\$ 279,912,979

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

**RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2016**

Amounts reported for governmental activities in the statement of net position (page 29) are different because:

Total fund balances - governmental funds (page 32)	<b>\$ 211,310,055</b>
Capital assets of \$983,485,231 net of accumulated depreciation of \$166,173,122 used in governmental activities are not financial resources, therefore, are not reported in the funds.	817,312,109
City's joint venture equity interest in Fort Collins/Loveland Airport.	10,140,418
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as a deferred inflow of resources in the funds.	6,718,384
Internal service fund allocated to business type activities	13,533,794
Long-term liabilities are not due and payable in the current period and therefore are not reported in funds:	
Bonds payable	(9,435,000)
Certificates of Participation	(25,365,000)
Assignment of lease	(303,843)
Premium	(249,264)
Capital lease	(2,512,632)
Deferred loss on refunding, net of deferred gain	1,121,168
Interest payable	(87,287)
Compensated absences	(5,674,753)
Net pension liability	(6,381,292)
Postemployment healthcare obligation	<u>(1,145,948)</u>
	(50,033,851)
Deferred outflow of resources, other pension-related items	923,696
Internal service funds are used by management to charge the costs of certain activities to individual funds. Except for the utility customer service and administrative fund, the assets/deferred outflows of resources and liabilities/deferred inflows of resources of the internal service funds are included in the governmental activities in the statement of net position.	<u>18,338,487</u>
Net position of governmental activities (page 29)	<b><u>\$ 1,028,243,092</u></b>

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

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Primary Government						Total Governmental	Total Governmental
	General	Keep Fort Collins Great	Trans- portation Services	Capital Projects	Urban Renewal Authority	Total Other Governmental		
<b>REVENUES</b>								
Taxes	\$ 108,842,908	\$ 27,447,057	\$ 8,197,773	\$ -	\$ 1,903,682	\$ 16,727,525	\$ 163,118,945	
Licenses and permits	3,740,888	-	260,346	-	-	-	4,001,234	
Intergovernmental	12,575,111	-	8,662,177	3,182,015	-	13,943,090	38,362,393	
Fees and charges for services	10,132,917	-	4,729,071	-	4,499	24,463,018	39,329,505	
Fines and forfeitures	2,151,744	-	-	-	-	-	2,151,744	
Earnings on investments	501,851	97,569	27,091	108,226	87,369	294,285	1,116,391	
Miscellaneous revenue	1,796,671	7,500	89,046	290,627	-	1,583,428	3,767,272	
<b>Total Revenues</b>	<b>139,742,090</b>	<b>27,552,126</b>	<b>21,965,504</b>	<b>3,580,868</b>	<b>1,995,550</b>	<b>57,011,346</b>	<b>251,847,484</b>	
<b>EXPENDITURES</b>								
Current								
Police services	34,735,721	4,018,848	-	-	-	-	38,754,569	
Financial services	3,957,133	-	-	-	-	-	3,957,133	
Community and operation	21,560,882	3,162,297	-	1,792,100	-	17,379,873	43,895,152	
Planning, development and transportation	7,755,895	11,611,960	24,481,913	3,408,832	-	16,981,872	64,240,472	
Executive, legislative, and judicial	6,934,808	5,566	-	-	-	-	6,940,374	
Employee and communications	4,651,522	330,633	-	-	-	-	4,982,155	
Sustainability services	7,913,103	1,087,243	-	57,248	789,592	3,149,387	12,996,573	
Other	1,249,843	-	-	61,098	-	2,703	1,313,644	
Intergovernmental								
Fire protection	20,556,911	3,266,692	-	-	-	234,354	24,057,957	
Capital outlay	1,174,048	4,888,656	749,984	16,678,609	-	8,270,590	31,761,887	
Debt service								
Principal	224,223	471,241	507,312	-	560,000	4,068,249	5,831,025	
Interest and debt service costs	16,534	26,892	31,879	-	747,521	547,522	1,370,348	
<b>Total Expenditures</b>	<b>110,730,623</b>	<b>28,870,028</b>	<b>25,771,088</b>	<b>21,997,887</b>	<b>2,097,113</b>	<b>50,634,550</b>	<b>240,101,289</b>	
Excess of Revenues								
Over (Under) Expenditures	29,011,467	(1,317,902)	(3,805,584)	(18,417,019)	(101,563)	6,376,796	11,746,195	
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	955,314	-	5,020,560	12,884,176	-	23,196,166	42,056,216	
Transfers out	(27,536,157)	(32,294)	(739,665)	(298,204)	-	(21,639,924)	(50,246,244)	
Sale of capital assets	1,249	-	19,379	-	-	54,156	74,784	
<b>Total Other Financing Sources (Uses)</b>	<b>(26,579,594)</b>	<b>(32,294)</b>	<b>4,300,274</b>	<b>12,585,972</b>	<b>-</b>	<b>1,610,398</b>	<b>(8,115,244)</b>	
<b>Net Changes in Fund Balances (Deficit)</b>	<b>2,431,873</b>	<b>(1,350,196)</b>	<b>494,690</b>	<b>(5,831,047)</b>	<b>(101,563)</b>	<b>7,987,194</b>	<b>3,630,951</b>	
Fund Balances (Deficit)-January 1	72,942,907	16,830,090	17,056,080	25,759,875	(2,845,043)	77,935,195	207,679,104	
<b>Fund Balances (Deficit)-December 31</b>	<b>\$ 75,374,780</b>	<b>\$ 15,479,894</b>	<b>\$ 17,550,770</b>	<b>\$ 19,928,828</b>	<b>\$ (2,946,606)</b>	<b>\$ 85,922,389</b>	<b>\$ 211,310,055</b>	

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

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

Amounts reported for governmental activities in the statement of activities (pages 30-31) are different because:

Net change in fund balances - total governmental funds (page 34)	<b>\$ 3,630,951</b>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, \$35,718,588, exceeded depreciation, \$14,318,922, in the current period.	21,399,666
The net effect of disposal of capital assets	(1,639,568)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	2,654,238
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net position, so this transaction has no effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items as expenditures in the period when the debt is created. However, these amounts are deferred and amortized in the statement of activities.	
Principal payments	5,831,025
Debt payment made by DDA on behalf of the City	249,625
Amortization of premium, deferred amount of refunding	(88,424)
Interest expense	15,365
	<u>6,007,591</u>
In the statement of activities, certain expenses - compensated absences, other post-employment benefits and pension expense - are measured by the amounts incurred during the year. In the governmental funds, however, expenditure for these items are measured by the amount of financial resources used or due (essentially, the amounts actually paid). These amounts represent the net effect of compensated absences, other post-employment benefits and pension-related amounts on the statement of activities.	
Change in net pension liability	156,685
Change in postemployment healthcare benefits	27,666
Change in compensated absences	(545,841)
	<u>(361,490)</u>
Expenses in Statement of Activities related to City's Equity in Joint Venture	
Change in Non-Capital Equity position in Fort Collins/Loveland Airport	97,483
Change in deferred outflow of resources, other pension-related items	(214,477)
Allocation of internal service fund net position to business type activities	1,874,429
Internal service funds are used by management to charge the costs of certain activities to individual funds. Except for the utility customer service and administrative fund, the net revenue of the internal service funds is reported with the governmental activities.	<u>3,217,664</u>
Change in net position of governmental activities (pages 30-31)	<b><u>\$ 36,666,487</u></b>

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

**GENERAL FUND (CONSOLIDATED)**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ 108,842,908	\$ 99,707,594	\$ 104,382,898	\$ 4,460,010
Licenses and permits	3,740,888	3,060,900	3,060,900	679,988
Intergovernmental	11,925,374	11,559,285	11,929,901	(4,527)
Fees and charges for services	10,132,917	8,507,526	8,985,877	1,147,040
Fines and forfeitures	2,151,744	2,490,158	2,426,158	(274,414)
Earnings (loss) on investments	501,851	730,656	730,656	(228,805)
Miscellaneous revenue	1,796,919	1,239,807	1,465,182	331,737
Transfers	1,753,821	1,726,611	1,803,821	(50,000)
Projects				
Intergovernmental	4,180,674	-	4,718,339	(537,665)
Miscellaneous revenue	377,767	-	351,151	26,616
Total Revenues	<u>145,404,863</u>	<u>129,022,537</u>	<u>139,854,883</u>	<u>5,549,980</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Community and operation	22,211,557	23,369,218	25,100,716	2,889,159
Employee and communications	11,269,889	10,643,630	11,204,786	(65,103)
Executive, legislative, and judicial	6,840,322	6,407,928	6,859,206	18,884
Financial services	3,957,133	3,938,339	3,914,338	(42,795)
Fire protection	20,556,911	20,556,908	20,556,908	(3)
Other	23,380,949	23,669,887	23,611,342	230,393
Planning, development and transportation	7,753,883	7,411,602	8,071,705	317,822
Police services	34,720,889	34,027,317	35,890,534	1,169,645
Sustainability services	7,409,901	4,413,959	9,593,460	2,183,559
Projects (project level of budgetary control)				
Community and operation	401,737	-	419,693	17,956
Executive, legislative, and judicial	297,621	-	351,056	53,435
Planning, development and transportation	547,917	-	653,375	105,458
Police services	3,270,676	-	3,288,744	18,068
Sustainability services	631,631	-	1,416,392	784,761
Other	1,079,043	-	1,118,000	38,957
Total Expenditures	<u>144,330,059</u>	<u>134,438,788</u>	<u>152,050,255</u>	<u>7,720,196</u>
Excess of revenues over (under) expenditures	1,074,804	<u>\$ (5,416,251)</u>	<u>\$ (12,195,372)</u>	<u>\$ 13,270,176</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	5,264,772			
Prior Years' Project Revenues	(3,907,703)			
Total Reconciling Items	<u>1,357,069</u>			
Net Change in Fund Balances	2,431,873			
Fund Balances--January 1	<u>72,942,907</u>			
Fund Balances--December 31	<u>\$ 75,374,780</u>			

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

**KEEP FORT COLLINS GREAT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ 97,569	\$ 143,516	\$ 143,516	\$ (45,947)
Earnings (loss) on investments	7,500	-	-	7,500
Proceeds from issuance of long-term debt	27,447,055	26,142,004	27,908,260	(461,205)
Total Revenues	<u>27,552,124</u>	<u>26,285,520</u>	<u>28,051,776</u>	<u>(499,652)</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Fire Protection	3,266,692	3,266,692	3,266,692	-
Other Community Priorities	3,331,855	3,267,782	4,739,594	1,407,739
Other Street and Transportation	1,826,657	1,994,427	2,269,293	442,636
Parks and Recreation	2,775,977	3,187,453	3,501,524	725,547
Police services	4,196,864	4,870,202	4,870,202	673,338
Street Maintenance	7,152,016	6,857,057	7,202,118	50,102
Projects (project level of budgetary control)				
Capital Maintenance	3,707,313	-	3,931,602	224,289
City Bridge Program	6,835,957	-	7,179,031	343,074
Dial-A-Ride Operations	416,107	-	416,107	-
FC Bikes	481,966	-	518,819	36,853
Safe Routes to School	955,884	-	1,316,000	360,116
Senior Center Expansion	763,551	-	960,971	197,420
Trail Acquisition & Development	653,537	-	827,000	173,463
Total Expenditures	<u>36,364,376</u>	<u>23,443,613</u>	<u>40,998,953</u>	<u>4,634,577</u>
Excess of revenues over (under) expenditures	(8,812,252)	<u>\$ 2,841,907</u>	<u>\$ (12,947,177)</u>	<u>\$ 4,134,925</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	<u>7,462,056</u>			
Total Reconciling Items	<u>7,462,056</u>			
Net Change in Fund Balances	(1,350,196)			
Fund Balances--January 1	<u>16,830,090</u>			
Fund Balances--December 31	<u>\$ 15,479,894</u>			

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



**TRANSPORTATION SERVICES FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Earnings on investments	\$ 27,091	\$ 153,617	\$ 153,617	\$ (126,526)
Fees and charges for services	4,729,071	3,853,850	4,553,850	175,221
Intergovernmental	8,145,289	6,963,871	6,963,871	1,181,418
Licenses and permits	260,346	166,500	166,500	93,846
Miscellaneous revenue	108,560	25,000	50,000	58,560
Taxes	8,197,774	7,688,825	8,208,305	(10,531)
Transfers	5,020,560	5,020,560	5,020,560	-
Projects				
Intergovernmental	1,066,755	-	1,335,399	(268,644)
Miscellaneous revenue	107,632	-	107,767	(135)
Total Revenues	<u>27,663,078</u>	<u>23,872,223</u>	<u>26,559,869</u>	<u>1,103,209</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Engineering	2,471,884	2,641,551	2,727,118	255,234
FC Moves	833,549	632,264	871,186	37,637
PDT Administration	750,610	219,721	1,362,513	611,903
Streets	17,628,747	16,740,781	18,676,259	1,047,512
Traffic	4,066,111	4,100,673	4,234,204	168,093
Projects (project level of budgetary control)				
FC Moves	1,033,273	-	1,194,796	161,523
Traffic Signal System Software	269,653	-	248,370	(21,283)
Total Expenditures	<u>27,053,827</u>	<u>24,334,990</u>	<u>29,314,446</u>	<u>2,260,619</u>
Excess of revenues over (under) expenditures	609,251	<u>\$ (462,767)</u>	<u>\$ (2,754,577)</u>	<u>\$ 3,363,828</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	660,738			
Prior Years' Project Revenues	(657,634)			
Lease Purchases	(117,665)			
Total Reconciling Items	<u>(114,561)</u>			
Net Change in Fund Balances	494,690			
Fund Balances--January 1	<u>17,056,080</u>			
Fund Balances--December 31	<u>\$ 17,550,770</u>			

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

**URBAN RENEWAL AUTHORITY (CONSOLIDATED)**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	1,903,682	3,040,859	3,040,859	(1,137,177)
Fees and charges for services	4,499	-	-	4,499
Earnings (loss) on investments	87,369	85,991	85,991	1,378
Total Revenues	<u>1,995,550</u>	<u>3,126,850</u>	<u>3,126,850</u>	<u>(1,131,300)</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Debt & Other Uses	1,456,008	1,443,563	1,443,563	(12,445)
Other Purchased Services	4,661	8,388	8,388	3,727
Personnel Costs	129,596	193,863	193,863	64,267
Purchased Prof & Tech Services	44,813	91,479	91,479	46,666
Purchased Property Services	610,043	1,150,907	1,749,188	1,139,145
Supplies	479	1,400	1,400	921
Total Expenditures	<u>2,245,600</u>	<u>2,889,600</u>	<u>3,487,881</u>	<u>1,242,281</u>
Excess of revenues over (under) expenditures	(250,050)	<u>\$ 237,250</u>	<u>\$ (361,031)</u>	<u>\$ 110,981</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Principal Reduction--Advances Payable	<u>148,487</u>			
Total Reconciling Items	<u>148,487</u>			
Net Change in Fund Balances (Deficit)	(101,563)			
Fund Balances (Deficit)--January 1	<u>(2,845,043)</u>			
Fund Balances (Deficit)--December 31	<u>\$ (2,946,606)</u>			

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

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2016**

	<b>Light and Power</b>	<b>Water</b>	<b>Wastewater</b>	<b>Storm Drainage</b>
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 2,116,318	\$ 3,382,879	\$ 2,489,871	\$ 1,300,467
Investments	30,509,474	52,358,255	39,144,206	23,643,425
Receivables				
Accounts, net	14,030,063	2,335,220	2,419,597	1,655,951
Interest	100,878	175,809	130,135	78,708
Prepaid item	-	-	-	-
Due from other governments	-	-	-	79,344
Inventories of materials and supplies	5,766,841	-	-	-
<b>Total Current Assets</b>	<b>52,523,574</b>	<b>58,252,163</b>	<b>44,183,809</b>	<b>26,757,895</b>
Non-Current Assets				
Advance to other funds	-	2,651,970	-	-
Restricted - cash and cash equivalents	4,400	268,525	243,267	347,517
Land, water rights, other	1,761,965	54,484,440	3,423,833	8,281,666
Buildings, improvements and equipment	266,284,567	284,646,493	236,107,968	131,302,007
Accumulated depreciation	(153,430,603)	(130,429,264)	(94,116,135)	(38,489,194)
Construction in progress	56,946,976	40,378,790	9,173,825	18,220,491
Note receivable	1,310,214	4,903	-	-
<b>Total Non-Current Assets</b>	<b>172,877,519</b>	<b>252,005,857</b>	<b>154,832,758</b>	<b>119,662,487</b>
<b>Total Assets</b>	<b>225,401,093</b>	<b>310,258,020</b>	<b>199,016,567</b>	<b>146,420,382</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	-	38,811	1,443,858	364,270
Other pension-related items	179,399	266,979	258,174	76,860
<b>Total Deferred Outflows of Resources</b>	<b>179,399</b>	<b>305,790</b>	<b>1,702,032</b>	<b>441,130</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	12,883,759	2,657,328	1,162,238	4,776,917
Interest payable	27,351	20,683	70,182	36,011
Wages payable	421,103	297,766	211,102	115,116
Compensated absences	688,625	448,498	289,162	164,136
Bonds payable	1,710,000	2,743,167	1,830,000	3,595,000
Claims payable	-	-	-	-
Capital lease obligations	23,265	-	-	-
Unearned revenue	-	-	-	-
<b>Total Current Liabilities</b>	<b>15,754,103</b>	<b>6,167,442</b>	<b>3,562,684</b>	<b>8,687,180</b>
Non-Current Liabilities				
Postemployment benefits	1,525,851	1,844,409	1,998,446	530,981
Bonds payable	5,513,244	3,739,882	24,621,306	9,453,246
Claims payable	-	-	-	-
Capital lease obligations	85,279	-	-	-
Deposits held	-	5,671	-	-
<b>Total Non-Current Liabilities</b>	<b>7,124,374</b>	<b>5,589,962</b>	<b>26,619,752</b>	<b>9,984,227</b>
<b>Total Liabilities</b>	<b>22,878,477</b>	<b>11,757,404</b>	<b>30,182,436</b>	<b>18,671,407</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred gain on refunding	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	164,231,117	242,597,410	128,138,185	106,266,724
Restricted: debt service	-	268,525	236,725	347,517
Restricted: fiscal agent	4,400	-	-	-
Unrestricted	38,466,498	55,940,471	42,161,253	21,575,864
<b>Total Net Position</b>	<b>\$ 202,702,015</b>	<b>\$ 298,806,406</b>	<b>\$ 170,536,163</b>	<b>\$ 128,190,105</b>

Adjustment to reflect the consolidation of internal service fund net position related to enterprise funds:

Allocation of governmental activities related to internal service fund net position:

Net position of business-type activities (page 29).

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

<b>Non Major</b>		
<b>Enterprise Fund</b>	<b>Enterprise</b>	<b>Internal</b>
<b>Golf</b>	<b>Funds</b>	<b>Service Funds</b>
\$ 83,427	\$ 9,372,962	\$ 5,950,475
1,162,095	146,817,455	21,523,136
21,919	20,462,750	304,616
3,909	489,439	73,253
-	-	269,057
-	79,344	135,822
-	5,766,841	632,983
<u>1,271,350</u>	<u>182,988,791</u>	<u>28,889,342</u>
-	2,651,970	-
1,766	865,475	1,088,803
2,881,310	70,833,214	30,126
8,915,902	927,256,937	22,852,097
(4,919,523)	(421,384,719)	(15,024,694)
-	124,720,082	53,935
-	1,315,117	-
<u>6,879,455</u>	<u>706,258,076</u>	<u>9,000,267</u>
<u>8,150,805</u>	<u>889,246,867</u>	<u>37,889,609</u>
-	1,846,939	-
44,093	825,505	350,906
<u>44,093</u>	<u>2,672,444</u>	<u>350,906</u>
103,669	21,583,911	1,474,397
9,098	163,325	16,636
41,660	1,086,747	709,917
75,598	1,666,019	892,308
-	9,878,167	-
-	-	3,339,903
588,346	611,611	1,728,569
-	-	135,822
<u>818,371</u>	<u>34,989,780</u>	<u>8,297,552</u>
304,616	6,204,303	2,424,220
-	43,327,678	-
-	-	2,969,917
1,414,175	1,499,454	3,948,962
-	5,671	-
<u>1,718,791</u>	<u>51,037,106</u>	<u>9,343,099</u>
<u>2,537,162</u>	<u>86,026,886</u>	<u>17,640,651</u>
4,663	4,663	-
4,875,168	646,108,604	3,319,085
-	852,767	3,651
1,766	6,166	-
776,139	158,920,225	17,277,128
<u>\$ 5,653,073</u>	<u>805,887,762</u>	<u>\$ 20,599,864</u>
	2,261,377	
	(13,533,794)	
	<u>\$ 794,615,345</u>	

**PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>Light and Power</b>	<b>Water</b>	<b>Wastewater</b>	<b>Storm Drainage</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 125,072,991	\$ 29,775,882	\$ 23,296,749	\$ 15,620,342
Other revenue	1,808,474	417,345	190,968	86,407
Total Operating Revenues	<u>126,881,465</u>	<u>30,193,227</u>	<u>23,487,717</u>	<u>15,706,749</u>
<b>OPERATING EXPENSES</b>				
Personal services	7,936,963	7,308,339	5,451,484	2,401,162
Contractual services	11,053,742	6,286,622	4,061,262	1,080,977
Commodities	94,439,663	1,816,406	1,176,231	195,054
Customer service and administrative charges	6,500,603	3,665,852	2,679,150	2,815,355
Other	2,890,540	926,715	703,418	278,255
Depreciation	9,209,164	6,431,010	5,707,812	2,632,728
Total Operating Expenses	<u>132,030,675</u>	<u>26,434,944</u>	<u>19,779,357</u>	<u>9,403,531</u>
Operating Income (Loss)	<u>(5,149,210)</u>	<u>3,758,283</u>	<u>3,708,360</u>	<u>6,303,218</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Earnings on investments	249,907	342,727	133,477	135,425
Intergovernmental	337,380	-	-	-
Gain (loss) on sale of capital assets	123,422	28,696	81,785	14,056
Interest expense	(324,879)	(357,061)	(717,095)	(660,799)
Total Nonoperating Revenues (Expenses)	<u>385,830</u>	<u>14,362</u>	<u>(501,833)</u>	<u>(511,318)</u>
Income (Loss) Before Contributions and Transfers	<u>(4,763,380)</u>	<u>3,772,645</u>	<u>3,206,527</u>	<u>5,791,900</u>
Capital contributions	6,414,998	7,346,828	4,673,168	4,530,366
Transfers in	67,000	-	125,000	-
Transfers out	(103,715)	(207,838)	(71,766)	(247,317)
Change in Net Position	1,614,903	10,911,635	7,932,929	10,074,949
Net Position--January 1	<u>201,087,112</u>	<u>287,894,771</u>	<u>162,603,234</u>	<u>118,115,156</u>
Net Position--December 31	<u>\$ 202,702,015</u>	<u>\$ 298,806,406</u>	<u>\$ 170,536,163</u>	<u>\$ 128,190,105</u>

Adjustment to reflect the consolidation of internal service fund net position related to enterprise funds:

Allocation of governmental activities related to internal service fund net position:

Change in net position of business-type activities (pages 30-31)

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

<b>Non Major Enterprise</b>		
<b>Fund Golf</b>	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>
\$ 3,400,221	\$ 197,166,185	\$ 58,347,575
34,101	2,537,295	2,048,638
<u>3,434,322</u>	<u>199,703,480</u>	<u>60,396,213</u>
1,402,753	24,500,701	18,241,028
879,721	23,362,324	39,827,156
352,013	97,979,367	3,355,732
-	15,660,960	-
115,952	4,914,880	1,597,903
322,264	24,302,978	1,505,144
<u>3,072,703</u>	<u>190,721,210</u>	<u>64,526,963</u>
<u>361,619</u>	<u>8,982,270</u>	<u>(4,130,750)</u>
3,368	864,904	94,806
-	337,380	35,000
10,925	258,884	166,037
<u>(46,738)</u>	<u>(2,106,572)</u>	<u>(123,885)</u>
<u>(32,445)</u>	<u>(645,404)</u>	<u>171,958</u>
329,174	8,336,866	(3,958,792)
-	22,965,360	-
-	192,000	10,955,136
<u>(45,419)</u>	<u>(676,055)</u>	<u>(2,281,054)</u>
283,755	30,818,171	4,715,290
<u>5,369,318</u>		<u>15,884,574</u>
<u>\$ 5,653,073</u>		<u>\$ 20,599,864</u>
	1,497,626	
	<u>(1,874,429)</u>	
	<u>\$ 30,441,368</u>	

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Light and Power</u>	<u>Water</u>	<u>Wastewater</u>	<u>Storm Drainage</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers and users	\$ 124,239,250	\$ 29,755,346	\$ 23,274,163	\$ 15,633,434
Receipts from interfund services provided	-	-	-	-
Cash paid to employees for services	(7,825,711)	(7,190,939)	(5,460,652)	(2,362,032)
Cash paid to other suppliers of goods & services	(112,504,697)	(11,110,470)	(8,761,085)	(1,791,792)
Other receipts	1,808,474	417,345	190,968	86,407
Net cash provided (used) by operating activities	<u>5,717,316</u>	<u>11,871,282</u>	<u>9,243,394</u>	<u>11,566,017</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	67,000	-	125,000	-
Transfers to other funds	(103,715)	(207,838)	(71,766)	(247,317)
Net cash provided (used) by noncapital financing activities	<u>(36,715)</u>	<u>(207,838)</u>	<u>53,234</u>	<u>(247,317)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from capital debt	120,000	-	-	-
Capital contributions	6,414,998	6,976,640	4,673,168	4,530,366
Purchases of capital assets	(22,856,929)	(23,787,785)	(6,659,620)	(13,154,150)
Principal paid on capital debt	(1,667,911)	(2,987,964)	-	(3,465,000)
Interest paid on capital debt	(379,348)	(354,121)	(2,621,175)	(602,406)
Proceeds from sales of capital assets	142,574	28,696	130,234	14,058
Grant proceeds from federal government	337,380	-	-	(79,344)
Net cash (used) by capital and related financing activities	<u>(17,889,236)</u>	<u>(20,124,534)</u>	<u>(4,477,393)</u>	<u>(12,756,476)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments received for note receivable	(956,599)	1,852	-	-
Sale (Purchase) of investments	11,340,509	6,368,292	(5,378,524)	500,417
Earnings received on investments	274,038	349,327	108,172	131,528
Net cash provided (used) by investing activities	<u>10,657,948</u>	<u>6,719,471</u>	<u>(5,270,352)</u>	<u>631,945</u>
Net (decrease) in cash and cash equivalents	(1,550,687)	(1,741,619)	(451,117)	(805,831)
Cash and cash equivalents, January 1	3,671,405	5,393,023	3,184,255	2,453,815
Cash and cash equivalents, December 31	<u>\$ 2,120,718</u>	<u>\$ 3,651,404</u>	<u>\$ 2,733,138</u>	<u>\$ 1,647,984</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	(5,149,210)	3,758,283	3,708,360	6,303,218
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	9,209,164	6,431,010	5,707,812	2,632,728
(Increase) decrease in accounts receivable	(833,741)	(20,536)	(22,586)	13,092
(Increase) decrease in inventories	516,933	-	-	-
(Increase) decrease in prepaid item	-	-	-	-
(Increase) decrease in pension-related items	41,655	61,992	59,947	17,846
Increase (decrease) in accounts payable	1,862,918	1,585,125	(141,024)	2,577,849
Increase (decrease) in compensated absences payable	42,070	59,215	(46,072)	20,405
Increase (decrease) in post-employment benefits	(37,348)	(45,288)	(48,981)	(13,038)
Increase (decrease) in wages payable	64,875	41,481	25,938	13,917
Increase (decrease) in claims payable	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 5,717,316</u>	<u>\$ 11,871,282</u>	<u>\$ 9,243,394</u>	<u>\$ 11,566,017</u>
<b>Noncash investing, capital, and financing activities:</b>				
Capital contributions	-	370,188	-	-
<b>Reconciliation of cash and cash equivalents to statement of net position:</b>				
Cash and cash equivalents	2,116,318	3,382,879	2,489,871	1,300,467
Restricted Assets - cash and cash equivalents	4,400	268,525	243,267	347,517
	<u>\$ 2,120,718</u>	<u>\$ 3,651,404</u>	<u>\$ 2,733,138</u>	<u>\$ 1,647,984</u>

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

<b>Non Major</b>		
<b>Enterprise Fund</b>	<b>Total</b>	<b>Total Internal</b>
<b>Golf</b>	<b>Enterprise Funds</b>	<b>Service Funds</b>
\$ 3,381,977	\$ 196,284,170	\$ -
-	-	58,392,381
(1,390,907)	(24,230,241)	(18,105,296)
(1,381,281)	(135,549,325)	(43,846,301)
34,101	2,537,295	2,048,638
643,890	39,041,899	(1,510,578)
-	192,000	10,955,136
(45,419)	(676,055)	(2,281,054)
(45,419)	(484,055)	8,674,082
207,829	327,829	2,453,614
-	22,595,172	-
(273,261)	(66,731,745)	(4,320,549)
(567,923)	(8,688,798)	(1,839,942)
(52,154)	(4,009,204)	(122,222)
10,925	326,487	178,538
-	258,036	35,000
(674,584)	(55,922,223)	(3,615,561)
-	(954,747)	-
50,618	12,881,312	(3,691,812)
3,197	866,262	76,400
53,815	12,792,827	(3,615,412)
(22,298)	(4,571,552)	(67,469)
107,491	14,809,989	7,106,747
\$ 85,193	\$ 10,238,437	\$ 7,039,278
361,619	8,982,270	(4,130,750)
322,264	24,302,978	1,505,144
(18,244)	(882,015)	44,806
-	516,933	(98,588)
8,299	8,299	27,795
10,239	191,679	81,480
(41,894)	5,842,974	502,593
3,272	78,890	(12,352)
(7,479)	(152,134)	(59,524)
5,814	152,025	126,128
-	-	502,690
\$ 643,890	\$ 39,041,899	\$ (1,510,578)
-	370,188	-
83,427	9,372,962	5,950,475
1,766	865,475	1,088,803
\$ 85,193	\$ 10,238,437	\$ 7,039,278



**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2016**

	<u>General Employee Retirement Plan</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 877,885	\$ 2,686,725
Receivables, interest	42,284	64,252
Investments		
US Government securities	10,968,078	16,638,458
Corporate bonds	1,629,768	2,472,339
Mutual funds	30,351,668	-
Total Investments	<u>42,949,514</u>	<u>19,110,797</u>
Total Assets	<u>43,869,683</u>	<u>21,861,774</u>
<b>LIABILITIES</b>		
Accounts Payable	373	-
Amounts held for other governments	-	21,861,774
Total Liabilities	<u>\$ 373</u>	<u>\$ 21,861,774</u>
<b>NET POSITION</b>		
Net position restricted for pensions	<u>\$ 43,869,310</u>	

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

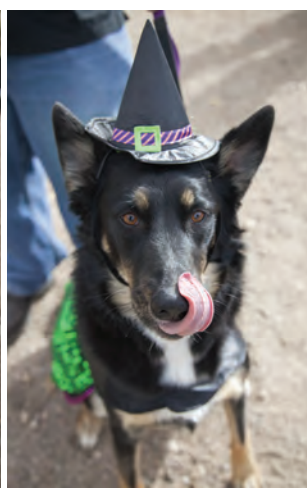
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u><b>General Employee Retirement Plan</b></u>
<b>ADDITIONS</b>	
Contributions	
Employer contributions	\$ 1,720,650
Total Contributions	<u>1,720,650</u>
Investment income	
Interest related to plan investments	174,320
Net change in fair value of investments	<u>2,322,530</u>
Total Investment Income	<u>2,496,850</u>
Total Additions	<u>4,217,500</u>
<b>DEDUCTIONS</b>	
Benefit payments	3,367,735
Administration expense	<u>30,743</u>
Total Deductions	<u>3,398,478</u>
Net Increase in Plan Net Position	819,022
Net Position	
Beginning of year	<u>43,050,288</u>
End of year	<u><u>\$ 43,869,310</u></u>

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

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# NOTES



## NOTES TO THE BASIC FINANCIAL STATEMENTS

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## **NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Fort Collins, Colorado (the City) was incorporated in 1873 and adopted its Home Rule charter in 1913. In 1954, the citizens adopted the Council-Manager form of government. The more significant accounting policies reflected in the financial statements are summarized as follows:

### **A. Reporting Entity**

These financial statements include those of the City (primary government) and organizations for which the City is financially accountable (component units). The following component units are included in the reporting entity: The Fort Collins, Colorado Downtown Development Authority (DDA); City of Fort Collins General Improvement District No. 1 (GID No. 1); the Fort Collins Capital Leasing Corporation (Corporation); the Urban Renewal Authority (URA); and the City of Fort Collins General Improvement District No. 15-Skyview (GID No. 15-Skyview). None of the component units issue their own financial statements.

The DDA was created in 1981 by City Council and the electorate. The purpose of the DDA is to promote the public health, safety, prosperity, security, and welfare of its inhabitants. The City appoints and removes all members of the DDA's governing board in addition to issuing debt, adopting budgets, and levying taxes on its behalf. The financial statements of the Downtown Development Authority are included in the reporting entity by discrete presentation.

GID No. 1 was created in 1976 for the construction and installation of parking facilities and street and sidewalk beautification improvements. GID No. 1 is, in substance, the same as the primary government since the City Council serves as the board of directors. As such, it levies all taxes, approves all budgets, and issues all debt on behalf of GID No. 1. Accordingly, its transactions and balances are blended with those of the City. GID No. 1 is presented as a special revenue fund.

The Corporation was created in June 1998 and operates under the provisions of the Nonprofit Corporation Law of the State of Colorado. The Corporation's primary purpose is to provide financing assistance by obtaining land, property and equipment on behalf of the City. The directors are appointed by the City Council and receive no compensation. Its transactions and balances are blended with those of the City. The Corporation is presented as a debt service fund.

The URA was established in 2006. The primary purpose of the URA is to remedy blight by stimulating and leveraging private capital investment, using tax increment financing in private development projects and public improvement projects. The URA is, in economic substance and governance for reporting purposes, the same as the primary government because the City Council serves as the board of directors. Management of the primary government, reporting to elected officials of the primary government, has operational responsibility for the URA and is charged with day-to-day operations. Its transactions and balances are blended with those of the City. The URA is presented as a special revenue fund.

GID No. 15-Skyview was organized in 1997 by Larimer County and was inherited by the City as part of the Southwest Annexation. The mill levy funds are used to maintain the street system for the Skyview Subdivision. GID No. 15-Skyview is, in substance, the same as the primary government since the City Council serves as the board of directors. As such, it levies all taxes, approves all budgets, and issues all debt on behalf of GID No. 15-Skyview. Accordingly, its transactions and balances are blended with those of the City. GID No. 15-Skyview is presented as a special revenue fund.

### **B. Joint Ventures**

The City has joined with other governmental units to form the following joint ventures:

*Fort Collins-Loveland Airport* was created for the purpose of operating a municipal airport for the benefit of the citizens of Loveland and Fort Collins. The City provides a small amount of funding for on-going airport

construction projects. The City and Loveland each retain a 50% ownership interest in the airport. Separately issued financial statements are available upon request from the Airport Manager.

*North Front Range Metropolitan Planning Organization (NFRMPO)* is an association of local governments that was formed in 1988 in response to local needs and federal transportation and air quality planning requirements. Local government membership consists of elected officials representing Fort Collins, Greeley, Loveland, Evans, Berthoud, Windsor, Timnath, Garden City, LaSalle, Johnstown, Eaton, Milliken, Severance and Weld and Larimer Counties. Membership is also extended to the Colorado Transportation Commission and the Colorado Air Quality Control Commission. The NFRMPO Planning Council appoints its own management and approves its own budget. Separately issued financial statements are available upon request from the Planning Council.

*Poudre Fire Authority (PFA)* was created by an intergovernmental agreement between the City of Fort Collins and the Poudre Valley Fire Protection District. The PFA Board consists of five members: two appointed by City Council, two appointed by the District's Board of Directors and a fifth member appointed by the other four members. The PFA Board appoints its own management and approves its own budget. PFA's continuing existence depends, in part, on funding provided by the City. Separately issued financial statements for PFA are available from its administrative office.

*Platte River Power Authority (PRPA)* was created by an intergovernmental agreement between the Cities of Fort Collins, Estes Park, Loveland, and Longmont to supply their wholesale electric power and energy requirements. The governing Board of PRPA consists of two members from each municipality. Under Colorado law, PRPA's Board of Directors has the exclusive authority to establish electric rates. The City has contracted for its total electric energy supply from PRPA through December 31, 2040. Separately issued financial statements for PRPA are available from its corporate headquarters.

Aside from the Fort Collins-Loveland Airport (see Note IV, G. 1.), the City does not have an equity interest in any of the joint ventures in which it participates. None of the joint ventures are accumulating financial resources or are experiencing fiscal stress that are expected to create a significant financial benefit or burden on the City in the foreseeable future.

### **C. Jointly Governed Organization**

The City and various governmental entities throughout Larimer County have jointly agreed to establish the Larimer Emergency Telephone Authority (LETA). LETA is a separate legal entity established to provide E-911 telephone service to the citizens of Larimer County. The City does not retain an on-going financial interest or responsibility in LETA.

### **D. Undivided Interest**

The City completed construction of the Fort Collins Museum of Discovery (the "Museum") in November 2012 with the partnership of Discovery Center, a Colorado non-profit corporation. In January 2013, in accordance with the partnership agreement, the City granted a shared ownership of the property to Discovery Center. The two entities now jointly operate the museum where visitors from the northern Colorado region and surrounding areas can experience interactive exhibits and educational programs of a broad spectrum of relevant topics. The financial transactions of the City for the Museum are reported as a sub-fund of the General Fund.

### **E. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The effect of inter-fund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on fees and charges for support. Also, the primary government is reported

separately from the DDA, a legally separate component unit for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **F. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and the pension trust fund. The agency funds utilize the accrual basis of accounting but have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. An allowance for doubtful accounts is maintained for the utility receivables.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. As under accrual accounting, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as those related to compensated absences, pension liabilities, and incurred claims and judgments, are recorded only when payment is due. With regard to self-insurance claims and judgments, an additional expenditure may be recorded based on actuarial information.

Property taxes, special assessments, sales taxes, franchise taxes, charges for services, amounts due from other governments and interest associated with the current fiscal period are all considered to be subject to accrual. Other revenue items such as licenses, fines and permits are considered to be measurable and available only when the cash is received by the government; as a result, they are not subject to accrual.

#### **G. Financial Statement Presentation**

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows of resources, fund balance or net position, revenues and expenditures or expenses as appropriate. The various funds are summarized by type within the financial statements.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.



*Keep Fort Collins Great fund*, a special revenue fund, is used to account for collections of the City's 0.85% sales and use tax which is allocated as follows:

- 33% for street maintenance and repair
- 17% for other street and transportation needs
- 17% for police services
- 11% for fire protection and other emergency services
- 11% for parks maintenance and recreation services
- 11% for community priorities other than those listed above, as determined by the City Council.

*Transportation Services*, a special revenue fund, is used to account for taxes, federal and state grants and other revenues utilized to operate and maintain the City's transportation system.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

*URA*, a special revenue fund, is used to account for the tax increment financing for the operations and debt services of the Urban Renewal Authority, a blended component unit.

The City reports the following major proprietary funds:

- Light and Power* fund is used to account for the operations of the City's electric utility.
- Water* fund is used to account for the operation of the City's water utility.
- Wastewater* fund is used to account for the operation of the City's wastewater utility.
- Storm Drainage* fund is used to account for the operations of the City's storm water utility.

Additionally, the City reports the following fund types:

*Internal Service* funds are used to account for the City's fleet maintenance services, communication, self-insurance of employee health care and other employee benefits, and a risk management insurance program. There is also an internal service fund to account for the customer and administrative services provided exclusively to the City's utility enterprise funds.

*Pension Trust* fund is used to account for the City's General Employees' Retirement Plan, a defined benefit pension plan to provide retirement benefits for its employees/retirees.

*Agency* funds are used to account for cash and investments held by the City on behalf of Poudre Fire Authority and Poudre River Public Library District.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are the charges between the City's utility functions and various other functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The water and storm drainage funds also recognize as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

## **H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

### **Cash and Investments**

The City has stated certain investments at fair value in accordance with GASB Statement No. 72. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same--that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability.

Whenever possible, cash is pooled from the various City funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. The City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

For purposes of the combined statement of cash flows, the City considers highly liquid investments with a maturity of three months or less when purchased, including external investment pools, to be cash equivalents.

### **Receivables**

Accounts receivable are expressed net of allowances for doubtful accounts. Light and Power Fund maintains an allowance of \$175,564, Water Fund maintains an allowance of \$34,000, Wastewater Fund maintains an allowance of \$20,000, and Storm Drainage Fund has an allowance of \$10,000.

Long-term portions of receivables in the governmental fund financial statements are reported and then offset by non-spendable, restricted and committed fund balance reserve accounts in order to indicate that they are not available or spendable resources.

### **Inventories**

Inventories are stated at cost using the first-in, first-out method. The costs of inventory items are recognized as expenditures in governmental funds when purchased and as expenses in proprietary funds when used. Where appropriate, inventory has been adjusted downward to market value to reflect what is considered a permanent market decline.

### **Inventory of Real Property Held for Resale**

Inventory of real property held for resale generally reflects the cost of raw land for development of affordable housing held by the City's Land Bank Program in the General Fund. These assets are carried at the lower of cost or market and were adjusted to the appraised market value in 2015.

### **Capital Assets**

Capital assets, which are acquired or constructed, are reported at historical cost or estimated historical cost in the applicable governmental or business-type activities' columns in the government-wide and proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of five years or greater. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets other than land, construction in progress, water rights, and some intangible property are depreciated. Depreciation is computed using the straight-line method with estimated useful lives as follows:

Buildings .....	10 - 50 years
Improvements other than buildings .....	5 - 50 years
Machinery and equipment .....	5 - 20 years

GASB Statement No. 34 provides for an alternative approach to depreciation for measuring the value of infrastructure assets and the related costs incurred to maintain their service life at a locally established minimum standard. In order to adopt this alternative method, the City has developed an asset management system, which will determine if the minimum standards are being maintained. This measurement would occur every three years at a minimum. The City has elected to use this alternative method for reporting its street infrastructure capital assets.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred outflows/inflows of resources as follows:

*Gain/Loss on Refunding* - In the government-wide and proprietary funds statement of net position, deferred outflows/inflows of resources on refunding represent the difference in the carrying value of refunded debt and its reacquisition price. The difference is amortized and recognized over the remaining life of the old refunded debt or the new refunding debt, whichever is shorter.

*Unavailable Revenues* - Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide Statement of Net Position, only property tax revenue is reported as a deferred inflow of resources and will be recognized as revenue in the year for which they are levied.

*Pension-Related Amounts* – In the government-wide and proprietary funds statement of net position, a deferred outflow of resources is reported for the unrecognized items not yet charged to pension expense related to the net pension liability, such as the unamortized portion of the net difference projected and actual earnings on pension plan investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred outflow for the differences between expected and actual experience for economic/demographic assumptions are recognized over the average remaining service life for all active and inactive members.

**Compensated Absences**

The City allows employees to accumulate unused vacation pay and to defer overtime pay by accumulating compensatory leave up to maximum limits. The liability associated with these benefits is reported in the government-wide financial statements. Proprietary fund types accrue such benefits in the period in which they are earned. The entire portion is current, as employees typically use the full balance in the subsequent year and the City records usage on a first in, first out basis. A liability for the amount is reported in governmental funds only if they have matured, for example as a result of employee resignations and retirements. Unused sick pay is not recognized as a liability because it does not meet the criteria for accrual.

## **Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## **Claims and Judgments Payable**

Claims and judgments payable are recognized when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Such claims, including an estimate for claims incurred but not reported at year end, are reflected as claims payable in the financial statements.

## **Pension**

The net pension liability and deferred outflows of resources, pension expense and information about the fiduciary net position of the General Employee Retirement Plan (GERP) and additions to/deductions from the fiduciary net position has been determined on the same basis as they are reported by GERP. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

## **Fund Balance/Net Position**

GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. In the fund financial statements, fund balance of the City's governmental funds is classified as nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable fund balances indicate amounts that cannot be spent such as permanent endowments or assets in non-liquid form. It also includes the long-term amount of advances, loans and notes receivables as well as property held for resale unless the proceeds from the collection of these items would be considered restricted, committed, or assigned in which case they are included in those categories.

Restricted fund balances indicate amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balances indicate amounts constrained for a specific purpose by the City Council, which is the City's highest level of decision-making authority. Amounts are established, modified and rescinded only through a Council approved ordinance. The ordinance must occur prior to year-end; however, the amount can be determined in the subsequent period.

Assigned fund balances indicate amounts the City intends to be used for specific purposes, but do not meet the criteria to be classified as restricted or committed. The City Manager, Chief Financial Officer and Controller are authorized to assign fund balance as outlined in the fund balance policy.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not included in the other classifications. In other funds, the unassigned classification is used to report a deficit fund balance. When unassigned and restricted, committed, or assigned fund balances are available for use, it is the City's policy to use restricted, committed, or assigned resources before unassigned resources.

In the government-wide and proprietary fund financial statements, net positions are restricted for amounts that are legally restricted by outside parties for specific purposes or through enabling legislation that is a legally enforceable restriction on the use of revenues. When both restricted net position and unrestricted net position are available for use, it is the City's policy to use restricted-net position first and then unrestricted net position. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. The government-wide statement of net position reports \$81,379,088 of restricted net position, of which \$35,965,424 is restricted by enabling legislation.

### **Minimum Fund Balance Policy**

It is the City's policy to maintain a 60 Day Liquidity Goal minimum unassigned fund balance in the General Fund. Minimum unassigned fund balance should be at least 17% of the subsequent year's originally adopted budgeted expenditures and transfers out, excluding expenditures and transfers out for large and unusual one-time items. The 60 Day Liquidity Goal is in addition to the restricted balance required by Article X, Section 20 of the State Constitution.

### **Inter-fund Transactions**

Inter-fund transactions are treated and classified as revenues, expenditures, or expenses (the same as if these same transactions involved external organizations). These include billings from one fund to another for purchased goods or services as well as payment in lieu of taxes. In the government-wide statement of activities, transactions, which constitute reimbursements, are eliminated except for transfers between governmental and business-type activities.

### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### **Discretely Presented Component Units**

The significant accounting policies for the City's discretely presented component unit are substantially the same as the primary government. Additional disclosures follow.

The discretely presented component unit data presented in the government-wide statements includes total data for all fund types of the Downtown Development Authority (DDA), including its General Fund, Debt Service Fund and its non-current assets and liabilities.

The Board of Directors of the DDA approves their respective budget by resolution. The budget is then submitted to City Council for approval. Budgetary matters with respect to basis of accounting and legal level of budgetary control are generally the same for the DDA as those of the City.

## Adoption of New Accounting Pronouncements

The City implemented the following GASB Statements effective for the year ended December 31, 2016:

*GASB Statement No. 72, Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosure related to all fair value measurements.

*GASB Statement No. 77, Tax Abatement Disclosures.* This Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

The GASB has issued several statements not yet implemented by the City. City management has not yet determined the effect the Statements will have on the financial statements. However, the City intends to implement all standards by the required dates. The Standards which may impact the City are as follows:

*GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This Statement, issued June 2015, will be effective for the City beginning with its fiscal year ending December 31, 2018. The replaces the requirement of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

*GASB Statement No. 84, Fiduciary Activities.* This Statement, issued January 2017, will be effective for the City beginning with its fiscal year ending December 31, 2019. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

## NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. Budgetary Information

#### **Budgetary Accounting and Control**

Appropriated budgets are established for all funds of the City except agency funds, which do not measure results of operations.

#### *General, Special Revenue, Debt Service and Trust Funds*

Budgets for general, special revenue, debt service and trust funds are not adopted on a basis consistent with generally accepted accounting principles (GAAP). The exceptions to GAAP are appropriations for grants and capital projects that do not lapse until the grant or project is completed.

#### *Capital Project Funds*

Budgets for the Capital Project Funds are not consistent with GAAP because appropriations do not lapse on an annual basis as explained below.

#### *Proprietary Funds*

Proprietary funds are budgeted on a basis that includes capital items such as amounts for capital outlay and principal reduction of debt. Such budgets exclude depreciation, bond amortization, and changes in estimates such as claim reserves or post-employment liabilities. Capital project budgets for certain enterprise funds do not lapse on an annual basis as explained below.

#### **Legal Level of Control**

The legal level of budgetary control is at the individual fund level, except for capital projects, the URA, and federal and state grants for which the legal level of control is at the project, tax increment financing district, or grant level. For budgetary purposes, operating transfers are considered expenditures.

#### **Lapsing Appropriations**

All appropriations unexpended or unencumbered lapse at the end of the year to the applicable fund, except capital project and federal and state grant appropriations which lapse when the project or grant activity is completed. Appropriations which are legally encumbered at year end are carried over to the ensuing year at which time they are matched with their corresponding expenditures.

Budgets for the Capital Projects Fund, special revenue funds with expenditures of a capital or project nature and special revenue funds where the primary source of revenue is project-length federal or state grants are non-lapsing. Included are the Capital Projects Fund, Neighborhood Parkland Fund, Conservation Trust Fund, Community Development Block Grant Fund, Home Program Fund, Transit Services Fund, the grant portion of Transportation Services, Community Capital Improvement Program Fund, and the capital project portion of the Keep Fort Collins Great Fund. Budgets are non-lapsing for capital projects in all the enterprise funds and for one of the internal service funds - Utilities Customer Service and Administration Fund.

## Property Taxes

Property taxes levied in a particular year are collected in the subsequent year. The property tax calendar is as follows:

### Tax Year

Tax levy certified to County Commissioners ..... December 15  
County Commissioners certify levy to County Assessor ..... December 22

### Ensuing Collection Year

Taxes attach as an enforceable lien on property ..... January 1  
First installment due date (one-half of taxes due) ..... February 28  
Taxes due in full (unless installments elected by taxpayer) ..... April 30  
Second installment due date (second half due) ..... June 15

The City has an enforceable legal claim on the taxes when the levy is certified in December, and records a receivable on that date. Taxes are collected by the Larimer County Treasurer on behalf of the City and are remitted by the 10th day of the month following collection. A 2% collection fee is retained by the County as compensation for collecting the taxes.

## B. Deficit Fund Balance and Net Position

The URA fund had a deficit fund balance of \$2,946,606 as of December 31, 2016. The fund will continue to have a deficit fund balance for the next few years as Tax Increment Funding (TIF) monies are collected through increased property tax collections. The Community Development Block Grant fund had a deficit fund balance of \$140,368 as of December 31, 2016 due to expenditures that have not been reimbursed as of year-end and thus associated revenues are deemed unavailable for recognition. The Emergency Recovery fund, a sub fund of the General Fund, had a deficit fund balance of \$476,908. Upon close out with the Office of Emergency Management assistance, the applicable funds will transfer monies to make this fund whole. The Transit Services fund had a deficit fund balance of \$1,782,601 due to deferred inflows of resources related to unavailable grant revenue.

The Downtown Development Authority reported a deficit net position of \$3,125,843. The fund will continue to have a deficit net position for the next few years as Tax Increment Funding monies are collected through increased property tax collections.

## C. Tax Abatements

### **Abatement Agreements Entered into by Primary Government and Blended Component Units**

The City has established two major tax abatement programs: (1) manufacturer's use tax rebates (MUTR) and (2) business assistance agreements for purposes of economic development.

*Manufacturer's Use Tax Rebate:* The MUTR program is established by City code Article II – Tax Refund and Rebate Program, section 25-64. Under this code section, the City may refund a portion of use taxes paid by a qualifying manufacturer for manufacturing machinery to be used in the City of Fort Collins directly and exclusively in the manufacture of tangible personal property for sale or profit. Once the taxpayer has completed the application process, the abatement comes in the form of a rebate payment check of taxes previously paid.

The base use tax rate charged is 3.00% of the equipment cost, and rebates are for 1.50% of the first \$5,000,000 in qualifying equipment purchases and 1.00% for purchases from \$5,000,001 and up. The maximum rebate given to any one company is \$2,400,000.



For the fiscal year ended December 31, 2016, the City abated use tax totaling \$2,079,357, including one abatement agreement that exceeded 10% of the total amount abated under the MUTR program. Broadcom Limited, formerly Avago Technologies, received a MUTR abatement totaling \$1,729,743.

*Business Assistance Agreements:* The City approves primary employer business assistance agreements pursuant to and subject to the terms of Economic Health Financial Policy 9 and authorized by City Council under Resolutions 91-15, 99-23, 2013-025, and 2015-079. This policy applies to requests for direct assistance from primary employers looking to remain or expand their operations in the City, as well as primary employers evaluating relocation to the City.

City Council approves business assistance packages subject to the following criteria: economic impact, contribution to quality of place, alignment with City objectives, natural resource stewardship, and community well-being. All agreements are performance-based including but not limited to annual average wages, number of retained or net new jobs, and/or health care premium assistance.

The types of assistance commonly used are private activity bond financing, manufacturing equipment use tax rebates (separate from the standard MUTR program), and business personal property tax rebates. The maximum allowable property tax rebate will not exceed 50% of the City's portion of the personal property tax rate, and the maximum term is not to exceed 10 years.

Applicants for direct assistance commit to the following at a minimum:

- Pledge to Annual Reporting
- Separate Use Tax Schedule
- Timeline for Confidentiality, no greater than 30 days
- Assurance of Existing Workforce Retention

For the fiscal year ended December 31, 2016, the City abated use tax and property tax totaling \$564,887. Abatement recipients exceeding 10% of the total amount abated or that are otherwise deemed material for qualitative reasons were:

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Project Name	Avago Technologies Building 4 FBAR Clean Room Facility
Project Description	Redevelopment of property by retrofitting wafer fabrication facility in 2014, including new 12,160 square foot FBAR Clean Room Facility expansion
Approved Abatement	100% of use taxes paid, up to \$3,882,200. Three rebate applications and seven concurrent annual payments for each application.
	50% of personal property taxes paid, up to \$629,100 in total and a limit on each annual payment of \$157,700
2016 Amount	\$413,781
Project Commitment	135 net new jobs created in Fort Collins
Recapture Provisions	City may reduce the amount of any either use tax or personal property tax paid by the percentage shortfall from full compliance

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Project Name	Woodward, Inc. World Headquarters
Project Description	Four-phase relocation and expansion of office space, manufacturing facilities, and testing facilities on a former golf course and designated redevelopment area

Approved Abatement	80% of use taxes paid on construction materials  80% of use taxes paid on eligible equipment, up to \$1,212,000 Separate from the use tax abatement disclosed herein, the agreement includes separate incentives around development fees, capital improvement fees, and tax increment financing (TIF) of improvement and façade projects.
2016 Amount	\$151,106 of use tax rebates
Project Commitment	Maintain employment level of 1,400 employees
Recapture Provisions	Rebate is reduced by \$500,000 if employment level has not reached 1,400 employees by December 31, 2018. Rebate is reduced by 40% if employment level has not reached 1,400 employees by December 31, 2020.

Project Name	Foothills Mall Redevelopment
Project Description	Redevelopment of blighted property after decline in sales tax revenue since 2001 of over 61%. Revitalization project costing \$312 million, of which \$53 million was approved in public assistance in the form of City sales tax revenue abatements and Urban Renewal Authority (URA) tax increment financing (TIF).
Approved Abatement	Pledged sales tax increment on General Fund portion (2.25%) of sales tax collections above a sales tax base established in 2013. Increment of 25 years beginning May 1, 2013 and ending April 30, 2038.  Sales tax increment is only paid toward debt service as fifth priority after 1) Mall Metro District Debt Service Mill Levy, 2) Mall Metro District Specific Ownership Taxes, 3) URA Property Tax TIF and 4) Mall Metro District Public Improvement Fee.
2016 Amount	\$0
Project Commitment	Developer commits to build parking structure, City-owned and operated recreational facility, ditch relocation for storm drainage, upgrades and improvements to utilities, and construction of a pedestrian underpass linking the District to transit.
Recapture Provisions	Once District debt is paid off, the balances in a supplemental debt service reserve are returned to the City.

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## NOTE III. DETAILED NOTES ON ALL FUNDS

### A. Deposits and Investments

#### Deposits

Colorado State Statutes govern the City's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. All deposits in 2016 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

#### *Primary Government*

The carrying amount of the City's deposit accounts as of December 31, 2016 was \$32,667,886, excluding the Pension Trust Fund and agency funds. The bank balance was \$34,137,810.

#### *Component Unit*

The Downtown Development Authority's undivided share of the City's deposits as of December 31, 2016 was a carrying amount of \$166,809. The bank balance was \$174,706.

#### **Custodial Credit Risk – Deposits**

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be returned. Due to the federal deposit insurance and the collateral no deposits for the City or the component unit were exposed to custodial credit risk.

#### **Investments**

Investment policies are governed by the City's own investment policies and procedures. Investments of the City and its discretely presented component unit may include:

- Legal investments for municipalities under state statutes.
- Interest-bearing accounts or certificates of deposit at banks or savings and loans in Colorado which are eligible public depositories (including CDARS).
- Obligations of the United States Government, its agencies or instrumentalities.
- Debt of U.S. corporations.
- Obligations issued by or on behalf of the City.
- State or local government obligations having an investment grade rating.
- Prime rated banker's acceptances.
- Prime rated commercial paper.
- Guaranteed investment contracts.
- Repurchase and reverse repurchase agreements of any marketable security described above which afford the City a perfected security interest in such security.
- Local government investment pools authorized under the laws of the State of Colorado.

- Shares in any money market fund or account, unit investment trust or open or close-end investment company, all of the net assets of which are invested in securities described above.
- Mutual funds that include eligible investments found above.

In addition to the above, investments of the General Employees' Retirement Plan may include:

- Equity investments.
- Domestic mutual funds.
- International mutual funds.
- Bond mutual funds.

The City's and its discretely presented component unit's investments are subject to interest rate and credit risk as described below:

### **Interest Rate Risk**

The City's investment policy limits its exposure to fair value losses arising from rising interest rates by:

- Whenever possible, holding investments to their stated maturity dates.
- Investing a portion of the operating funds in shorter-term securities, money market mutual funds, or local government investment pools.

Based on the current rate environment, the City assumes all callable securities may not be called on the first call date.

The City invests in various mortgage-backed securities and bonds in order to maximize yields. Mortgage-backed securities are based on cash flows from interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. If interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

### **Concentration of Credit Risk**

The City places maximum limits on the amount the City may invest in any one issuer. Limits vary by investment type. More than 5% of the City's investments are in Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp (FHLMC), Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB) agency securities and MetLife global Funding (Corporate Bond). These investments were 33.7%, 6.3%, 30.1%, 11.2%, and 5.7%, respectively, of the City's total investment. All of these investments were rated Aaa by Moody's and AA+ by Standard and Poor's.

### **Custodial Credit Risk for Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy restricts holding of securities by counterparties and utilizes a third-party safekeeping arrangement with financial institutions.

### **Credit Risk**

The City's investment policy limits investments in corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs) at the time of purchase. As of December 31, 2016, the City's investment in corporate bonds was rated A- or better by Standard & Poor's and Baa1 or better by Moody's Investors Service. The City's investment policy also allows for the City to invest in local government

investment pools. As of December 31, 2016, the local government investment pools (ColoTrust & CSAFE) in which the City had invested and reported at amortized cost, were rated AAA by Standard & Poor's.

## **Fair Value Measurements**

The City categorizes its assets and liabilities measured at fair value within the hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest to Level 3 inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Information regarding the City's fair value, credit risk rating, maturity, and fair value measurement are described below.

Investment prices for the City's securities are reported by US Bank, the City's custodial bank. US Bank acquires its pricing data from Interactive Data, a third party provider, which provides global security evaluations and fair value pricing for fixed income securities. Their evaluations represent a good faith opinion as to what a buyer in the marketplace would pay for a security in a current sale.

Interactive Data's evaluations are based on market data and evaluated pricing models that vary by asset class and incorporate trade, bid and other market information as well as evaluated pricing applications utilizing benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing to prepare evaluations. In addition, model processes such as the Option Adjusted Spread model are used to assess interest rate impacts and develop prepayment scenarios. For each asset class, teams of evaluators gather information from market sources and integrate relevant credit information, perceived market movements, and sector news into the evaluated pricing applications and models.

The City invests primarily in fixed income securities and Local Government Investment Pools (LGIP). The General Employees' Retirement Plan (GERP) invests primarily in domestic and international mutual funds, and fixed income securities. The investments are valued at fair value at least monthly.

For the City and GERP, the following fair value techniques were utilized in measuring the fair value of its investments.

*Mutual Funds:* The investments are reported at fair value based on quoted NAV market prices through mutual fund companies and obtained from the National Association of Securities Dealers.

*U.S. Government Agency and Investment Grade Corporate securities:* U.S. Government Agency securities are reported at fair value based on a multi-dimensional relational model and Option Adjusted Spread model. The model inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including TRACE reported trades. TRACE is a program developed by the National Association of Securities Dealers (NASD) which allows for the reporting of over-the counter transactions for eligible fixed-income securities.

*Mortgage-backed securities:* Mortgage-backed securities are reported at fair value based on Electronic Communication Networks and Broker feeds. Inputs include benchmark yields, reported trades, broker/dealer

quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including vendor trading platform data.

The City has no other investments meeting the fair value disclosure requirements of GASB Statement No. 72.

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

Primary Government (excluding Agency Funds)

Investment Type	Credit Risk Rating S&P/Moody's	Fair Value Measurement Level	Fair Value	Investment Maturities		
				Up to 120 days	121 days to 5 years	More than 5 years
<i>Investments measured by fair value levels</i>						
U.S. Agencies (GNMA)	AA+/AAA	2	\$ 1,805	\$ -	\$ 1,805	\$ -
<i>Instrumentality</i>						
Federal Farm Credit Bank (FFCB)	AA+/AAA	2	119,482,671	2,363,238	117,119,433	-
Federal Home Loan Bank (FHLB)	AA+/AAA	2	44,595,698	-	44,595,698	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	2	24,902,384	-	24,902,384	-
Federal National Mortgage Association (FNMA)	AA+/AAA	2	133,896,029	-	133,896,029	-
Corporate bonds	AA+/AA1	2	6,004,515	-	6,004,515	-
Corporate bonds	AA/AA1	2	3,314,295	-	3,314,295	-
Corporate bonds	AA+/AAA	2	8,106,699	-	8,106,699	-
Corporate bonds	AA-/AA3	2	22,686,048	-	22,686,048	-
Corporate bonds	AA/AA2	2	6,151,763	-	6,151,763	-
Corporate bonds	AA/AA2	2	1,713,549	-	1,713,549	-
Total Investments Controlled by the City			\$370,855,456	\$2,363,238	\$368,492,218	\$ -
Percent of Total				1%	99%	0%
The City has \$30,351,668 (fair value measurement level 1) invested in Mutual Funds held by Fidelity Investments for employees' retirement accounts.						

Component Unit

Investment Type	Credit Risk Rating S&P/Moody's	Fair Value Measurement Level	Fair Value	Investment Maturities		
				Up to 120 days	121 days to 5 years	More than 5 years
<i>Investments measured by fair value levels</i>						
<i>Instrumentality</i>						
Federal Farm Credit Bank (FFCB)	AA+/AAA	2	761,098	15,054	746,043	-
Federal Home Loan Bank (FHLB)	AA+/AAA	2	284,071	-	284,071	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	2	158,626	-	158,626	-
Federal National Mortgage Association (FNMA)	AA+/AAA	2	852,908	-	852,908	-
Corporate bonds	AA+/AA1	2	38,248	-	38,248	-
Corporate bonds	AA/AA1	2	21,112	-	21,112	-
Corporate bonds	AA+/AAA	2	51,639	-	51,639	-
Corporate bonds	AA-/AA3	2	144,508	-	144,508	-
Corporate bonds	AA/AA2	2	39,186	-	39,186	-
Corporate bonds	AA/AA2	2	10,915	-	10,915	-
<i>Investments measured at amortized cost</i>						
Certificates of Deposit			1,250,000	-	1,250,000	-
Total DDA Investments			\$ 3,612,311	\$ 15,054	\$ 3,597,256	\$ -
Percent of Total				0%	100%	0%

## Restrictions on Cash and Investments

Cash and investments at December 31, 2016 were restricted for the following:

<b>Fund/Component Unit</b>	<b>Amount</b>	<b>Restriction</b>
Downtown Development Authority	\$1,250,000	Debt service through bond ordinance
Urban Renewal Authority	949,045	Debt service through bond ordinance
Storm Drainage	347,517	Debt service
Water	268,525	Debt service
Wastewater	236,725	Debt service
Equipment Fund	1,085,152	Unspent lease proceeds
Transportation Services	1,874	Unspent lease proceeds
Data and Communications	3,651	Unspent lease proceeds
Golf	1,766	Unspent lease proceeds
Light and Power	4,400	Unspent lease proceeds
Wastewater	6,542	Unspent lease proceeds

### B. Notes Receivable

In March 1996, the City entered into an agreement with a developer for the construction of low income apartment units. Under the agreement, the City loaned \$913,000 to the developer from the HOME Program special revenue fund and received a deed of trust against the property. The loan is to be repaid from 50% of the net available cash flow generated by the project as calculated annually. The loan bears interest at 9% per annum. There is no set payment schedule or due date on the loan. Based upon a review of project income statements, the project did not have a net available cash flow. In 2016, the City received an interest payment of \$136,878. The outstanding balance as of December 31, 2016 is \$913,000. The allowance recorded against this receivable is \$913,000. Accrued interest on this loan has not been recorded since it is uncertain as to the frequency of when the project will be able to make payments against the note.

The Light and Power Fund and Water Fund have certain notes receivable related to Light and Power efficiencies and Water efficiencies with customers connected to a Home Efficiency Loan Program. The balance of these loans as of December 31, 2016 is \$1,310,214 and \$4,903 respectively.

In May 2009, URA loaned Rocky Mountain Innovation Initiative (RMII) \$1,100,000 for the construction of their new facility. In January 2010, the URA loaned RMII an additional \$4,203,939 for the remaining cost of construction. The loan has a 20 year term and bears a fixed interest rate of 2.5%. For years 0 through 4, there will be no payments but interest will accrue. For year 5, there will be a lump sum payment consisting of the interest accrued during the no payment term and year 5. For years 6 and 7, there will be an annual payment of interest only. In year 8, the URA will credit RMII's eligible costs up to \$2,800,000 provided RMII has met the requirements set forth in the agreement prior to March 31, 2017. In 2016, the City received an interest payment of \$132,598. The outstanding balance as of December 31, 2016 is \$5,303,939.



## C. Capital Assets

A summary of changes in capital asset activity for the year ended December 31, 2016 follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
<b>Primary Government:</b>					
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land, rights of way, water rights, other	\$ 222,049,995	\$ 4,013,044	\$ -	\$ -	\$ 226,063,039
Street system infrastructure	304,284,596	-	21,753,549	-	326,038,145
Construction in progress	28,516,634	31,108,756	(26,914,833)	(1,555,579)	31,154,978
Total capital assets, not being depreciated	<u>554,851,225</u>	<u>35,121,800</u>	<u>(5,161,284)</u>	<u>(1,555,579)</u>	<u>583,256,162</u>
Capital assets, being depreciated:					
Infrastructure	28,312,116	-	-	-	28,312,116
Buildings and improvements	139,261,708	33,226	-	-	139,294,934
Improvements other than buildings	152,857,368	19,637	5,161,284	-	158,038,289
Machinery and equipment	91,143,998	4,724,846	-	(1,875,229)	93,993,615
Total capital assets being depreciated	<u>411,575,190</u>	<u>4,777,709</u>	<u>5,161,284</u>	<u>(1,875,229)</u>	<u>419,638,954</u>
Less accumulated depreciation for:					
Infrastructure	(12,960,500)	(386,053)	-	-	(13,346,553)
Buildings and improvements	(43,672,734)	(2,905,280)	-	-	(46,578,014)
Improvements other than buildings	(47,500,329)	(6,202,178)	-	-	(53,702,507)
Machinery and equipment	(59,838,533)	(6,243,402)	-	1,778,740	(64,303,195)
Total accumulated depreciation	<u>(163,972,096)</u>	<u>(15,736,913)</u>	<u>-</u>	<u>1,778,740</u>	<u>(177,930,269)</u>
Total capital assets being depreciated, net	<u>247,603,094</u>	<u>(10,959,204)</u>	<u>5,161,284</u>	<u>(96,489)</u>	<u>241,708,685</u>
Governmental activities capital assets, net	<u>\$ 802,454,319</u>	<u>\$ 24,162,596</u>	<u>\$ -</u>	<u>\$ (1,652,068)</u>	<u>\$ 824,964,847</u>
<b>Business-type activities</b>					
Capital assets, not being depreciated:					
Land, rights of way, water rights, other	\$ 70,343,562	\$ 476,394	\$ 13,258	\$ -	\$ 70,833,214
Construction in progress	103,069,879	65,042,533	(43,392,330)	-	124,720,082
Total capital assets, not being depreciated	<u>173,413,441</u>	<u>65,518,927</u>	<u>(43,379,072)</u>	<u>-</u>	<u>195,553,296</u>
Capital assets, being depreciated:					
Buildings and improvements	231,726,372	104,000	164,679	-	231,995,051
Improvements other than buildings	591,658,047	-	27,894,106	(69,005)	619,483,148
Machinery and equipment	62,982,299	1,570,192	15,320,287	(567,773)	79,305,005
Total capital assets being depreciated	<u>886,366,718</u>	<u>1,674,192</u>	<u>43,379,072</u>	<u>(636,778)</u>	<u>930,783,204</u>
Less accumulated depreciation for:					
Buildings and improvements	(101,834,997)	(4,851,725)	-	-	(106,686,722)
Improvements other than buildings	(249,948,441)	(16,267,702)	-	42,113	(266,174,030)
Machinery and equipment	(49,096,312)	(3,243,815)	-	548,619	(51,791,508)
Total accumulated depreciation	<u>(400,879,750)</u>	<u>(24,363,242)</u>	<u>-</u>	<u>590,732</u>	<u>(424,652,260)</u>
Total capital assets being depreciated, net	<u>485,486,968</u>	<u>(22,689,050)</u>	<u>43,379,072</u>	<u>(46,046)</u>	<u>506,130,944</u>
Business-type activities capital assets, net	<u>\$ 658,900,409</u>	<u>\$ 42,829,877</u>	<u>\$ -</u>	<u>\$ (46,046)</u>	<u>\$ 701,684,240</u>

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
<b>Component Unit:</b>					
Capital assets, not being depreciated:					
Land, water rights, rights of way, other	\$ 2,528,747	\$ -	\$ -	\$ -	\$ 2,528,747
Construction in progress	-	15,450	-	-	15,450
Total capital assets, not being depreciated	<u>2,528,747</u>	<u>15,450</u>	<u>-</u>	<u>-</u>	<u>2,544,197</u>
Capital assets, being depreciated:					
Buildings and improvements	4,495,465	-	-	-	4,495,465
Improvements other than buildings	16,500	9,430	-	-	25,930
Total capital assets being depreciated	<u>4,511,965</u>	<u>9,430</u>	<u>-</u>	<u>-</u>	<u>4,521,395</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,918,161)	(92,190)	-	-	(2,010,351)
Improvements other than buildings	(16,500)	(943)	-	-	(17,443)
Total accumulated depreciation	<u>(1,934,661)</u>	<u>(93,133)</u>	<u>-</u>	<u>-</u>	<u>(2,027,794)</u>
Total capital assets being depreciated, net	<u>2,577,304</u>	<u>(83,703)</u>	<u>-</u>	<u>-</u>	<u>2,493,601</u>
Component unit capital assets, net	<u>\$ 5,106,051</u>	<u>\$ (68,253)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,037,798</u>

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

	Governmental Activities	Business-Type Activities
General government	\$ 632,585	\$ -
Public safety - police & judicial	1,560,271	-
Cultural, parks, recreation & enviro. services	5,077,432	-
Community planning & environmental services	26,948	-
Transportation services	7,021,688	-
Capital assets held by the City's internal service funds used for governmental activities	1,417,989	-
Light & Power	-	9,209,164
Water	-	6,431,010
Wastewater	-	5,707,812
Storm Drainage	-	2,632,728
Non-major Enterprise funds - Golf	-	322,264
Capital assets held by the City's internal service fund used for business-type activities	-	87,156
Total depreciation expense	<u>15,736,913</u>	<u>24,390,134</u>
Less capital assets held by the City's internal service funds	<u>1,417,989</u>	<u>87,156</u>
Depreciation expense	<u>14,318,924</u>	<u>24,302,978</u>

*Construction in Progress Deletion* – The 2016 Government-wide Statement of Activities recognized a loss of \$1,555,579 due to the correction of a project inappropriately capitalized. Non-depreciable construction in progress relating to the relocation of power lines for PRPA, a related party, should have been expensed in a prior year.

## D. Inter-fund Transfers and Advances

Transfers are primarily used to 1) move revenues from the fund with collection authorization (e.g. Sales and Use Tax Fund) to the General Fund for overall operating expenditures and the Transportation Services, Capital Projects and Natural Areas Fund for dedicated voter approved programs and projects, and 2) move unrestricted General Fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

Transfer out:	Transfers In:							Total
	General	Transportation Services	Capital Projects	Nonmajor Governmental	Light and Power	Wastewater	Internal Service	
<b>Governmental Funds</b>								
General	\$ -	\$ 4,755,560	\$ 1,682,008	\$ 12,380,848	\$ 67,000	\$ 125,000	\$ 8,525,741	\$ 27,536,157
Keep Fort Collins Great	-	-	-	32,294	-	-	-	32,294
Transportation Services	-	-	626,328	113,337	-	-	-	739,665
Capital Projects	169,000	-	-	129,204	-	-	-	298,204
Nonmajor Governmental	421,500	50,000	10,575,841	10,446,474	-	-	146,109	21,639,924
<b>Proprietary Funds</b>								
Light & Power	77,210	-	-	26,505	-	-	-	103,715
Water	175,190	-	-	32,648	-	-	-	207,838
Wastewater	46,898	-	-	24,868	-	-	-	71,766
Storm Drainage	22,329	215,000	-	9,988	-	-	-	247,317
Golf	-	-	-	-	-	-	45,419	45,419
Internal Service	43,187	-	-	-	-	-	2,237,867	2,281,054
Total transfers in	\$ 955,314	\$ 5,020,560	\$ 12,884,177	\$ 23,196,166	\$ 67,000	\$ 125,000	\$ 10,955,136	\$ 53,203,353

## Advances to URA

In May 2009, the City loaned the URA \$5,303,939 to help fund the development and construction of the Rocky Mountain Innovation Initiative (RMII) facility for the business incubation program. This loan has a 20 year term and bears a fixed interest rate of 2.5%. For years 0 through 4, there will be no payments but interest will accrue. For year 5, there will be a lump sum, annual payment consisting of the interest accrued during the no payment term and year 5. For years 6 and 7, there will be an annual payment, of interest only. For years 8 through the maturity date, there will be annual payments of principal and interest. In 2016, the URA made an interest payment of \$132,598. The amount outstanding as of December 31, 2016 is \$5,303,939.

In November 2013, the City loaned the URA \$5,000,000 for The Summit on College Project, a mixed-use student housing project in the Prospect South Tax Increment Financing District. The loan has a 24 year term and bears a fixed interest rate of 2.68%. The outstanding balance as of December 31, 2016 is \$4,800,958.

In December 2014, the City loaned URA \$247,000 for Prospect Station project. The loan has a 23 year term and bears a fixed interest rate of 4.5%. The outstanding balance as of December 31, 2016 is \$234,027.

## E. Long-term Obligations

The City utilizes various types of debt and other long-term obligations in conducting its business. The following describes the various bonds and other types of financing used by the City and its component unit.

**Certificates of Participation and Assignment of Lease Payments:** Through the Fort Collins Leasing Corporation, the City issues certificates of participation (COP) and assignments of lease payments (ALP) for the acquisition and construction of major capital facilities and improvements. The debt is secured by the constructed facilities and improvements. Debt service payments are made from the rents collected by the Leasing Corporation based upon lease agreements between the City and the Leasing Corporation. As of December 31, 2016, the City had \$25,668,843 and \$1,391,156 of COP/ALP outstanding for governmental and business-type activities, respectively.

**Capital Leases:** The City also enters into lease agreements as a lessee for financing the acquisition of land, various machinery and equipment for both governmental and business-type activities. The capital assets acquired from the lease agreements are included with capital assets and the amortization of leased equipment is included with depreciation in the financial statements. These lease agreements qualify as capital leases for accounting purposes and therefore, have been reflected at the present value of their future minimum lease payments as of the inception date. The City had \$8,190,279 and \$719,910 of capital leases outstanding as of December 31, 2016, for governmental and business-type activities, respectively.

Cost of all capital assets holding at December 31, 2016 acquired under capital leases:

	<b>Governmental Activities</b>	<b>Business Type Activities</b>
	<u>Balance, End of Year</u>	<u>Balance, End of Year</u>
Buildings and Improvements	\$ 351,930	\$ -
Improvements other than buildings	-	114,030
Machinery and equipment	<u>17,882,964</u>	<u>2,089,264</u>
Accumulated depreciation	<u>(9,045,172)</u>	<u>\$ (1,418,761)</u>
Net Book Value	<u>\$ 9,189,722</u>	<u>\$ 784,533</u>

**DDA Short-Term Obligation:** In 2012, a revolving line of credit was established with a bank for a 6 year period in the amount of \$1,000,000 to finance DDA projects and programs in accordance with its approved Plan of Development, the Downtown Plan and the Downtown Strategic Plan. During the fiscal year 2016, total draw amounts were \$2,034,642. During 2016, a total of \$2,034,642 was repaid and there is no amount outstanding as of December 31, 2016. No interest was paid as the minimum loan origination fee paid exceeded interest expense during the time the loan was outstanding.

The DDA pays a portion of the City's 2007 COP. In 2016, that payment was \$249,625.

The DDA services the 2010A and 2010B Subordinate Tax Increment Revenue Bonds. The taxable 2010A tax increment revenue bonds will mature in 2018 and the tax-exempt 2010B increment revenue bonds will mature in 2020.

In 2013, the City issued a subordinate tax increment revenue bond with a Corporation for the principal sum of \$6,050,000 to be serviced by the DDA. The Bond is not a general obligation of the City and full faith and

credit of the City is not pledged to pay the debt service requirements. Principal and interest payments are secured by a pledge of Tax Increment Revenue. In the event the available Pledged Tax Increment Revenues are not sufficient to repay the principal of and interest on the Bond in full during the Tax Increment Period the City has declared the intent to pay any unpaid amounts from legally available funds of the City, subject to appropriation by the Council. The outstanding balance as of December 31, 2016 is \$5,795,839.

**URA:** In 2013, the City issued tax increment revenue bonds for the principal sum of \$11,085,000 to be serviced by the Urban Renewal Authority – North College District. The bond is a special and limited obligation of the City payable solely out of and secured by a pledge of tax increment revenue. The proceeds were received by the URA and were used to pay off advances made by the City for the North College Marketplace, JAX Inc. Building Expansion, Northeast College Corridor Outfall, and the Kaufman and Robinson projects. The outstanding balance as of December 31, 2016 is \$9,435,000.

Pledged Revenues

Date			Amount of		Term of
<u>Issued</u>	<u>Description</u>	<u>Revenue Pledged</u>	<u>Pledged</u>	<u>Purpose of Debt</u>	<u>Commitment</u>
1997	Water Revenue Bond	Water Revenues	386,166	Water Capital Projects	through 2017
1999	Water Revenue Bonds	Water Revenues	916,686	Water Capital Projects	through 2019
2003	Subordinate Water Revenue Bonds	Water Revenues	1,703,876	Water Capital Projects	through 2030
2008	Water Revenue Refunding Bonds	Water Revenues	4,172,081	Water Capital Projects	through 2018
2001	Storm Drainage Revenue Bonds	Storm Drainage Revenues	3,521,818	Storm Drainage Improvements	through 2021
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	5,082,030	Storm Drainage Improvements	through 2019
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	452,774	Storm Drainage Improvements	through 2017
2011	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	5,478,449	Storm Drainage Improvements	through 2022
2009	Sewer Revenue Bonds	Sewer Revenues	4,833,588	Sewer Capital Projects	through 2018
2010	Sewer Revenue Bonds	Sewer Revenues	1,770,132	Sewer Capital Projects	through 2020
2016	Sewer Revenue Bonds	Sewer Revenues	24,143,470	Sewer Capital Projects	through 2028
2010	Light and Power Bonds	Light and Power Revenues	7,817,129	Light and Power Capital Projects	through 2020

Date		% Revenue	P & I for	Recognized for
<u>Issued</u>	<u>Description</u>	<u>Pledged</u>	<u>2016</u>	<u>2016</u>
1997	Water Revenue Bond	1-15%	771,333	17,550,483
1999	Water Revenue Bonds	1-15%	368,734	17,550,483
2003	Subordinate Water Revenue Bonds	1-15%	188,224	17,550,483
2008	Water Revenue Bonds	1-15%	2,082,237	17,550,483
2001	Storm Drainage Revenue Bonds	1-25%	816,979	12,954,994
2007	Storm Drainage Revenue Refunding Bonds	1-25%	1,993,138	12,954,994
2007	Storm Drainage Revenue Refunding Bonds	1-25%	460,140	12,954,994
2011	Storm Drainage Revenue Refunding Bonds	1-25%	893,922	12,954,994
2009	Sewer Revenue Bonds	1-25%	1,455,344	13,587,507
2010	Sewer Revenue Bonds	1-25%	435,398	13,587,507
2016	Sewer Revenue Bonds	1-25%	197,531	13,587,507
2010	Light and Power Bonds	1-25%	2,034,601	10,860,782

The following tables display the debt service requirements to maturity for the obligations described:

Revenue Bonds  
(amounts expressed in thousands)

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2017	575	369	9,878	1,955	12,777
2018	595	352	8,956	1,590	11,492
2019	615	334	6,905	1,244	9,098
2020	635	309	5,423	952	7,319
2021	665	284	3,002	698	4,650
2022-2026	3,730	1,000	11,017	1,987	17,734
2027-2030	2,620	222	4,657	192	7,691
	<u>\$ 9,435</u>	<u>\$ 2,870</u>	<u>\$ 49,838</u>	<u>\$ 8,618</u>	<u>\$ 70,761</u>

Certificates of Participation Payments  
(amounts expressed in thousands)

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2017	4,380	462	200	13	5,055
2018	4,460	355	225	4	5,044
2019	3,175	272	-	-	3,447
2020	1,845	226	-	-	2,071
2021	1,880	192	-	-	2,072
2022-2026	9,625	437	-	-	10,062
	<u>\$ 25,365</u>	<u>\$ 1,944</u>	<u>\$ 425</u>	<u>\$ 17</u>	<u>\$ 27,751</u>

The following tables display the debt service requirements to maturity for the obligations described:

Assignment of Lease Payments  
(amounts in thousands)

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2017	55	5	176	15	251
2018	58	4	184	12	258
2019	61	3	193	10	267
2020	63	2	202	7	274
2021	67	1	211	3	282
	<u>\$ 304</u>	<u>\$ 15</u>	<u>\$ 966</u>	<u>\$ 47</u>	<u>\$ 1,332</u>

Capital Lease Payments  
(amounts in thousands)

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2017	2,802	154	236	14	3,206
2018	2,387	95	216	8	2,706
2019	1,729	49	151	4	1,933
2020	1,015	17	83	2	1,117
2021	257	2	34	-	293
	<u>\$ 8,190</u>	<u>\$ 317</u>	<u>\$ 720</u>	<u>\$ 28</u>	<u>\$ 9,255</u>

Component Unit  
DDA - Tax Increment Bonds  
(amounts in thousands)

Year Ending December 31	Principal	Interest	Total
2017	1,960	351	2,311
2018	2,038	269	2,307
2019	2,069	208	2,277
2020	1,758	147	1,905
2021	384	96	480
2022-2026	1,960	440	2,400
2027-2030	1,852	164	2,016
	<u>\$ 12,021</u>	<u>\$ 1,675</u>	<u>\$ 13,696</u>

General long-term obligations of the primary government at December 31, 2016 is comprised of the following:

<u>Date Issued</u>	<u>Description/Interest Rates</u>	<u>Maturity Dates</u>	<u>Original Balance</u>	<u>Outstanding Balance</u>
<b>Bonds Serviced by Urban Renewal Authority - North College District</b>				
Secured by tax increment property taxes				
2013	2013 URA Tax Increment Revenue Bonds (2.000 - 4.250%)	2029	\$11,085,000	\$ 9,435,000
<b>COP / ALP serviced by General Fund, Capital Expansion Fund, Natural Areas Fund and Transportation Fund through the Fort Collins Capital Leasing Corporation Debt Service Fund</b>				
2007	Lease Certificates of Participation (3.860%)	2018	12,880,000	2,645,000
2012	Lease Certificates of Participation (1.820%)	2026	34,395,000	22,720,000
2001	Assignment of Lease Payments - Police (4.70%)	2021	890,000	303,843
Unamortized premium on bonds				249,264
<b>Other Obligations of Governmental Funds</b>				
Various	Capital lease obligations (secured by leased equipment)	Various	N/A	2,512,632
N/A	Compensated absences	N/A	N/A	5,674,753
N/A	Net pension liability	N/A	N/A	6,381,291
N/A	Net Post Employment Health Care Obligation	N/A	N/A	1,145,948
<b>Other Obligations of Internal Service Fund used by Governmental Activities</b>				
Various	Capital lease obligations (secured by leased equipment)	Various	N/A	5,677,647
N/A	Compensated absences	N/A	N/A	579,948
N/A	Claims Payable	N/A	N/A	6,309,820
N/A	Net pension liability	N/A	N/A	1,042,284
Total				<b><u>\$64,677,430</u></b>
Component Unit long - term debt at December 31, 2016, is comprised of the following obligations:				
<b>Bonds Serviced by Downtown Development Authority Debt Service Fund</b>				
2010	Subordinate Tax Increment Revenue Bonds (4.010-6.080%)	2020	\$12,500,000	\$ 6,225,000
Secured by tax increment property taxes				
2013	Subordinate Tax Increment Revenue Bonds	2031	6,050,000	5,795,705
Variable interest rate based on the 10 year U.S. Treasury Note with a .25% floor				
Secured by tax increment property taxes				
<b>Other Obligations – Component Unit</b>				
N/A	Compensated absences	N/A	N/A	14,083
Total				<b><u>\$12,034,788</u></b>

(Continued)



Business-type long-term obligations at December 31, 2016 consists of the following:

<u>Date Issued</u>	<u>Description/Interest Rates</u>	<u>Maturity Dates</u>	<u>Original Balance</u>	<u>Outstanding Balance</u>
<b>Bonds, COP, and ALP, serviced by Enterprise Funds</b>				
<b>Light and Power Fund</b>				
Secured by light and power revenues				
2010	Light and Power Bond A (2.25-4.52%)	2017	\$ 9,675,000	\$ 570,000
2010	Light and Power Bond B (2.25-4.52%)	2020	6,410,000	6,410,000
<b>Water Fund</b>				
Secured by water revenues				
1997	Water Revenue Bond (3.80-5.30%)	2017	10,125,300	360,049
1999	Water Revenue Bond (3.28-5.25%)	2019	4,998,395	818,562
2003	Subordinate Water Revenue Bonds (5.025%)	2030	2,476,446	1,334,055
2008	Water Revenue Bond (3.46%)	2018	9,645,000	3,965,000
<b>Storm Drainage Fund</b>				
Secured by storm drainage revenues				
2001	Storm Drainage Revenue Bond (4.50-5.25%)	2021	9,845,000	2,825,000
2007	Storm Drainage Revenue Refunding Bonds A (4.086%)	2019	15,945,000	4,710,000
2007	Storm Drainage Revenue Refunding Bonds B (4.086%)	2017	3,360,000	435,000
2011	Storm Drainage Revenue Refunding Bonds (2.49%)	2022	8,515,000	5,030,000
<b>Wastewater Fund</b>				
Secured by sewer revenue				
2009	Sewer Revenue Bonds (2.0-5.0%)	2028	30,655,000	2,940,000
2010	Sewer Revenue Bonds (2.99%)	2020	3,900,000	1,645,000
2016	Sewer Revenue Refunding Bonds (2.0-4.0%)	2028	18,795,000	18,795,000
	Unamortized premium on bonds			3,369,748
	Unamortized discount on bonds			(1,570)
<b>Golf Fund</b>				
Secured by golf revenue				
2007	Lease Certificates of Participation (3.860%)	2018	1,715,000	425,000
2001	Assignment of Lease Payments (4.70%)	2021	2,830,000	966,156
<b>Other Obligations of Enterprise Funds</b>				
Various	Capital lease obligations (secured by leased equipment)	Various		719,910
N/A	Net pension liability	N/A		5,702,950
N/A	Net Post Employment Health Care Obligation	N/A		501,353
N/A	Compensated absences	N/A		1,666,019
<b>Other Obligations of the Internal Service Fund used by Business-type Activities</b>				
N/A	Compensated absences	N/A		312,361
N/A	Net pension liability	N/A		1,381,936
	Total			<u><u>\$64,881,529</u></u>

The City is maintaining all reserves required by ordinances and agreements with other third parties. Within the governmental funds, these reserves are being maintained in debt service and special revenue funds as required by ordinances or agreements.

Certificates of participation issued by the Fort Collins Capital Leasing Corporation are payable from rents collected under a lease agreement between the City and the Leasing Corporation.

### **Conduit Debt Obligations**

From time to time, the City has issued Industrial Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by sources external to the City and are payable solely from payments received from outside parties. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2016, there were 7 series of Industrial Development Revenue Bonds outstanding, with an estimated aggregate principal amount payable of \$47,457,000.

## Changes in long-term liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Primary Government:</b>					
<b>Governmental Activities</b>					
Bonds, COP, and ALP:					
Revenue bonds	\$ 9,995,000	\$ -	\$ (560,000)	\$ 9,435,000	\$ 575,000
Certificates of participation	29,630,000	-	(4,265,000)	25,365,000	4,380,000
Assignment of lease payments	356,718	-	(52,875)	303,843	55,266
Total bonds, COP and ALP	39,981,718	-	(4,877,875)	35,103,843	5,010,266
Add bond premium	268,562	-	(19,298)	249,264	-
Total bonds, COP and ALP	40,250,280	-	(4,897,173)	35,353,107	5,010,266
Other Liabilities:					
Capital leases	8,781,235	2,453,800	(3,044,756)	8,190,279	2,802,031
Compensated absences	5,714,682	5,961,365	(5,421,346)	6,254,701	6,254,701
Claims payable	5,807,130	22,926,204	(22,423,514)	6,309,820	3,339,903
Net pension liability	7,605,853	-	(182,278)	7,423,575	-
Net post employment health care obligation	1,173,614	-	(27,666)	1,145,948	-
Total other liabilities	29,082,514	31,341,369	(31,099,560)	29,324,323	12,396,635
Governmental activities long-term liabilities	\$ 69,332,794	\$ 31,341,369	\$ (35,996,733)	\$ 64,677,430	\$ 17,406,901
<b>Business-Type Activities</b>					
Bonds, COP, and ALP:					
Revenue bonds	\$ 60,994,790	\$ 18,795,000	\$ (29,952,124)	\$ 49,837,666	\$ 9,878,167
Certificates of participation	620,000	-	(195,000)	425,000	200,000
Assignment of lease payments	1,134,282	-	(168,126)	966,156	175,734
	62,749,072	18,795,000	(30,315,250)	51,228,822	10,253,901
Add bond premium	929,889	3,111,559	(671,700)	3,369,748	-
Less bond discount	(5,361)	-	3,791	(1,570)	-
Total bonds, COP and ALP	63,673,600	21,906,559	(30,983,159)	54,597,000	10,253,901
Other Liabilities:					
Capital leases	608,418	327,829	(216,287)	719,910	235,877
Compensated absences	1,906,019	2,167,854	(2,095,493)	1,978,380	1,978,380
Net pension liability	7,258,848	-	(173,962)	7,084,886	-
Net post employment health care obligation	513,456	-	(12,103)	501,353	-
Total other liabilities	10,286,741	2,495,683	(2,497,845)	10,284,529	2,214,257
Business-type activities long-term liabilities	\$ 73,960,341	\$ 24,402,242	\$ (33,481,004)	\$ 64,881,529	\$ 12,468,158
<b>Component Unit:</b>					
Bonds:					
Tax revenue bonds	\$ 13,740,000	\$ -	\$ (1,719,295)	\$ 12,020,705	\$ 1,959,661
Compensated absences	15,127	26,130	(27,174)	14,083	14,083
Component unit long-term liabilities	\$ 13,755,127	\$ 26,130	\$ (1,746,469)	\$ 12,034,788	\$ 1,973,744

## **Bond Refunding**

On August 18, 2016, the City issued \$18.8 million of revenue refunding bonds with interest rates varying from 2-4% to advance refund \$20.1 million of outstanding 2009 series bonds with an average interest of 4.5%. The net proceeds of \$21.7 million (after payment of \$165 thousand in underwriting fees and other issuance costs) plus an additional \$188 thousand of City funds were deposited into an escrow account. The funds were used to purchase US government securities to be used to provide for all future debt service payments on the 2009 series bonds. As a result, the 2009 series bonds are considered to be defeased and the liability for those bonds has been removed.

The City advance refunded the 2009 series bonds to reduce its total debt service payments over the next 12 years by \$3.1 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2.8 million. The refunding resulted in a deferred loss of \$1.4 million which will be amortized over the life of the new bonds.

## **Liquidation and Reporting of Governmental Activities Long-Term Liabilities**

The General Fund is primarily used to liquidate the governmental activities liabilities for compensated absences, net pension liability and net post-employment health care obligation.

Internal service funds, except for the Utility Customer Service and Administration Fund, predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Long-term liabilities of the Utility Customer Service and Administration internal service fund are included as part of the totals for the business-type activities.

## F. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The following table represents these classifications and the purposes for which the amounts can be spent as of December 31, 2016.

Fund Balances (Deficit):	Keep Fort		Trans- portation	Capital Projects	Urban	Other	Total
	General	Collins Great			Renewal Authority	Governmental Funds	
<b>Nonspendable:</b>							
Advances	\$ 5,034,986	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,034,986
Notes receivable	-	-	-	-	5,303,939	-	5,303,939
Inventories	1,837,894	-	-	-	-	-	1,837,894
Prepays	200	-	150	-	-	78,353	78,703
Udall endowment	125,000	-	-	-	-	-	125,000
<b>Total Nonspendable</b>	<b>6,998,080</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>5,303,939</b>	<b>78,353</b>	<b>12,380,522</b>
<b>Restricted:</b>							
Voter approved capital	-	-	-	10,411,346	-	7,410,835	17,822,181
Community and operation	-	-	-	-	-	29,297,875	29,297,875
Parking	-	-	-	-	-	747,046	747,046
Convention and visitors bureau	166,849	-	-	-	-	-	166,849
DDA/Woodward bonds	2,272,000	-	-	-	-	-	2,272,000
Economic rebates	2,966,581	-	-	-	-	-	2,966,581
Emergency	6,697,704	-	-	-	-	-	6,697,704
Fiscal agent	-	-	1,874	-	949,055	-	950,929
Horticulture	278,685	-	-	-	-	-	278,685
Street maintenance	-	4,013,260	-	-	-	-	4,013,260
Other transportation	-	2,218,057	-	-	-	754,844	2,972,901
Police services	844,958	4,028,209	-	-	-	-	4,873,167
Fire and emergency services	-	557,608	-	-	-	-	557,608
Parks and recreation	187,500	1,825,485	-	-	-	33,743	2,046,728
Other	-	2,837,275	-	-	-	1,498,261	4,335,536
PEG distribution	101,002	-	-	-	-	-	101,002
Sustainability services	-	-	-	-	-	388,525	388,525
Udall property	25,120	-	-	-	-	-	25,120
<b>Total Restricted</b>	<b>13,540,399</b>	<b>15,479,894</b>	<b>1,874</b>	<b>10,411,346</b>	<b>949,055</b>	<b>40,131,129</b>	<b>80,513,697</b>
<b>Committed:</b>							
Capital projects	14,535	-	611,864	10,007,396	-	38,423,264	49,057,059
Cultural development and planning	298,166	-	-	-	-	2,821,077	3,119,243
Traffic calming	168,822	-	-	-	-	-	168,822
<b>Total Committed</b>	<b>481,523</b>	<b>-</b>	<b>611,864</b>	<b>10,007,396</b>	<b>-</b>	<b>41,244,341</b>	<b>52,345,124</b>
<b>Assigned:</b>							
Affordable housing	280,490	-	-	-	-	-	280,490
Camera radar	1,085,454	-	-	-	-	-	1,085,454
Capital projects	-	-	-	-	-	-	-
Community and operation	889,235	-	-	-	-	4,807,876	5,697,111
Downtown parking plan	-	-	-	-	-	677,932	677,932
Encumbrances	4,198,501	-	852,716	-	-	248,906	5,300,123
Harmony road	-	-	5,738,241	-	-	-	5,738,241
Manufacturer use tax rebate	730,000	-	-	-	-	-	730,000
Recreation	-	-	-	-	-	227,435	227,435
General government	13,573,562	-	-	-	-	-	13,573,562
Transportation	-	-	10,345,925	-	-	-	10,345,925
Waste innovation program	206,146	-	-	-	-	-	206,146
<b>Total Assigned</b>	<b>20,963,388</b>	<b>-</b>	<b>16,936,882</b>	<b>-</b>	<b>-</b>	<b>5,962,149</b>	<b>43,862,419</b>
<b>Unassigned</b>	<b>33,391,390</b>	<b>-</b>	<b>-</b>	<b>(489,914)</b>	<b>(9,199,600)</b>	<b>(1,493,583)</b>	<b>22,208,293</b>
Total Fund Balances (Deficit)	\$ 75,374,780	\$ 15,479,894	\$ 17,550,770	\$ 19,928,828	\$ (2,946,606)	\$ 85,922,389	\$ 211,310,055

## **NOTE IV. OTHER INFORMATION**

### **A. Risk Management**

#### **Property, Liability, and Workers Compensation**

The City self-insures a portion of its comprehensive automobile liability, general liability, police liability, and public official liability exposures as well as damage or destruction of property. The City utilizes the Self-Insurance Fund (an internal service fund) to finance and account for risks of property and liability loss.

The City purchases property insurance that has a \$50,000 deductible for most causes of loss including earthquake and flood. Special flood hazard areas of 100 year flooding, as defined by FEMA have a deductible of 5% of the total insurable value at each location, subject to a minimum of \$500,000 at any one occurrence. Crime and boiler & machinery coverage has a \$10,000 deductible. Vehicles have a \$100,000 deductible.

The City purchases liability insurance through a risk retention group. This policy has a \$500,000 deductible for all types of liability claims. Coverage limits are as follows:

General, Auto, Law Enforcement & Wrongful Acts Liability – \$3 million/occurrence, \$6 million aggregate.  
Public Official Liability - \$3 million/each wrongful act, \$6 million aggregate.

Workers' Compensation losses are self-insured up to \$500,000 for all worker classifications. An excess policy providing limits mandated by the State of Colorado provides coverage above the self-insured retention.

The Downtown Development Authority, a component unit, purchases general, public official liability, property, workers compensation, and umbrella insurance policies from commercial insurance companies. The general liability policy has no deductible, the public official liability policy has a \$1,000 deductible and the employment related practice claims have a 50% of loss, with a maximum \$100,000 per occurrence deductible. The property insurance policy has a deductible of \$500. Coverage limits are as follows:

General Liability – included per occurrence, no annual aggregate  
Public Entity Liability - \$2,000,000 annual per occurrence limit / no annual aggregate  
Public Official Liability - included/occurrence, no annual aggregate.  
Umbrella Liability - \$1,000,000 per occurrence, no annual aggregate.  
Workers Compensation Liability – Part A is paid according to state schedule  
Part B Employers Liability - \$2,000,000 per employee/accident/disease.

#### **Employee Health and Illness**

The City and the component unit self-fund their employees for comprehensive major medical benefits under a Preferred Provider Options (PPO) health plan. The Benefits Fund (an internal service fund) is utilized to finance and account for medical risks of loss. Stop-loss coverage of \$225,000 per occurrence is retained as excess risk coverage. During the past three years, there have been 22 claims that have exceeded the stop-loss limit.

#### **Funding and Claims Liabilities**

All funds or employees of the City, as applicable, participate in the above risk management programs. Charges to City funds for these services are based on estimates of the amounts needed to pay claims, establish reserves for catastrophic losses, and pay policy premiums.

Claims liabilities for the Self-Insurance and Benefits Funds as of December, 31, 2016, amount to \$4,534,258 and \$1,775,562 respectively. These claims were determined on an actuarial basis, and reflect the GASB Statement No. 10 requirement that a liability for claims be reported, if information prior to the issuance of the City's financial statements indicates that it is probable that a liability has been incurred at December 31, and

the amount of the loss can be reasonably estimated. The liability of \$4,534,258 for the Self Insurance Fund is undiscounted and reflects a 75% confidence level factor. The discount refers to the full or undiscounted amount reduced for future investment earnings that can be generated on funds held between the date of valuation and the date of the final payment of claims. Changes in claims liabilities amounts for 2014, 2015, and 2016 are as follows:

	<u>Self-Insurance</u>	<u>Benefits</u>
Claims payable - December 31, 2014	\$ 4,212,757	\$ 1,381,181
Claims & changes in estimates	1,833,525	20,024,022
Claim payments	<u>(1,814,635)</u>	<u>(19,829,720)</u>
Claims payable - December 31, 2015	<u>\$ 4,231,647</u>	<u>\$ 1,575,483</u>
Claims & changes in estimates	805,957	22,120,247
Claim payments	<u>(503,345)</u>	<u>(21,920,168)</u>
Claims payable - December 31, 2016	<u><u>\$ 4,534,258</u></u>	<u><u>\$ 1,775,562</u></u>

## **B. Employee Retirement Systems and Pension Plans**

### **1. General Employees' Retirement Plan**

#### *Plan Description*

The General Employees' Retirement Plan (the Plan) is a governmental plan established pursuant to IRS Code Section 414(d). All permanent, classified, non-uniformed employees hired before January 1, 1999 are eligible to be members of the General Employees' Retirement Plan, a single-employer defined benefit plan. Employees hired after January 1, 1999 are only eligible to participate in the Money Purchase Plan. The benefits and refunds of the Plan are recognized when due and payable in accordance with the terms of the plan.

Benefits vest 40% after 2 years of credited service and 20% for each year thereafter until 100% is attained after 5 years. Employees who retire at or after age 65 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-1/2% of final average monthly compensation multiplied by years of credited service. Final average monthly compensation is the highest average of the considered compensation during 60 consecutive full calendar months out of the last 120 calendar months of credited service. A member is eligible for an early retirement benefit after age 55 and completion of 2 years of credited service. The monthly benefit, payable for life, is equal to the vested portion of the normal retirement benefit based on credited service and compensation at early retirement, reduced by 1/180th for each of the first 60 months and 1/360th for each additional month by which payments commence prior to normal retirement date.

The Plan also provides for death and disability benefits. A death benefit of approximately 50% of the member's vested accrued benefit at the date of death is payable to the employee's spouse for life beginning on the first day of the month following the later of the date of death or the date the member would have been age 55. The spouse may elect to receive the actuarial equivalent lump-sum payment. If the member was not married, the beneficiary or estate would receive the actuarial single-sum payment of the benefit.

As of December 31, 2016, employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits	238
Inactive employees entitled to but not yet receiving benefits	94
Active plan participants	<u>78</u>
Total	<u>410</u>

The Plan is accounted for in the General Employees' Retirement Plan Pension Fund (a pension trust fund). The entire cost of the Plan is paid by the City as established or amended by City Council. The City's current funding policy is to contribute 10.5% of the compensation for active plan participants plus an annual supplemental contribution while the plan is underfunded.

The Plan does not issue a stand-alone financial report. Financial statements for the Plan are presented within the City's financial statements as a fiduciary pension trust fund.

***Net Pension Liability Actuarial Assumptions***

An actuarial valuation is performed annually to determine the total pension liability. The net pension liability is to be measured as the total pension liability less the Plan's fiduciary net position. To value the Plan, the actuary must predict future events such as investment return, mortality, and rates of termination and retirement using actuarial assumptions. Any variation in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of the Plan's benefits. A description of assumptions applied in the current valuation follow.

Valuation date	December 31, 2016
Measurement date	December 31, 2016
Inflation	2.50%
Salary increase including inflation	Graded by age including inflation, productivity and merit increases
Mortality	RP-2000 projected generationally using scale AA
Actuarial cost method	Entry Age Normal
Asset valuation method	Market value
Investment rate of return	6.50% per annum, compounded annually net of investment-related expenses
COLA	None
Change in assumptions	Retirement rates and form of payment assumptions were updated
Significant changes	There were no significant changes between the valuation date and fiscal year end

***Discount Rate***

The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees; therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. There was no change in the discount rate since the prior measurement period.

Discount Rate	6.50%
Long-term expected rate of return, net of investment expense	6.50%
Bond Municipal Bond Index	3.78%



### ***Money-Weighted Rate of Return***

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Fiscal Year Ending December 31	Net Money-Weighted Rate of Return
2016	5.92%
2015	-0.62%
2014	6.0%

### ***Long-Term Expected Rate of Return***

The best-estimate range for long-term expected rate of return is determined by adding expected inflation to the expected long-term real returns and reflecting expected volatility and correlation. The following is the Plan's asset target allocations and the long-term expected geometric real rate of return for each asset class as of December 31, 2016.

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Domestic Equity	45%	3.6%
International Equity	15%	4.4%
Fixed Income	40%	1.3%

### ***Change in Net Pension Liability***

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Changes in Net Pension Liability			
Balance as of December 31, 2015	\$57,914,989	\$43,050,288	\$14,864,701
Changes for the year			
Service Cost	383,757	-	383,757
Interest on total pension liability	3,681,690	-	3,681,690
Effect of economic/demographic gain or losses	(455,387)	-	(455,387)
Effect of assumptions changes or inputs	220,453	-	220,453
Benefit payments	(3,367,735)	(3,367,735)	-
Employer contributions	-	1,720,650	(1,720,650)
Net investment income	-	2,496,848	(2,496,848)
Administrative expense	-	(30,745)	30,745
	-		
Balance as of December 31, 2016	<u>\$58,377,767</u>	<u>\$43,869,306</u>	<u>\$14,508,461</u>

### ***Sensitivity Analysis***

The following presents the net pension liability, calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate.

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Total pension liability	\$63,928,417	\$58,377,767	\$53,574,538
Fiduciary net position	43,869,306	43,869,306	43,869,306
Net pension liability	20,059,111	14,508,461	9,705,232
Fiduciary net position as % of total pension liability	68.6%	75.1%	81.9%

***Pension Expense and Deferred Outflows of Resources Related to Pension***

For the year ended December 31, 2016, the City recognized pension expense of \$1,852,045. The City reported deferred outflows of resources related to pension from the following source:

Net difference between projected and actual earnings	\$2,100,107
Total	\$2,100,107

Deferred outflows for the net difference between projected and actual earnings are recognized over a period of five years. Amounts reported as deferred outflows of resources related to pension will be recognized in the pension expense as follows:

Year ending December 31	Net Deferred Outflows of Resources
2017	\$683,519
2018	683,519
2019	683,519
2020	49,550
Total	\$2,100,107

*Financial Statements of the General Employees' Retirement Plan*

**Statement of Fiduciary Net Position**  
December 31, 2016

<b>ASSETS</b>	
Cash and cash equivalents	\$877,885
Receivables, interest	42,284
Investments, at fair value	
US Government securities	10,968,078
Corporate Bonds	1,629,768
Mutual funds	30,351,668
Total Investments, at Fair Value	<u>42,949,514</u>
<b>Total Assets</b>	<u>\$43,869,683</u>
 <b>LIABILITIES</b>	
Accounts payable	<u>373</u>
<b>Total Liabilities</b>	<u>\$373</u>
 <b>NET POSITION</b>	
Net position held in trust for pension benefits	<u><u>\$43,869,310</u></u>

**Statement of Changes in Fiduciary Net Position**  
For the year ended December 31, 2016

<b>ADDITIONS</b>	
Contributions	
Employer contributions	\$1,720,650
Investment income	
Interest	174,320
Net change in fair value of investments	2,322,530
Total Investment Income	<u>2,496,850</u>
Total Additions	<u>4,217,500</u>
 <b>DEDUCTIONS</b>	
Benefit payments	3,367,735
Administrative expense	30,743
Total Deductions	<u>3,398,478</u>
Increase in Net Position	819,022
<b>NET POSITION – Beginning</b>	<u>43,050,288</u>
<b>NET POSITION - Ending</b>	<u><u>\$43,869,310</u></u>

**Contributions and Reserves**

The Plan's funding policy provides for actuarially determined periodic rates determined by the entry age normal cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age. Contributions are based on the actuarially determined rates. For 2016, the City contributed 27.8% of covered pay to the Plan as well as the supplemental contributions; this amounted to \$1,720,650. The authority for establishing or amending the obligation to make contributions rests with City Council.

Costs of administering the Plan are all financed from contributions and earnings of the Plan. The entire balance of the Plan's net position available for benefits as of December 31, 2016, is \$43,869,310 all of which is reserved for benefits of employees and beneficiaries.

### **Concentration of Credit Risk**

Investments in mutual funds exceeding 5% of the net position of the plan are as follows: Fidelity Value Fund – 6.9%, Vanguard 500 Index Inv – 6.8%, TRP International STK – 5.6%, TRP New Asia – 5.6%, Fidelity Mid Cap Enhanced Index 5.6% American Funds Amcap A – 6.1 %.

## **2. Money Purchase Plan 401(a)**

The City offers its employees a defined contribution money purchase plan. The City does not have administrative involvement and does not perform the investment function of this plan, therefore it is not included in the City's financial statements. Classified employees were offered the plan for the first time in 1995. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate six months from the date of employment. The plan requires both employer and employees to contribute amounts ranging from 3% to 10% (depending on job classification) of base salary each pay period. Contributions made by the City are not taxable to the employee until they are withdrawn. Employee contributions are made with pre-tax dollars, and the earnings on City and employee contributions are not taxed until withdrawn. Except for certain categories of police personnel, employees are fully vested upon initial participation in the plan. Sworn police officers and emergency service dispatchers, who receive higher contribution rates, are fully vested upon completion of three years of service. Plan provisions and contribution requirements are established and may be amended by City Council. City and employee contributions to the plan were \$5,931,428 and \$3,548,693, respectively during 2016.

## **3. Retirement Health Savings Plan (RHS)**

In 2006 and 2007, the City offered to classified and unclassified management employees the employer-sponsored health benefits savings vehicle that allowed the employee to accumulate assets to pay for medical expenses in retirement on a tax-free basis. As of 12/31/07, the plan has been frozen. There can no longer be any money withheld for this plan. Police Services, through the Collective Bargaining Unit (CBU), continue to offer a mandatory RHS plan to collective bargaining unit members only. Both the frozen City plan and the current CBU plan are administered by ICMA-RC. The City does not have administrative involvement and does not perform the investment function of this plan, therefore it is not included in City's financial statements.

The RHS plan offers triple tax advantage to employees. Employee contributions are made through pre-tax payroll deductions, are invested in ICMA-RC funds and grow tax-free, and monies can be withdrawn tax-free for qualifying expenses. No federal, state or FICA tax will be withheld. Employees cannot change their elections after their initial enrollment. The CBU RHS plan requires a mandatory 1% contribution to be made by all qualifying participants with less than 10 years of service, 1.25% for participants with 10-20 years of service, and 1.5% for participants with more than 20 years of service. Once participants become eligible to get reimbursed from their own RHS account, they can turn in receipts to a third party administrator and be reimbursed with tax-free monies. If the employee passes away, the employee's spouse and dependents are automatically eligible to use the account and are reimbursed on a tax-free basis. Employee contributions to the CBU RHS plan were \$449,287 during 2016.

## **4. Statewide Death and Disability Plan**

### ***Plan Description***

The City contributes to the Fire & Police Pension Association (the Plan), a multi-employer cost sharing defined benefit plan covering full-time employees of substantially all fire and police departments in Colorado. Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was

established in 1980 pursuant to Colorado Revised Statutes. All uniformed employees are eligible to be members of the Fire & Police Pension Association.

### ***Funding Policy and City Contributions***

Prior to 1997, the State of Colorado, whose contributions were established by Colorado statute, primarily funded the Plan. The State made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The annual contribution rate for members hired on or after January 1, 1997 and for members covered by Social Security is 2.6% as of January 1, 2011. Based on the January 2014 actuarial results, the Fire & Police Pension Association Board of Directors agreed to continue the 2.7% contribution rate effective through December 31, 2017. During 2016, 2015, and 2014, the City's contributions were \$691,991, \$631,888, and \$564,652, respectively, equal to the statutory required contribution each year.

### ***Benefits***

Benefits are established by Colorado statute.

If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary with an additional 10% of base salary if a surviving spouse has two or more dependent children, or if there are three or more dependent children without a surviving spouse. Benefit entitlement continues until death of the spouse and death, marriage, or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. The benefit is 70% of base salary for cases of total disability. Effective October 1, 2002, the benefit is 50% of base salary for a permanent occupational disability and 40% of base pay for a temporary occupation disability.

Benefits paid to members are evaluated and may be re-determined on October 1 of each year. Any increase in the level of benefits cannot increase by more than 3% for any one year. Totally disabled members and their beneficiaries receive an automatic cost of living adjustment each year of 3%.

Separately issued financial statements and the related actuarial valuation may be obtained from the Fire & Police Pension Association.

## **C. Other Postemployment Benefits**

### ***Plan Description***

The City sponsors a single-employer health care plan that provides medical, vision, dental and prescription drug benefits to all retired employees and their eligible dependents. Employees retiring on or after January 1, 2010 are no longer eligible to participate in the Retiree Health Plan. In addition, those employees retiring on or after September 1, 2009 but before January 1, 2010 and elect retiree health coverage may participate in the Retiree Health Plan until age 65. To be eligible an employee must have had at least 10 or more years of service. The City administrative policy authorized this benefit until January 1, 2010. The plan does not issue a stand-alone financial report.

### ***Funding Policy and City Contributions***

Employees pay the full premium. The current funding policy of the City is to pay health claims as they occur through internal allocated funds.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2016, the City contributed \$63,815. Retiree and active members receiving benefits contribute monthly premiums as outlined:

	Premier Non-Medicare	Premier Medicare	Dental	Vision
Employee:	\$ 1,079	\$ 431	\$ 38	\$ 7
Employee +1:	2,155	862	68	14

### Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the City's annual OPEB obligation:

Annual required contribution	\$ 106,525
Interest on net OPEB obligation	59,047
Adjustment to annual required contribution	<u>(171,519)</u>
Annual OPEB cost	(5,947)
Contributions and payments made	<u>(63,815)</u>
Decrease in net OPEB obligation	(69,762)
Net OPEB obligation - January 1, 2016	<u>1,717,063</u>
Net OPEB obligation - December 31, 2016	<u>\$1,647,301</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations for 2016 and the two preceding years follows.

Fiscal Year Ended	Percentage		Net OPEB Obligation
	Annual OPEB Cost	Annual OPEB Cost Contributed	
December 31, 2016	(5,947)	-1,073%	1,647,301
December 31, 2015	(7,781)	-768%	1,717,063
December 31, 2014	(4,255)	-1,944%	1,754,572

***Funded status and funding progress***

Post-employment Benefit Obligations under GASB Statement No. 45 calculated as of December 31, 2014 the most recent actuarial valuation date is as follows:

	<u>Total</u>	<u>Beneficiaries</u>
Actuarial Accrued Liability		
Current retirees, beneficiaries and dependents	\$1,291,924	30
Current active members	-	
Total Actuarial Accrued Liability (AAL)	<u>1,291,924</u>	
OPEB Plan Assets	-	
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$1,291,924</u>	

Because there were no active members in 2016, the covered payroll is \$0.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

***Actuarial methods and assumptions***

Projections and benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and included in the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* requires a valuation at least triennially for plans with a total membership of less than 200 participants. All assumptions, methods, data, and plan provisions used to calculate net OPEB obligation and annual OPEB cost as of December 31, 2016 remained the same as those used in the last valuation dated December 31, 2014.

Actuarial Plan Assumptions and Inputs	
Valuation date:	December 31, 2014
Actuarial cost method:	Projected Unit Credit
Amortization method:	15 years, as a level dollar amount
Remaining amortization period	15 years
Asset valuation method:	An expected actuarial value is determined equal to a 3.5% discount rate per year. The medical trend rate beginning in 2015 is 5.6% per year pre and post-Medicare eligible increasing to 6.5% for 2031 before grading to 4.5% over 40 years from 2031. Trends for dental and vision benefits begin at 5.0% for 2015, grading to 4.5% over 6 years starting in 2066. The underlying inflation rate is 2.5% and the amortization periods used are open.
Discount rate:	3.50% per annum
Project pay increase:	None; the plan was closed to new retirees effective December 31, 2009.
Number of participants	60

## D. Presentation of Postemployment Benefit Obligations

Within the basic financial statements, the net pension liability and other postemployment healthcare benefits are presented on a combined basis on certain exhibits, including within the proprietary funds. The breakdown of these amounts is as follows:

### Postemployment Benefit Obligations

	Net Pension Liability	Other Post- employment Benefits	Total Post- employment Obligations
Governmental Activities			
Governmental Funds	\$ 6,381,292	\$ 1,145,948	\$ 7,527,240
Internal Service Funds			
Equipment Fund	601,052	-	601,052
Data & Communications Fund	335,505	-	335,505
Benefits Fund	105,727	-	105,727
Total Governmental Activities	<u>7,423,576</u>	<u>1,145,948</u>	<u>8,569,524</u>
Business-Type Activities			
Enterprise Funds			
Golf Fund	304,616	-	304,616
Light & Power Fund	1,239,364	286,487	1,525,851
Water Fund	1,844,409	-	1,844,409
Wastewater Fund	1,783,580	214,866	1,998,446
Storm Drainage Fund	530,981	-	530,981
Internal Service Funds			
Utility Customer Service Fund	1,381,936	-	1,381,936
Total Business-Type Activities	<u>7,084,886</u>	<u>501,353</u>	<u>7,586,239</u>
TOTAL	<u>\$ 14,508,462</u>	<u>\$ 1,647,301</u>	<u>\$ 16,155,763</u>

## E. Commitments/Contingencies

### Construction Commitments

The City had commitments of \$8,789,856 for capital projects in governmental fund types and \$9,759,207 in proprietary fund types at December 31, 2016. Future expenditures related to these commitments are expected to be financed through available resources and future revenues.

### Encumbrance Commitments for Proprietary Fund Types

The financial statements do not include encumbrances for proprietary fund types. However, encumbrances for these funds are recorded by the City for management and budgetary control purposes. Outstanding encumbrance commitments for the proprietary funds at December 31, 2016 (excluding those relating to capital projects) amounted to \$4,844,074.

### Street Oversizing Liability

The City has contractual liabilities for street oversizing costs with various developers. The developers are required to install certain oversized streets as a condition of subdivision approval. Once the streets are



installed and inspected by the City, a liability is recorded for the difference between a normal sized street and the oversized street installed.

Because the City has no control over when subdivisions will be developed and the related oversized street completed, the liability for uncompleted oversizing costs has not been reflected in the financial statements, because the amount is not considered by management to be probable and measurable.

### **Solid Waste Financial Assurance**

The City's Water Utility owns and operates a Water Treatment Facility, which through the treatment process produces solids, and therefore must provide financial assurance of estimates for post closure costs in accordance with regulations pertaining to solid waste sites and facilities (6 CCR 1007-2, Part 1) as set by the State of Colorado Department of Public Health and Environment. The facility is not expected to be closed in the future, however in the event of closure the City estimates and provides assurance of total Closure Costs and Post-Closure Care Requirements of \$1,249,404 and \$20,955, respectively. This estimate is not reported as a liability by the City because the water treatment facility does not meet the definition of a landfill contained in GASB Statement No. 18, as defined by the U.S. Environmental Protection Agency.

## **F. Legal Matters**

### **Pending Litigation and Grants**

Various claims and lawsuits are pending against the City. After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, it is the opinion of the City Attorney and City management that the potential ultimate liability resulting from these actions, if any, will not have a material adverse financial effect on the City.

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, resulting from any such audits would be immaterial. There currently are no material disallowed or questioned costs.

### **Tax, Spending, and Debt Limitations**

Article X, Section 20, of the State Constitution has several limitations, including those for revenue, expenditures, property taxes, and issuance of debt. These provisions of the Constitution are complex and subject to judicial interpretation. In the opinion of management, the City is in compliance with such provisions. In 1997, the City's electorate approved the ongoing retention of excess revenue by the City, requiring the excess revenue be spent for specified purposes. This alleviated the need by the City to seek annual approval to retain excess revenue and excess property tax.

The excess revenue will be used for the purposes of public health and safety (including, but not limited to environmental monitoring and mitigation), growth management, transportation services, and maintaining and repairing City facilities.

The State Constitution also requires local governments to establish emergency reserves equal to at least 3% of fiscal year spending as defined in the amendment. These emergency reserves cannot be used to compensate for economic conditions, revenue short falls, or salary and benefit increases. As of December 31, 2016, the amount required as an emergency reserve in compliance with the amendment is \$6,697,704 and is shown as a restriction of fund balance in the General Fund.

## G. Related Party Transactions

Due to the nature of the relationships, the City has related party transactions with various entities. The following transactions have occurred during 2016:

### 1. Fort Collins-Loveland Airport

#### *Intergovernmental Agreement*

The Airport is jointly operated under an Intergovernmental Agreement between the City of Fort Collins, Colorado and the City of Loveland, Colorado. Pursuant to the agreement, any needed contributions for annual operating budgets or capital improvements are shared equally by both cities. Also, either City may invest additional funds in the Airport as it sees fit.

Since July 3, 1979, ownership of assets vests equally with each City. Assets acquired prior to July 3, 1979 vested one-third with the City of Loveland and two-thirds with the City of Fort Collins.

The agreement provides that if either City does not pay its one-half of agreed expenses in a given year, it will convey to the other City ten percent of its total Airport ownership. Each City contributed \$177,500 in 2015 and 2016.

#### *Financial Information*

The Fort Collins-Loveland Municipal Airport is accounted for as a joint venture. A summary of financial information is as follows:

As of December 31, 2016	
Total current assets	\$ 2,216,476
Total capital assets (net of accumulated depreciation)	<u>18,300,367</u>
Total Assets	20,516,843
Total current liabilities	<u>(236,008)</u>
Total Net Position	<u>20,280,835</u>
Net assets invested in capital assets	18,300,367
Restricted capital	-
Unrestricted net position	<u>1,980,468</u>
Total Net Position	<u>\$20,280,835</u>

#### For the Year Ended December 31, 2016

Total operating revenue	\$ 645,398
Total operating expenses	(2,351,253)
Interest income	8,584
Non-operating revenue	405,000
Capital contributions	<u>985,995</u>
Change in Net Position	<u>\$ (306,276)</u>

The City's annual contribution is reflected as an expenditure of the General Fund. The City's share of Fort Collins-Loveland Airport's Net Position and Change in Net Position are reflected in the City's Statement of Net Position and Statement of Activities, respectively.

### *Stand-Alone Financial Statements*

The stand-alone financial statements for the Fort Collins-Loveland Airport can be obtained from the City of Loveland Finance Department at 500 East Third Street, Loveland, Colorado, 80537.

#### **2. Town of Timnath**

The City and the Town of Timnath entered into an intergovernmental agreement for the Boxelder Overflow Project on February 19, 2009. The City agreed to reimburse Timnath for up to 50% of the costs actually incurred by Timnath in the design, engineering, right-of-way acquisition and construction of the Boxelder Overflow Project but not to exceed \$2,000,000. The escrow account is managed by an escrow agent. During 2016, \$1,302,966 was withdrawn. The Boxelder Overflow Project was completed in 2016, all escrow funds have been spent and the escrow account closed.

#### **3. Poudre Fire Authority**

As mentioned in the summary of significant accounting policies, the City provides funding for PFA. During 2016, such funding amounted to \$24,057,957 and was an expense in the General Fund, Keep Fort Collins Great Fund and Capital Expansion Fund. In addition, the City provided accounting and administrative services to PFA at no charge.

#### **4. Platte River Power Authority**

The Light and Power Fund purchases all of its electrical power from PRPA. During 2016, these purchases amounted to \$89,100,574 of which \$7,434,025 is included in accounts payable at December 31, 2016.

#### **5. North Front Range Metropolitan Planning Organization**

The City allows the North Front Range Metropolitan Planning Organization (NFRMPO) to participate in its employee benefit plans and bills NFRMPO for this coverage. In addition, NFRMPO also used the City's fleet services for vehicle maintenance. During 2016, billings for benefits and services amounted to \$414,409.

## REQUIRED SUPPLEMENTARY INFORMATION

### I. Modified Approach For City Streets Infrastructure Capital Assets

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City has several major infrastructure systems including the street system and various systems that distribute utility services. Each major infrastructure system can be divided into subsystems. For example, the street system can be divided into concrete and asphalt pavements, concrete curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its Streets Pavement System. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amount to maintain and preserve at the established condition assessment level.

The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level. The City's Pavement Management Program conducts condition assessment surveys on a three year cycle assuring that all data is updated within three year period. City owned streets are classified based on land use, access and traffic utilization into the following three classifications: arterial, collector and local. Each street was assigned a physical condition based on potential defects. A Pavement Condition Index (PCI), a nationally recognized index, was assigned to each street and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned to the physical characteristics of a new street.

The City of Fort Collins is changing its focus from specifying a targeted average condition value to setting a specified Level of Service (LOS). Setting a LOS will allow for a range of funding needs to be determined to assess what funding level best suits the needs of the City in terms of desired LOS and available funding.

LOS is a customer-driven measurement of condition. The City of Fort Collins' goal is to maintain a LOS of "B". LOS B is a high level of service in which pavements are in good condition, few deficiencies are present, the roads are providing good ride quality, low vehicle operating costs, minor signs of deterioration, and with few safety-related issues. Preventive and corrective maintenance activities can be used to keep the average network condition maintained. As of December 2016, the City's street system is at a PCI of 77, approximately mid-range within the LOS of "B". The City's street system was at a PCI of 72 in 2015 and a PCI of 71 in 2014. The average detail condition is as follows:

Level of service .....	PCI Range.....	Percent of Roads
LOS A (excellent).....	100 to 86.....	28.8%
LOS B (good).....	85 to 71.....	50.1%
LOS C (fair).....	70 to 56.....	17.9%
LOS D (poor).....	55 to 41.....	3.1%
LOS F (very poor).....	40 to 0.....	1.0%

The City's next full 3 year assessment cycle will be completed by the end of 2018.

**REQUIRED SUPPLEMENTARY INFORMATION (continued)**

The City's streets are constantly deteriorating resulting from the following five factors; (1) traffic loads; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; (4) winter freeze/thaw condition and water damage from both natural and other urban runoff; and (5) growth of the existing street system. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as crack sealing, pothole patching, street sweeping, and sidewalk repair.

The City's short-term maintenance expenditures delay deterioration; however, the overall network condition is not improved through these maintenance expenditures. The City has estimated the amount of annual expenditures required to maintain the City's streets at a Level of Service B. A schedule of estimated annual amount calculated to maintain and preserve its streets at the current level compared to actual expenditures for the street maintenance for the last five years is presented below:

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Experience</u>
2016	\$16,700,000	\$16,124,280
2015	\$15,858,500	\$15,015,591
2014	15,069,218	\$15,046,817
2013	\$15,565,821	\$15,250,042
2012	\$14,326,456	\$14,320,409

## REQUIRED SUPPLEMENTARY INFORMATION (continued)

### II. Pension

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
PENSION TRUST FUND  
FOR THE LAST THREE FISCAL YEARS\*

	Fiscal Year Ending December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Total Pension Liability</b>										
Service Cost	\$ 383,757	\$ 447,690	\$ 487,063	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on total pension liability	3,681,690	3,651,345	3,571,272	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	(455,387)	224,753	237,034	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of assumption changes or inputs	220,453	-	827,847	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments	<u>(3,367,735)</u>	<u>(4,205,104)</u>	<u>(3,509,719)</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net Change in Total Pension Liability</b>	462,778	118,684	1,613,497	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total pension liability, Beginning</b>	<u>57,914,989</u>	<u>57,796,305</u>	<u>56,182,808</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total pension liability, Ending (a)</b>	<u>\$58,377,767</u>	<u>\$57,914,989</u>	<u>\$57,796,305</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fiduciary Net Position</b>										
Employer contributions	\$ 1,720,650	\$ 1,830,265	\$ 1,905,906	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment income net of investment expenses	2,496,850	(274,583)	2,630,327	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments	(3,367,735)	(4,205,104)	(3,509,719)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative expenses	<u>(30,743)</u>	<u>(22,706)</u>	<u>(18,935)</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net change in Plan Fiduciary Net Position</b>	819,022	(2,672,128)	1,007,579	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fiduciary Net Position, Beginning</b>	<u>43,050,288</u>	<u>45,722,416</u>	<u>44,714,837</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fiduciary Net Position, Ending (b)</b>	<u>\$43,869,310</u>	<u>\$43,050,288</u>	<u>45,722,416</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Employer's Net Pension Liability (a-b)</b>	<u>\$14,508,457</u>	<u>\$14,864,701</u>	<u>\$12,073,889</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position as a % of total pension liability	75.1%	74.3%	79.1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered payroll	\$ 6,191,383	\$ 7,306,661	\$ 7,306,659	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a % of covered payroll	234.3%	203.4%	165.2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*Information for prior years is unavailable

**REQUIRED SUPPLEMENTARY INFORMATION (continued)**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
PENSION TRUST FUND  
LAST TEN FISCAL YEARS**

Plan Year	Required Contribution	Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	1,770,095	\$ 1,720,650	\$ 49,445	\$ 6,191,383	27.8%
2015	1,887,199	1,830,265	56,934	7,306,661	25.0%
2014	2,659,452	1,905,906	753,546	7,306,659	26.1%
2013	2,681,999	2,067,363	614,636	8,202,862	25.2%
2012	2,334,577	1,241,929	1,092,648	8,834,557	14.1%
2011	1,706,844	1,345,466	361,378	9,582,235	14.0%
2010	1,892,946	2,100,467	(207,521)	10,399,210	20.2%
2009	1,901,281	1,005,901	895,380	12,897,653	7.8%
2008	1,325,710	1,807,834	(482,124)	13,958,960	13.0%
2007	1,725,108	866,694	858,414	13,851,399	6.3%

**SCHEDULE OF INVESTMENT RETURNS  
GENERAL EMPLOYEES' RETIREMENT PLAN  
FOR THE LAST TEN FISCAL YEARS**

Fiscal Year Ending December 31	Net Money-Weighted Rate of Return
2016	5.9%
2015	-0.6%
2014	6.0%
2013	18.7%
2012	11.6%
2011	-3.1%
2010	11.1%
2009	20.5%
2008	-26.5%
2007	12.2%

*Rate of return for 2013 and earlier are net of all expenses.  
Rate of return for 2014 and later is net of investment expenses only.*

**REQUIRED SUPPLEMENTARY INFORMATION (continued)**

**Actuarial Assumptions**

Valuation date	December 31, 2016
Measurement date	December 31, 2016
Inflation	2.50%
Salary increases including inflation	Graded by Age
Mortality	RP-2000 projected generationally using Scale AA
Actuarial cost method	Entry Age Normal

There were no significant changes between the fiscal year end and the valuation date.

**III. Other Postemployment Benefits Plan**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Over funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2009	-	2,319,637	2,319,637	- %	\$ -	n/a
12/31/2011	-	2,788,530	2,788,530	- %	\$ -	n/a
12/31/2014	-	1,291,924	1,291,924	- %	\$ -	n/a

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of December 31, 2014. Additional information follows:

- Actuarial cost method: Projected Unit Credit
- Amortization method: 15 years, as a level dollar amount.
- Remaining amortization period: 15 years
- Asset valuation method: An expected actuarial value is determined equal to a 3.5% discount rate per year. The medical trend rate beginning in 2015 is 5.6% per year pre and post-Medicare eligible increasing to 6.5% for 2031 before grading to 4.5% over 40 years from 2031. Trends for dental and vision benefits begin at 5.0% for 2015, grading to 4.5% over 6 years starting in 2066. The inflation rate assumption is 2.5%.
- Discount rate: 3.5%, net of administrative expenses
- Projected pay increases: 0%. The plan was closed to new retirees effective December 31, 2009.

There is no covered payroll reported because the plan was closed to new retirees effective December 31, 2009.



# SUPPLEMENTARY INFORMATION



## **SUPPLEMENTARY INFORMATION**

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**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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**Special Revenue Funds**

**Capital Expansion** -- to account for capital expansion fees collected by the City and various projects funded by those fees.

**Sales and Use Tax** -- to account for collections of the City's .25% sales and use tax designated for Natural Areas.

**CCIP** -- to account for collections of the City's .25% sales and use tax designated for Community Capital Improvement Program, a 10-year voter-approved tax renewal dedicated to community improvements.

**Natural Areas** -- to account for dedicated financial resources to be used for the acquisition of natural areas and trails. In addition, some of the fund is used for long-term management of existing natural areas and trails.

**Cultural Services and Facilities** -- to account for revenues received from the Lincoln Center facility, performing and visual arts and General Fund subsidies used to promote cultural activities.

**Recreation** -- to account for recreation fees and General Fund subsidies used to provide recreational programs for citizens.

**Cemeteries** -- to account for revenues collected from the sale of burial plots.

**Perpetual Care** -- to account for monies set aside for the maintenance costs of burial plots.

**Community Development Block Grant (CDBG)** -- to account for revenues received from the federal government which are restricted to financing the City's Community Development Block Grant Program.

**Home Program** -- to account for revenues received from the federal government restricted to financing the City's Home Program.

**Transit Services** -- to account for federal grants and other revenues utilized to operate and maintain the City's bus system.

**Street Oversizing** -- to account for street oversizing fees used to pay the City's portion of street oversizing costs.

**Parking** -- to account for the revenue and operations of Parking Services.

**General Improvement District No. 1** -- to account for property taxes and investment earnings used to fund debt service and other activities of the General Improvement District No. 1, a blended component unit.

**General Improvement District No. 15 - Skyview** -- to account for property taxes and investment earnings used to fund the maintenance of the Sky view Subdivision street system of the General Improvement District No. 15, a blended component unit.

**Timberline/Prospect SID #94** -- to account for assessments used to pay for public improvements.

**Debt Service Fund**

**Fort Collins Leasing Corporation** -- to account for rental amounts received from lease payments between the City and the Corporation on municipal buildings and other structures. Monies used to pay certificates of participation issued by the Corporation.

**Capital Project Funds**

**Neighborhood Parkland** -- to account for parkland fees used to fund the acquisition, development and administration of neighborhood park and capital improvements.

**Conservation Trust Fund** -- to account for revenues received from the Colorado State Lottery through the State Conservation Trust Fund which are restricted to financing capital projects which relate to the acquisition and development of open space and trails.

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2016**

	<b>Special Revenue Funds</b>			
	<b>Capital Expansion</b>	<b>Sales and Use Tax</b>	<b>Community Capital Improve- ment Program</b>	<b>Natural Areas</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,204,772	\$ 95,843	\$ 382,622	\$ 1,045,667
Investments	17,247,260	539,050	5,492,327	14,885,941
Receivables				
Property taxes	-	-	-	-
Sales and use taxes	-	866,270	861,902	-
Accounts	2,612	671	-	387,440
Interest	62,074	1,868	18,652	51,214
Prepaid item	-	-	-	-
Advances to other funds	2,651,970	-	-	-
<b>Total Assets</b>	<b>21,168,688</b>	<b>1,503,702</b>	<b>6,755,503</b>	<b>16,370,262</b>
<b>LIABILITIES</b>				
Accounts payable, accruals, and other	-	3,274	-	224,923
Wages payable	-	-	-	117,145
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Deposits held	-	252,304	-	14,508
<b>Total Liabilities</b>	<b>-</b>	<b>255,578</b>	<b>-</b>	<b>356,576</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - grants	-	-	-	-
<b>Total Deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable	-	-	-	-
Restricted	-	1,248,124	6,755,503	16,013,686
Committed	21,168,688	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>21,168,688</b>	<b>1,248,124</b>	<b>6,755,503</b>	<b>16,013,686</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</b>	<b>\$ 21,168,688</b>	<b>\$ 1,503,702</b>	<b>\$ 6,755,503</b>	<b>\$ 16,370,262</b>

**Special Revenue Funds (continued)**

<b>Cultural Services &amp; Facilities</b>	<b>Recreation</b>	<b>Cemeteries</b>	<b>Perpetual Care</b>	<b>CDBG</b>	<b>Home Program</b>	<b>Transit Services</b>	<b>Street Oversizing</b>
\$ 222,644	\$ 263,230	\$ 40,244	\$ 119,283	\$ 35,763	\$ 392,406	\$ -	\$ 1,405,749
3,042,903	3,181,807	575,224	1,710,163	-	-	-	20,155,190
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,490	71,153	39,445	3,564	50,537	-	7,338,567	3,363
10,205	10,388	2,022	5,641	-	-	-	67,696
10,597	-	-	-	-	-	67,756	-
-	-	-	-	-	-	-	-
<b>3,321,839</b>	<b>3,526,578</b>	<b>656,935</b>	<b>1,838,651</b>	<b>86,300</b>	<b>392,406</b>	<b>7,406,323</b>	<b>21,631,998</b>
87,454	309,302	23,143	-	35,763	735	367,151	2,016,561
57,685	157,897	16,040	-	5,087	3,146	347,724	2,735
-	276	-	-	-	-	32,877	-
-	-	-	-	185,818	-	5,362,714	-
597,580	340,189	-	-	-	-	-	-
93,725	-	-	-	-	-	-	-
<b>836,444</b>	<b>807,664</b>	<b>39,183</b>	<b>-</b>	<b>226,668</b>	<b>3,881</b>	<b>6,110,466</b>	<b>2,019,296</b>
-	-	-	-	-	-	-	-
89,193	-	-	-	-	-	3,078,458	-
89,193	-	-	-	-	-	3,078,458	-
10,597	-	-	-	-	-	67,756	-
100,000	33,743	-	1,838,651	-	388,525	-	-
462,951	-	-	-	-	-	-	19,612,702
1,822,654	2,685,171	617,752	-	-	-	-	-
-	-	-	-	(140,368)	-	(1,850,357)	-
<b>2,396,202</b>	<b>2,718,914</b>	<b>617,752</b>	<b>1,838,651</b>	<b>(140,368)</b>	<b>388,525</b>	<b>(1,782,601)</b>	<b>19,612,702</b>
<b>\$ 3,321,839</b>	<b>\$ 3,526,578</b>	<b>\$ 656,935</b>	<b>\$ 1,838,651</b>	<b>\$ 86,300</b>	<b>\$ 392,406</b>	<b>\$ 7,406,323</b>	<b>\$ 21,631,998</b>

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (continued)  
DECEMBER 31, 2016**

	<b>Special Revenue Funds (continued)</b>				
	<b>Parking</b>	<b>General Improvement District No. 1</b>	<b>General Imp. District No. 15 Skyview</b>	<b>Timberline/ Prospect SID #94</b>	<b>Total Special Revenues</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 112,628	\$ 38,992	\$ 9,962	\$ 11,316	\$ 5,381,121
Investments	1,527,700	558,917	142,818	162,228	69,221,528
Receivables					
Property taxes	-	288,873	29,138	-	318,011
Sales and use taxes	-	-	-	-	1,728,172
Accounts	31,135	3,412	-	36,393	8,003,782
Interest	5,139	1,877	479	545	237,800
Prepaid item	-	-	-	-	78,353
Advances to other funds	-	-	-	-	2,651,970
<b>Total Assets</b>	<b>1,676,602</b>	<b>892,071</b>	<b>182,397</b>	<b>210,482</b>	<b>87,620,737</b>
<b>LIABILITIES</b>					
Accounts payable, accruals, and other	114,176	1,614	-	60,345	3,244,441
Wages payable	45,473	-	-	-	752,932
Due to other governments	-	-	-	-	33,153
Due to other funds	-	-	-	-	5,548,532
Unearned revenue	-	-	-	-	937,769
Deposits held	-	-	-	-	360,537
<b>Total Liabilities</b>	<b>159,649</b>	<b>1,614</b>	<b>-</b>	<b>60,345</b>	<b>10,877,364</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	288,873	29,138	-	318,011
Unavailable revenue - grants	-	-	-	-	3,167,651
<b>Total Deferred inflows of resources</b>	<b>-</b>	<b>288,873</b>	<b>29,138</b>	<b>-</b>	<b>3,485,662</b>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	-	-	-	-	78,353
Restricted	747,046	601,584	153,259	150,137	28,030,258
Committed	-	-	-	-	41,244,341
Assigned	769,907	-	-	-	5,895,484
Unassigned	-	-	-	-	(1,990,725)
<b>Total Fund Balances (Deficit)</b>	<b>1,516,953</b>	<b>601,584</b>	<b>153,259</b>	<b>150,137</b>	<b>73,257,711</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</b>	<b>\$ 1,676,602</b>	<b>\$ 892,071</b>	<b>\$ 182,397</b>	<b>\$ 210,482</b>	<b>\$ 87,620,737</b>

<b>Debt Service Fund</b>		<b>Capital Project Funds</b>			
<b>Fort Collins Leasing Corporation</b>	<b>Neighborhood Parkland</b>	<b>Conservation Trust</b>	<b>Total Capital Project</b>	<b>Total Non-major Governmental</b>	
\$ -	\$ 670,194	\$ 182,231	\$ 852,425	\$ 6,233,546	
-	9,492,871	2,483,632	11,976,503	81,198,031	
-	-	-	-	318,011	
-	-	-	-	1,728,172	
-	1,835	-	1,835	8,005,617	
-	31,928	8,359	40,287	278,087	
-	-	-	-	78,353	
-	-	-	-	2,651,970	
-	10,196,828	2,674,222	12,871,050	100,491,787	
-	23,707	159,247	182,954	3,427,395	
-	12,853	10,565	23,418	776,350	
-	-	-	-	33,153	
-	-	-	-	5,548,532	
-	-	-	-	937,769	
-	-	-	-	360,537	
-	36,560	169,812	206,372	11,083,736	
-	-	-	-	318,011	
-	-	-	-	3,167,651	
-	-	-	-	3,485,662	
-	-	-	-	78,353	
-	10,093,603	2,007,268	12,100,871	40,131,129	
-	-	-	-	41,244,341	
-	66,665	-	66,665	5,962,149	
-	-	497,142	497,142	(1,493,583)	
-	10,160,268	2,504,410	12,664,678	85,922,389	
\$ -	\$ 10,196,828	\$ 2,674,222	\$ 12,871,050	\$ 100,491,787	



**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Special Revenue Funds			
	Capital Expansion	Sales and Use Tax	Community Capital Improve- ment Program	Natural Areas
<b>REVENUES</b>				
Taxes	\$ -	\$ 8,215,954	\$ 8,187,503	\$ -
Intergovernmental	-	-	-	5,009,845
Fees and charges for services	4,927,795	-	-	60,491
Earnings on investments	149,781	(2,811)	(15,826)	34,972
Miscellaneous revenue	-	300	-	201,582
<b>Total Revenues</b>	<b>5,077,576</b>	<b>8,213,443</b>	<b>8,171,677</b>	<b>5,306,890</b>
<b>EXPENDITURES</b>				
Current operating				
Community and operation	1,558	-	-	6,126,956
Planning, development and transportation	-	-	-	-
Sustainability services	-	-	-	-
Other	-	53	-	-
Intergovernmental				
Fire protection	234,354	-	-	-
Capital outlay	-	-	-	3,940,672
Debt service				
Principal	-	-	-	-
Interest and debt service costs	-	-	-	-
<b>Total Expenditures</b>	<b>235,912</b>	<b>53</b>	<b>-</b>	<b>10,067,628</b>
Excess of Revenues				
Over (Under) Expenditures	4,841,664	8,213,390	8,171,677	(4,760,738)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	8,757,362
Transfers out	(6,596,564)	(10,700,521)	(1,416,174)	(1,469,452)
Sale of capital assets	-	-	-	34,060
<b>Total Other Financing Sources (Uses)</b>	<b>(6,596,564)</b>	<b>(10,700,521)</b>	<b>(1,416,174)</b>	<b>7,321,970</b>
Net Changes in Fund Balances	(1,754,900)	(2,487,131)	6,755,503	2,561,232
Fund Balances (Deficit)-January 1	22,923,588	3,735,255	-	13,452,454
Fund Balances (Deficit)-December 31	<b>\$ 21,168,688</b>	<b>\$ 1,248,124</b>	<b>\$ 6,755,503</b>	<b>\$ 16,013,686</b>

**Special Revenue Funds (continued)**

<b>Cultural Services &amp; Facilities</b>	<b>Recreation</b>	<b>Cemeteries</b>	<b>Perpetual Care</b>	<b>CDBG</b>	<b>Home Program</b>	<b>Transit Services</b>	<b>Street Oversizing</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
77,522	106,251	-	-	761,983	506,535	5,694,656	-
2,531,173	5,622,177	392,563	56,607	-	-	755,420	4,822,143
3,485	14,924	1,826	6,682	280	4,254	3,044	59,616
182,591	185,625	11,989	-	289,777	346,342	86,893	104,433
<u>2,794,771</u>	<u>5,928,977</u>	<u>406,378</u>	<u>63,289</u>	<u>1,052,040</u>	<u>857,131</u>	<u>6,540,013</u>	<u>4,986,192</u>
3,395,991	6,361,346	568,382	156	-	-	-	-
-	-	-	-	-	-	14,626,637	393,897
-	-	-	-	1,094,394	2,054,993	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
162,524	582,830	21,165	-	-	-	650,696	949,858
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,558,515</u>	<u>6,944,176</u>	<u>589,547</u>	<u>156</u>	<u>1,094,394</u>	<u>2,054,993</u>	<u>15,277,333</u>	<u>1,343,755</u>
<u>(763,744)</u>	<u>(1,015,199)</u>	<u>(183,169)</u>	<u>63,133</u>	<u>(42,354)</u>	<u>(1,197,862)</u>	<u>(8,737,320)</u>	<u>3,642,437</u>
1,230,516	970,935	195,104	-	-	-	7,206,021	224,028
-	(195,000)	-	(24,491)	-	-	-	(1,079,127)
38	6,911	2,600	-	-	-	10,547	-
<u>1,230,554</u>	<u>782,846</u>	<u>197,704</u>	<u>(24,491)</u>	<u>-</u>	<u>-</u>	<u>7,216,568</u>	<u>(855,099)</u>
466,810	(232,353)	14,535	38,642	(42,354)	(1,197,862)	(1,520,752)	2,787,338
1,929,392	2,951,267	603,217	1,800,009	(98,014)	1,586,387	(261,849)	16,825,364
<u>\$ 2,396,202</u>	<u>\$ 2,718,914</u>	<u>\$ 617,752</u>	<u>\$ 1,838,651</u>	<u>\$ (140,368)</u>	<u>\$ 388,525</u>	<u>\$ (1,782,601)</u>	<u>\$ 19,612,702</u>

**NON-MAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>Special Revenue Funds (continued)</b>				
	<b>Parking</b>	<b>General Improvement District No. 1</b>	<b>General Imp. District No. 15 Skyview</b>	<b>Timberline/ Prospect SID #94</b>	<b>Total Special Revenues</b>
<b>REVENUES</b>					
Taxes	\$ -	\$ 294,929	\$ 29,139	\$ -	\$ 16,727,525
Intergovernmental	15,512	45,045	2,363	-	12,219,712
Fees and charges for services	2,256,427	-	-	-	21,424,796
Earnings on investments	6,869	1,468	394	492	269,450
Miscellaneous revenue	37,077	-	-	77,899	1,524,508
<b>Total Revenues</b>	<b>2,315,885</b>	<b>341,442</b>	<b>31,896</b>	<b>78,391</b>	<b>52,165,991</b>
<b>EXPENDITURES</b>					
Current operating					
Community and operation	-	-	-	-	16,454,389
Planning, development and transportation	1,916,846	43,909	583	-	16,981,872
Sustainability services	-	-	-	-	3,149,387
Other	-	-	-	-	53
Intergovernmental					
Fire protection	-	-	-	-	234,354
Capital outlay	444,709	-	-	-	6,752,454
Debt service					
Principal	-	-	-	-	-
Interest and debt service costs	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,361,555</b>	<b>43,909</b>	<b>583</b>	<b>-</b>	<b>43,572,509</b>
Excess of Revenues					
Over (Under) Expenditures	(45,670)	297,533	31,313	78,391	8,593,482
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	52,227	-	-	-	18,636,193
Transfers out	-	(115,000)	-	-	(21,596,329)
Sale of capital assets	-	-	-	-	54,156
<b>Total Other Financing Sources (Uses)</b>	<b>52,227</b>	<b>(115,000)</b>	<b>-</b>	<b>-</b>	<b>(2,905,980)</b>
Net Changes in Fund Balances	6,557	182,533	31,313	78,391	5,687,502
Fund Balances (Deficit)-January 1	1,510,396	419,051	121,946	71,746	67,570,209
Fund Balances (Deficit)-December 31	\$ 1,516,953	\$ 601,584	\$ 153,259	\$ 150,137	\$ 73,257,711

<b>Debt Service Fund</b>	<b>Capital Project Funds</b>				
<b>Fort Collins Leasing Corporation</b>	<b>Neighborhood Parkland</b>	<b>Conservation Trust</b>	<b>Total Capital Project</b>		<b>Total Non-major Governmental</b>
\$ -	\$ -	\$ -	\$ -		\$ 16,727,525
-	-	1,723,378	1,723,378		13,943,090
-	3,038,222	-	3,038,222		24,463,018
-	17,802	7,033	24,835		294,285
58,448	472	-	472		1,583,428
58,448	3,056,496	1,730,411	4,786,907		57,011,346
-	529,198	396,286	925,484		17,379,873
-	-	-	-		16,981,872
-	-	-	-		3,149,387
2,650	-	-	-		2,703
-	-	-	-		234,354
-	706,582	811,554	1,518,136		8,270,590
4,068,249	-	-	-		4,068,249
547,522	-	-	-		547,522
4,618,421	1,235,780	1,207,840	2,443,620		50,634,550
(4,559,973)	1,820,716	522,571	2,343,287		6,376,796
4,559,973	-	-	-		23,196,166
-	(18,166)	(25,429)	(43,595)		(21,639,924)
-	-	-	-		54,156
4,559,973	(18,166)	(25,429)	(43,595)		1,610,398
-	1,802,550	497,142	2,299,692		7,987,194
-	8,357,718	2,007,268	10,364,986		77,935,195
\$ -	\$ 10,160,268	\$ 2,504,410	\$ 12,664,678		\$ 85,922,389

**CAPITAL EXPANSION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 149,781	\$ 136,299	\$ 13,482
Fees and charges for services	4,927,795	2,730,000	2,197,795
Total Revenues	<u>5,077,576</u>	<u>2,866,299</u>	<u>2,211,277</u>
<b>EXPENDITURES</b>			
Programs			
Capital Expansion-General	84,690	83,734	(956)
Community Parkland Capital Exp	6,147,958	12,629,699	6,481,741
Fire Capital Expansion	234,354	234,354	-
Police Capital Expansion	365,474	365,474	-
Total Expenditures	<u>6,832,476</u>	<u>13,313,261</u>	<u>6,480,785</u>
Excess (deficiency) of revenues over (under) expenditures	(1,754,900)	<u>\$ (10,446,962)</u>	<u>\$ 8,692,062</u>
Fund Balances--January 1	<u>22,923,588</u>		
Fund Balances--December 31	<u>\$ 21,168,688</u>		

**SALES AND USE TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ (2,811)	\$ 6,887	\$ (9,698)
Miscellaneous revenue	300	-	300
Taxes	<u>8,215,955</u>	<u>8,208,306</u>	<u>7,649</u>
Total Revenues	<u>8,213,444</u>	<u>8,215,193</u>	<u>(1,749)</u>
<b>EXPENDITURES</b>			
Programs			
Internal Admin Services	54	-	(54)
Transfers to Funds	<u>10,700,521</u>	<u>9,994,899</u>	<u>(705,622)</u>
Total Expenditures	<u>10,700,575</u>	<u>9,994,899</u>	<u>(705,676)</u>
Excess (deficiency) of revenues over (under) expenditures	(2,487,131)	<u>\$ (1,779,706)</u>	<u>\$ (707,425)</u>
Fund Balances--January 1	<u>3,735,255</u>		
Fund Balances--December 31	<u>\$ 1,248,124</u>		

**COMMUNITY CAPITAL IMPROVEMENT PROGRAM FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 8,187,503	\$ 8,208,303	\$ (20,800)
Taxes	(15,826)	-	(15,826)
Total Revenues	<u>8,171,677</u>	<u>8,208,303</u>	<u>(36,626)</u>
<b>EXPENDITURES</b>			
Projects (project level of budgetary control)			
City Park Train	-	350,000	350,000
Club Tico Renovation	3,500	250,000	246,500
Nature in the City	15,864	200,000	184,136
Bus Stop Improvements	1,000	100,000	99,000
Bicycle Infrastructure Imprvmt	3,000	300,000	297,000
Bike/Ped Grade Separated Cross	15,000	1,500,000	1,485,000
Arterial Intersection Imprvmt	25,748	350,000	324,252
Lincoln Avenue Bridge	374,277	2,730,000	2,355,723
Pedestrian Sidewalk - ADA	977,785	1,000,000	22,215
Affordable Housing Fund	-	200,000	200,000
Total Expenditures	<u>1,416,174</u>	<u>6,980,000</u>	<u>5,563,826</u>
Excess (deficiency) of revenues over (under) expenditures	6,755,503	<u>\$ 1,228,303</u>	<u>\$ 5,527,200</u>
Fund Balances--January 1	<u>-</u>		
Fund Balances--December 31	<u>\$ 6,755,503</u>		

**NATURAL AREAS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 34,972	\$ 111,344	\$ (76,372)
Fees and charges for services	60,491	28,000	32,491
Intergovernmental	4,983,444	3,995,692	987,752
Miscellaneous revenue	201,841	85,000	116,841
Proceeds from sale of capital assets	33,800	-	33,800
Transfers	8,757,362	8,757,362	-
Projects			
Intergovernmental	139,899	161,877	(21,978)
Miscellaneous revenue	55,500	53,000	2,500
Total Revenues	<u>14,267,309</u>	<u>13,192,275</u>	<u>1,075,034</u>
<b>EXPENDITURES</b>			
Programs			
Education	565,663	559,031	(6,632)
Enforcement	738,300	720,212	(18,088)
Facility Operations	465,906	524,280	58,374
Land Conservation	4,978,342	14,201,651	9,223,309
Land Management	534,664	662,611	127,947
Program Management	847,200	768,553	(78,647)
Public Improvements	1,813,465	2,736,318	922,853
Resource Management	1,574,795	3,274,709	1,699,914
Projects			
Education	213,809	229,827	16,018
Total Expenditures	<u>11,732,144</u>	<u>23,677,192</u>	<u>11,945,048</u>
Excess (deficiency) of revenues over (under) expenditures	2,535,165	<u>\$ (10,484,917)</u>	<u>\$ 13,020,082</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	195,066		
Prior Years' Project Revenues	(168,999)		
Total Reconciling Items	<u>26,067</u>		
Net Change in Fund Balances	2,561,232		
Fund Balances--January 1	<u>13,452,454</u>		
Fund Balances--December 31	<u>\$ 16,013,686</u>		



**CULTURAL SERVICES AND FACILITIES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 3,485	\$ 26,979	\$ (23,494)
Fees and charges for services	2,531,172	2,715,350	(184,178)
Intergovernmental	10,000	-	10,000
Miscellaneous revenue	142,278	25,000	117,278
Transfers	1,085,133	1,078,715	6,418
Projects			
Intergovernmental	89,572	62,522	27,050
Miscellaneous revenue	135,099	54,518	80,581
Transfers	612,223	622,749	(10,526)
Total Revenues	<u>4,608,962</u>	<u>4,585,833</u>	<u>23,129</u>
<b>EXPENDITURES</b>			
Programs			
Art in Public Places	92,978	194,254	101,276
Lincoln Center	3,363,521	3,872,461	508,940
Projects			
Art in Public Places	334,404	922,815	588,411
Lincoln Center	35,286	10,000	(25,286)
Museum	57,522	57,522	-
Total Expenditures	<u>3,883,711</u>	<u>5,057,052</u>	<u>1,173,341</u>
Excess (deficiency) of revenues over (under) expenditures	725,251	<u>\$ (471,219)</u>	<u>\$ 1,196,470</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	325,197		
Prior Years' Project Revenues	<u>(583,638)</u>		
Total Reconciling Items	<u>(258,441)</u>		
Net Change in Fund Balances	466,810		
Fund Balances--January 1	<u>1,929,392</u>		
Fund Balances--December 31	<u>\$ 2,396,202</u>		

**RECREATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 14,924	\$ 31,425	\$ (16,501)
Fees and charges for services	5,622,177	5,494,290	127,887
Miscellaneous revenue	192,536	115,827	76,709
Transfers	970,935	970,935	-
Projects			
Intergovernmental	347,164	435,183	(88,019)
Miscellaneous revenue	-	7,500	(7,500)
Total Revenues	<u>7,147,736</u>	<u>7,055,160</u>	<u>92,576</u>
<b>EXPENDITURES</b>			
Programs			
Adult Programs & Senior Center	1,472,019	1,567,386	95,367
Child Development	233,452	303,653	70,201
City Park Pool	148,661	162,179	13,518
EPIC	1,534,999	1,650,370	115,371
Farm	315,900	318,216	2,316
NACC	710,152	758,696	48,544
Recreation Administration	1,558,563	1,610,857	52,294
Special Revenue Accounts	286,923	354,554	67,631
Sports	767,230	790,212	22,982
Mulberry Pool	-	20,243	20,243
Projects			
Recreation Grants	338,954	1,067,683	728,729
Total Expenditures	<u>7,366,853</u>	<u>8,604,049</u>	<u>1,237,196</u>
Excess (deficiency) of revenues over (under) expenditures	(219,117)	<u>\$ (1,548,889)</u>	<u>\$ 1,329,772</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	227,677		
Prior Years' Project Revenues	(240,913)		
Total Reconciling Items	<u>(13,236)</u>		
Net Change in Fund Balances	(232,353)		
Fund Balances--January 1	<u>2,951,267</u>		
Fund Balances--December 31	<u>\$ 2,718,914</u>		

**CEMETERIES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 1,826	\$ 5,912	\$ (4,086)
Fees and charges for services	392,563	385,220	7,343
Miscellaneous revenue	11,989	12,300	(311)
Proceeds from issuance of long-term debt	2,600	-	2,600
Transfers	195,104	195,763	(659)
Total Revenues	<u>604,082</u>	<u>599,195</u>	<u>4,887</u>
<b>EXPENDITURES</b>			
Programs			
Grandview Cemetery	496,987	565,133	68,146
Roselawn Cemetery	92,560	107,639	15,079
Total Expenditures	<u>589,547</u>	<u>672,772</u>	<u>83,225</u>
Excess (deficiency) of revenues over (under) expenditures	14,535	<u>\$ (73,577)</u>	<u>\$ 88,112</u>
Fund Balances--January 1	<u>603,217</u>		
Fund Balances--December 31	<u>\$ 617,752</u>		

**PERPETUAL CARE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 6,682	\$ 25,150	\$ (18,468)
Fees and charges for services	56,607	50,000	6,607
Total Revenues	<u>63,289</u>	<u>75,150</u>	<u>(11,861)</u>
<b>EXPENDITURES</b>			
Programs (fund level of budgetary control)			
Internal Admin Services	156	161	5
Transfers to Funds	24,491	25,150	659
Total Expenditures	<u>24,647</u>	<u>25,311</u>	<u>664</u>
Excess (deficiency) of revenues over (under) expenditures	38,642	<u>\$ 49,839</u>	<u>\$ (11,197)</u>
Fund Balances--January 1	<u>1,800,009</u>		
Fund Balances--December 31	<u>\$ 1,838,651</u>		

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 280	\$ -	\$ 280
Projects			
Earnings on investments	629	82,596	(81,967)
Intergovernmental	6,500,232	8,027,175	(1,526,943)
Miscellaneous revenue	1,819,764	2,087,022	(267,258)
Total Revenues	<u>8,320,905</u>	<u>10,196,793</u>	<u>(1,875,888)</u>
<b>EXPENDITURES</b>			
Projects			
CDBG FY 10-11	941,516	1,041,666	100,150
CDBG FY 12-13	1,300,366	1,073,914	(226,452)
CDBG FY 13-14	1,300,821	1,296,922	(3,899)
CDBG FY 14-15	796,489	940,596	144,107
CDBG FY 15-16	497,257	988,357	491,100
CDBG Grant PI FY13-14	263,718	713,635	449,917
CDBG Grant PI FY14-15	157,865	133,147	(24,718)
CDBG Grant PI FY 15-16	233,634	147,877	(85,757)
CDBG Grant PI FY 10-11	2,881	-	(2,881)
CDBG FY 16-17	74,044	949,887	875,843
Total Expenditures	<u>5,568,591</u>	<u>7,286,001</u>	<u>1,717,410</u>
Excess (deficiency) of revenues over (under) expenditures	2,752,314	<u>\$ 2,910,792</u>	<u>\$ (158,478)</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	4,474,198		
Prior Years' Project Revenues	<u>(7,268,866)</u>		
Total Reconciling Items	<u>(2,794,668)</u>		
Net Change in Fund Balances	(42,354)		
Fund Balances--January 1	<u>(98,014)</u>		
Fund Balances--December 31	<u>\$ (140,368)</u>		

**HOME PROGRAM FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 4,254	\$ -	\$ 4,254
Projects			
Earnings on investments	53,932	-	53,932
Intergovernmental	3,554,193	5,611,709	(2,057,516)
Miscellaneous revenue	2,623,663	1,961,844	661,819
Total Revenues	<u>6,236,042</u>	<u>7,573,553</u>	<u>(1,337,511)</u>
<b>EXPENDITURES</b>			
Projects			
HOME FY 10-11	447,517	447,518	1
HOME FY 11-12	846,617	892,392	45,775
HOME FY 12-13	807,671	834,531	26,860
HOME FY 13-14	47,083	823,958	776,875
HOME FY 14-15	362,497	564,878	202,381
HOME FY 15-16	191,157	550,344	359,187
HOME FY15-16 PI	425,773	277,888	(147,885)
HOME Grant PI FY 11-12	24,428	-	(24,428)
HOME Grant PI FY 12-13	55,318	-	(55,318)
HOME Grant PI FY13-14	541,280	530,280	(11,000)
HOME Grant PI FY14-15	567,809	498,405	(69,404)
HOME FY 16-17	82,542	542,569	460,027
Total Expenditures	<u>4,399,692</u>	<u>5,962,763</u>	<u>1,563,071</u>
Excess (deficiency) of revenues over (under) expenditures	1,836,350	<u>\$ 1,610,790</u>	<u>\$ 225,560</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	2,344,699		
Prior Years' Project Revenues	<u>(5,378,911)</u>		
Total Reconciling Items	<u>(3,034,212)</u>		
Net Change in Fund Balances	(1,197,862)		
Fund Balances--January 1	<u>1,586,387</u>		
Fund Balances--December 31	<u>\$ 388,525</u>		

**TRANSIT SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Projects			
Earnings on investments	\$ 593,065	\$ 628,368	\$ (35,303)
Fees and charges for services	11,499,927	11,199,186	300,741
Intergovernmental	68,489,597	76,312,283	(7,822,686)
Miscellaneous revenue	1,022,788	547,058	475,730
Proceeds from issuance of long-term debt	42,163	-	42,163
Transfers	85,113,141	85,283,646	(170,505)
Total Revenues	<u>166,760,681</u>	<u>173,970,541</u>	<u>(7,209,860)</u>
<b>EXPENDITURES</b>			
Projects			
5307 Pass-Thru	4,865,126	6,569,375	1,704,249
5309 Capital	19,480,442	20,765,729	1,285,287
Additional Revenue Service	1,881,740	1,091,496	(790,244)
Cmaq Capital	5,141,827	5,164,640	22,813
Csu Transit Center	675,487	806,066	130,579
Dar Operations	24,050,604	28,257,490	4,206,886
Dar Overhead	2,180,861	2,350,596	169,735
Dar Revenue	70	-	(70)
Dispatch Operations	3,354,110	3,260,338	(93,772)
Downtown Transit Center	3,237,451	2,538,369	(699,082)
Fixed Operations	75,086,315	82,107,654	7,021,339
Fixed Overhead	15,799,172	15,535,742	(263,430)
Information Technology	2,719,042	2,181,361	(537,681)
Marketing - Gf	2,265,748	2,117,579	(148,169)
Max - Start Up & Testing	1,025,381	1,116,004	90,623
Safe Ride Home Program	424,591	433,541	8,950
Safety/Training	5,744,486	3,976,744	(1,767,742)
South Transit Center	83,987	596,475	512,488
Variable Revenue	8,087	-	(8,087)
Bike N Ride Shelter TAP Grant	-	210,000	210,000
Total Expenditures	<u>168,024,527</u>	<u>179,079,199</u>	<u>11,054,672</u>
Excess (deficiency) of revenues over (under) expenditures	(1,263,846)	<u>\$ (5,108,658)</u>	<u>\$ 3,844,812</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	152,747,194		
Prior Years' Project Revenues	(153,004,100)		
Total Reconciling Items	<u>(256,906)</u>		
Net Change in Fund Balances	(1,520,752)		
Fund Balances--January 1	<u>(261,849)</u>		
Fund Balances--December 31	<u>\$ (1,782,601)</u>		

**STREET OVERSIZING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Fees and charges for services	\$ 4,822,143	\$ 3,500,000	\$ 1,322,143
Earnings (loss) on investments	59,616	121,393	(61,777)
Miscellaneous revenue	104,433	100,000	4,433
Transfers	224,028	224,028	-
Total Revenues	<u>5,210,220</u>	<u>3,945,421</u>	<u>1,264,799</u>
<b>EXPENDITURES</b>			
Programs			
Capital Outlay	949,858	2,105,326	1,155,468
Other Purchased Services	151,614	155,030	3,416
Personnel Costs	211,291	198,876	(12,415)
Purchased Prof & Tech Services	23,506	93,950	70,444
Purchased Property Services	7,345	77,736	70,391
Supplies	141	9,820	9,679
Transfers	1,079,127	3,103,638	2,024,511
Total Expenditures	<u>2,422,882</u>	<u>5,744,376</u>	<u>3,321,494</u>
Excess (deficiency) of revenues over (under) expenditures	2,787,338	<u>\$ (1,798,955)</u>	<u>\$ 4,586,293</u>
Fund Balances--January 1	<u>16,825,364</u>		
Fund Balances--December 31	<u>\$ 19,612,702</u>		



**PARKING SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 6,869	\$ 17,068	\$ (10,199)
Fees and charges for services	2,256,427	1,939,100	317,327
Intergovernmental	15,512	60,000	(44,488)
Miscellaneous revenue	37,077	28,750	8,327
Transfers	52,227	50,400	1,827
Total Revenues	<u>2,368,112</u>	<u>2,095,318</u>	<u>272,794</u>
<b>EXPENDITURES</b>			
Programs			
Parking Services	897,451	959,682	62,231
Civic Center Parking Structure	1,001,039	1,157,616	156,577
Old Town Parking Structure	442,814	572,021	129,207
On-Street Pay Parking	6,800	33,750	26,950
Harmony Park & Ride	13,451	60,000	46,549
Total Expenditures	<u>2,361,555</u>	<u>2,783,069</u>	<u>421,514</u>
Excess (deficiency) of revenues over (under) expenditures	6,557	<u>\$ (687,751)</u>	<u>\$ 694,308</u>
Fund Balances--January 1	<u>1,510,396</u>		
Fund Balances--December 31	<u>\$ 1,516,953</u>		

**GENERAL IMPROVEMENT DISTRICT NO. 1 FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 1,468	\$ 2,000	\$ (532)
Intergovernmental	45,047	31,000	14,047
Taxes	294,929	280,000	14,929
Total Revenues	<u>341,444</u>	<u>313,000</u>	<u>28,444</u>
<b>EXPENDITURES</b>			
Programs			
Benefits	1,456	4,981	3,525
Construction Services	4,183	20,000	15,817
Internal Admin Services	114	107	(7)
Other Prof & Tech Services	540	6,000	5,460
Professional & Technical	5,901	11,500	5,599
Rebates & Incentives	29,683	23,000	(6,683)
Salaries & Wages	-	10,789	10,789
Transfers to Funds	115,000	115,000	-
Utility Services	2,034	2,500	466
Total Expenditures	<u>158,911</u>	<u>193,877</u>	<u>34,966</u>
Excess (deficiency) of revenues over (under) expenditures	182,533	<u>\$ 119,123</u>	<u>\$ 63,410</u>
Fund Balances--January 1	<u>419,051</u>		
Fund Balances--December 31	<u>\$ 601,584</u>		

**GENERAL IMPROVEMENT DISTRICT NO. 15 - SKYVIEW FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 394	\$ 432	\$ (38)
Intergovernmental	2,363	-	2,363
Taxes	29,139	25,200	3,939
Total Revenues	<u>31,896</u>	<u>25,632</u>	<u>6,264</u>
<b>EXPENDITURES</b>			
Programs			
Professional & Technical	583	1,000	417
Total Expenditures	<u>583</u>	<u>1,000</u>	<u>417</u>
Excess (deficiency) of revenues over (under) expenditures	31,313	<u>\$ 24,632</u>	<u>\$ 6,681</u>
Fund Balances--January 1	<u>121,946</u>		
Fund Balances--December 31	<u>\$ 153,259</u>		

**TIMBERLINE/PROSPECT SID #94**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Earnings on investments	\$ 492	\$ -	\$ 492
Miscellaneous revenue	77,899	56,000	21,899
Total Revenues	<u>78,391</u>	<u>56,000</u>	<u>22,391</u>
<b>EXPENDITURES</b>			
Programs			
Other	<u>-</u>	<u>54,000</u>	<u>54,000</u>
Total Expenditures	<u>-</u>	<u>54,000</u>	<u>54,000</u>
Excess (deficiency) of revenues over (under) expenditures	78,391	<u>\$ 2,000</u>	<u>\$ 76,391</u>
Fund Balances--January 1	<u>71,746</u>		
Fund Balances--December 31	<u>\$ 150,137</u>		

**FORT COLLINS LEASING CORPORATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Miscellaneous revenue	\$ 58,447	\$ 58,447	\$ -
Transfers	4,559,973	4,560,832	(859)
Total Revenues	<u>4,618,420</u>	<u>4,619,279</u>	<u>(859)</u>
<b>EXPENDITURES</b>			
Programs			
Debt Service	4,615,770	4,615,779	9
Other Prof & Tech Services	1,650	3,500	1,850
Professional & Technical	1,000	-	(1,000)
Total Expenditures	<u>4,618,420</u>	<u>4,619,279</u>	<u>859</u>
Excess (deficiency) of revenues over (under) expenditures	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balances--January 1	<u>-</u>		
Fund Balances--December 31	<u>\$ -</u>		

**NEIGHBORHOOD PARKLAND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Fees and charges for services	\$ 422,346	\$ -	\$ 422,346
Projects			
Earnings on investments	2,197,016	2,335,064	(138,048)
Fees and charges for services	16,856,817	17,939,876	(1,083,059)
Intergovernmental	322,384	353,890	(31,506)
Miscellaneous revenue	153,399	144,954	8,445
Transfers	122,707	422,707	(300,000)
Total Revenues	<u>20,074,669</u>	<u>21,196,491</u>	<u>(1,121,822)</u>
<b>EXPENDITURES</b>			
Programs			
Parkland & Administration Cost	422,347	490,413	68,066
Projects			
Avery Park Improvements	85,944	270,364	184,420
English Ranch Community Garden	39,566	39,566	-
Lake Canal Neighborhood Park	5,286	5,300	14
Lee Martinez Park Addition	466,596	839,462	372,866
Lilac Park	143,383	180,000	36,617
Maple Hill Park	598,183	2,681,061	2,082,878
New Park Site Development	2,022,812	3,321,290	1,298,478
New Site Acquisition	2,580,641	3,050,945	470,304
Romero	5,041	150,000	144,959
Rossborough Park Impvmts	3,932	285,000	281,068
Side Hill Neighborhood Park	8,500	416,096	407,596
Trailhead Park	389,826	1,138,000	748,174
Registry Park	1,701,488	1,725,000	23,512
Radiant Neighborhood Park	2,053,980	2,233,820	179,840
Waters Way Repairs	49,871	42,500	(7,371)
9-11 Memorial Project	10,318	20,000	9,682
Impact Fee Analysis	-	60,532	60,532
Total Expenditures	<u>10,587,714</u>	<u>16,949,349</u>	<u>6,361,635</u>
Excess (deficiency) of revenues over (under) expenditures	9,486,955	<u>\$ 4,247,142</u>	<u>\$ 5,239,813</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	9,333,768		
Prior Years' Project Revenues	<u>(17,018,173)</u>		
Total Reconciling Items	<u>(7,684,405)</u>		
Net Change in Fund Balances	1,802,550		
Fund Balances--January 1	<u>8,357,718</u>		
Fund Balances--December 31	<u>\$ 10,160,268</u>		

**CONSERVATION TRUST FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Intergovernmental	\$ 228,089	\$ -	\$ 228,089
Projects			
Earnings on investments	315,643	823,945	(508,302)
Intergovernmental	17,812,881	17,466,960	345,921
Total Revenues	<u>18,356,613</u>	<u>18,290,905</u>	<u>65,708</u>
<b>EXPENDITURES</b>			
Programs			
Administration	228,087	281,570	53,483
Projects			
Fossil Creek Trail	5,173,646	5,380,866	207,220
Hughes Stadium Disc Golf Course	45,272	48,700	3,428
Longview Corridor Trail	48,568	146,300	97,732
Trail Acquisition/Development	9,437,711	10,448,734	1,011,023
Rendezvous Trail	3,613	3,613	-
N Shields Brdg & Trailhead Improvements	22,305	22,305	-
Poudre Trail River Bank	30,000	30,000	-
Trees Along the Trails	49,294	125,000	75,706
Fossil Creek Trail Underpass	658,213	1,123,253	465,040
Power Trl Crossing @ keenland	28,249	31,196	2,947
Zephyr Trail at Kechter Farms	86,421	86,421	-
Pateros Creek Trail Spur	32,844	32,844	-
Fossil Ck Trl-Shields/College	338	-	(338)
Total Expenditures	<u>15,844,561</u>	<u>17,760,802</u>	<u>1,916,241</u>
Excess (deficiency) of revenues over (under) expenditures	2,512,052	<u>\$ 530,103</u>	<u>\$ 1,981,949</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	14,611,293		
Prior Years' Project Revenues	(16,626,203)		
Total Reconciling Items	<u>(2,014,910)</u>		
Net Change in Fund Balances	497,142		
Fund Balances--January 1	<u>2,007,268</u>		
Fund Balances--December 31	<u>\$ 2,504,410</u>		

**GENERAL FUND  
COMBINING FINANCIAL STATEMENTS AND SCHEDULES**

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**General Fund Components**

**General** -- this is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Museum** -- to account for revenues received from Fort Collins Museum of Discovery and General Fund subsidies used to promote cultural activities.

**Emergency Recovery** -- to account for monies, including FEMA assistance, to offset costs associated with the 2013 floods.



**GENERAL FUND  
COMBINING BALANCE SHEET  
DECEMBER 31, 2016**

	<u>General Fund</u>	<u>Museum</u>	<u>Emergency Recovery</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,303,316	\$ 60,048	\$ -	\$ -	\$ 4,363,364
Investments	54,130,175	860,276	-	-	54,990,451
Receivables					
Property taxes	21,463,376	-	-	-	21,463,376
Sales and use taxes	8,995,635	-	-	-	8,995,635
Accounts, net	1,487,758	-	-	-	1,487,758
Interest	201,110	2,891	-	-	204,001
Prepaid item	200	-	-	-	200
Due from other funds	6,025,438	-	-	(450,609)	5,574,829
Advances to other funds	5,034,986	-	-	-	5,034,986
Inventory of real property held for resale	1,837,894	-	-	-	1,837,894
Total Assets	<u>103,479,888</u>	<u>923,215</u>	<u>-</u>	<u>(450,609)</u>	<u>103,952,494</u>
<b>LIABILITIES</b>					
Accounts payable, accruals, and other	4,070,292	7,913	-	-	4,078,205
Wages payable	2,186,261	25,450	-	-	2,211,711
Due to other governments	54,362	-	-	-	54,362
Due to other funds	-	-	476,908	(450,609)	26,299
Deposits held	20,000	-	-	-	20,000
Total Liabilities	<u>6,330,915</u>	<u>33,363</u>	<u>476,908</u>	<u>(450,609)</u>	<u>6,390,577</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	21,463,376	-	-	-	21,463,376
Unavailable revenue - grants	723,761	-	-	-	723,761
Total Deferred inflows of resources	<u>22,187,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,187,137</u>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	6,998,080	-	-	-	6,998,080
Restricted	13,540,399	-	-	-	13,540,399
Committed	481,523	-	-	-	481,523
Assigned	20,073,536	889,852	-	-	20,963,388
Unassigned	33,868,298	-	(476,908)	-	33,391,390
Total Fund Balances (Deficit)	<u>74,961,836</u>	<u>889,852</u>	<u>(476,908)</u>	<u>-</u>	<u>75,374,780</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 103,479,888</u>	<u>\$ 923,215</u>	<u>\$ -</u>	<u>\$ (450,609)</u>	<u>\$ 103,952,494</u>

**GENERAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>General Fund</b>	<b>Museum</b>	<b>Emergency Recovery</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>REVENUES</b>					
Taxes	\$ 108,842,908	\$ -	\$ -	\$ -	\$ 108,842,908
Licenses and permits	3,740,888	-	-	-	3,740,888
Intergovernmental	12,575,111	-	-	-	12,575,111
Fees and charges for services	10,132,917	-	-	-	10,132,917
Fines and forfeitures	2,151,744	-	-	-	2,151,744
Earnings on investments	497,882	3,969	-	-	501,851
Miscellaneous revenue	1,796,668	3	-	-	1,796,671
<b>Total Revenues</b>	<b>139,738,118</b>	<b>3,972</b>	<b>-</b>	<b>-</b>	<b>139,742,090</b>
<b>EXPENDITURES</b>					
Current operating					
Police services	34,735,721	-	-	-	34,735,721
Financial services	3,957,133	-	-	-	3,957,133
Community and operation	20,631,565	929,317	-	-	21,560,882
Planning, development and transportation	7,755,895	-	-	-	7,755,895
Executive, legislative, and judicial	6,934,808	-	-	-	6,934,808
Employee and communications	4,651,522	-	-	-	4,651,522
Sustainability services	7,913,103	-	-	-	7,913,103
Other	1,254,492	-	(4,649)	-	1,249,843
Intergovernmental					
Fire protection	20,556,911	-	-	-	20,556,911
Capital outlay	1,166,698	7,350	-	-	1,174,048
Debt service					
Principal	224,223	-	-	-	224,223
Interest and debt service costs	16,534	-	-	-	16,534
<b>Total Expenditures</b>	<b>109,798,605</b>	<b>936,667</b>	<b>(4,649)</b>	<b>-</b>	<b>110,730,623</b>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	29,939,513	(932,695)	4,649	-	29,011,467
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	955,314	798,507	-	(798,507)	955,314
Transfers out	(28,334,664)	-	-	798,507	(27,536,157)
Sale of capital assets	908	341	-	-	1,249
<b>Total Other Financing Sources (Uses)</b>	<b>(27,378,442)</b>	<b>798,848</b>	<b>-</b>	<b>-</b>	<b>(26,579,594)</b>
Net Changes in Fund Balances (Deficit)	2,561,071	(133,847)	4,649	-	2,431,873
Fund Balances (Deficit)-January 1	72,400,765	1,023,699	(481,557)	-	72,942,907
<b>Fund Balances (Deficit)-December 31</b>	<b>\$ 74,961,836</b>	<b>\$ 889,852</b>	<b>\$ (476,908)</b>	<b>\$ -</b>	<b>\$ 75,374,780</b>

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ 108,842,908	\$ 99,707,594	\$ 104,382,898	\$ 4,460,010
Licenses and permits	3,740,888	3,060,900	3,060,900	679,988
Intergovernmental	11,925,374	11,559,285	11,929,901	(4,527)
Fees and charges for services	10,132,917	8,507,526	8,985,877	1,147,040
Fines and forfeitures	2,151,744	2,490,158	2,426,158	(274,414)
Earnings (loss) on investments	497,882	723,934	723,934	(226,052)
Miscellaneous revenue	1,796,575	1,189,807	1,415,182	381,393
Transfers	955,314	928,104	1,005,314	(50,000)
Projects				
Intergovernmental	4,052,994	-	4,579,406	(526,412)
Miscellaneous revenue	347,767	-	351,151	(3,384)
Total Revenues	<u>144,444,363</u>	<u>128,167,308</u>	<u>138,860,721</u>	<u>5,583,642</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Community and operation	21,274,890	22,301,423	24,031,917	2,757,027
Employee and communications	11,269,889	10,643,630	11,204,786	(65,103)
Executive, legislative, and judicial	6,840,322	6,407,928	6,859,206	18,884
Financial services	3,957,133	3,938,339	3,914,338	(42,795)
Fire protection	20,556,911	20,556,908	20,556,908	(3)
Other	23,380,949	23,669,887	23,611,342	230,393
Planning, development and transportation	7,753,882	7,411,602	8,071,705	317,823
Police services	34,720,889	34,027,317	35,890,534	1,169,645
Sustainability services	7,409,901	4,413,959	9,593,460	2,183,559
Projects (project level of budgetary control)				
Community and operation	274,833	-	280,760	5,927
Executive, legislative, and judicial	297,621	-	351,056	53,435
Planning, development and transportation	547,917	-	653,375	105,458
Police services	3,270,676	-	3,288,744	18,068
Sustainability services	631,631	-	1,416,392	784,761
Total Expenditures	<u>142,187,444</u>	<u>133,370,993</u>	<u>149,724,523</u>	<u>7,537,079</u>
Excess (deficiency) of revenues over (under) expenditures	2,256,919	<u>\$ (5,203,685)</u>	<u>\$ (10,863,802)</u>	<u>\$ 13,120,721</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	4,054,175			
Prior Years' Project Revenues	<u>(3,750,023)</u>			
Total Reconciling Items	<u>304,152</u>			
Net Change in Fund Balances	2,561,071			
Fund Balances--January 1	<u>72,400,765</u>			
Fund Balances--December 31	<u>\$ 74,961,836</u>			

**MUSEUM FUND (A SUB-FUND OF THE GENERAL FUND)  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 3,969	\$ 6,722	\$ (2,753)
Miscellaneous revenue	3	50,000	(49,997)
Proceeds from issuance of long-term debt	341	-	341
Transfers	798,507	798,507	-
Projects			
Intergovernmental	127,680	138,933	(11,253)
Total Revenues	<u>930,500</u>	<u>994,162</u>	<u>(63,662)</u>
<b>EXPENDITURES</b>			
Programs (fund level of budgetary control)			
Capital Outlay	7,350	-	(7,350)
Other	-	50,000	50,000
Other Purchased Services	110,193	91,247	(18,946)
Personnel Costs	650,686	771,054	120,368
Purchased Prof & Tech Services	10,314	10,000	(314)
Purchased Property Services	71,550	100,519	28,969
Supplies	86,575	45,979	(40,596)
Projects (project level of budgetary control)			
IMLS High Park Fire	126,903	138,933	12,030
Total Expenditures	<u>1,063,571</u>	<u>1,207,732</u>	<u>144,161</u>
Excess (deficiency) of revenues over (under) expenditures	(133,071)	<u>\$ (213,570)</u>	<u>\$ 207,823</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	126,904		
Prior Years' Project Revenues	<u>(127,680)</u>		
Total Reconciling Items	<u>(776)</u>		
Net Change in Fund Balances	(133,847)		
Fund Balances--January 1	<u>1,023,699</u>		
Fund Balances--December 31	<u>\$ 889,852</u>		

**EMERGENCY RECOVERY FUND (A SUB-FUND OF THE GENERAL FUND)  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Projects			
Miscellaneous	\$ 30,000	\$ -	\$ 30,000
Total Revenues	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<b>EXPENDITURES</b>			
Projects (project level of budgetary control)			
Other	1,079,044	1,118,000	38,956
Total Expenditures	<u>1,079,044</u>	<u>1,118,000</u>	<u>38,956</u>
Excess (deficiency) of revenues over (under) expenditures	(1,049,044)	<u>\$ (1,118,000)</u>	<u>\$ 68,956</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	1,083,693		
Prior Years' Project Revenues	<u>(30,000)</u>		
Total Reconciling Items	<u>1,053,693</u>		
Net Change in Fund Balances	4,649		
Fund Balances--January 1	<u>(481,557)</u>		
Fund Balances--December 31	<u>\$ (476,908)</u>		

**URBAN RENEWAL AUTHORITY  
COMBINING FINANCIAL STATEMENTS AND SCHEDULES**

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**URA Components**

**URA - North College District**-- to account for the tax increment financing for the operations and debit services of the Urban Renewal Authority - N. College District.

**URA - Prospect South TIF District**-- to account for the tax increment financing for the operations and debit services of the Urban Renewal Authority - Prospect South TIF District.

**URA - Foothills Mall** -- to account for the tax increment financing for the operations and debit services of the Urban Renewal Authority - Foothills Mall TIF District.

**URBAN RENEWAL AUTHORITY FUND  
COMBINING BALANCESHEET  
DECEMBER 31, 2016**

	<u>North College</u>	<u>Prospect South</u>	<u>Foothills Mall</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 60,946	\$ 13,538	\$ -	\$ -	\$ 74,484
Investments	872,937	189,077	-	-	1,062,014
Receivables					
Property taxes	1,700,800	456,436	1,269,909	-	3,427,145
Accounts, net	-	-	4,499	-	4,499
Notes and loans	5,303,939	-	-	-	5,303,939
Interest	2,935	652	-	-	3,587
Due from other funds	7,480	-	-	(7,480)	-
Restricted - cash and cash equivalents	949,045	-	-	-	949,045
Total Assets	<u>8,898,082</u>	<u>659,703</u>	<u>1,274,408</u>	<u>(7,480)</u>	<u>10,824,713</u>
<b>LIABILITIES</b>					
Accounts payable, accruals, and other	194	-	-	-	194
Wages payable	5,056	-	-	-	5,056
Due to other funds	-	-	7,480	(7,480)	-
Advance from other funds	5,303,939	5,034,985	-	-	10,338,924
Total Liabilities	<u>5,309,189</u>	<u>5,034,985</u>	<u>7,480</u>	<u>(7,480)</u>	<u>10,344,174</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	<u>1,700,800</u>	<u>456,436</u>	<u>1,269,909</u>	<u>-</u>	<u>3,427,145</u>
Total Deferred inflows of resources	<u>1,700,800</u>	<u>456,436</u>	<u>1,269,909</u>	<u>-</u>	<u>3,427,145</u>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	5,303,939	-	-	-	5,303,939
Restricted	949,055	-	-	-	949,055
Unassigned	(4,364,901)	(4,831,718)	(2,981)	-	(9,199,600)
Total Fund Balances (Deficit)	<u>1,888,093</u>	<u>(4,831,718)</u>	<u>(2,981)</u>	<u>-</u>	<u>(2,946,606)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 8,898,082</u>	<u>\$ 659,703</u>	<u>\$ 1,274,408</u>	<u>\$ (7,480)</u>	<u>\$ 10,824,713</u>

**URBAN RENEWAL AUTHORITY FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>North College</u>	<u>Prospect South</u>	<u>Foothills Mall</u>	<u>Consolidated</u>
<b>REVENUES</b>				
Taxes	\$ 1,457,830	\$ 445,852	\$ -	\$ 1,903,682
Fees and charges for services	-	-	4,499	4,499
Earnings (loss) on investments	81,680	5,689	-	87,369
Total Revenues	<u>1,539,510</u>	<u>451,541</u>	<u>4,499</u>	<u>1,995,550</u>
<b>EXPENDITURES</b>				
Current operating				
Sustainability services	166,132	618,961	4,499	789,592
Debt service				
Principal	560,000	-	-	560,000
Interest and debt service costs	518,461	229,060	-	747,521
Total Expenditures	<u>1,244,593</u>	<u>848,021</u>	<u>4,499</u>	<u>2,097,113</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>294,917</u>	<u>(396,480)</u>	<u>-</u>	<u>(101,563)</u>
Net Changes in Fund Balances (Deficit)	294,917	(396,480)	-	(101,563)
Fund Balances (Deficit)-January 1	1,593,176	(4,435,238)	(2,981)	(2,845,043)
Fund Balances (Deficit)-December 31	<u>\$ 1,888,093</u>	<u>\$ (4,831,718)</u>	<u>\$ (2,981)</u>	<u>\$ (2,946,606)</u>



**URBAN RENEWAL AUTHORITY - NORTH COLLEGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ 1,457,830	\$ 1,451,855	\$ 1,451,855	\$ 5,975
Earnings (loss) on investments	81,680	85,665	85,665	(3,985)
Total Revenues	<u>1,539,510</u>	<u>1,537,520</u>	<u>1,537,520</u>	<u>1,990</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Debt & Other Uses	1,078,461	1,078,461	1,078,461	-
Other Purchased Services	4,661	8,388	8,388	3,727
Personnel Costs	129,596	193,863	193,863	64,267
Purchased Prof & Tech Services	31,396	82,482	82,482	51,086
Supplies	479	1,400	1,400	921
Total Expenditures	<u>1,244,593</u>	<u>1,364,594</u>	<u>1,364,594</u>	<u>120,001</u>
Excess (deficiency) of revenues over (under) expenditures	294,917	<u>\$ 172,926</u>	<u>\$ 172,926</u>	<u>\$ 121,991</u>
Fund Balances--January 1	<u>1,593,176</u>			
Fund Balances--December 31	<u>\$ 1,888,093</u>			

**URBAN RENEWAL AUTHORITY - PROSPECT SOUTH TIF DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ 445,852	\$ 449,859	\$ 449,859	\$ (4,007)
Earnings (loss) on investments	5,689	326	326	5,363
Total Revenues	<u>451,541</u>	<u>450,185</u>	<u>450,185</u>	<u>1,356</u>
<b>EXPENDITURES</b>				
Programs (fund level of budgetary control)				
Debt & Other Uses	377,547	365,102	365,102	(12,445)
Purchased Prof & Tech Services	<u>8,918</u>	<u>8,997</u>	<u>8,997</u>	<u>79</u>
Total Expenditures	<u>996,508</u>	<u>385,861</u>	<u>984,142</u>	<u>(12,366)</u>
Excess (deficiency) of revenues over (under) expenditures	(544,967)	<u>\$ 64,324</u>	<u>\$ (533,957)</u>	<u>\$ (11,010)</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Principal Reduction--Advances	148,487			
Total Reconciling Items	<u>148,487</u>			
Net Change in Fund Balances	(396,480)			
Fund Balances (Deficit)--January 1	<u>(4,435,238)</u>			
Fund Balances (Deficit)--December 31	<u>\$ (4,831,718)</u>			

**URBAN RENEWAL AUTHORITY - FOOTHILLS MALL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Taxes	\$ -	\$ 1,139,145	\$ 1,139,145	\$ (1,139,145)
Fees and charges for services	4,499	-	-	4,499
Total Revenues	<u>4,499</u>	<u>1,139,145</u>	<u>1,139,145</u>	<u>(1,134,646)</u>
<b>EXPENDITURES</b>				
Programs				
Purchased Prof & Tech Services	4,499	-	-	(4,499)
Purchased Property Services	-	1,139,145	1,139,145	1,139,145
Total Expenditures	<u>4,499</u>	<u>1,139,145</u>	<u>1,139,145</u>	<u>1,134,646</u>
Excess (deficiency) of revenues over (under) expenditures	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances (Deficit)--January 1	<u>(2,981)</u>			
Fund Balances (Deficit)--December 31	<u>\$ (2,981)</u>			

**CAPITAL PROJECTS FUND  
INDIVIDUAL FUND BUDGET SCHEDULE**

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**Capital Projects Fund** -- to account for financial resources to be used for the acquisition or construction of major capital facilities. Revenues and other financing sources are primarily derived from issuance of debt or transfers from other funds.

**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Transfers	\$ (4,246,425)	\$ -	\$ (4,246,425)
Projects			
Earnings on investments	6,811,628	7,173,178	(361,550)
Intergovernmental	91,796,151	99,733,151	(7,937,000)
Miscellaneous revenue	11,161,542	10,493,528	668,014
Transfers	78,694,172	96,407,411	(17,713,239)
Total Revenues	<u>184,217,068</u>	<u>213,807,268</u>	<u>(29,590,200)</u>
<b>EXPENDITURES</b>			
Programs			
Other Purchased Services	61,098	61,098	-
Transfers	169,000	169,000	-
Projects			
Arthur Ditch M.P/Alt Analysis	125,314	185,000	59,686
Bicycle Plan Implementatio	246,260	355,498	109,238
Block 32 Redevelopment	312,502	439,000	126,498
BOB Ped Plan/ADA Improv	1,827,017	1,827,947	930
BOB-Int Imp & Traffic Sign	11,121,991	13,374,590	2,252,599
BOB-Sr Center Expansion	6,796,848	6,802,533	5,685
City Bridge Program	2,797,817	3,991,442	1,193,625
Coventry Dev Wildlife Hab Mit	-	9,000	9,000
Downtown Poudre River Impr	1,043,389	1,250,000	206,611
East Community Park	1,602,018	1,700,000	97,982
Env Site Mitig-112 E Willow	183,019	200,000	16,981
EPIC Pool Improvements	1,725,220	1,839,000	113,780
Fossil Creek Trail	200,000	200,000	-
Gardens Capital Project	198,800	400,000	201,200
I-25 Interchange Design Proj	67,625	100,000	32,375
I-25/SH392 Interchange	4,551,055	4,739,593	188,538
Integrated Recycling Facility	1,422,243	1,685,000	262,757
Lemay/Vine Grade Sep Crossing	291,102	294,723	3,621
Linden St-Walnut/Jefferson	3,836	300,000	296,164
Mason St Transp Corridor	92,595,260	96,877,117	4,281,857
Mulberry/Lemay Ped Brdg-P Trl	368,000	368,000	-
N College Improv-Vine/Conifer	9,475,096	9,692,588	217,492
N College Imprv-Conifer/Willox	11,568,650	12,710,187	1,141,537
Natural Areas Office Building	1,704,667	1,860,000	155,333
Northeast Community Park	7,000	700,000	693,000
Oak St Public Restroom Rplcmnt	53,834	350,000	296,166

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**CAPITAL PROJECTS FUND (Continued)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Actual</b>	<b>Final Budget</b>	<b>Variance</b>
Pickle Plant	\$ 15,445	\$ 75,364	\$ 59,919
Prospect/College Intrscn Impv	784,310	2,700,000	1,915,690
Railroad Crossing Replacment	539,345	969,903	430,558
Remington Greenway Extension	150,000	150,000	-
Remington Greenway Implement.	427,112	450,000	22,888
Southeast Community Park	10,533,807	16,221,624	5,687,817
Street Oversizing Projects	7,043,346	14,742,997	7,699,651
Traffic Calming - Capital	224,420	500,000	275,580
Trail Acq/Dev-Special Funds	762,310	1,751,405	989,095
Water Craft Course	57,604	150,000	92,396
Willow St River Dist Enhncmnts	114,179	372,985	258,806
WW Public Improvements	6,023,300	6,801,080	777,780
CCIP Ped/ADA	977,785	1,000,000	22,215
BOB-Park Imprvmnts	77,919	1,703,622	1,625,703
City Park Train	3,500	350,000	346,500
Club Tico Renovation	-	250,000	250,000
Fossil Crk Trl-College/Shields	353,595	1,000,000	646,405
Nature in the City	15,563	200,000	184,437
Expansion of Shop	139,488	-	(139,488)
Bus Stop Improvements	1,000	100,000	99,000
Bicycle Infrastructure Imprvmt	3,000	300,000	297,000
Bike/Ped Grade Sep Crossing	15,000	1,500,000	1,485,000
Sharp Point Connection	21,189	1,100,000	1,078,811
Arterial Intersection Imprvmnt	18,745	350,000	331,255
Total Expenditures	<u>178,820,623</u>	<u>215,220,296</u>	<u>36,399,673</u>
Excess (deficiency) of revenues over (under) expenditures	5,396,445	<u>\$ (1,413,028)</u>	<u>\$ 6,809,473</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Prior Years' Project Expenses	156,524,534		
Prior Years' Project Revenues	<u>(167,752,026)</u>		
Total Reconciling Items	<u>(11,227,492)</u>		
Net Change in Fund Balances	(5,831,047)		
Fund Balances--January 1	<u>25,759,875</u>		
Fund Balances--December 31	<u>\$ 19,928,828</u>		

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**ENTERPRISE FUNDS  
INDIVIDUAL FUND BUDGET SCHEDULES**

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**Light and Power** -- to account for operation of the City's electric utility.

**Water** -- to account for the operation of the City's water utility.

**Wastewater** -- to account for the operation of the City's wastewater utility.

**Storm Drainage** -- to account for the City's storm drainage utility.

**Golf** -- to account for operations of all City golf courses.



**LIGHT AND POWER FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Earnings on investments	\$ 249,907	\$ 579,348	\$ 579,348	\$ (329,441)
Fees and charges for services	125,072,991	128,226,300	128,226,300	(3,153,309)
Intergovernmental	337,380	220,000	220,000	117,380
Miscellaneous revenue	8,248,378	4,410,000	4,410,000	3,838,378
Sale of Capital Assets	46,650	-	-	46,650
Transfers	67,000	192,000	192,000	(125,000)
Projects				
Intergovernmental	18,130,762	-	18,101,264	29,498
Miscellaneous revenue	607,095	-	748,982	(141,887)
Proceeds from issuance of long-term debt	16,500,000	-	17,000,000	(500,000)
<b>Total Revenues</b>	<u>169,260,163</u>	<u>133,627,648</u>	<u>169,477,894</u>	<u>(217,731)</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
L&P Energy Services	5,960,263	5,294,163	7,103,451	1,143,188
L&P Payments and Transfers	17,771,147	17,984,728	18,061,938	290,791
L&P Purchase of Power	90,640,003	92,366,000	92,512,520	1,872,517
L&P System Additions	12,200,187	16,680,428	15,604,986	3,404,799
Light & Power Operations	10,385,756	9,401,358	9,740,407	(645,349)
Projects (project level of budgetary control)				
Art in Public Places	445,393	-	962,506	517,113
Maintenance Mgmt	578,790	-	644,129	65,339
Electric Vehicle Charging Stn	95,695	-	98,931	3,236
Radios	726,303	-	773,325	47,022
Service Center-L&P Parent	12,485,279	-	13,640,372	1,155,093
Smart Grid Invest Grant	33,622,042	-	34,890,127	1,268,085
Substation Cap Proj	1,437,260	-	2,338,977	901,717
SW Enclave Sys Purchases	2,455	-	1,302,688	1,300,233
Underground Conversion	1,150,068	-	1,707,471	557,403
New Capacity-Duct Banks	34,085	-	1,425,000	1,390,915
Substation Cap Prj - Parent	-	-	463,952	463,952
<b>Total Expenses</b>	<u>187,534,726</u>	<u>141,726,677</u>	<u>201,470,780</u>	<u>13,936,054</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(18,274,563)	<u>\$ (8,099,029)</u>	<u>\$ (31,992,886)</u>	<u>\$ 13,718,323</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	39,710,429			
Prior Years' Project Revenues	(35,185,991)			
Capital Outlay--Programs	936,837			
Current Year's Project Expenses	21,920,092			
Principal Reduction--Long-term Debt	1,656,455			
Depreciation	(9,209,164)			
Bond Amortization	60,808			
<b>Total Reconciling Items</b>	<u>19,889,466</u>			
Change in net position	1,614,903			
Net Position--January 1 (as restated)	<u>201,087,112</u>			
Net Position--December 31	<u>\$ 202,702,015</u>			

**WATER FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Earnings on investments	\$ 342,727	\$ 921,650	\$ 921,650	\$ (578,923)
Fees and charges for services	29,664,040	29,680,000	29,680,000	(15,960)
Miscellaneous revenue	7,767,558	3,410,000	3,410,000	4,357,558
Sale of Capital Assets	25,310	-	-	25,310
Projects				
Fees and charges for services	111,842	-	-	111,842
Miscellaneous revenue	108,000	-	450,000	(342,000)
Transfers	390,491	-	390,491	-
Total Revenues	<u>38,409,968</u>	<u>34,011,650</u>	<u>34,852,141</u>	<u>3,557,827</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Water Meter Operations	616,245	998,468	998,468	382,223
Water Minor Capital	951,555	1,574,649	1,794,549	842,994
Water Payments and Transfers	10,796,470	11,543,994	11,543,994	747,524
Water Production	5,129,835	5,704,353	5,861,316	731,481
Water Quality	1,053,635	1,103,646	1,118,367	64,732
Water Resources	2,396,293	2,249,515	2,259,515	(136,778)
Water Trans & Distribution	3,116,572	2,735,932	2,756,119	(360,453)
Projects (project level of budgetary control)				
800MHz Radios	512,577	-	512,610	33
Art in Public Places	365,546	-	1,313,452	947,906
CMMS--Maintenance Management	513,079	-	592,629	79,550
Distribution Sys Replcmnts	4,251,083	-	6,052,226	1,801,143
Gravel Pit Storage Ponds	11,408,840	-	11,569,369	160,529
Halligan Res Enlargement Proj	16,226,674	-	37,377,446	21,150,772
High Park Fire	50,000	-	392,688	342,688
Michigan Ditch Improvements	790,520	-	800,000	9,480
Treatment Facility Improv	97,140	-	713,246	616,106
Water Meter Replace & Rehab	7,023,049	-	8,700,000	1,676,951
Water Prod Replcmnt Prgm	13,685,613	-	17,563,659	3,878,046
Water Supply Development	435,696	-	1,518,729	1,083,033
Wtr Cathodic Protection	175,067	-	312,663	137,596
Wtr Svc Ctr Improvements	5,197,926	-	6,410,010	1,212,084
Hoffman Mill Property Purchase	121,941	-	125,000	3,059
Chlorine Contact Basin	7,364,617	-	10,720,000	3,355,383
Total Expenses	<u>92,279,973</u>	<u>25,910,557</u>	<u>131,006,055</u>	<u>38,726,082</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(53,870,005)	<u>\$ 8,101,093</u>	<u>\$ (96,153,914)</u>	<u>\$ 42,283,909</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	44,962,186			
Prior Years' Project Revenues	(498,491)			
Capital Outlay--Programs	673,345			
Current Year's Project Expenses	23,114,440			
Principal Reduction--Long-term Debt	2,987,964			
Depreciation	(6,431,010)			
Bond Amortization	(26,794)			
Total Reconciling Items	<u>64,781,640</u>			
Change in net position	10,911,635			
Net Position--January 1 (as restated)	<u>287,894,771</u>			
Net Position--December 31	<u>\$ 298,806,406</u>			

**WASTEWATER FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 23,296,749	\$ 24,060,000	\$ 24,060,000	\$ (763,251)
Fines and forfeitures	1,125	-	-	1,125
Earnings on investments	133,477	398,953	398,953	(265,476)
Miscellaneous revenue	4,046,927	2,030,000	2,030,000	2,016,927
Sale of Capital Assets	71,260	-	-	71,260
Transfers	125,000	125,000	125,000	-
Projects				
Intergovernmental	1,238,479	-	1,080,000	158,479
<b>Total Revenues</b>	<u>28,913,017</u>	<u>26,613,953</u>	<u>27,693,953</u>	<u>1,219,064</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
WW Minor Capital	628,792	765,194	1,037,123	408,331
WW Payments and Transfers	7,873,104	8,625,217	8,625,217	752,113
WW Trunk and Collection	1,901,651	1,842,502	1,844,108	(57,543)
WW Water Quality	1,180,224	1,247,418	1,297,878	117,654
WW Water Reclamation	5,417,099	5,897,363	6,207,263	790,164
Projects (project level of budgetary control)				
800MHz Radios	240,920	-	240,920	-
Art in Public Places	122,358	-	750,535	628,177
CMMS--Maintenance Management	503,264	-	551,880	48,616
DWRF CIP Summary	6,990,527	-	10,980,497	3,989,970
MWRF CIP Summary	59,252	-	60,500	1,248
MWRF Improvements	136,366	-	471,620	335,254
North College Sewer	555,778	-	729,256	173,478
North Shields Sewer Intercepto	1,779,252	-	2,000,000	220,748
Sludge Disposal Improv	361,234	-	759,885	398,651
Wtr Reclam Replcmnt Prgm	5,041,335	-	5,720,643	679,308
WW Collection Sys Replcmnt	2,749,150	-	5,136,805	2,387,655
WW Svc Ctr Improvements	2,777,235	-	3,668,741	891,506
Hoffman Mill Property Purchase	73,165	-	75,000	1,835
UV Disinfection System	989,901	-	5,900,000	4,910,099
<b>Total Expenses</b>	<u>39,380,607</u>	<u>18,377,694</u>	<u>56,057,871</u>	<u>16,677,264</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(10,467,590)	<u>\$ 8,236,259</u>	<u>\$ (28,363,918)</u>	<u>\$ 17,896,328</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	16,047,580			
Prior Years' Project Revenues	(411,870)			
Capital Outlay--Programs	352,742			
Current Year's Project Expenses	6,258,429			
Principal Reduction--Long-term Debt	1,760,000			
Depreciation	(5,707,812)			
Bond Amortization	101,450			
<b>Total Reconciling Items</b>	<u>18,400,519</u>			
Change in net position	7,932,929			
Net Position--January 1 (as restated)	<u>162,603,234</u>			
Net Position--December 31	<u>\$ 170,536,163</u>			

**STORM DRAINAGE FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Earnings on investments	\$ 135,425	\$ 245,453	\$ 245,453	\$ (110,028)
Fees and charges for services	15,620,342	14,625,000	14,625,000	995,342
Licenses and permits	22,350	-	-	22,350
Miscellaneous revenue	1,346,886	820,000	820,000	526,886
Proceeds from issuance of long-term debt	12,908	-	-	12,908
Projects				
Intergovernmental	4,449,905	-	4,485,033	(35,128)
Miscellaneous revenue	19,556	-	19,556	-
Total Revenues	<u>21,607,372</u>	<u>15,690,453</u>	<u>20,195,042</u>	<u>1,412,330</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Stormwater Minor Capital	266,843	200,000	315,026	48,183
Stormwater Operations	3,229,177	3,349,149	3,357,378	128,201
SW Payments and Transfers	7,533,120	7,824,257	7,824,257	291,137
Projects (project level of budgetary control)				
800 MHz Radio System	58,810	-	58,810	-
Art in Public Places	161,755	-	382,627	220,872
CMMS--Maintenance Management	453,996	-	551,879	97,883
Flood Mapping/Stream Gagin	665,393	-	700,990	35,597
Hoffman Mill Land Purchase	97,553	-	100,000	2,447
McGlelland/Mail Crk Basin	5,000	-	68,267	63,267
Post Fire-Flood Warning Grant	18,184	-	23,841	5,657
Spring Crk Basin Improv	704,607	-	707,829	3,222
SW Basin Improvements	17,707,818	-	23,807,856	6,100,038
SW Developer Repays	55,000	-	743,944	688,944
SW Master Planning	1,901,822	-	2,194,987	293,165
Util Ser Cntr Add/Remodel	2,705,770	-	3,462,038	756,268
Util Ser Cntr Add/Remodel	-	-	2,161	2,161
Total Expenses	<u>35,564,848</u>	<u>11,373,406</u>	<u>44,301,890</u>	<u>8,737,042</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(13,957,476)	<u>\$ 4,317,047</u>	<u>\$ (24,106,848)</u>	<u>\$ 10,149,372</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	11,330,173			
Prior Years' Project Revenues	(1,215,279)			
Capital Outlay--Programs	351,497			
Current Year's Project Expenses	12,802,653			
Principal Reduction--Long-term Debt	3,465,000			
Depreciation	(2,632,728)			
Bond Amortization	(68,891)			
Total Reconciling Items	<u>24,032,425</u>			
Change in net position	10,074,949			
Net Position--January 1 (as restated)	<u>118,115,156</u>			
Net Position--December 31	<u>\$ 128,190,105</u>			

**GOLF FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 3,400,221	\$ 3,327,518	\$ 3,327,518	\$ 72,703
Earnings (loss) on investments	3,368	3,330	3,330	38
Miscellaneous revenue	34,426	42,000	42,000	(7,574)
Proceeds from lease purchase	10,600	-	-	10,600
Total Revenues	<u>3,448,615</u>	<u>3,372,848</u>	<u>3,372,848</u>	<u>75,767</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Capital Outlay	181,940	30,000	158,519	(23,421)
Debt & Other Uses	617,758	670,582	629,679	11,921
Other	642	95,000	24,326	23,684
Other Purchased Services	153,061	152,770	156,220	3,159
Personnel Costs	1,402,833	1,421,913	1,410,122	7,289
Purchased Prof & Tech Services	464,831	414,240	511,552	46,721
Purchased Property Services	261,829	313,256	309,107	47,278
Supplies	352,013	376,962	374,290	22,277
Transfers	45,419	45,419	45,419	-
Total Expenses	<u>3,480,326</u>	<u>3,520,142</u>	<u>3,619,234</u>	<u>138,908</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(31,711)	<u>\$ (147,294)</u>	<u>\$ (246,386)</u>	<u>\$ 214,675</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Current Year's Project Expenses	66,711			
Principal Reduction--Long-term Debt	567,923			
Depreciation	(322,264)			
Bond Amortization	3,096			
Total Reconciling Items	<u>315,466</u>			
Change in net position	283,755			
Net Position--January 1	<u>5,369,318</u>			
Net Position--December 31	<u>\$ 5,653,073</u>			

**INTERNAL SERVICE FUNDS  
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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**Equipment** -- to account for the fleet services provided to other funds of the City.

**Self-Insurance** -- to account for self-insurance of property and liability claims.

**Data and Communications** -- to account for the acquisition, operation, and maintenance of the City's telephone system, office automation system, and network backbone, as well as computer application services.

**Benefits** -- to account for the self-insurance of employee health care benefits and other benefits provided to City employees.

**Utility Customer Service and Administration** -- to account for customer and administrative services provided to the City's utility funds.

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2016**

	<u>Equipment</u>	<u>Self Insurance</u>	<u>Data and Communications</u>
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	\$ 510,255	\$ 3,580,791	\$ 328,209
Investments	4,589,514	2,085,813	4,710,038
Receivables			
Accounts	-	245,572	31,060
Interest	15,542	7,484	15,747
Prepaid item	-	269,057	-
Due from other governments	135,822	-	-
Inventories of materials and supplies	632,983	-	-
Total Current Assets	<u>5,884,116</u>	<u>6,188,717</u>	<u>5,085,054</u>
Non-Current Assets			
Restricted - cash and cash equivalents	1,085,152	-	3,651
Land, water rights, other	30,126	-	-
Buildings, improvements and equipment	15,161,514	-	4,164,315
Accumulated depreciation	(8,075,052)	-	(3,682,100)
Construction in progress	53,935	-	-
Total Non-Current Assets	<u>8,255,675</u>	<u>-</u>	<u>485,866</u>
Total Assets	<u>14,139,791</u>	<u>6,188,717</u>	<u>5,570,920</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Other pension-related items	87,002	-	48,564
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	332,689	40,758	106,226
Interest payable	12,962	-	3,674
Wages payable	123,830	26,255	182,156
Compensated absences	133,683	30,637	368,528
Claims payable	-	1,564,341	-
Capital lease obligations	1,475,441	-	253,128
Unearned revenue	135,822	-	-
Total Current Liabilities	<u>2,214,427</u>	<u>1,661,991</u>	<u>913,712</u>
Non-Current Liabilities			
Postemployment benefits	601,052	-	335,505
Claims payable	-	2,969,917	-
Capital lease obligations	3,692,300	-	256,662
Total Non-Current Liabilities	<u>4,293,352</u>	<u>2,969,917</u>	<u>592,167</u>
Total Liabilities	<u>6,507,779</u>	<u>4,631,908</u>	<u>1,505,879</u>
<b>NET POSITION</b>			
Net investment in capital assets	3,087,934	-	(27,575)
Restricted: debt service	-	-	3,651
Unrestricted	4,631,080	1,556,809	4,137,529
Total Net Position	<u>\$ 7,719,014</u>	<u>\$ 1,556,809</u>	<u>\$ 4,113,605</u>

	<b>Benefits</b>	<b>Utility Customer Service and Admin.</b>	<b>Total</b>
\$	1,364,003	\$ 167,217	\$ 5,950,475
	6,278,952	3,858,819	21,523,136
	18,739	9,245	304,616
	21,747	12,733	73,253
	-	-	269,057
	-	-	135,822
	-	-	632,983
	<u>7,683,441</u>	<u>4,048,014</u>	<u>28,889,342</u>
	-	-	1,088,803
	-	-	30,126
	-	3,526,268	22,852,097
	-	(3,267,542)	(15,024,694)
	-	-	53,935
	-	258,726	9,000,267
	<u>7,683,441</u>	<u>4,306,740</u>	<u>37,889,609</u>
	15,304	200,036	350,906
	797,747	196,977	1,474,397
	-	-	16,636
	23,551	354,125	709,917
	47,099	312,361	892,308
	1,775,562	-	3,339,903
	-	-	1,728,569
	-	-	135,822
	<u>2,643,959</u>	<u>863,463</u>	<u>8,297,552</u>
	105,727	1,381,936	2,424,220
	-	-	2,969,917
	-	-	3,948,962
	<u>105,727</u>	<u>1,381,936</u>	<u>9,343,099</u>
	<u>2,749,686</u>	<u>2,245,399</u>	<u>17,640,651</u>
	-	258,726	3,319,085
	-	-	3,651
	4,949,059	2,002,651	17,277,128
\$	<u>4,949,059</u>	<u>\$ 2,261,377</u>	<u>\$ 20,599,864</u>



**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Equipment</u>	<u>Self Insurance</u>	<u>Data and Communications</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 8,795,158	\$ 3,459,005	\$ 2,156,895
Other revenue	618,866	81,848	1,178
Total Operating Revenues	<u>9,414,024</u>	<u>3,540,853</u>	<u>2,158,073</u>
<b>OPERATING EXPENSES</b>			
Personal services	3,056,084	634,938	4,678,923
Contractual services	2,068,591	3,243,758	2,436,153
Commodities	2,083,117	207,724	659,716
Other	394,253	1,162	1,071,223
Depreciation	1,214,383	-	203,605
Total Operating Expenses	<u>8,816,428</u>	<u>4,087,582</u>	<u>9,049,620</u>
Operating Income (Loss)	<u>597,596</u>	<u>(546,729)</u>	<u>(6,891,547)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Earnings on investments	20,762	10,607	16,625
Intergovernmental	35,000	-	-
Gain (loss) on sale of capital assets	160,629	-	1,400
Interest expense	(107,670)	-	(16,215)
Total Nonoperating Revenues (Expenses)	<u>108,721</u>	<u>10,607</u>	<u>1,810</u>
Income (Loss) Before Transfers	<u>706,317</u>	<u>(536,122)</u>	<u>(6,889,737)</u>
Transfers in	1,398,693	600,000	8,619,930
Transfers out	-	(192,405)	-
Change in Net Position	<u>2,105,010</u>	<u>(128,527)</u>	<u>1,730,193</u>
Net Position--January 1	<u>5,614,004</u>	<u>1,685,336</u>	<u>2,383,412</u>
Net Position--December 31	<u>\$ 7,719,014</u>	<u>\$ 1,556,809</u>	<u>\$ 4,113,605</u>

	<b>Utility Customer</b>	
<b>Benefits</b>	<b>Service and Admin.</b>	<b>Total</b>
\$ 28,275,382	\$ 15,661,135	\$ 58,347,575
40,000	1,306,746	2,048,638
<u>28,315,382</u>	<u>16,967,881</u>	<u>60,396,213</u>
716,276	9,154,807	18,241,028
28,095,392	3,983,262	39,827,156
14,668	390,507	3,355,732
-	131,265	1,597,903
-	87,156	1,505,144
<u>28,826,336</u>	<u>13,746,997</u>	<u>64,526,963</u>
<u>(510,954)</u>	<u>3,220,884</u>	<u>(4,130,750)</u>
21,942	24,870	94,806
-	-	35,000
-	4,008	166,037
-	-	(123,885)
<u>21,942</u>	<u>28,878</u>	<u>171,958</u>
<u>(489,012)</u>	<u>3,249,762</u>	<u>(3,958,792)</u>
-	336,513	10,955,136
-	(2,088,649)	(2,281,054)
<u>(489,012)</u>	<u>1,497,626</u>	<u>4,715,290</u>
<u>5,438,071</u>	<u>763,751</u>	<u>15,884,574</u>
<u>\$ 4,949,059</u>	<u>\$ 2,261,377</u>	<u>\$ 20,599,864</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Equipment</u>	<u>Self Insurance</u>	<u>Data and Communications</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services provided	\$ 8,828,361	\$ 3,337,175	\$ 2,154,051
Cash paid to employees for services	(3,009,943)	(636,716)	(4,660,749)
Cash paid to other suppliers of goods & services	(4,404,020)	(3,195,975)	(4,096,694)
Other receipts	618,866	81,848	1,178
Net cash provided (used) by operating activities	<u>2,033,264</u>	<u>(413,668)</u>	<u>(6,602,214)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from other funds	1,398,693	600,000	8,619,930
Transfers to other funds	-	(192,405)	-
Net cash provided (used) by noncapital financing activities	<u>1,398,693</u>	<u>407,595</u>	<u>8,619,930</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from capital debt	2,453,614	-	-
Purchases of capital assets	(4,023,055)	-	(157,864)
Principal paid on capital debt	(1,432,580)	-	(407,362)
Interest paid on capital debt	(104,753)	-	(17,469)
Proceeds from sales of capital assets	173,130	-	1,400
Grant proceeds from federal government	35,000	-	-
Net cash (used) by capital and related financing activities	<u>(2,898,644)</u>	<u>-</u>	<u>(581,295)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments	(839,520)	(22,942)	(1,410,152)
Earnings received on investments	16,754	9,498	11,042
Net cash provided (used) by investing activities	<u>(822,766)</u>	<u>(13,444)</u>	<u>(1,399,110)</u>
Net increase (decrease) in cash and cash equivalents	(289,453)	(19,517)	37,311
Cash and cash equivalents, January 1	1,884,860	3,600,308	294,549
Cash and cash equivalents, December 31	<u>\$ 1,595,407</u>	<u>\$ 3,580,791</u>	<u>\$ 331,860</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 597,596	\$ (546,729)	\$ (6,891,547)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	1,214,383	-	203,605
(Increase) decrease in accounts receivable	33,203	(121,830)	(2,844)
(Increase) in inventories	(98,588)	-	-
(Increase) decrease in prepaid item	74,407	(49,263)	2,651
(Increase) decrease in pension-related items	20,202	-	11,277
Increase (decrease) in accounts payable	166,122	3,321	67,747
Increase (decrease) in compensated absences payable	8,045	(5,225)	(13,858)
Increase (decrease) in post-emp obligation	(14,758)	-	(8,238)
Increase in wages payable	32,652	3,447	28,993
Increase (decrease) in claims payable	-	302,611	-
Net cash provided (used) by operating activities	<u>\$ 2,033,264</u>	<u>\$ (413,668)</u>	<u>\$ (6,602,214)</u>
<b>Reconciliation of cash and cash equivalents to statement of net position:</b>			
Cash and cash equivalents	510,255	3,580,791	328,209
Restricted Assets - cash and cash equivalents	1,085,152	-	3,651
	<u>\$ 1,595,407</u>	<u>\$ 3,580,791</u>	<u>\$ 331,860</u>

	<b>Utility Customer</b>		
<b>Benefits</b>	<b>Service and Admin.</b>	<b>Total</b>	
\$ 28,414,397	\$ 15,658,397	\$ 58,392,381	
(706,271)	(9,091,617)	(18,105,296)	
(27,629,957)	(4,519,655)	(43,846,301)	
40,000	1,306,746	2,048,638	
<u>118,169</u>	<u>3,353,871</u>	<u>(1,510,578)</u>	
-	336,513	10,955,136	
-	(2,088,649)	(2,281,054)	
-	(1,752,136)	8,674,082	
-	-	2,453,614	
-	(139,630)	(4,320,549)	
-	-	(1,839,942)	
-	-	(122,222)	
-	4,008	178,538	
-	-	35,000	
-	(135,622)	(3,615,561)	
71,760	(1,490,958)	(3,691,812)	
<u>19,756</u>	<u>19,350</u>	<u>76,400</u>	
91,516	(1,471,608)	(3,615,412)	
<u>209,685</u>	<u>(5,495)</u>	<u>(67,469)</u>	
<u>1,154,318</u>	<u>172,712</u>	<u>7,106,747</u>	
<u>\$ 1,364,003</u>	<u>\$ 167,217</u>	<u>\$ 7,039,278</u>	
\$ (510,954)	\$ 3,220,884	\$ (4,130,750)	
-	87,156	1,505,144	
139,015	(2,738)	44,806	
-	-	(98,588)	
-	-	27,795	
3,554	46,447	81,480	
280,024	(14,621)	502,593	
5,215	(6,529)	(12,352)	
(2,596)	(33,932)	(59,524)	
3,832	57,204	126,128	
<u>200,079</u>	<u>-</u>	<u>502,690</u>	
<u>\$ 118,169</u>	<u>\$ 3,353,871</u>	<u>\$ (1,510,578)</u>	
1,364,003	167,217	5,950,475	
-	-	1,088,803	
<u>\$ 1,364,003</u>	<u>\$ 167,217</u>	<u>\$ 7,039,278</u>	

**EQUIPMENT FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 8,795,158	\$ 10,737,804	\$ 10,737,804	\$ (1,942,646)
Earnings (loss) on investments	20,762	14,000	14,000	6,762
Miscellaneous revenue	610,191	65,500	65,500	544,691
Proceeds from lease purchase	169,304	62,500	62,500	106,804
Transfers	1,398,693	1,398,693	1,398,693	-
Projects				
Intergovernmental	238,742	-	285,782	(47,040)
Total Revenues	<u>11,232,850</u>	<u>12,278,497</u>	<u>12,564,279</u>	<u>(1,331,429)</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Equipment Shop	2,752,480	2,650,655	2,743,261	(9,219)
Fleet Fuel	1,887,321	3,820,576	3,881,457	1,994,136
Fleet Pool Rental	284,222	553,808	581,510	297,288
Fleet Support Services	516,120	474,209	474,504	(41,616)
Fleet Warehouse	63,933	54,915	54,915	(9,018)
General Fund Equip Replacement	6,512	66,981	51,909	45,397
Pks, Forestry, Hort Veh Rplc	429,559	370,962	327,512	(102,047)
Police Equipment Replacement	1,162,383	960,750	865,540	(296,843)
Streets Shop	875,030	1,221,557	1,228,235	353,205
Transfort Shop	1,877,293	2,093,819	2,232,398	355,105
PDT Vehicle Replacement	383,353	-	-	(383,353)
KFCG Vehicle Replacement	(1)	-	-	1
Projects (project level of budgetary control)				
Fleet Services Energy Grants	401,746	-	305,167	(96,579)
Total Expenses	<u>10,639,951</u>	<u>12,268,232</u>	<u>12,746,408</u>	<u>2,106,457</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	592,899	<u>\$ 10,265</u>	<u>\$ (182,129)</u>	<u>\$ 775,028</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	67,920			
Prior Years' Project Revenues	(67,920)			
Capital Outlay--Programs	960,088			
Current Year's Project Expenses	333,826			
Principal Reduction--Long-term Debt	1,432,580			
Depreciation	(1,214,383)			
Total Reconciling Items	<u>1,512,111</u>			
Change in net position	2,105,010			
Net Position--January 1 (as restated)	<u>5,614,004</u>			
Net Position--December 31	<u>\$ 7,719,014</u>			

**SELF INSURANCE FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 3,459,005	\$ 3,175,832	\$ 3,175,832	\$ 283,173
Earnings (loss) on investments	10,607	46,881	46,881	(36,274)
Miscellaneous revenue	81,848	-	-	81,848
Transfers	600,000	600,000	600,000	-
Total Revenues	<u>4,151,460</u>	<u>3,822,713</u>	<u>3,822,713</u>	<u>328,747</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Property & Liability Insurance	128,902	-	-	(128,902)
Risk Management	4,004,400	4,161,545	4,163,362	158,962
Risk Management Environmental	1,436	-	-	(1,436)
Workers Compensation	18,758	-	-	(18,758)
Total Expenses	<u>4,153,496</u>	<u>4,161,545</u>	<u>4,163,362</u>	<u>9,866</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(2,036)	<u>\$ (338,832)</u>	<u>\$ (340,649)</u>	<u>\$ 338,613</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Actuarial Change	(126,491)			
Total Reconciling Items	<u>(126,491)</u>			
Change in net position	(128,527)			
Net Position--January 1	<u>1,685,336</u>			
Net Position--December 31	<u>\$ 1,556,809</u>			

**DATA AND COMMUNICATIONS FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 2,156,895	\$ 1,862,693	\$ 1,862,693	\$ 294,202
Earnings (loss) on investments	16,625	38,119	38,119	(21,494)
Miscellaneous revenue	1,178	-	-	1,178
Proceeds from issuance of long-term debt	1,400	-	-	1,400
Transfers	8,619,930	8,619,930	8,619,930	-
Total Revenues	<u>10,796,028</u>	<u>10,520,742</u>	<u>10,520,742</u>	<u>275,286</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Application Services	287,651	716,169	716,169	428,518
Data Management Services	875,427	1,047,556	1,047,556	172,129
Dev Tracking System	279,441	306,661	306,661	27,220
E-Government Services	424,622	572,442	572,442	147,820
E-Mail Services	101,563	82,481	82,481	(19,082)
Enterprise Doc Mgmt Services	200,810	235,903	235,903	35,093
ERP Services	920,962	879,605	984,355	63,393
Geographic Info Services	536,841	507,662	507,662	(29,179)
Infra Equip Replacement	1,640,227	2,130,140	2,329,862	689,635
IT Administration	534,123	507,853	507,853	(26,270)
IT Client Services	976,414	1,032,760	1,032,760	56,346
Network Services	1,144,984	1,221,916	1,249,048	104,064
Non Enterprise Equip & Support	802,217	693,600	1,177,600	375,383
Voice Services	702,174	793,878	793,878	91,704
Total Expenses	<u>9,427,456</u>	<u>10,728,626</u>	<u>11,544,230</u>	<u>2,116,774</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	1,368,572	<u>\$ (207,884)</u>	<u>\$ (1,023,488)</u>	<u>\$ 2,392,060</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Current Year's Project Expenses	157,864			
Principal Reduction--Long-term Debt	407,362			
Depreciation	(203,605)			
Total Reconciling Items	<u>361,621</u>			
Change in net position	1,730,193			
Net Position--January 1 (as restated)	<u>2,383,412</u>			
Net Position--December 31	<u>\$ 4,113,605</u>			

**BENEFITS FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 28,274,906	\$ 24,979,400	\$ 24,979,400	\$ 3,295,506
Earnings (loss) on investments	21,942	147,526	147,526	(125,584)
Miscellaneous revenue	40,000	2,768,319	2,768,319	(2,728,319)
Total Revenues	<u>28,336,848</u>	<u>27,895,245</u>	<u>27,895,245</u>	<u>441,603</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Benefits	28,063,943	28,073,250	28,073,250	9,307
Total Expenses	<u>28,063,943</u>	<u>28,073,250</u>	<u>28,073,250</u>	<u>9,307</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	272,905	<u>\$ (178,005)</u>	<u>\$ (178,005)</u>	<u>\$ 450,910</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Actuarial Change	(761,917)			
Total Reconciling Items	<u>(761,917)</u>			
Change in net position	(489,012)			
Net Position--January 1 (as restated)	<u>5,438,071</u>			
Net Position--December 31	<u>\$ 4,949,059</u>			



**UTILITY CUSTOMER SERVICE AND ADMINISTRATIVE FUND  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Fees and charges for services	\$ 15,661,310	\$ 15,660,960	\$ 15,660,960	\$ 350
Earnings (loss) on investments	24,870	40,000	40,000	(15,130)
Miscellaneous revenue	1,306,746	1,130,000	1,130,000	176,746
Other financing sources	4,008	-	-	4,008
Transfers	336,513	336,513	336,513	-
Total Revenues	<u>17,333,447</u>	<u>17,167,473</u>	<u>17,167,473</u>	<u>165,974</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
Electric Field Services	191,325	284,287	284,287	92,962
Safety and Security	437,294	852,432	852,432	415,138
Ut Electric Systems Eng Div	760,739	625,870	659,440	(101,299)
Ut Enviro Regulatory Affairs	852,282	853,730	873,296	21,014
Ut Standards Engineering Div	141,292	181,774	181,774	40,482
Utilities Customer Connections	6,012,520	6,339,876	6,603,304	590,784
Utilities Management	840,855	1,196,069	1,262,555	421,700
Utilities Strategic Planning	247,368	472,039	617,148	369,780
Utility Financial Operations	2,225,002	2,411,827	2,411,827	186,825
Utility Tech. & Cust. Service	4,064,018	4,224,527	4,422,021	358,003
Total Expenses	<u>15,772,695</u>	<u>17,442,431</u>	<u>18,168,084</u>	<u>2,395,389</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	1,560,752	<u>\$ (274,958)</u>	<u>\$ (1,000,611)</u>	<u>\$ 2,561,363</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Current Year's Project Expenses	24,030			
Depreciation	(87,156)			
Total Reconciling Items	<u>(63,126)</u>			
Change in net position	1,497,626			
Net Position--January 1 (as restated)	<u>763,751</u>			
Net Position--December 31	<u>\$ 2,261,377</u>			

**FIDUCIARY FUNDS  
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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**Trust Funds:**

**General Employees' Retirement Plan** -- to account for the general employees' retirement plan.  
Closed to new hires as of 1/1/1999.

**Agency Funds:**

**Poudre Fire Authority** -- to account for cash and investments held by the City on behalf of Poudre Fire Authority.

**Poudre River Public Library District** -- to account for cash and investments held by the City on behalf of Poudre River Public Library District.

**GENERAL EMPLOYEES' RETIREMENT PLAN TRUST FUND  
SCHEDULE OF CHANGES IN NET POSITION HELD IN TRUST FOR  
PENSION BENEFITS - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>ADDITIONS</b>			
Contributions	\$ 1,720,650	\$ 1,830,000	\$ (109,350)
Earnings on investments	174,320	159,250	15,070
Change in the fair value of investments	<u>2,322,530</u>	<u>-</u>	<u>2,322,530</u>
Total Additions	<u>4,217,500</u>	<u>1,989,250</u>	<u>2,228,250</u>
<b>DEDUCTIONS</b>			
Benefit payments	3,367,735	4,100,000	732,265
Administration	<u>30,743</u>	<u>28,780</u>	<u>(1,963)</u>
Total Deductions	<u>3,398,478</u>	<u>4,128,780</u>	<u>730,302</u>
Net Increase (Decrease) in Plan Net Position	819,022	<u>\$ (2,139,530)</u>	<u>\$ 2,958,552</u>
Net Position Held in Trust for Pension Benefits--January 1	<u>43,050,288</u>		
Net Position Held in Trust for Pension Benefits--December 31	<u>\$ 43,869,310</u>		

**AGENCY FUNDS  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
DECEMBER 31, 2016**

	<b>Poudre Fire Authority</b>	<b>Poudre River Public Library District</b>	<b>Total Agency Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,208,451	\$ 478,274	\$ 2,686,725
Interest Receivable	41,778	22,474	64,252
Investments, at fair value			
U S Government securities	10,820,897	5,817,561	16,638,458
Corporate bonds	1,607,897	864,442	2,472,339
Total Investments, at fair value	<u>12,428,794</u>	<u>6,682,003</u>	<u>19,110,797</u>
Total Assets	<u>14,679,023</u>	<u>7,182,751</u>	<u>21,861,774</u>
<b>LIABILITIES</b>			
Amounts held for other governments	<u>14,679,023</u>	<u>7,182,751</u>	<u>21,861,774</u>
Total Liabilities	<u>\$ 14,679,023</u>	<u>\$ 7,182,751</u>	<u>\$ 21,861,774</u>

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

**AGENCY FUNDS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>POUDRE FIRE AUTHORITY</b>	<b>Balance-- Dec. 31, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance-- Dec. 31, 2016</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,199,066	\$ 1,009,385	\$ -	\$ 2,208,451
Receivables - interest	41,664	114	-	41,778
Investments, at fair value				
U S Government securities	12,487,571	-	1,666,674	10,820,897
Corporate bonds	1,249,748	358,149	-	1,607,897
Total Investments, at fair value	<u>13,737,319</u>	<u>358,149</u>	<u>1,666,674</u>	<u>12,428,794</u>
Total Assets	<u>14,978,049</u>	<u>1,367,648</u>	<u>1,666,674</u>	<u>14,679,023</u>
<b>LIABILITIES</b>				
Amounts held for other governments	<u>\$ 14,978,049</u>	<u>\$ 1,367,648</u>	<u>\$ 1,666,674</u>	<u>\$ 14,679,023</u>
<b>POUDRE RIVER PUBLIC LIBRARY DISTRICT</b>				
	<b>Balance-- Dec. 31, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance-- Dec. 31, 2016</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 570,694	\$ -	\$ 92,420	\$ 478,274
Receivables - interest	19,754	2,720	-	22,474
Investments, at fair value				
U S Government securities	5,832,793	-	15,232	5,817,561
Corporate bonds	583,742	280,700	-	864,442
Total Investments, at fair value	<u>6,416,535</u>	<u>280,700</u>	<u>15,232</u>	<u>6,682,003</u>
Total Assets	<u>7,006,983</u>	<u>283,420</u>	<u>107,652</u>	<u>7,182,751</u>
<b>LIABILITIES</b>				
Amounts held for other governments	<u>\$ 7,006,983</u>	<u>\$ 283,420</u>	<u>\$ 107,652</u>	<u>\$ 7,182,751</u>
<b>TOTAL - ALL FUNDS</b>				
	<b>Balance-- Dec. 31, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance-- Dec. 31, 2016</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,769,760	\$ 1,009,385	\$ 92,420	\$ 2,686,725
Receivables - interest	61,418	2,834	-	64,252
Investments, at fair value				
U S Government securities	18,320,364	-	1,681,906	16,638,458
Corporate bonds	1,833,490	638,849	-	2,472,339
Total Investments, at fair value	<u>20,153,854</u>	<u>638,849</u>	<u>1,681,906</u>	<u>19,110,797</u>
Total Assets	<u>21,985,032</u>	<u>1,651,068</u>	<u>1,774,326</u>	<u>21,861,774</u>
<b>LIABILITIES</b>				
Amounts held for other governments	<u>\$ 21,985,032</u>	<u>\$ 1,651,068</u>	<u>\$ 1,774,326</u>	<u>\$ 21,861,774</u>

**COMPONENT UNIT FUNDS  
RECONCILIATIONS  
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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**DOWNTOWN DEVELOPMENT AUTHORITY (DDA)**

**Reconciliations:**

Reconciliation of the Balance Sheet to the Statement of Net Position

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

**Funds:**

**General --** to account for all general operations of the DDA except those required to be accounted for in another fund.

**Debt Service --** to account for tax increment revenues received from property taxes and used to service the DDA's tax increment bonds.

**COMPONENT UNIT  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2016**

	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 166,909	\$ -	\$ 166,909
Investments	2,362,310	-	2,362,310
Receivables			
Property taxes	5,387,446	-	5,387,446
Accounts	44,123	-	44,123
Interest	18,310	-	18,310
Inventory of real property held for resale	135,464	-	135,464
Restricted investments	1,250,000	-	1,250,000
Capital assets (non-depreciable)	-	2,544,197	1 2,544,197
Capital assets (net of accumulated depreciation)	-	2,493,601	1 2,493,601
<b>Total Assets</b>	<u>9,364,562</u>	<u>5,037,798</u>	<u>14,402,360</u>
<b>LIABILITIES</b>			
Accounts payable	62,818	-	62,818
Interest payable	-	24,792	2 24,792
Wages payable	18,358	-	18,358
Compensated Absences	-	14,083	14,083
Non-Current liabilities			
Due within one year	-	1,959,661	2 1,959,661
Due after one year	-	10,061,045	2 10,061,045
<b>Total Liabilities</b>	<u>81,176</u>	<u>12,059,581</u>	<u>12,140,757</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	5,387,446	-	5,387,446
<b>Total Deferred inflows of resources</b>	<u>5,387,446</u>	<u>-</u>	<u>5,387,446</u>
<b>FUND BALANCES/NET POSITION</b>			
Fund balances			
Nonspendable	135,464		
Restricted	1,562,264		
Assigned	2,198,212		
<b>Total Fund Balances</b>	<u>3,895,940</u>	<u>(7,021,783)</u>	<u>(3,125,843)</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 9,364,562</u>		
<b>Net Position:</b>			
Net investment in capital assets			5,037,798
Restricted for debt service			1,562,264
Unrestricted (deficits)			3 (9,725,905)
<b>Total Net Position (Deficit) of Component Unit (page 29)</b>			<u>\$ (3,125,843)</u>

- 1 Capital assets net of accumulated depreciation used in governmental activities are not current financial resources. Therefore they are not reported in the funds.
- 2 Long-term liabilities, including bonds payable, related interest, and compensated absences, are not due and payable in the current period and therefore not reported in the funds.
- 3 The component unit receives tax increment to service the bonds issued for improvements made within the downtown area. A majority of these improvements relate to building facades intended to preserve the historical architecture in the Old Town area of the City's downtown. Although the component unit may benefit over time from any increase in the assessed value of these properties related to these improvements, no assets are recorded in relation to these activities. As a result, the statement of net position for the component unit reflects a deficit balance for unrestricted net position.

**COMPONENT UNIT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/Expenses (including transfers):			
Expenditures/expenses	\$ 7,036,262	\$ (3,709,319) <sup>1</sup>	\$ 3,326,943
	<u>7,036,262</u>	<u>(3,709,319)</u>	<u>3,326,943</u>
Program Revenues			
Charges for services	68,800	-	68,800
Operating grants and contributions	73,539	-	73,539
Net Program Revenues	<u>142,339</u>	<u>-</u>	<u>142,339</u>
Net Program Expense	<u>6,893,923</u>	<u>(3,709,319)</u>	<u>3,184,604</u>
General Revenues			
Property taxes	4,935,865	-	4,935,865
Investment earnings	9,679	-	9,679
Miscellaneous	2,076,610	(2,034,642) <sup>2</sup>	41,968
Total General Revenues	<u>7,022,154</u>	<u>(2,034,642)</u>	<u>4,987,512</u>
Change in Net Position (pages 30-31)	128,231	1,674,677	1,802,908
Fund Balance/Net Position			
Beginning of the year	3,767,709	(8,696,460)	(4,928,751)
End of the year	<u>\$ 3,895,940</u>	<u>\$ (7,021,783)</u>	<u>\$ (3,125,843)</u>

<sup>1</sup> Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Net decrease in accrued interest related to last debt service payment	(22,592)
Net decrease in compensated absences	(1,044)
Debt Payment	(3,753,937)
Fixed asset acquisitions reported as governmental expenditures	(24,879)
Current year depreciation	93,133
	<u>\$ (3,709,319)</u>

<sup>2</sup> Proceeds from issuance of long term debt are not reported as revenues in the governmental funds.

<u>\$ (2,034,642)</u>
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**DOWNTOWN DEVELOPMENT AUTHORITY  
BALANCE SHEET  
DECEMBER 31, 2016**

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 145,899	\$ 21,010	\$ 166,909
Investments	2,082,242	280,068	2,362,310
Receivables			
Property taxes	867,924	4,519,522	5,387,446
Accounts	44,123	-	44,123
Interest	7,124	11,186	18,310
Inventory of real property held for resale	135,464	-	135,464
Restricted - investments	-	1,250,000	1,250,000
Total Assets	<u>3,282,776</u>	<u>6,081,786</u>	<u>9,364,562</u>
<b>LIABILITIES</b>			
Accounts payable, accruals, and other	62,818	-	62,818
Wages payable	<u>18,358</u>	<u>-</u>	<u>18,358</u>
Total Liabilities	<u>81,176</u>	<u>-</u>	<u>81,176</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	<u>867,924</u>	<u>4,519,522</u>	<u>5,387,446</u>
Total Deferred inflows of resources	<u>867,924</u>	<u>4,519,522</u>	<u>5,387,446</u>
Total Liabilities and Deferred inflows of resources	<u>949,100</u>	<u>4,519,522</u>	<u>5,468,622</u>
<b>FUND BALANCES</b>			
Nonspendable	135,464	-	135,464
Restricted	-	1,562,264	1,562,264
Assigned	<u>2,198,212</u>	<u>-</u>	<u>2,198,212</u>
Total Fund Balances	<u>2,333,676</u>	<u>1,562,264</u>	<u>3,895,940</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,282,776</u>	<u>\$ 6,081,786</u>	<u>\$ 9,364,562</u>

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

**DOWNTOWN DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
<b>REVENUES</b>			
Taxes	\$ 649,819	\$ 4,286,046	\$ 4,935,865
Licenses and permits	1,800	-	1,800
Intergovernmental	73,539	-	73,539
Fees and charges for services	67,000	-	67,000
Earnings on investments	9,704	(25)	9,679
Miscellaneous revenue	41,968	-	41,968
Total Revenues	<u>843,830</u>	<u>4,286,021</u>	<u>5,129,851</u>
<b>EXPENDITURES</b>			
Current operating			
Administrative	2,615,273	163	2,615,436
Debt service			
Principal	2,920	4,003,562	4,006,482
Interest	-	414,344	414,344
Total Expenditures	<u>2,618,193</u>	<u>4,418,069</u>	<u>7,036,262</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,774,363)</u>	<u>(132,048)</u>	<u>(1,906,411)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from issuance of long term debt	2,034,642	-	2,034,642
Transfers out			
Total Other Financing Sources	<u>2,034,642</u>	<u>-</u>	<u>2,034,642</u>
Net Change in Fund Balances	260,279	(132,048)	128,231
Fund Balances-January 1	<u>2,073,397</u>	<u>1,694,312</u>	<u>3,767,709</u>
Fund Balances-December 31	<u>\$ 2,333,676</u>	<u>\$ 1,562,264</u>	<u>\$ 3,895,940</u>

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

**DOWNTOWN DEVELOPMENT AUTHORITY  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Programs			
Earnings on investments	\$ 9,704	\$ 298	\$ 9,406
Fees and charges for services	67,000	100,000	(33,000)
Intergovernmental	73,539	47,385	26,154
Licenses and permits	1,800	1,800	-
Miscellaneous revenue	41,968	-	41,968
Proceeds from issuance of long-term debt	2,034,642	2,100,000	(65,358)
Taxes	649,819	642,234	7,585
Total Revenues	<u>2,878,472</u>	<u>2,891,717</u>	<u>(13,245)</u>
<b>EXPENDITURES</b>			
Programs			
DDA - 2014 Financing Activity	(54,665)	-	54,665
DDA - 2015 Financing Activity	1,961,214	3,803,728	1,842,514
Operation & Maintenance DDA	711,644	863,790	152,146
Total Expenditures	<u>2,618,193</u>	<u>4,667,518</u>	<u>2,049,325</u>
Excess (deficiency) of revenues over (under) expenditures	260,279	<u>\$ (1,775,801)</u>	<u>\$ 2,036,080</u>
Fund Balances--January 1	<u>2,073,397</u>		
Fund Balances--December 31	<u>\$ 2,333,676</u>		

**DOWNTOWN DEVELOPMENT AUTHORITY  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>			
Taxes	\$ (25)	\$ 17,664	\$ (17,689)
Proceeds from issuance of long-term debt	4,286,046	4,330,441	(44,395)
Total Revenues	<u>4,286,021</u>	<u>4,348,105</u>	<u>(62,084)</u>
<b>EXPENDITURES</b>			
Current operating			
Debt Service	4,417,906	4,520,712	102,806
Internal Admin Services	163	300	137
Total Expenditures	<u>4,418,069</u>	<u>4,521,012</u>	<u>102,943</u>
Excess (deficiency) of revenues over (under) expenditures	(132,048)	<u>\$ (172,907)</u>	<u>\$ 40,859</u>
Fund Balances--January 1	<u>1,694,312</u>		
Fund Balances--December 31	<u>\$ 1,562,264</u>		

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# STATISTICAL SECTION



# Statistical Section

This part of the City of Fort Collins comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the governments overall financial health.

**Financial Trends** - These schedules contain trend information to help the reader understand how the City of Fort Collins' financial performance and well-being have changed over time.

Net Position by Component.....	Exh. A-1 .....	179
Changes in Net Position.....	Exh. A-2 .....	180
Fund Balances, Governmental Funds .....	Exh. A-3 .....	181
Changes in Fund Balances, Governmental Funds .....	Exh. A-4 .....	182

**Revenue Capacity** - These schedules contain information to help the reader assess the City of Fort Collins' most significant local revenue sources - Sales and Use taxes.

Taxable Sales by Category.....	Exh. A-5 .....	183
Direct and Overlapping Sales Tax Rates .....	Exh. A-6 .....	184
Sales Tax Revenue Taxpayers by Industry .....	Exh. A-7 .....	185

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City of Fort Collins' current levels of outstanding debt and its ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type .....	Exh. A-8 .....	186
Ratios of General Bonded Debt Outstanding.....	Exh. A-9 .....	187
Direct & Overlapping Governmental Act. Debt .....	Exh. A-10 .....	188
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**Demographic and Economic Information** - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City of Fort Collins financial activities take place.

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**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in City of Fort Collins financial report relates to the services government provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year and/or city departments.

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**Net Position by Component** (in thousands)  
Last Ten Fiscal Years  
(accrual basis of accounting)

Exhibit A-1

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 526,367	\$ 551,853	\$ 573,887	\$ 597,270	\$ 628,758	\$ 662,461	\$ 694,119	\$ 718,092	\$ 754,652	\$ 781,421
Restricted	(12,037)	5,229	8,960	37,138	43,327	52,466	55,649	76,411	75,207	80,520
Unrestricted	184,842	161,680	146,408	113,086	107,784	119,944	145,207	153,205	161,718	166,301
<b>Total governmental activities net position</b>	<u>699,172</u>	<u>718,762</u>	<u>729,256</u>	<u>747,494</u>	<u>779,869</u>	<u>834,870</u>	<u>894,974</u>	<u>947,708</u>	<u>991,577</u>	<u>1,028,243</u>
<b>Business-type activities</b>										
Net investment in capital assets	398,949	429,392	453,420	466,364	490,511	508,284	531,113	564,294	595,216	646,367
Restricted	1,130	1,642	1,671	1,030	1,025	995	1,032	853	1,027	859
Unrestricted	175,273	168,966	157,998	163,527	160,226	172,528	178,571	182,456	167,931	147,389
<b>Total business-type activities net position</b>	<u>575,353</u>	<u>600,000</u>	<u>613,089</u>	<u>630,922</u>	<u>651,763</u>	<u>681,808</u>	<u>710,716</u>	<u>747,603</u>	<u>764,174</u>	<u>794,615</u>
<b>Primary government</b>										
Net investment in capital assets	925,317	981,245	1,027,307	1,063,634	1,119,270	1,170,745	1,225,231	1,282,386	1,349,868	1,427,789
Restricted	(10,907)	6,871	10,631	38,168	44,352	53,461	56,681	77,264	76,234	81,379
Unrestricted	360,115	330,646	304,406	276,613	268,010	292,472	323,778	335,661	329,648	313,691
<b>Total primary government net position</b>	<u>\$ 1,274,525</u>	<u>\$ 1,318,762</u>	<u>\$ 1,342,345</u>	<u>\$ 1,378,416</u>	<u>\$ 1,431,631</u>	<u>\$ 1,516,678</u>	<u>\$ 1,605,690</u>	<u>\$ 1,695,311</u>	<u>\$ 1,755,751</u>	<u>\$ 1,822,858</u>

Totals may not add due to rounding

**Changes in Net Position** (in thousands)  
Last Ten Fiscal Years  
(accrual basis of accounting)

Exhibit A-2

<b>Expenses</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Governmental activities</b>										
General government	\$ 26,553	\$ 33,535	\$ 32,868	\$ 29,752	\$ 33,674	\$ 34,645	\$ 40,118	\$ 36,434	\$ 47,737	\$ 46,706
Public safety	44,412	46,521	50,056	48,854	51,313	55,633	56,660	57,686	61,018	64,852
Culture, parks, recreation & natural areas	34,790	35,490	38,515	27,342	29,755	32,448	40,910	37,165	35,423	47,315
Planning and development	7,593	6,585	9,706	14,331	11,053	9,502	13,547	11,160	11,241	13,982
Transportation	42,839	44,659	36,471	34,698	38,540	42,249	43,710	58,021	57,596	51,514
Library	3,900	-	-	-	-	-	-	-	-	-
Interest on long-term debt	3,113	3,063	2,632	2,682	2,523	2,148	1,406	1,945	1,317	1,326
<b>Total governmental activities expenses</b>	<b>163,199</b>	<b>169,852</b>	<b>170,247</b>	<b>157,659</b>	<b>166,857</b>	<b>176,625</b>	<b>196,352</b>	<b>202,411</b>	<b>214,332</b>	<b>225,695</b>
<b>Business-type activities</b>										
Light & Power	80,479	81,620	83,888	91,693	97,057	101,513	116,639	116,911	124,304	131,780
Water	23,272	21,205	20,667	19,671	19,941	22,169	23,312	25,586	27,698	26,383
Wastewater	14,240	13,370	14,668	14,129	14,163	15,872	17,808	18,314	19,492	20,197
Storm drainage	9,132	9,021	9,426	8,307	8,407	8,119	9,428	9,196	9,287	9,913
Golf	2,697	2,507	2,387	2,454	2,547	2,661	2,758	3,306	3,169	3,208
<b>Total business-type activities expenses</b>	<b>129,820</b>	<b>127,723</b>	<b>131,037</b>	<b>136,253</b>	<b>142,115</b>	<b>150,333</b>	<b>169,946</b>	<b>173,313</b>	<b>183,949</b>	<b>191,481</b>
<b>Total primary government expenses</b>	<b>293,019</b>	<b>297,575</b>	<b>301,284</b>	<b>293,911</b>	<b>308,973</b>	<b>326,958</b>	<b>366,298</b>	<b>375,724</b>	<b>398,281</b>	<b>417,177</b>
<b>Program revenues</b>										
<b>Governmental activities</b>										
General government	4,890	12,962	8,863	6,782	7,479	6,458	6,944	8,807	15,194	15,980
Public safety	3,719	1,823	1,930	1,862	1,724	1,548	1,688	1,750	1,918	1,598
Culture, parks, recreation & natural areas	11,868	8,065	7,388	7,004	7,491	7,680	8,486	9,165	9,222	9,813
Planning and development	2,617	1,649	994	1,295	1,622	2,579	3,540	5,335	4,409	4,870
Transportation	9,293	12,003	8,577	8,101	6,926	11,147	12,108	13,409	9,833	12,356
Operating grants & contributions	10,988	6,917	7,998	8,240	13,712	9,284	10,075	6,958	8,737	11,277
Capital grants & contributions	30,932	7,775	25,717	16,014	14,784	31,678	49,585	28,040	17,788	14,788
<b>Total governmental activities program revenues</b>	<b>74,306</b>	<b>51,194</b>	<b>61,467</b>	<b>49,298</b>	<b>53,737</b>	<b>70,374</b>	<b>92,426</b>	<b>73,464</b>	<b>67,102</b>	<b>70,683</b>
<b>Business-type activities</b>										
Light & Power	83,326	83,521	84,253	94,235	100,814	109,776	115,879	115,412	118,780	126,466
Water	25,243	24,499	21,978	24,463	24,308	28,553	26,210	27,044	27,925	29,912
Wastewater	15,114	16,272	17,803	19,275	19,149	20,882	20,430	21,486	22,223	23,460
Storm drainage	13,197	13,576	13,631	13,869	13,946	14,082	14,396	14,835	15,070	15,696
Golf	2,579	2,644	2,608	2,676	2,672	3,096	2,921	3,270	3,499	3,430
Operating grants & contributions	20	24	112	220	131	6	30	8	74	260
Capital grants & contributions	16,651	12,233	8,169	9,019	11,661	15,979	24,099	25,772	16,280	23,155
<b>Total business-type activities program revenues</b>	<b>156,129</b>	<b>152,768</b>	<b>148,553</b>	<b>163,757</b>	<b>172,680</b>	<b>192,374</b>	<b>203,963</b>	<b>207,827</b>	<b>203,851</b>	<b>222,379</b>
<b>Total primary government program revenues</b>	<b>230,436</b>	<b>203,963</b>	<b>210,020</b>	<b>213,055</b>	<b>226,417</b>	<b>262,748</b>	<b>296,389</b>	<b>281,291</b>	<b>270,953</b>	<b>293,062</b>
<b>Net (expenses) revenue</b>										
Governmental activities	(88,892)	(118,658)	(108,780)	(108,360)	(113,120)	(106,251)	(103,925)	(128,947)	(147,231)	(155,013)
Business-type activities	26,309	25,046	17,517	27,504	30,565	42,042	34,017	34,514	19,902	30,898
<b>Total primary government net expenses</b>	<b>(62,583)</b>	<b>(93,612)</b>	<b>(91,263)</b>	<b>(80,857)</b>	<b>(82,556)</b>	<b>(64,210)</b>	<b>(69,908)</b>	<b>(94,434)</b>	<b>(127,329)</b>	<b>(124,115)</b>
<b>General revenues and other changes in net position</b>										
<b>Governmental activities</b>										
Taxes:										
Sales & use taxes	78,445	75,865	70,501	74,719	97,589	109,732	111,846	129,088	134,899	136,087
Property taxes	16,298	16,683	17,038	17,833	17,742	18,188	18,485	19,155	19,988	22,822
Occupational privilege taxes	2,359	2,494	2,413	2,327	2,433	2,560	2,653	2,676	2,851	2,757
Lodging tax	838	833	736	808	909	1,012	1,103	1,305	1,451	1,453
Intergovernmental not restricted to programs	541	10,420	9,277	9,919	10,274	10,681	20,032	21,146	22,436	24,075
Investment earnings	14,546	9,043	3,655	2,367	2,601	1,998	537	3,142	7,497	1,541
Miscellaneous	3,261	14,400	1,394	787	1,019	1,246	2,991	3,211	2,912	708
Transfers	6,900	11,820	10,947	13,636	13,486	15,837	6,383	1,959	1,532	2,236
<b>Total governmental activities</b>	<b>123,188</b>	<b>141,560</b>	<b>115,962</b>	<b>122,395</b>	<b>146,054</b>	<b>161,253</b>	<b>164,029</b>	<b>181,681</b>	<b>193,564</b>	<b>191,679</b>
<b>Business-type activities</b>										
Intergovernmental not restricted to programs	10	-	-	-	-	-	-	-	-	-
Investment earnings	15,279	9,583	4,727	2,585	2,919	2,227	466	2,330	2,113	890
Other miscellaneous	787	1,839	1,792	1,379	1,498	1,613	808	2,003	1,984	890
Transfers	(6,900)	(11,820)	(10,947)	(13,636)	(13,486)	(15,837)	(6,383)	(1,959)	(1,532)	(2,236)
<b>Total business-type activities</b>	<b>9,167</b>	<b>(398)</b>	<b>(4,428)</b>	<b>(9,671)</b>	<b>(9,069)</b>	<b>(11,996)</b>	<b>(5,109)</b>	<b>2,374</b>	<b>2,565</b>	<b>(456)</b>
<b>Total primary government</b>	<b>132,354</b>	<b>141,161</b>	<b>111,533</b>	<b>112,724</b>	<b>136,985</b>	<b>149,257</b>	<b>158,920</b>	<b>184,055</b>	<b>196,129</b>	<b>191,223</b>
<b>Change in net position</b>										
Governmental activities	34,295	22,902	7,181	14,034	32,934	55,001	60,104	52,734	46,333	36,666
Business-type activities	35,476	24,648	13,088	17,833	21,496	30,045	28,908	36,887	22,467	30,441
<b>Total primary government</b>	<b>\$ 69,771</b>	<b>\$ 47,549</b>	<b>\$ 20,270</b>	<b>\$ 31,867</b>	<b>\$ 54,429</b>	<b>\$ 85,047</b>	<b>\$ 89,012</b>	<b>\$ 89,621</b>	<b>\$ 68,800</b>	<b>\$ 67,108</b>

Totals may not add due to rounding

**Fund Balances, Governmental Funds** (in thousands)  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Exhibit A-3

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Fund</b>										
Non Spendable	\$ 3,026	\$ 3,026	\$ 16,616	\$ 9,546	\$ 8,519	\$ 8,519	\$ 7,897	\$ 8,345	\$ 7,196	\$ 6,998
Restricted	5,278	4,956	4,287	6,400	7,389	9,751	12,161	16,369	13,795	13,540
Committed	1,025	569	700	720	604	589	646	506	529	482
Assigned	16,444	13,008	5,015	4,929	7,348	12,439	10,403	23,709	20,715	20,963
Unassigned	22,485	23,897	10,977	19,330	16,307	23,956	29,012	25,744	30,708	33,391
<b>Total general fund</b>	<b>48,258</b>	<b>45,456</b>	<b>37,594</b>	<b>40,924</b>	<b>40,167</b>	<b>55,253</b>	<b>60,120</b>	<b>74,674</b>	<b>72,943</b>	<b>75,375</b>
<b>All Other Governmental Funds</b>										
Non Spendable	-	-	1	6	7	5,311	5,313	5,317	5,314	5,382
Restricted	1,199	1,245	4,674	31,816	35,938	42,715	43,718	60,041	63,491	66,973
Committed	13,440	14,652	14,352	27,556	21,540	30,543	37,142	44,237	53,892	51,864
Assigned	95,644	89,859	87,415	30,269	30,978	23,447	31,444	26,902	21,497	22,899
Unassigned	-	-	(9,930)	(4,703)	(6,842)	(14,592)	(7,872)	(9,397)	(9,458)	(11,183)
<b>Total other governmental funds</b>	<b>\$ 110,283</b>	<b>\$ 105,755</b>	<b>\$ 96,512</b>	<b>\$ 84,944</b>	<b>\$ 81,622</b>	<b>\$ 87,424</b>	<b>\$ 109,745</b>	<b>\$ 127,099</b>	<b>\$ 134,736</b>	<b>\$ 135,935</b>

Totals may not add due to rounding

**Changes in Fund Balances, Governmental Funds** (in thousands)  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit A-4

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Revenues</b>										
Taxes	\$ 97,278	\$ 95,875	\$ 90,689	\$ 95,687	\$ 118,673	\$ 131,491	\$ 134,086	\$ 152,223	\$ 159,188	\$ 163,119
Licenses & permits	1,657	1,493	1,013	1,236	1,554	2,184	3,040	4,645	3,924	4,001
Intergovernmental	18,057	26,998	29,802	37,520	34,738	53,192	68,696	49,779	45,717	38,362
Fees and charges for services	39,947	30,013	22,918	22,709	22,765	30,742	33,323	37,569	32,611	39,330
Fines & forfeitures	2,825	2,749	2,779	2,737	2,730	2,783	2,803	2,536	2,774	2,152
Earnings on investments	8,798	5,861	3,082	2,064	2,255	1,754	585	2,923	2,558	1,116
Securities lending income	3,915	1,809	103	6	-	-	-	-	-	-
Miscellaneous revenue	12,646	4,408	2,472	2,684	8,835	4,224	6,275	5,229	4,203	3,767
<b>Total Revenues</b>	<b>185,121</b>	<b>169,205</b>	<b>152,858</b>	<b>164,643</b>	<b>191,549</b>	<b>226,370</b>	<b>248,809</b>	<b>254,904</b>	<b>250,975</b>	<b>251,847</b>
<b>Expenditures</b>										
Police services	28,463	28,424	29,269	30,490	31,231	34,512	34,805	35,617	36,619	38,755
Financial services	2,877	3,013	3,044	2,909	2,874	3,187	3,616	3,798	3,868	3,957
Community and operation	33,674	32,924	32,894	29,375	32,298	36,043	43,973	40,257	43,073	43,895
Planning, development and transportation	36,103	42,977	37,091	34,475	41,862	45,397	45,830	52,907	59,985	64,240
Executive, legislative, and judicial	4,613	4,945	4,306	4,675	4,390	4,639	5,370	5,945	6,850	6,940
Employee and communications	1,536	2,036	2,774	1,949	2,590	2,449	2,766	2,840	3,659	4,982
Sustainability services	5,215	4,579	8,735	12,246	9,643	7,096	12,332	8,421	10,280	12,997
Other	1,478	1,995	1,177	1,717	1,318	1,682	1,753	1,320	2,368	1,314
Library	3,997	346	-	-	-	-	-	-	-	-
Securities lending										
Interest	3,854	1,563	53	4	-	-	-	-	-	-
Agent fees	37	57	28	1	-	-	-	-	-	-
Intergovernmental										
Fire protection	15,505	16,383	17,224	17,458	18,994	19,283	20,065	20,753	22,280	24,058
Capital outlay	54,065	27,379	23,944	31,851	40,914	38,356	55,057	42,704	42,221	31,762
Debt service										
Principal	2,988	4,626	4,731	3,805	4,174	6,968	4,202	5,275	5,819	5,831
Interest and debt service costs	3,128	2,955	2,654	2,693	2,524	2,499	1,517	1,953	1,440	1,370
<b>Total expenditures</b>	<b>197,534</b>	<b>174,201</b>	<b>167,923</b>	<b>173,650</b>	<b>192,811</b>	<b>202,111</b>	<b>231,287</b>	<b>221,790</b>	<b>238,462</b>	<b>240,101</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(12,413)</b>	<b>(4,996)</b>	<b>(15,066)</b>	<b>(9,007)</b>	<b>(1,262)</b>	<b>24,259</b>	<b>17,522</b>	<b>33,115</b>	<b>12,513</b>	<b>11,746</b>
<b>Other Financing Sources (Uses)</b>										
Proceeds from issuance of long term debt	763	1,198	-	-	976	35,092	12,909	3,190	239	-
Transfers in	112,846	114,237	115,086	35,457	39,128	41,781	33,445	40,033	50,047	42,056
Transfers out	(116,583)	(117,769)	(117,124)	(39,156)	(42,958)	(46,030)	(37,705)	(44,496)	(57,124)	(50,246)
Sale of capital assets	-	-	-	265	37	181	1,018	67	230	75
Payments to escrow agent	-	-	(2)	-	-	(34,395)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(2,975)</b>	<b>(2,334)</b>	<b>(2,040)</b>	<b>(3,435)</b>	<b>(2,817)</b>	<b>(3,371)</b>	<b>9,667</b>	<b>(1,206)</b>	<b>(6,608)</b>	<b>(8,115)</b>
<b>Net change in fund balances</b>	<b>\$ (15,388)</b>	<b>\$ (7,330)</b>	<b>\$ (17,106)</b>	<b>\$ (12,441)</b>	<b>\$ (4,079)</b>	<b>\$ 20,888</b>	<b>\$ 27,188</b>	<b>\$ 31,909</b>	<b>\$ 5,906</b>	<b>\$ 3,631</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>4.35%</b>	<b>5.42%</b>	<b>5.11%</b>	<b>4.54%</b>	<b>4.38%</b>	<b>5.78%</b>	<b>3.29%</b>	<b>3.99%</b>	<b>3.80%</b>	<b>3.52%</b>

Totals may not add due to rounding

**Taxable Sales by Category**  
 Last Ten Fiscal Years  
*in millions of dollars*

Exhibit A-5

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>Sales Tax Category</u></b>										
Grocery, Convenience, Liquor	\$ 347.4	\$ 359.8	\$ 359.7	\$ 363.8	\$ 394.1	\$ 429.0	\$ 458.9	\$ 488.3	\$ 513.5	\$ 530.3
Restaurants, Caterers and Bars	274.8	285.9	285.4	295.6	315.4	337.9	353.1	380.2	408.8	427.7
General Merchandise	336.2	318.3	306.7	299.4	303.0	303.5	313.1	323.2	302.9	300.0
Building Materials, Garden Equipment & Supplies	132.4	138.4	130.2	142.9	154.8	165.9	186.1	221.5	226.4	230.0
Vehicle Sales, Parts and Repairs	175.8	162.9	149.3	160.0	164.5	180.6	193.6	221.4	228.5	227.6
Miscellaneous Retailers	113.6	110.0	103.9	110.4	116.4	121.7	131.0	138.6	146.9	169.8
Electronics and Appliances	116.8	117.7	107.8	111.9	118.2	122.1	126.0	150.7	163.0	156.6
Sporting, Hobby, Book, Music	121.7	126.0	126.1	129.2	134.5	134.9	137.3	140.5	149.2	144.8
Broadcasting and Telecommunications	116.5	113.7	113.0	119.0	116.7	117.2	108.0	111.8	115.2	124.7
Utilities	96.0	103.3	97.5	100.8	107.0	111.2	117.5	122.2	118.1	118.9
Clothing and Accessories	84.9	79.4	74.8	76.9	83.0	88.7	82.9	78.4	78.1	103.1
Pharmacy, Salon and Laundry	44.0	45.4	45.0	54.5	61.1	54.6	56.8	66.6	84.5	101.2
Other	47.4	47.2	43.0	44.3	45.9	51.0	53.7	58.6	63.3	70.3
Furniture and Home Furnishings	56.7	52.3	38.9	41.0	43.7	50.0	56.5	60.7	65.4	68.0
Rental and Leasing Services	52.1	52.1	46.4	43.1	42.7	46.3	44.5	52.0	59.3	66.5
Wholesale Trade	57.9	49.2	41.9	35.6	37.5	42.4	43.6	45.2	54.1	57.1
Lodging	34.3	33.9	29.1	32.2	35.2	40.2	42.1	49.8	54.9	53.5
Manufacturing	37.9	37.3	26.7	30.5	37.1	44.5	44.2	52.2	51.4	51.6
<b>Total</b>	<b><u>\$2,246.4</u></b>	<b><u>\$2,232.8</u></b>	<b><u>\$2,125.3</u></b>	<b><u>\$2,191.2</u></b>	<b><u>\$2,310.9</u></b>	<b><u>\$2,441.7</u></b>	<b><u>\$2,548.9</u></b>	<b><u>\$2,761.9</u></b>	<b><u>\$2,883.7</u></b>	<b><u>\$3,001.7</u></b>
City direct sales tax rate*	3.00%	3.00%	3.00%	3.00%	3.85%	3.85%	3.85%	3.85%	3.85%	3.85%

\* Food sales city direct sales tax rate is 2.25%

*Totals may not add due to rounding*

**Direct and Overlapping Sales Tax Rates**  
 Last Ten Fiscal Years

Exhibit A-6

<u>Fiscal Year</u>	<u>City Direct Rate*</u>	<u>Larimer County</u>	<u>State of Colorado</u>
2007	3.00%	0.80%	2.90%
2008	3.00%	0.80%	2.90%
2009	3.00%	0.80%	2.90%
2010	3.00%	0.80%	2.90%
2011	3.85%	0.80%	2.90%
2012 ~	3.85%	0.80% / 0.60%	2.90%
2013	3.85%	0.60%	2.90%
2014	3.85%	0.60%	2.90%
2015	3.85%	0.65%	2.90%
2016	3.85%	0.65%	2.90%

\* Food for home consumption sales direct rate is 2.25%

~Larimer County tax rate decreased from 0.8% to 0.6% effective July 1, 2012

**Sales Tax Revenue Taxpayers by Industry**  
 Current Year and 2007  
*tax liability in thousands*

Exhibit A-7

	<b>Fiscal Year 2016</b>				<b>Fiscal Year 2007</b>			
	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Tax Liability</u>	<u>Percentage of Total</u>	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Tax Liability</u>	<u>Percentage of Total</u>
Restaurants, Caterers and Bars	584	5.14%	\$ 16,431	15.03%	443	4.34%	\$ 8,086	12.56%
Grocery, Convenience, Liquor	273	2.40%	15,076	13.79%	192	1.88%	8,692	13.50%
General Merchandise	20	0.18%	10,158	9.29%	21	0.21%	9,446	14.67%
Building Materials, Garden Equipment & Supplies	2,521	22.18%	9,656	8.83%	1,957	19.17%	3,943	6.12%
Vehicle Sales, Parts and Repairs	420	3.70%	8,780	8.03%	405	3.97%	5,212	8.09%
Miscellaneous Retailers	1,442	12.69%	6,488	5.94%	1,153	11.29%	3,322	5.16%
Electronics and Appliances	370	3.26%	6,036	5.52%	276	2.70%	3,506	5.44%
Sporting, Hobby, Book, Music	349	3.07%	5,574	5.10%	409	4.01%	3,623	5.63%
Broadcasting & Telecommunications	292	2.57%	4,783	4.38%	284	2.78%	3,477	5.40%
Utilities	12	0.11%	4,580	4.19%	12	0.12%	2,878	4.47%
Clothing and Accessories	240	2.11%	3,968	3.63%	243	2.38%	2,499	3.88%
Pharmacy, Salon and Laundry	746	6.56%	3,828	3.50%	619	6.06%	1,272	1.98%
Other	2,672	23.51%	2,695	2.47%	2,846	27.88%	1,313	2.04%
Furniture and Home Furnishings	182	1.60%	2,625	2.40%	207	2.03%	1,764	2.74%
Rental and Leasing Services	408	3.59%	2,562	2.34%	392	3.84%	1,540	2.39%
Lodging	153	1.35%	2,073	1.90%	25	0.24%	1,018	1.58%
Wholesale Trade	281	2.47%	2,061	1.89%	325	3.18%	1,700	2.64%
Manufacturing	401	3.53%	1,943	1.78%	400	3.92%	1,112	1.73%
<b>Total</b>	<b>11,366</b>	<b>100.00%</b>	<b>\$ 109,315</b>	<b>100.00%</b>	<b>10,209</b>	<b>100.00%</b>	<b>\$ 64,402</b>	<b>100.00%</b>

**Note:** Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the city's revenue.

*Totals may not add due to rounding*

**Ratios of Outstanding Debt by Type**

Last Ten Fiscal Years

*in thousands*

Exhibit A-8

Fiscal Year	<b>Governmental Activities</b>				<b>Business-Type Activities</b>					Total Primary Government	Percentage of Personal Income	Per Capita *
	Revenue Bonds	Certificates of Participation	Assignment of Lease Payments	Capital Leases	General Obligation Bonds	Revenue Bonds	Certificates of Participation	Assignment of Lease Payments	Capital Leases			
2007	3,342	58,345	702	2,602	5,000	90,602	1,715	2,234	489	165,032	3.3%	1.23
2008	2,250	55,340	666	2,636	2,535	81,618	1,595	2,117	544	149,301	2.8%	1.09
2009	985	52,225	628	1,736	-	102,440	1,470	1,995	381	161,860	3.1%	1.17
2010	670	49,100	587	1,015	-	109,884	1,360	1,868	227	164,711	3.0%	1.14
2011	340	45,870	545	2,755	-	100,380	1,230	1,734	245	153,098	2.7%	1.06
2012	-	41,845	501	3,719	-	90,007	1,095	1,594	208	138,968	2.3%	0.93
2013	11,085	37,905	455	5,872	-	79,597	950	1,448	271	137,583	2.1%	0.91
2014	10,833	33,815	407	7,790	-	71,514	795	1,295	651	127,100	1.9%	0.82
2015	9,995	29,630	357	8,781	-	60,995	620	1,134	608	112,120	1.5%	0.70
2016	9,435	25,365	304	8,190	-	49,838	425	966	720	95,243	N/A	0.59

*Totals may not add due to rounding***Note:** Personal Income provided by the Bureau of Economic Analysis. Information is updated regularly and 2016 data was not available at the time this schedule was prepared.

\*These numbers are in thousands as rest of the table. In 2015 the 0.71 means \$710.00 is the total debt per person



**Ratios of General Bonded Debt Outstanding**  
 Last Ten Fiscal Years

Exhibit A-9

<u>Fiscal</u> <u>Year</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of</u> <u>Property</u>	<u>Per</u> <u>Capita</u>
2007	\$ 5,000,000	0.04%	\$ 37
2008	2,535,000	0.02%	18
2009	-	0.00%	-
2010	-	0.00%	-
2011	-	0.00%	-
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-

**Direct and Overlapping Governmental Activities Debt**

Exhibit A-10

As of December 31, 2016

*in thousands*

	Debt Outstanding <sup>2</sup>	Percentage Applicable to the City <sup>3</sup>	Share of Debt Applicable to the City
<b>Direct Debt</b>			
City of Fort Collins <sup>1</sup>	43,294	100.00%	\$ 43,294
<b>Overlapping Debt</b>			
Harmony Tech Park No. 1 <sup>4</sup>	-	100.00%	-
Harmony Tech Park No. 2 <sup>4</sup>	-	100.00%	-
Harmony Tech Park No. 3 <sup>4</sup>	-	100.00%	-
Mall Metro District <sup>4</sup>	72,950	100.00%	72,950
Poudre R-1 School District <sup>4</sup>	175,845	90.18%	158,586
Health District of Northern Larimer County	-	90.76%	-
Poudre River Public Library <sup>4</sup>	-	93.59%	-
Total Overlapping Debt	248,795		231,536
Total Direct and Overlapping Debt	<u>\$ 292,089</u>		<u>\$ 274,830</u>

**ASSESSED VALUATION, DEBT, AND DEBT RATIO  
DECEMBER 31, 2016**

Estimated actual valuation	\$ 18,766,288
Assessed valuation	\$ 2,308,002
Net direct debt	\$ 43,294
Estimated overlapping debt	\$ 231,536
Net direct and estimated overlapping debt	\$ 274,830
Ratio of net direct debt to estimated actual valuation	0.2%
Ratio of net direct debt to assessed valuation	1.9%
Net direct debt per capita <sup>5</sup>	\$ 269
Ratio of net direct and estimated overlapping debt to estimated actual valuation	1.5%
Ratio of net direct and estimated overlapping debt to assessed valuation	11.9%
Net direct and estimated overlapping debt per capita <sup>5</sup>	\$ 1,707
Estimated actual valuation per capita <sup>5</sup>	\$ 116,561
Assessed valuation per capita <sup>5</sup>	\$ 14,335

<sup>1</sup> Includes all governmental activities outstanding debt supported by general property taxes less available debt service monies.

<sup>2</sup> Includes outstanding debt supported by general property taxes less available debt service monies.

<sup>3</sup> Determined by calculating ratio of assessed valuation of taxable property within the City to assessed valuation of the overlapping unit. Source for assessed valuations: Larimer County Assessor's Office.

<sup>4</sup> Source: Governmental entity.

<sup>5</sup> Based on 2016 Population estimate per City of Fort Collins Planning Office--161,000. Per capita amounts are presented unrounded and not in thousands.

**Legal Debt Margin Information**  
 Last Ten Fiscal Years  
*in thousands*

Exhibit A-11

Assessed Valuation <sup>1</sup>	\$ 2,308,002
Debt limit - 10% of assessed value	230,800
Amount of debt applicable to limit:	
Total bonded debt (including special assessments)	61,858
Less:	
Assets in debt service funds available for payment of general obligation debt	-
Other deductions allowed by law:	
Downtown Development Authority tax increment bonds	(12,021)
Light and Power revenue bonds	(6,980)
Water revenue bonds	(6,478)
Storm drainage revenue bonds	(13,000)
Sewer revenue bonds	(23,380)
Net amount of debt applicable to debt limit	-
Legal debt margin	<u>\$ 230,800</u>

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 171,317	\$ 175,881	\$ 182,224	\$ 181,595	\$ 179,223	\$ 179,603	\$ 188,469	\$ 193,422	\$ 222,960	\$ 230,800
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 171,317</u>	<u>\$ 175,881</u>	<u>\$ 182,224</u>	<u>\$ 181,595</u>	<u>\$ 179,223</u>	<u>\$ 179,603</u>	<u>\$ 188,469</u>	<u>\$ 193,422</u>	<u>\$ 222,960</u>	<u>\$ 230,800</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<sup>1</sup>Source: Larimer County Assessor's Office.

**Pledged Revenue Coverage**  
 Last Ten Fiscal Years  
*in thousands*

Exhibit A-12

**LIGHT AND POWER REVENUE BONDS**

	Gross		Net Revenue Available for				Coverage
	Revenues	Expenses	Debt Service	Debt Service Requirements		Total	
				Principal	Interest		
2007	90,901	76,362	14,539	-	-	-	n/a
2008	89,499	79,266	10,232	-	-	-	n/a
2009	88,490	82,132	6,359	-	-	-	n/a
2010	99,951	91,483	8,468	-	235	235	n/a
2011	109,106	96,124	12,982	1,415	622	2,037	6.37
2012	119,771	100,664	19,107	1,455	580	2,035	9.39
2013	129,264	108,976	20,287	1,490	547	2,037	9.96
2014	125,953	107,205	18,748	1,520	514	2,034	9.22
2015	125,308	114,156	11,152	1,580	453	2,033	5.49
2016	134,007	122,822	11,186	1,645	390	2,035	5.50

**WATER REVENUE BONDS**

	Gross		Net Revenue Available for				Coverage
	Revenues	Expenses	Debt Service	Debt Service Requirements		Total	
				Principal	Interest		
2007	39,010	14,632	24,379	2,402	1,497	3,899	6.25
2008	33,922	15,823	18,098	2,482	1,409	3,890	4.65
2009	25,767	16,358	9,409	2,633	1,173	3,806	2.47
2010	27,289	16,582	10,707	2,661	1,034	3,696	2.90
2011	29,217	16,310	12,907	2,755	943	3,698	3.49
2012	33,061	19,235	13,825	2,854	841	3,695	3.74
2013	32,727	18,109	14,617	2,569	676	3,245	4.50
2014	37,579	18,629	18,950	2,759	510	3,269	5.80
2015	34,521	20,302	14,219	2,871	474	3,345	4.25
2016	37,911	20,004	17,908	3,002	326	3,328	5.38

**WASTEWATER REVENUE BONDS**

	Gross		Net Revenue Available for				Coverage
	Revenues	Expenses	Debt Service	Debt Service Requirements		Total	
				Principal	Interest		
2007	22,048	9,931	12,116	3,922	1,184	5,105	2.37
2008	21,844	10,434	11,410	4,081	1,005	5,087	2.24
2009	22,875	10,577	12,298	4,237	1,817	6,054	2.03
2010	22,170	12,117	10,053	3,378	1,704	5,081	1.98
2011	20,375	11,134	9,240	2,982	1,496	4,477	2.06
2012	23,520	11,658	11,862	3,099	1,459	4,557	2.60
2013	23,811	11,942	11,870	3,265	1,308	4,573	2.60
2014	26,258	11,586	14,672	1,640	1,217	2,857	5.14
2015	24,360	12,303	12,057	1,695	1,158	2,853	4.23
2016	28,376	14,072	14,305	1,760	328	2,088	6.85

**Pledged Revenue Coverage**  
 Last Ten Fiscal Years  
*in thousands*

Exhibit A-12  
 (continued)

**STORM DRAINAGE REVENUE BONDS**

	Gross		Net Revenue	Debt Service Requirements			Coverage
	Revenues	Expenses	Available for Debt Service	Principal	Interest	Total	
2007	16,698	4,615	12,084	2,150	1,643	3,793	3.19
2008	15,139	4,865	10,274	2,610	2,483	5,093	2.02
2009	14,219	5,838	8,381	2,568	2,346	4,914	1.71
2010	14,613	5,052	9,560	2,683	1,606	4,289	2.23
2011	14,669	5,299	9,371	2,238	1,143	3,380	2.77
2012	15,729	5,064	10,664	2,965	1,102	4,067	2.62
2013	15,322	6,510	8,812	3,085	954	4,039	2.18
2014	17,742	5,749	11,993	3,203	840	4,042	2.97
2015	16,129	5,635	10,494	3,335	832	4,167	2.52
2016	20,387	6,771	13,616	3,465	699	4,164	3.27

*Totals may not add due to rounding*

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>Denver/Boulder Greeley CPI-U</u>	<u>Residential Building Permits</u>
2007	134,169	10,541,856	36,766	3.4%	202.03	506
2008	136,427	11,378,132	38,848	5.0%	209.90	385
2009	138,100	11,149,957	37,368	6.6%	208.55	227
2010	143,986	11,600,000	38,585	7.4%	212.44	266
2011	144,875	12,149,896	39,767	6.8%	220.29	431
2012	148,700	12,826,581	41,311	6.4%	224.57	508
2013	151,330	13,545,018	42,866	5.4%	230.79	670
2014	155,400	14,126,667	43,584	4.3%	237.20	802
2015	160,935	15,118,879	45,318	3.3%	239.99	558
2016	161,000	n/a	n/a	2.8%	246.64	589

**Note:** Information for personal income, per capita, and unemployment rate is based on the Fort Collins/Loveland regional area.

**Source:**

- 1) Population prior to 2009 provided by the Colorado State Demography Office. 2010 population is from the US Census 2009, 2011-2015 population is estimated by the Colorado State Demography Office; 2016 population is estimated by the City of Fort Collins Planning Department.
- 2) Personal income, and per capita personal income provided by the Bureau of Economic Analysis. Information is updated regularly and is subject to change. Data for 2016 was not available at the time this schedule was prepared.
- 3) Unemployment rate provided by the United States Department of Labor - Bureau of Labor Statistics.
- 4) CPI is provided by the US Bureau of Labor Statistics - Denver, Boulder, Greeley area is the nearest region
- 5) Number of residential building permits issued obtained from the City of Fort Collins Neighborhood and Building Services department.

**Principal Employers**  
2016 and Ten Years Ago

Exhibit A-14

<b>Employer</b>	<b>Fiscal Year 2016</b>			<b>Fiscal Year 2007</b>		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Colorado State University	7,525	1	9.23%	6,948	1	8.52%
Poudre R-1 School District	4,297	2	5.27%	3,014	4	3.70%
UC Health: Poudre Valley Hospital	3,801	3	4.66%	3,020	3	3.70%
City of Fort Collins	2,006	4	2.46%	1,864	6	2.29%
Larimer County	1,838	5	2.25%	1,467	7	1.80%
Woodward	1,232	6	1.51%	-	-	-
Broadcom (Avago)	1,084	7	1.33%	-	-	-
Department of Agriculture	1,078	8	1.32%	-	-	-
Otter Products, LLC	864	9	1.06%	-	-	-
Employment Solutions Personnel	850	10	1.04%	-	-	-
Hewlett Packard	-	-	-	3,182	2	3.90%
Agilent Technologies	-	-	-	2,800	5	3.43%
Anheuser Busch	-	-	-	760	10	0.93%
Advanced Energy Industries	-	-	-	825	9	1.01%
Walmart Super Center	-	-	-	909	8	1.11%
<b>Total</b>	<b>24,575</b>		<b>26.86%</b>	<b>24,789</b>		<b>30.39%</b>

Source: BizWest Book of Lists, Infogroup CDLE, Labor Market Information, Local Area Unemployment Statistics, 2007 City of Fort Collins CAFR

**Full-time Equivalent City Employees by Service Area/Department**  
Last Ten Fiscal Years

Exhibit A-15

<u>Service Area/ Department</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Financial Services	36	37	37	35	35	35	38	38	38	43
Executive Services	25	23	23	23	25	25	25	28	28	29
Judicial Services	6	7	7	7	8	8	7	8	8	9
Legal Services	11	11	11	12	12	12	12	15	17	18
Sustainability Services	9	11	12	13	15	19	25	26	25	32
Police Services										
<i>Investigations</i>	51	47	46	45	48	55	56	57	55	55
<i>Police Information Systems</i>	49	54	56	55	57	60	61	61	57	57
<i>Patrol</i>	129	134	135	140	144	149	153	159	161	164
<i>Office of the Chief</i>	14	14	14	14	15	16	18	18	18	19
Community & Operation Services										
<i>Operation Services</i>	62	65	67	63	65	70	72	73	72	78
<i>Recreation</i>	127	130	133	128	128	128	126	128	130	124
<i>Cultural Services</i>	39	44	48	42	46	50	56	55	51	53
<i>Parks</i>	116	130	132	127	132	135	138	139	135	142
<i>Natural Areas</i>	41	43	47	45	46	48	47	48	48	50
<i>Library</i>	64	3	-	-	-	-	-	-	-	-
Planning, Development & Transportation										
<i>Transfort / Parking Services</i>	95	96	93	91	92	94	96	115	132	140
<i>Comm Dev &amp; Neighborhood Svcs</i>	50	54	48	44	45	51	56	60	61	65
<i>FC Moves</i>	7	7	7	6	6	6	5	6	8	9
<i>Streets</i>	55	55	51	51	57	57	53	55	56	56
<i>Traffic</i>	29	30	29	26	29	30	28	27	26	28
<i>Engineering</i>	29	30	30	30	30	33	35	33	33	35
Information & Employee Services										
<i>Information Technology</i>	33	41	47	54	52	57	61	67	67	69
<i>Comm. &amp; Public Involvement</i>	8	8	8	9	9	10	11	13	15	16
<i>Human Resources</i>	15	19	20	20	19	20	22	21	22	24
Utility Services										
<i>Light &amp; Power</i>	93	93	103	104	107	108	107	107	112	110
<i>Water</i>	85	82	77	77	80	80	84	84	87	89
<i>Wastewater</i>	55	60	62	61	61	60	60	59	59	63
<i>Storm Drainage</i>	25	25	29	30	31	29	32	33	32	31
<i>Customer Service &amp; Admin.</i>	95	97	97	91	88	92	93	93	88	93
Total City of Fort Collins	1,451	1,449	1,469	1,445	1,481	1,537	1,577	1,623	1,642	1,701

Note: Full time equivalents are based on filled positions using hours worked, excluding overtime, but including vacation, sick and holiday time. The data includes *all employees*, including exempt, not-exempt, with benefits, and without benefits. Vacancies are not included. Prior years restated due to reorganization, and data was missing compensation time used. Totals may not add due to rounding.



**Operating Indicators by Function/Program**  
Last Ten Fiscal Years

Exhibit A-16

<b>Function/Program</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>General Government</b>										
Job applications processed	8,907	9,209	5,148	7,112	11,415	10,192	10,760	6,666	19,162	21,052
Warrants issued	918	1,010	798	1,231	1,370	1,379	1,146	874	723	952
Camera Radar completed cases	19,026	21,239	20,414	18,137	17,634	13,954	16,750	13,599	14,003	16,747
<b>Public Safety</b>										
Adult arrests	5,188	4,373	4,154	4,739	4,792	5,112	4,605	4,827	5,235	5,983
Juvenile arrests	958	809	811	849	675	610	553	658	767	587
Traffic violations	15,341	18,890	15,737	20,792	18,484	21,678	19,399	17,292	17,418	15,293
Number of fires per 1000 population	2.16	2.64	2.22	2.22	2.19	2.12	2.05	1.76	1.91	1.78
Total inspections per 1000 population	3.76	9.83	16.83	16.75	11.91	24.20	21.70	13.39	26.35	26
Average calls per week	246	259	266	276	299	306	317	339	367	403
Average response time	4:20	4:14	4:10	4:39	4:59	5:34	6:55	N/A	N/A	N/A
Minutes fire personnel are on scene 90% of the time	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8:37	7:45	7:23
<b>Culture, parks, recreation &amp; natural areas</b>										
Epic Pool & Ice attendance	323,183	373,809	353,161	480,586	385,426	364,459	465,615	361,276	354,486	294,860
City Park Pool attendance	71,608	91,444	77,276	74,821	75,755	66,651	60,138	49,155	52,545	51,311
Mulberry Pool attendance	92,322	98,640	117,033	167,810	202,148	134,358	148,641	57,260	57,149	65,168
Senior Center Pool attendance	37,888	32,980	55,765	21,179	25,775	29,236	32,599	20,213	24,627	24,415
Youth Activity Center attendance	7,729	712	1,090	24,207	31,171	46,202	41,666	11,951	N/A	N/A
Foothills Activity Center attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	48,572
North Azlan Center attendance	135,203	105,362	145,898	177,779	194,315	183,292	164,849	210,766	218,225	170,618
Farm attendance	62,161	79,730	61,166	61,737	61,336	62,736	57,502	60,077	62,326	66,648
Museum attendance	32,000	18,142	33,904	26,852	22,752	23,315	114,292	92,251	99,146	122,549
Scheduled park events	5,672	6,185	5,650	5,630	5,953	6,486	6,122	7,016	5,877	6,061
<b>Planning and development</b>										
Construction permits- single family units	385	254	153	177	258	469	630	743	509	522
Construction permits- multi family units	24	37	4	10	31	39	40	59	49	67
<b>Transportation</b>										
<b>Transfort</b>										
Passengers	1,641,509	1,884,194	1,994,229	2,034,195	2,156,775	2,271,732	2,296,511	2,611,642	3,266,194	4,089,206
Revenue miles	774,545	798,849	791,627	913,682	995,858	1,028,405	1,033,967	1,297,623	1,496,165	1,611,409
Revenue hours	66,647	68,356	69,984	75,564	77,356	78,551	78,741	103,232	118,846	126,380
<b>Dial a Ride</b>										
Passengers	51,779	44,135	41,719	40,385	37,851	37,747	34,121	34,533	35,450	34,005
Revenue miles	348,952	282,257	269,831	252,107	166,893	156,941	205,512	207,782	210,076	200,018
Revenue hours	31,678	25,092	23,456	21,690	20,407	19,429	17,770	17,642	18,229	17,741
<b>Light &amp; Power</b>										
Customers	62,991	63,913	64,750	65,504	66,220	67,209	68,585	69,619	70,594	71,016
Electric use- megawatt hours	1,442,861	1,429,797	1,404,529	1,442,741	1,493,417	1,508,735	1,500,215	1,475,103	1,519,377	1,547,459
Peak demand- megawatts	296	285	264	282	292	302	295	281	304	304
Interruption index- minutes/year	18.00	10.00	10.99	17.27	21.73	16.84	9.58	25.54	20.60	18.83
<b>Water</b>										
Customers	32,780	33,082	32,910	32,983	33,074	33,147	33,348	34,290	34,744	35,092
Treated water delivered- acre feet	27,192	25,633	22,683	24,030	23,387	26,875	23,972	23,733	24,263	27,173
Peak day water use- million gallons/day	47.5	44.3	37.1	40.8	39.7	46.8	43.0	40.8	40.2	49.6
Water main breaks	67	59	79	139	97	108	92	80	116	111
<b>Wastewater</b>										
Customers	32,992	32,847	33,134	33,226	33,305	33,398	33,555	34,203	34,425	34,995
Average flow wastewater treated- million gallons/day	15.1	15.7	14.8	13.9	13.7	12.9	13.9	14.7	15.0	14.6
Recycled processed wastewater bio solids- dry tons	1,709	1,738	1,793	1,747	1,817	1,901	1,890	2,277	2,322	2,321
Industrial discharge permits	13	15	14	14	14	15	16	16	13	13
<b>Storm Drainage</b>										
Customers	40,272	40,554	40,911	40,813	41,395	42,020	42,589	43,609	44,388	45,008
<b>Golf</b>										
Rounds played	80,095	78,916	83,751	78,608	77,854	86,865	77,812	81,469	82,349	78,084

**Capital Asset Statistics by Function/Program**  
Last Ten Fiscal Years

Exhibit A-17

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Government</b>										
Administrative buildings	3	3	3	3	3	3	3	3	3	3
Municipal court	1	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>										
Police stations	1	1	1	1	1	1	1	1	1	1
Police cars	220	224	232	225	281	284	270	257	260	279
Fire stations	13	13	13	13	13	13	13	13	13	13
<b>Culture, parks, recreation &amp; natural areas</b>										
Swimming pools	4	4	4	4	4	4	4	4	4	4
Number of parks	46	46	46	46	46	48	49	49	49	49
Acreage of parks	861	861	861	861	861	871	878	878	878	879
Miles of hard surface trails	28.67	28.67	28.67	30.39	31.74	32.44	35.62	35.62	38.55	39.05
<b>Planning and development</b>										
Land Bank program- acres*	51	51	51	51	51	51	49	49	49	49
Land Bank program- yield of future affordable housing units*	513	513	446	510	510	510	490	490	490	490
<b>Transportation</b>										
Transit buses	27	27	29	44	34	40	34	44	54	56
Lane miles	1,793	1,796	1,796	1,796	1,796	1,861	1,901	1,901	1,922	1,922
<b>Light &amp; Power</b>										
Underground distribution lines- miles	788.0	801.4	820.0	837.5	851.8	864.0	874.8	897.1	920.26	946.30
Overhead distribution lines- miles	9.0	6.7	7.0	8.4	10.6	10.7	10.7	10.3	9.48	5.81
Distribution substations	5	5	5	5	6	7	7	7	7	7
Distribution transformers	7,982	8,060	8,082	8,226	8,357	8,453	8,655	8,827	8,882	9,015
<b>Water</b>										
Water mains and distribution lines- miles of pipe	539	540	541	527	528	529	539	544	549	549
Hydrants	3,464	3,487	3,494	3,510	3,524	3,539	3,617	3,659	3,729	3,763
Plant capacity- millions gallons/day	87	87	87	87	87	87	87	87	87	87
Raw water storage- acre feet	7,161	7,161	7,161	7,161	7,161	7,161	7,161	7,161	7,161	7,161
Treated water storage- million gallons	36.0	35.5	35.5	35.5	35.5	35.5	35.5	35.5	36	36
Water rights owned- avg yield in acre feet/year	73,700	74,120	74,140	74,160	74,420	74,670	74,945	75,245	75,295	75,345
<b>Wastewater</b>										
Trunk and collection- miles of pipe	435	437	436	437	436	437	437	445	445	446
Plants- treatment capacity	29	29	29	29	29	29	29	29	29	29
Biosolids facility- acres	26,000	26,350	26,582	26,680	26,680	26,680	26,680	26,680	26,680	26,680
<b>Storm Drainage</b>										
City owned detention basins	90	90	90	90	90	90	90	90	105	106
City owned detention basins- acres	320	320	320	320	320	320	320	320	330	321
Regional drainage channels	67	69	69	69	69	69	69	69	69	69
Storm sewer manholes	2,765	2,968	3,265	2,568	3,524	3,640	3,909	3,909	4,271	4,326
Storm sewer pipeline- miles**	190.2	197.2	219.6	220.0	224.2	232.0	237.0	241.0	247.0	177.0
<b>Golf</b>										
Golf courses	3	3	3	3	3	3	3	3	3	3
City Park Nine- acres	56	56	56	56	56	56	56	56	56	56
Collindale- acres	160	160	160	160	160	160	160	160	160	160
SouthRidge-acres	128	128	128	128	128	128	128	128	128	128

\* The Land Bank program acquires unimproved sites that are appropriate for affordable housing and holds them long-term (5 years minimum), which will ultimately be sold at discount to non-profit developers to build affordable housing projects.

\*\*Miles for 2015 and prior includes storm drainage systems not maintained by the City. Miles for 2016 includes only City of Fort Collins maintained pipes.



**OTHER  
SCHEDULES**



**ELECTRIC UTILITY ENTERPRISE  
TAX-EXEMPT REVENUE BONDS SERIES 2010A and 2010B  
SEC RULE 15c2-12 INFORMATION—CUSTOMER BASE and LARGEST UTILITY CUSTOMERS  
(UNAUDITED)**

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**Customer Base**

The Electric Utility System serves a customer base which has grown as follows in the years 2007 to 2016:

<u>Years</u>	<u>Electric Customers</u>	<u>% Change</u>
2007	62,991	0.7
2008	63,913	1.5
2009	64,750	1.3
2010	65,507	1.2
2011	66,223	1.1
2012	67,212	1.5
2013	68,588	2.0
2014	69,621	1.5
2015	70,596	1.4
2016	71,327	1.0

**Ten Largest Electric Utility Customers**

<u>Customer (NAICS code)</u>	<u>Electric Charges for Services</u>	<u>% of Total Electric</u>
University	\$ 9,317,130	7.4%
Industrial	8,684,294	6.9%
Industrial	4,993,027	4.0%
Industrial	4,544,738	3.6%
City Government	2,330,847	1.9%
School District	1,668,785	1.3%
Industrial	1,607,627	1.3%
Hospital	1,372,900	1.1%
County	891,863	0.7%
Industrial	553,077	0.4%
<b>Total Ten Largest Customers</b>	<b>\$ 35,964,288</b>	<b>28.8%</b>

(1) State laws prohibit disclosing the identity of the Enterprise's customers

(2) Based on the total charges for electric services of \$125,072,991 in 2016

**ELECTRIC UTILITY ENTERPRISE**  
**TAX-EXEMPT REVENUE BONDS SERIES 2010A and 2010B**  
**SEC RULE 15c2-12 INFORMATION—REVENUE BY CUSTOMER CLASS**  
**(UNAUDITED)**

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The following table sets forth Electric Utility System’s sales and revenues by customer class for the past five years.

<b>Statistics by Customer Class</b>					
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Electric sales in MWH</b>					
Residential	488,985	508,379	482,399	485,337	495,471
Commercial & Traffic Signals <sup>(1)</sup>	507,727	502,579	498,597	519,802	514,419
Industrial & Contract <sup>(2)</sup>	461,481	458,414	452,249	463,409	493,830
<b>Total</b>	<b>1,458,193</b>	<b>1,469,372</b>	<b>1,433,245</b>	<b>1,468,548</b>	<b>1,503,720</b>
<b>Electric Revenues</b>					
Residential	\$ 45,298,803	\$ 48,353,181	\$ 46,813,927	\$ 47,083,536	\$ 50,029,684
Commercial & Traffic Signals <sup>(1)</sup>	37,397,187	38,881,484	39,316,511	41,679,100	42,879,865
Industrial & Contract <sup>(2)</sup>	25,939,489	27,523,024	27,984,895	28,687,555	32,163,442
<b>Total</b>	<b>\$ 108,635,479</b>	<b>\$ 114,757,689</b>	<b>\$ 114,115,333</b>	<b>\$ 117,450,191</b>	<b>\$ 125,072,991</b>
<b>Average Customer Accounts</b>					
Residential	59,406	60,464	61,016	61,738	62,770
Commercial & Traffic Signals <sup>(1)</sup>	7,788	8,106	8,587	8,843	8,543
Industrial & Contract <sup>(2)</sup>	18	18	18	15	14
<b>Total</b>	<b>67,212</b>	<b>68,588</b>	<b>69,621</b>	<b>70,596</b>	<b>71,327</b>
<b>Average Annual Use per Residential Customer</b>					
	8,231	8,408	7,906	7,861	7,893
<b>Annual Peak Demand (MW)</b>					
	302	296	282	291	304

(1) Commercial accounts include all non residential customers with average monthly demands less than 750 kW.

(2) Industrial accounts include all non residential customers with average monthly demands greater than 750 kW.

**ELECTRIC UTILITY ENTERPRISE  
TAX-EXEMPT REVENUE BONDS SERIES 2010A and 2010B  
SEC RULE 15c-2-12 INFORMATION—PLEDGED REVENUES AND CHANGES IN WORKING CAPITAL  
(UNAUDITED)**

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**Collections**

Although the Enterprise has not been required to calculate Gross Pledged Revenues, Operation and Maintenance Expenses and Net Pledged Revenues relating to the Electric Utility System prior to those terms being defined in the Bond Ordinance, the Enterprise has calculated what such amounts would have been for the fiscal years ended December 31, 2011 through 2016 as follows:

	<b>Historical Net Pledged Revenues</b>					
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Gross Pledged Revenues <sup>(1)</sup>	\$ 109,106,009	\$ 119,770,757	\$ 129,263,898	\$ 125,953,186	\$ 125,694,580	\$ 134,007,172
Operating and Maintenance Expense <sup>(2)</sup>	96,124,444	100,663,688	108,976,494	107,204,776	114,156,098	122,821,511
Net Pledged Revenues	\$ 12,981,565	\$ 19,107,069	\$ 20,287,404	\$ 18,748,410	\$ 11,538,482	\$ 11,185,661

(1) For purposes of comparison with the five-year Comparative Statement of Revenue, Expenditures and Changes in Net Assets herein, Gross Pledged Revenues reflect "Total Revenues" less Transfers In.

(2) For purposes of comparison with the five-year Comparative Statement of Revenue, Expenditures and Changes in Net Assets herein, Operating and Maintenance Expenses reflect "Total Expenditures" less Depreciation, Interest Expense and Transfers Out.

**Light and Power Fund  
Changes in Working Capital**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Current Assets	\$ 65,173,481	\$ 68,958,186	\$ 70,157,741	\$ 65,126,493	\$ 52,523,574
Current Liabilities	13,274,433	13,703,695	13,618,178	13,701,093	15,754,103
Working Capital	\$ 51,899,048	\$ 55,254,491	\$ 56,539,563	\$ 51,425,400	\$ 36,769,471
Change in Working Capital	\$ 7,830,936	\$ 3,355,443	\$ 1,285,072	\$ (5,114,163)	\$(14,655,929)

**ELECTRIC UTILITY ENTERPRISE  
TAX-EXEMPT REVENUE BONDS SERIES 2010A and 2010B  
SEC RULE 15c2-12 INFORMATION – OPERATING HISTORY  
(UNAUDITED)**

**Operating History of the Light and Power Fund**

The following table sets forth the Comparative Statements of Revenue, Expenditures and Changes in Net Assets for the years ended December 31, 2012 through 2016:

**CITY OF FORT COLLINS LIGHT AND POWER FUND**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>REVENUES</b>					
Charges for services	\$ 108,634,479	\$ 114,757,689	\$ 114,114,704	\$ 117,450,191	\$ 125,072,991
Earnings on investments	566,783	74,170	620,546	546,738	249,907
Interest on security lending income	-	-	-	-	-
Intergovernmental	5,564,701	933,688	112,218	224,799	337,380
Other revenue	1,395,604	1,417,461	1,768,063	1,596,769	1,808,474
Transfers	-	86,147	87,888	179,000	67,000
Gain on sale of capital assets	194,540	(873,819)	(181,901)	144,160	123,422
Contributed Capital	3,414,650	12,954,709	9,519,556	5,731,923	6,414,998
<b>Total Revenues</b>	<b>\$ 119,770,757</b>	<b>\$ 129,350,045</b>	<b>\$ 126,041,074</b>	<b>\$ 125,873,580</b>	<b>\$ 134,074,172</b>
<b>EXPENDITURES</b>					
Personal services	\$ 6,545,285	\$ 7,676,785	\$ 7,407,796	\$ 7,510,929	\$ 7,936,963
Contractual services	9,701,076	10,554,688	10,342,768	9,496,190	11,053,742
Commodities	77,286,971	81,723,155	81,711,589	89,287,299	94,439,663
Customer service and admin charges	4,272,291	4,683,584	5,126,811	5,268,453	6,500,603
Interest	259,043	483,529	447,728	386,728	324,879
Other	2,858,065	4,338,282	2,615,812	2,593,227	2,890,540
Depreciation	7,739,320	8,032,824	8,332,877	8,646,806	9,209,164
Transfers Out	-	129,845	16,897	19,281	103,715
<b>Total Expenditures</b>	<b>108,662,051</b>	<b>117,622,692</b>	<b>116,002,278</b>	<b>123,208,913</b>	<b>132,459,269</b>
<b>Change in Net Assets</b>	<b>11,108,706<sup>(1)</sup></b>	<b>11,727,353</b>	<b>10,038,796</b>	<b>2,664,666</b>	<b>1,614,903</b>
<b>Net Assets -- January 1</b>	<b>166,578,985</b>	<b>177,687,691</b>	<b>189,415,044</b>	<b>198,422,466<sup>(2)</sup></b>	<b>201,087,112</b>
<b>Net Assets -- December 31</b>	<b>\$ 177,687,691</b>	<b>\$ 189,415,044</b>	<b>\$ 199,453,840</b>	<b>\$ 201,087,112</b>	<b>\$ 202,702,015</b>

(1) Net Assets -- January 1, 2012 beginning balance was adjusted, due to the adoption of GASB Statement No. 65 "Items Previously Reported as Assets and Liability" resulted in a restatement to removed unamortized debt issuance costs previously reported as an asset.

(2) Net Assets -- January 1, 2015 beginning balance was adjusted, due to the adoption of GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" resulted in a restatement to recognize the liability expected to be liquidated with expendable available financial resources.

**ELECTRIC UTILITY ENTERPRISE  
TAX-EXEMPT REVENUE BONDS SERIES 2010A and 2010B  
SEC RULE 15c2-12 INFORMATION – COMPARISON AGAINST RECENT BUDGET  
(UNAUDITED)**

**Budget Summary**

The following table shows the 2016 budgeted Statement of Net Assets compared against the 2016 Actual Statement of Net Assets.

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
<b>REVENUES</b>				
Programs				
Earnings on investments	\$ 249,907	\$ 579,348	\$ 579,348	\$ (329,441)
Fees and charges for services	125,072,991	128,226,300	128,226,300	(3,153,309)
Intergovernmental	337,380	220,000	220,000	117,380
Miscellaneous revenue	8,248,378	4,410,000	4,410,000	3,838,378
Sale of Capital Assets	46,650	-	-	46,650
Transfers	67,000	192,000	192,000	(125,000)
Projects				
Intergovernmental	18,130,762	-	18,101,264	29,498
Miscellaneous revenue	607,095	-	748,982	(141,887)
Proceeds from issuance of long-term debt	16,500,000	-	17,000,000	(500,000)
Total Revenues	<u>169,260,163</u>	<u>133,627,648</u>	<u>169,477,894</u>	<u>(217,731)</u>
<b>EXPENSES</b>				
Programs (fund level of budgetary control)				
L&P Energy Services	5,960,263	5,294,163	7,103,451	1,143,188
L&P Payments and Transfers	17,771,147	17,984,728	18,061,938	290,791
L&P Purchase of Power	90,640,003	92,366,000	92,512,520	1,872,517
L&P System Additions	12,200,187	16,680,428	15,604,986	3,404,799
Light & Power Operations	10,385,756	9,401,358	9,740,407	(645,349)
Projects (project level of budgetary control)				
Art in Public Places	445,393	-	962,506	517,113
Maintenance Mgmt	578,790	-	644,129	65,339
Electric Vehicle Charging Stn	95,695	-	98,931	3,236
Radios	726,303	-	773,325	47,022
Service Center-L&P Parent	12,485,279	-	13,640,372	1,155,093
Smart Grid Invest Grant	33,622,042	-	34,890,127	1,268,085
Substation Cap Proj	1,437,260	-	2,338,977	901,717
SW Enclave Sys Purchases	2,455	-	1,302,688	1,300,233
Underground Conversion	1,150,068	-	1,707,471	557,403
New Capacity-Duct Banks	34,085	-	1,425,000	1,390,915
Substation Cap Prj - Parent	-	-	463,952	463,952
Genisis64 SCADA Upgrade	-	-	200,000	200,000
Total Expenses	<u>187,534,726</u>	<u>141,726,677</u>	<u>201,470,780</u>	<u>13,936,054</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(18,274,563)	<u>\$ (8,099,029)</u>	<u>\$ (31,992,886)</u>	<u>\$ 13,718,323</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Prior Years' Project Expenses	39,710,429			
Prior Years' Project Revenues	(35,185,991)			
Capital Outlay--Programs	936,837			
Current Year's Project Expenses	21,920,092			
Principal Reduction--Long-term Debt	1,656,455			
Depreciation	(9,209,164)			
Bond Amortization	60,808			
Total Reconciling Items	<u>19,889,466</u>			
Change in net position	1,614,903			
Net Position--January 1	<u>201,087,112</u>			
Net Position--December 31	<u>\$ 202,702,015</u>			

**WASTEWATER UTILITY ENTERPRISE**



**WASTEWATER REVENUE BONDS  
 SEC RULE 15c2-12 INFORMATION—CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT  
 (UNAUDITED)**

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**Customer Base**

The sewer (wastewater) system serves a customer base which has grown as follows in the years 2007 to 2016:

<u>Years (at December 31)</u>	<u>Wastewater Customers</u>
2007	32,992
2008	32,847
2009	33,134
2010	33,226
2011	33,305
2012	33,398
2013	33,555
2014	34,203
2015	34,425
2016	34,982

Approximately 94.3% of the wastewater customers are residential, with the remaining 5.7% being industrial and commercial customers. Currently two customers represent more than 3% of wastewater system revenues. In 2016, amounts paid by the university comprised 5.3% of wastewater system revenues (\$1,176,000). Additionally, amounts paid by a large commercial customer comprised 5.4% of wastewater system revenues (\$1,187,910).

**Rate Structure**

User Charges. The following tables show the City’s monthly wastewater user charges in effect on January 1, 2016. Historically, user charges increased 4.5% for residential rates and 7.5% for commercial rates in 1990, 8.6% for residential rates and 11.6% for commercial rates in 1991, 6.0% per year for all customer classes in 1992, 1993, 1994, and 1995, 3.0% in 1996, 0% in 1997, 2.0% in 1998, 1999, 2000, 2001, 2002 and 2003, 5% in 2004, 2005, 2006 and 2007, 12% in 2008, 11% in 2009, 10% in 2010, 9% in 2011, and 8% in 2012. There was no rate increase implemented in 2013. In 2014 Wastewater rates increased 3% and varied by rate class based on cost of service: +7.5% single family residential, -5.6% duplex, +4.2% multi-family, and -3.6 commercial. Wastewater rates increased 3% in 2015 for all rate classes. In 2016 Wastewater rates increased 3% and varied by rate class based on cost of service: +2.5% single family residential, duplex, and multi-family, and +4.5% commercial. The minimum winter quarter average consumption (WQA) is 3,000 gallons for single family customers (4,000 gallons for duplexes).

Large commercial customers who have facility or manufacturing processes that result in a significant difference between the volumes of water delivered and the volume of wastewater discharged had the ability to start metering their flows beginning in 2012. Seven customers qualified for the consumptive credit in 2016, with the credit totaling \$193,070, much less than earlier projections for the reduced revenues.

**WASTEWATER UTILITY ENTERPRISE  
SEWER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION- RATE STRUCTURE (UNAUDITED)  
(Continued)**

2016 Monthly User Charges <sup>1</sup>

<u>Residential</u> <sup>2</sup>	Wastewater Rates	
	Fixed	Variable
Single family	\$ 17.12	\$ 3.326 /kgal of WQA
Duplex	\$ 19.44	\$ 2.918 /kgal of WQA
Multi-family	\$ 2.53 per living unit	\$ 3.222 /kgal of WQA
<u>Commercial</u> <sup>3</sup>		
3/4" metered	\$ 8.77	\$ 3.039 /kgal
1"	\$ 20.24	\$ 3.039 /kgal
1 1/2"	\$ 40.74	\$ 3.039 /kgal
2"	\$ 69.71	\$ 3.039 /kgal
3"	\$ 111.38	\$ 3.039 /kgal
4"	\$ 175.90	\$ 3.039 /kgal
6"	\$ 771.12	\$ 3.039 /kgal
8"	\$ 890.36	\$ 3.039 /kgal

Footnotes:

- <sup>1</sup> Excludes payments in lieu of taxes which are included as an additional 6% charge in the wastewater bill and remitted to the general fund.  
<sup>2</sup> Average monthly amount of water billed during January, February, and March.  
<sup>3</sup> The usage charge of \$2.908 multiplied by each increment of 1,000 gallons either (a) metered water or (b) based on WQC, if customer is eligible.

Plant Investment Fees. Plant Investment Fees (PIF) are used to finance growth related capital facility costs for wastewater “backbone” and treatment facilities. They establish equity between existing customers and new customers and shelter existing customers from the cost of growth but must be established and applied in a legal manner (Colorado Senate Bill 15, 2001). This fee is paid at the time a building permit is issued. Proceeds of the plant investment fee are accounted for as contributed capital of the wastewater system, rather than as operating revenue. The City Council adopted the following plant investment fee schedule, which took effect January 1, 2016.

<u>Residential:</u>	
Single family residence	\$ 3,500
Duplex and Multi-family residence (per living unit)	\$ 2,520
<u>Non-Residential:</u> (based on water connection size)	
3/4"	\$ 7,130
1"	\$ 17,200
1 1/2"	\$ 33,410
2"	\$ 59,140
3"	**
4"	**

\*\*Calculated on an individual basis, but not less than the 2" charges

Other Fees and Charges. The City also charges additional fees and charges related to the provision of sewer service, including wastewater strength surcharges, industrial wastewater discharge permit application and administration fees, wastewater monitoring and sampling charges, laboratory analysis and support service charges, a private sewage disposal system permit and inspection fee, and a building sewer permit and inspection fee.

**WASTEWATER UTILITY ENTERPRISE  
SEWER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION- ENFORCEMENT (UNAUDITED)  
(Continued)**

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**Enforcement**

The City's collections of wastewater charges historically have been in excess of 99%. Unpaid charges constitute a perpetual lien on the property to which service was delivered. Customers with delinquent active accounts are sent courtesy notices after 43 days. Wastewater service is not discontinued due to delinquency because of public health regulations. However, the City may discontinue water and electric service on delinquent accounts. Sometimes liens are filed while the delinquent customer is still an active account. Customers who have moved from the address where service was supplied and left the account owing to the City are typically assigned to a collection agency.

**WASTEWATER UTILITY ENTERPRISE  
SEWER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION—COLLECTIONS AND OPERATING HISTORY (UNAUDITED)  
(Continued)**

**Collections (in thousands)**

The following table sets forth the historical Wastewater System user rates, plant investment fee, other fees and charges, and investment earnings.

	2012	2013	2014	2015	2016
User rates	\$ 20,809	\$ 20,338	\$ 21,329	\$ 22,064	\$ 23,297
Plant investment fees	2,120	3,172	3,674	2,729	4,673
Other fees & charges	123	129	404	253	273
Investment earnings	468	172	438	439	133
Total Wastewater Revenue	<u>\$ 23,520</u>	<u>\$ 23,811</u>	<u>\$ 25,846</u>	<u>\$ 25,486</u>	<u>\$ 28,376</u>

**Operating History of the Wastewater Fund**

The financial section of this Comprehensive Annual Financial Report contains financial statements of the City and the Wastewater Fund as of and for the year ended December 31, 2016. The following sets forth the operating history of the Wastewater Fund for the years ended December 31, 2012 through 2016.

	2012	2013	2014	2015	2016
<b>Operating Revenues</b>					
Charges for services	\$ 20,809	\$ 20,338	\$ 21,329	\$ 22,064	\$ 23,297
Other revenue	104	98	783	204	191
Total Operating Revenues	<u>20,913</u>	<u>20,436</u>	<u>22,113</u>	<u>22,268</u>	<u>23,488</u>
<b>Operating Expenses</b>					
Administrative charge	1,642	1,724	1,897	2,159	2,679
Personnel services	4,801	4,931	4,852	5,010	5,451
Contractual services	3,893	3,873	3,331	3,026	4,061
Commodities	1,110	1,245	1,186	1,102	1,176
Other	211	169	319	1,006	703
Depreciation	4,628	4,697	5,063	5,474	5,708
Total Operating Expenses	<u>16,285</u>	<u>16,638</u>	<u>16,649</u>	<u>17,776</u>	<u>19,779</u>
Operating Income	<u>4,627</u>	<u>3,798</u>	<u>5,463</u>	<u>4,492</u>	<u>3,708</u>
<b>Nonoperating Revenues (Expenses)</b>					
Earnings on investments	468	172	438	439	133
Gain on sale of capital assets	19	31	33	50	82
Interest expense	(1,328)	(1,308)	(1,217)	(1,127)	(717)
Other expenses	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(841)</u>	<u>(1,105)</u>	<u>(746)</u>	<u>(638)</u>	<u>(502)</u>
Income Before Contributions and Transfers	<u>3,786</u>	<u>2,693</u>	<u>4,718</u>	<u>3,854</u>	<u>3,207</u>
Capital contributed	2,120	3,172	3,674	2,729	4,673
Operating transfers in	-	-	-	29	125
Operating transfers out	-	(10)	(36)	(38)	(72)
Income After Contributions and Transfers	<u>2,120</u>	<u>3,162</u>	<u>3,638</u>	<u>2,720</u>	<u>4,726</u>
Change in Net Position	5,906	5,855	8,355	6,574	7,933
Net Position--Jan. 1	<u>137,397</u>	<u>143,302</u>	<u>149,158</u>	<u>* 156,029</u>	<u>162,603</u>
Net Position--Dec. 31	<u>\$ 143,302</u>	<u>\$ 149,157</u>	<u>\$ 157,513</u>	<u>\$ 162,603</u>	<u>\$ 170,536</u>

*Totals may not add due to rounding*

*\* Restated 2015 Beginning balance as result of implementing GASB 68.*

**WASTEWATER UTILITY ENTERPRISE  
SEWER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION—HISTORIC DEBT SERVICE COVERAGE (UNAUDITED)  
(Continued)**

The historic debt service coverage on obligations payable from net pledged revenues of the Wastewater Fund for the past ten years is as follows (*in thousands*):

**SEWER REVENUE BONDS--COVERAGE OF DEBT SERVICE REQUIREMENTS BY  
NET PLEDGED REVENUES OF THE SEWER SYSTEM--2007 TO 2016 <sup>1</sup>**

	Gross Revenues <sup>2</sup>	Expenses <sup>3</sup>	Net Pledged Revenues	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2007	22,048	9,931	12,116	3,922	1,184	5,105	2.37
2008	21,844	10,434	11,410	4,081	1,005	5,087	2.24
2009	22,875	10,577	12,298	4,237	1,817	6,054	2.03
2010	22,170	12,117	10,053	3,378	1,704	5,081	1.98
2011	20,375	11,134	9,240	2,982	1,496	4,477	2.06
2012	23,520	11,658	11,862	3,099	1,459	4,557	2.60
2013	23,811	11,942	11,870	3,265	1,308	4,573	2.60
2014	26,258	11,586	14,672	1,640	1,217	2,857	5.14
2015	24,360	12,303	12,057	1,695	1,158	2,853	4.23
2016	28,376	14,072	14,305	1,760	328	2,088	6.85

<sup>1</sup> Includes debt service on all bonds secured by sewer system revenues.

<sup>2</sup> Includes all income of the Wastewater Fund pledged for the payment of bonds.

<sup>3</sup> Operating expenses less depreciation.

*Totals may not add due to rounding*

**WASTEWATER UTILITY ENTERPRISE  
SEWER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – BALANCES ON DEPOSIT (UNAUDITED)  
(Continued)**

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The sewer revenue bonds are secured by an irrevocable pledge of a first lien upon net pledged revenues of the Wastewater Fund. The sewer revenue bond ordinances provide that all gross revenues pledged to the sewer revenue bonds will be set aside and credited to the Wastewater Fund and that such revenues will be deposited and applied in the following order of priority:

Operation and Maintenance Fund. As a first charge on the Wastewater Fund, the bond ordinances require the City to credit from time to time to the operation and maintenance fund revenue sufficient to pay the necessary and reasonable current expenses of operating, maintaining, and repairing the sewer system. **The balance on deposit in this fund as of December 31, 2016 is \$3,517,886.**

Debt Service Reserve Fund. The bond ordinances require the City to retain certain amounts in the debt service reserve fund for the Series 2009 and Series 2010 Sewer Revenue Bonds. However, a debt service reserve insurance policy unconditionally guarantees the payment of principal and interest on these bonds (up to and including the amount provided for in the reserve policy) in the event of nonpayment by the City. **Accordingly, the amount on deposit in the Debt Service Reserve Fund as of December 31, 2016 was \$236,725.**

In addition to the above, the bond ordinance established the following fund:

Sewer Fund. The Sewer Fund, referred to in the bond ordinance, was established by Ordinance No. 67, 1974. Complete financial statements, which reflect all deposits and balances of this fund (herein referred to as the “Wastewater Fund”) are included in the financial section of this report.

**STORM DRAINAGE UTILITY ENTERPRISE  
STORM DRAINAGE REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION—FEE REVENUES AND OPERATING HISTORY (UNAUDITED)  
(Continued)**

**Collections (in thousands)**

The following table sets forth the historical Storm Drainage Fund fee revenues for the years 2012 through 2016.

	2012	2013	2014	2015	2016
Storm drainage utility fee	\$ 14,051	\$ 14,385	\$ 14,717	\$ 15,035	\$ 15,620
Storm drainage basin fees	948	842	2,580	1,526	4,530
Other Revenues	-	127	477	342	236
Total Storm Drainage Fund Fee Revenues	<u>\$ 14,999</u>	<u>\$ 15,354</u>	<u>\$ 17,774</u>	<u>\$ 16,904</u>	<u>\$ 20,387</u>

**Operating History of the Storm Drainage Fund**

The financial section of this Comprehensive Annual Financial Report contains financial statement of the City and the Storm Drainage Fund as of and for the year ended December 31, 2016. The following sets forth the operating history of the Storm Drainage for the years ended December 31, 2012 through 2016.

	Restated 2012	2013	2014	2015	2016
<b>Operating Revenues</b>					
Charges for services	\$ 14,051	\$ 14,385	\$ 14,717	\$ 15,035	\$ 15,620
Other revenue	30	18	82	47	86
Total Operating Revenues	<u>14,082</u>	<u>14,403</u>	<u>14,799</u>	<u>15,082</u>	<u>15,707</u>
<b>Operating Expenses</b>					
Administrative charge	1,844	1,990	2,234	2,276	2,815
Personnel services	2,054	1,908	1,807	1,748	2,401
Contractual services	939	2,096	1,239	998	1,081
Commodities	186	185	218	316	195
Other	42	331	251	296	278
Depreciation	2,201	2,134	2,348	2,603	2,633
Total Operating Expenses	<u>7,265</u>	<u>8,644</u>	<u>8,098</u>	<u>8,238</u>	<u>9,404</u>
Operating Income	<u>6,816</u>	<u>5,759</u>	<u>6,701</u>	<u>6,844</u>	<u>6,303</u>
<b>Nonoperating Revenues (Expenses)</b>					
Earnings on investments	184	48	318	295	135
Intergovernmental	490	0	18	1	-
Gain/loss on sale of capital assets	26	28	27	0	14
Interest expense	(1,085)	(1,012)	(891)	(775)	(661)
Other expenses	(69)	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(455)</u>	<u>(936)</u>	<u>(528)</u>	<u>(479)</u>	<u>(511)</u>
Income Before Contributions and Transfers	<u>6,361</u>	<u>4,823</u>	<u>6,173</u>	<u>6,365</u>	<u>5,792</u>
Capital contributions	948	842	2,580	1,526	4,530
Operating transfers In	-	32	32	-	-
Operating transfers out	(220)	(274)	(249)	(247)	(247)
Income After Contributions and Transfers	<u>728</u>	<u>600</u>	<u>2,362</u>	<u>1,279</u>	<u>4,283</u>
Change in Net Position	7,090	5,423	8,536	7,644	10,075
Net Position--Jan. 1	89,865	96,954	102,377	* 110,471	118,115
Net Position--December 31	<u>\$ 96,954</u>	<u>\$ 102,377</u>	<u>\$ 110,913</u>	<u>\$ 118,115</u>	<u>\$ 128,190</u>

Totals may not add due to rounding

\* Restated 2015 Beginning balance as result of implementing GASB 68.

**STORM DRAINAGE UTILITY ENTERPRISE  
STORM DRAINAGE REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – FEE STRUCTURE, PLEDGED REVENUES (UNAUDITED)  
(Continued)**

**Storm Drainage Utility Fee Structure**

Storm drainage utility fees are imposed on every developed lot and parcel of land within the City and are payable monthly. The storm drainage utility fee is designed to pay for the operation and maintenance of the City’s storm drainage system. The fee also pays for the design, right-of-way acquisition, and construction or reconstruction of storm drainage facilities throughout the City. The monthly storm drainage utility fee in effect at the end of 2016 for a residential lot of approximately 8,600 square feet is \$14.26 and \$28.52 for a commercial lot of approximately 8,600 square feet. This storm drainage utility fee did not increase in 2014, 2015 or 2016.

Storm drainage utility fees are billed through the City’s consolidated monthly billing system, permitting the City to include storm drainage utility fees on a customer’s regular utility bill. If a customer fails to pay any utility fees, the City has the authority to terminate utility service to the delinquent customer and to place a lien on the property for which the fees are delinquent.

Approximately 81% of storm drainage utility billing accounts and 45% of storm drainage revenues are attributable to single family residential customers. 19% of accounts and 55% of storm drainage revenues are attributable to multi-family residential, commercial and industrial customers. Two customers of the storm drainage utility contribute 2% or more of the storm drainage utility’s total monthly revenue - the school district with 4.0% of total revenue and the City municipal government at 2.4%. Due to the perpetual lien ordinance, historically, the City collects over 99% of its billed monthly utility charges for storm drainage.

**Historic Net Pledged Revenues**

STORM DRAINAGE REVENUE BONDS							
	Gross		Net Revenue	Debt Service Requirements			Coverage
	Revenues	Expenses	Available for Debt Service	Principal	Interest	Total	
2006	15,396	3,779	11,618	2,405	2,030	4,435	2.62
2007	16,698	4,615	12,084	2,150	1,643	3,793	3.19
2008	15,139	4,865	10,274	2,610	2,483	5,093	2.02
2009	14,219	5,838	8,381	2,568	2,346	4,914	1.71
2010	14,613	5,052	9,560	2,683	1,606	4,289	2.23
2011	14,669	5,299	9,371	2,238	1,143	3,380	2.77
2012	15,729	5,064	10,664	2,965	1,102	4,067	2.62
2013	15,322	6,510	8,812	3,085	954	4,039	2.18
2014	17,742	5,749	11,993	3,203	840	4,042	2.97
2015	16,129	5,635	10,494	3,335	832	4,167	2.52
2016	20,387	6,771	13,616	3,465	699	4,164	3.27

**Changes in Storm Drainage Fees**

Since 1987, the City has increased the overall storm drainage fees fifteen times. The average increase in the total fees is as follows:

Year	Increase	Year	Increase	Year	Increase
2002	45%	2007	0%	2012	0%
2003	10%	2008	0%	2013	0%
2004	10%	2009	0%	2014	0%
2005	0%	2010	0%	2015	0%
2006	0%	2011	0%	2016	0%

Prior to November of 1998, storm drainage utility fees varied by basin depending on drainage problems and improvements needed in each basin. Beginning in November of 1988, the fees were assessed uniformly on a city-wide basis and improvements are to be prioritized and constructed based on needs of the City as a whole.



**WATER UTILITY ENTERPRISE  
WATER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – CUSTOMER BASE AND RATE STRUCTURE (UNAUDITED)**

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**Customer Base**

The water system serves a customer base that has grown as follows in the years 2007-2016:

<u>Years (at December 31)</u>	<u>Water Customers</u>
2007	32,780
2008	33,082
2009	32,910
2010	32,983
2011	33,074
2012	33,147
2013	33,348
2014	34,290
2015	34,744
2016	35,085

The City classifies its water customers according to several classifications. A breakdown of the accounts based on such classifications being served as of December 31, 2016 is set forth below:

<u>Classification</u>	<u>Number of Accounts</u>	<u>Accounts</u>
Residential	32,654	93.1%
Commercial & Industrial	2,430	6.9%
Total	35,084	100.0%

The following table sets forth the ten largest customers of the water system, which in the aggregate accounted for approximately 26.3% of total water usage during 2016:

<u>Customer</u>	<u>Water Usage Millions of</u>	<u>Percent of Total Water</u>
Industrial	817,427	10.9%
Industrial	361,393	4.8%
University	338,484	4.5%
City Government	135,353	1.8%
Industrial	105,234	1.4%
School District	92,523	1.2%
Industrial	36,411	0.5%
Hospital	30,921	0.4%
Commercial	26,917	0.4%
County	23,261	0.3%
		26.3%

**Water Rate Structure**

The City’s water rate structure is administered in substantial compliance with the “cost of service” method endorsed by the American Water Works Association. Under the cost of service method, an effort is made to establish equitable charges which reflect the true costs of serving various classes of customers.

**WATER UTILITY ENTERPRISE  
WATER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – CUSTOMER BASE AND RATE STRUCTURE (UNAUDITED)  
(Continued)**

In 2004, City Council directed staff to develop a 4-tier rate that would reduce the severity of cost impacts for larger, single-family, and duplex residential users due to the 2003 5-tier rates. The 4-tier rate structure was adopted by City Council and went into effect May 1, 2004 and remained in effect through April 30, 2006. On March 21, 2006 City Council passed a 3-tier water rate for single family and duplex customers that will be in effect for billings after May 1, 2006 and remain in effect January 1, 2008. A 3% rate increase was implemented for 2009. While a 3% overall revenue increase was implemented for 2010 the resulting cost of service adjustments were +3.8% for residential, 0% for duplex and multi-family and +1.7% for commercial rate classes. A 3% rate increase was implemented for 2011. A 6% across the board rate increase was implemented in 2012 and a 4% across the board rate increase was implemented in 2013 for all rate classes. In January 2014, water rates were increased an average of 4%. The 2014 increase varied by cost of service: +9% single family residential, -1.8% duplex, -16.4 multi-family, 7.7% commercial, and +3.5% high volume industrial. There was no increase in 2015 or 2016.

The following water rates were effective January 1, 2016. In addition to these rates, a 6% payment in lieu of taxes (“PILOT”) is added to all charges and paid to the City’s general fund.

**Monthly User Charges Effective January 1, 2016**

(1) Residential customers with one dwelling unit.

a. *Base Charges.* Residential customers with one dwelling unit shall pay a base monthly charge of \$15.41.

b. *Quantity Charges.* Residential customers with one dwelling units shall pay a monthly quantity charge as follows:

For the first 7,000 gallons used per month at \$2.386 per 1,000 gallons  
For the next 6,000 gallons used per month at \$2.742 per 1,000 gallons  
For all additional gallons used per month at \$3.154 per 1,000 gallons.

(2) Residential customers with two dwelling units.

a. *Base Charges.* Residential customers with two dwelling units shall pay a base monthly charge of \$16.31.

b. *Quantity Charges.* Residential customers with two dwelling units shall pay a monthly quantity charge as follows:

For the next 9,000 gallons used per month at \$ 2.071 per 1,000 gallons  
For the next 4,000 gallons used per month at \$2.380 per 1,000 gallons  
For all additional gallons used per month at \$2.739 per 1,000 gallons.

**Metered Rates – Nonresidential**

(1) *Base Charges.* Nonresidential customers shall pay a base monthly charge based on meter size:

<b>Nonresidential</b>	
<b>Meter Size (inches)</b>	<b>Monthly Base Charge</b>
3/4	\$ 13.63
1	\$ 38.03
1 1/2	\$ 103.41
2	\$ 155.85
3	\$ 237.70
4	\$ 373.17
6	\$ 723.91
8	\$ 1,278.85

(2) *Quantity Charges.* Nonresidential customers shall pay a monthly quantity charge of \$ 1.897 per 1,000 gallons used in the winter season months of November through April. They shall pay a monthly quantity charge of \$2.370 per 1,000 gallons used in the summer season months of May through October.

**WATER UTILITY ENTERPRISE  
WATER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – RATE STRUCTURE AND ENFORCEMENT (UNAUDITED)  
(Continued)**

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(3) *Charges for Excess Use.* Monthly water use in excess of the amounts specified in the following table shall be billed at \$ 2.725 per 1,000 gallons used in the winter season months of November through April. Monthly water use in excess of the amounts specified below shall be billed at \$3.408 per 1,000 gallons used in the summer season months of May through October.

<b>Nonresidential</b>	
<b>Meter Size (inches)</b>	<b>Specified Amount (gallons per month)</b>
3/4	100,000
1	300,000
1 1/2	625,000
2	1,200,000
3	1,400,000
4	2,500,000

Plant Investment Fees. Plant Investment Fees (PIFs) are used to finance growth related capital facility costs for water “backbone” and treatment facilities. They establish equity between existing customers and new customers and shelter existing customers from the cost of growth but must be established and applied in a legal manner (Colorado Senate Bill 15, 2001). This fee is paid at the time a building permit is issued. Proceeds of the plant investment fee are accounted for as contributed capital of the water system, rather than as operating revenue. The City Council adopted the following plant investment fee schedule, which took effect January 1, 2016.

**Residential:**

<b>Dwelling Category</b>	<b>Plant Investment Fee</b>
Single Family	\$720 plus \$0.33 per square foot of lot area 1
Duplex, Multi-Family, Mobile Home	\$540 per living unit plus \$0.24 per square foot of lot area

**Non-residential:**

<b>Water Meter Size (inches)</b>	<b>Plant Investment Fee</b>
3/4"	\$ 7,180
1"	\$ 19,710
1 1/2"	\$ 42,220
2"	\$ 66,680
3" and above	Based on peak day demand

**Enforcement**

The City’s collections of water charges historically have been in excess of 99%. Unpaid water charges constitute a perpetual lien on the property to which service was delivered. Customers with delinquent active accounts are sent delinquency notices after 38 days. The City may discontinue water and electric service on delinquent accounts. Sometimes liens are filed while the delinquent customer is still an active account. Customers who have moved from the address where service was supplied and left the account owing to the City are typically assigned to a collection agency.

**WATER UTILITY ENTERPRISE  
WATER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – CONTRIBUTED CAPITAL AND COLLECTIONS (UNAUDITED)  
(Continued)**

**Contributed Capital (in thousands)**

Several significant categories of receipts of the Water Fund which are pledged to the payment of the Bonds are accounted for as contributed capital rather than as revenue. The following table presents, in thousands, receipts of major categories of contributed capital by the Water Fund for the past ten years:

Year	Contributions In Aid of Construction	Cash Contributed In Lieu of Water Rights	Anheuser- Busch Water Rights Payments	Plant Investment Fees	Anheuser- Busch Master Agreement Payments	Anheuser- Busch Capacity Payments	Total Contributed Capital
2007	61	3,708	362	2,674	680	235	7,720
2008	50	3,233	-	1,356	698	30	5,367
2009	13	824	-	521	725	32	2,116
2010	11	1,006	-	668	-	35	1,721
2011	16	2,591	-	969	-	37	3,612
2012	441	1,675	-	1,293	-	39	3,449
2013	629	3,049	-	1,791	-	5	5,474
2014	321	3,323	-	5,832	-	-	9,477
2015	275	2,632	-	3,235	-	-	6,141
2016	297	3,504	-	3,547	-	-	7,347

**Collections (in thousands)**

The following table sets forth the historical Water System user rates, plant investment fees, other fees and charges, and investment earnings:

	2012	2013	2014	2015	2016
User charges for services	\$ 28,326	\$ 25,954	\$ 26,771	\$ 27,705	\$ 29,776
Plant investment fees	3,449	5,474	9,477	6,141	7,347
Other fees & charges	334	384	418	377	446
Investment earnings	953	164	908	785	343
Total Water System Revenue	<u>\$ 33,061</u>	<u>\$ 31,976</u>	<u>\$ 37,573</u>	<u>\$ 35,008</u>	<u>\$ 37,911</u>

**WATER UTILITY ENTERPRISE  
WATER REVENUE BONDS  
SEC RULE 15c2-12 INFORMATION – OPERATING HISTORY AND DEBT STRUCTURE OF THE WATER  
FUND (UNAUDITED)  
(Continued)**

**Operating History of the Water Fund (in thousands)**

The financial section of this Comprehensive Annual Financial Report contains financial statements of the City and the Water Fund as of and for the year ended December 31, 2016. The following sets forth the operating history of the Water Fund for the years ended December 31, 2012 through 2016.

	2012	2013	2014	2015	2016
<b>Operating Revenues</b>					
Charges for services	\$ 28,326	\$ 25,954	\$ 26,771	\$ 27,705	\$ 29,776
Other revenue	291	1,076	338	288	417
Total Operating Revenues	<u>28,617</u>	<u>27,030</u>	<u>27,109</u>	<u>27,993</u>	<u>30,193</u>
<b>Operating Expenses</b>					
Administrative charge	3,244	3,209	3,525	2,983	3,666
Personal services	5,975	6,250	6,377	6,819	7,308
Contractual services	5,810	6,251	6,238	6,867	6,287
Commodities	3,188	1,725	1,560	1,675	1,816
Other	1,018	675	930	653	927
Capital asset impairments	-	-	-	1,305	-
Depreciation	5,375	5,514	5,816	6,083	6,431
Total Operating Expense	<u>24,610</u>	<u>23,624</u>	<u>24,445</u>	<u>26,385</u>	<u>26,435</u>
Operating Income	<u>4,007</u>	<u>3,406</u>	<u>2,664</u>	<u>1,607</u>	<u>3,758</u>
<b>Nonoperating Revenues (Expenses)</b>					
Earnings on investments	953	164	908	785	343
Gain on sale of capital assets	42	58	85	89	29
Interest expense	(740)	(581)	(510)	(486)	(357)
Total Nonoperating Revenues (Expenses)	<u>256</u>	<u>(358)</u>	<u>483</u>	<u>387</u>	<u>14</u>
Income Before Contributions and Transfers					
Transfers	4,262	3,048	3,146	1,995	3,773
Capital contributions	3,449	5,474	9,477	6,141	7,347
Operating transfers in (out)	-	(197)	(196)	209	(208)
Income After Contributions and Transfers					
Transfers	<u>3,449</u>	<u>5,277</u>	<u>9,280</u>	<u>6,350</u>	<u>7,139</u>
Change in Net Position	7,711	8,325	12,427	8,345	10,912
Net Position--Jan. 1	<u>252,622</u>	<u>260,333</u>	<u>268,658</u>	<u>* 279,550</u>	<u>287,895</u>
Net Position--Dec. 31	<u>\$ 260,333</u>	<u>\$ 268,658</u>	<u>\$ 281,085</u>	<u>\$ 287,895</u>	<u>\$ 298,806</u>

Totals may not add due to rounding

\* Restated 2015 Beginning balance as result of implementing GASB 68.

As of December 31, 2016, the Net Revenue of the Water Fund serviced the following obligations:  
(in thousands)

Name of Issue	Originally Authorized	Outstanding Principal
Water Revenue Bond, Series 1997	\$ 10,125	\$ 360
Water Revenue Bond, Series 1999	4,998	819
Water Subordinate, 2004	2,476	1,334
Water Revenue Refunding Series 2008	<u>9,645</u>	<u>3,965</u>
<b>Total</b>	<u>\$ 27,245</u>	<u>\$ 6,478</u>

Totals may not add due to rounding

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – ASSESSED VALUATION HISTORY (UNAUDITED)**

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**Ad Valorem Property Tax Data**

The following table sets forth a ten-year history of the total assessed valuation in the Plan Area, the amount of such valuation allocable to the Property Tax Base Amount and the amount allocable to the incremental assessed valuation.

**History of Assessed Valuations in the Plan Area**

Levy Year	Collection Year	Total Assessed Valuation in Tax Increment Area	Valuation Allocable to Base Amount	Valuation Allocable to Increment
2007	2008	\$ 24,370,930	\$ 20,994,374	\$ 3,376,656
2008	2009	24,100,310	20,994,374	3,105,936
2009	2010	27,041,580	21,231,611	5,809,969
2010	2011	27,045,790	20,939,619	6,106,171
2011	2012	30,223,310	20,025,954	10,196,356
2012	2013	34,008,140	19,957,399	14,050,741
2013	2014	32,584,550	20,112,768	12,471,782
2014	2015	32,757,840	20,016,051	12,741,789
2015	2016	38,261,030	22,011,398	15,918,112
2016	2017	40,300,349	21,667,359	18,632,990

Source: Larimer County Assessor's Office

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – COLLECTION AND ENFORCEMENT HISTORY  
(Continued)**

The following table sets forth the history of the Authority’s ad valorem property tax collections.

**Property Tax Collections in the Plan Area**

Levy Year	Collection Year	Anticipated Tax Increment <sup>(1)</sup>	Current Tax Collections	Collection Rate
2007	2008	\$ 286,918	\$ 286,918	100%
2008	2009	263,227	263,227	100%
2009	2010	502,669	492,625	98%
2010	2011	547,237	524,486	96%
2011	2012	925,521	918,817	99%
2012	2013	1,309,288	1,284,690	98%
2013 <sup>(2)</sup>	2014 <sup>(2)</sup>	1,115,796 <sup>(3)</sup>	1,115,796 <sup>(4)</sup>	100%
2014	2015	1,138,877	1,138,877	100%
2015	2016	1,442,005	1,428,674	99%
2016	2017	1,666,784	N/A	N/A

- (1) Increment amounts do not reflect abatements and other adjustments.
- (2) Beginning with the 2013 Levy Year and 2014 Collection Year and going forward:
- (3) The County Treasurer's 2% collection fee has been deducted from these amounts.
- (4) The Larimer County Assessor's Office's current policy regarding collections in the Plan Area is to remit 100% of the property tax increment levied in such Area to the Authority (less the 2% collection fee) regardless of the amount collected. Figures do not include interest, fees and penalties.

Source: Larimer County Assessor's Office

The following table sets forth the assessed valuation of specific classes of real and personal property within the Authority based upon the Authority’s 2016 certified assessed valuation. As shown below, commercial property accounts for the largest percentage of the Authority’s assessed valuation, and therefore it is anticipated owners of commercial property will pay the largest percentage of ad valorem property taxes levied by the Authority.

**2016 Assessed Valuation of Classes of Property in the Plan Area**

Class	Total Assessed Valuation <sup>(1)</sup>	Percent of total Assessed Valuation
Residential	\$ 8,624,409	21.40%
Commercial	27,783,895	68.94%
Industrial	953,900	2.37%
Agricultural	2,334	0.01%
Natural Resources	102	0.00%
Vacant	2,533,009	6.29%
State Assessed	402,700	1.00%
<b>TOTAL</b>	<b>\$ 40,300,349</b>	<b>100.00%</b>

(1) Includes real and personal property

Source: Larimer County Assessor's Office

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – TAXPAYER BASE (UNAUDITED)  
(Continued)**

Based on the most recent information available from Larimer County, the following table represents the ten largest taxpayers within the Authority. A determination of the largest taxpayers can be made only by manually reviewing individual tax records. Therefore it is possible owners of several small parcels may have an aggregate assessed value in excess of those set forth in the following chart. Furthermore, the taxpayers shown in the chart may own additional parcels within the Authority not included herein.

No independent investigation has been made of and consequently there can be no representation as to the financial conditions of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the Authority.

**Largest Taxpayers in the Plan Area - 2016**

Taxpayer Name	2016 Assessed Valuation	Percentage of Total Assessed Valuation <sup>(1)</sup>
Dillon Companies Inc	\$ 3,742,943	9.29%
Ft Collins Borrower LLC	3,078,418	7.64%
RMI2 Properties LLC	1,522,413	3.78%
King Soopers	1,021,177	2.53%
Jog LLC	853,441	2.12%
Cole Ab Fort Collins Co LLC	826,703	2.05%
1415 Blue Spruce LLC	703,279	1.75%
North College LLC	689,302	1.71%
Country Club Corners LLC	673,496	1.67%
Kaufman And Robinson Inc	670,906	1.66%
	\$ 13,782,078	34.20%

(1) Based on 2016 total assessed valuation of \$40,300,349

Source: Larimer County Assessor's Office

**Sample Mill Levy Affecting Property Owners Within the Plan Area**

Individual property owners within the Plan Area are obligated to pay ad valorem property taxes to all taxing jurisdictions in which their property is located. Such levies applied to the property tax increment generate the Pledged Property Tax Revenues. According to the Larimer County Assessor's Office there are currently seven entities overlapping all or a portion of the Plan Area. As a result, property owners within the Plan Area may be subject to various mill levies depending upon the location of their property. The following table is representative of a sample total 2016 mill levy (for payment in 2017) attributable to taxpayers within the Plan Area and is not intended to portray the mill levied against all properties within the Plan Area. Additional taxing entities may overlap the Plan Area in the future.

**Sample Total 2016 Mill Levy**

<u>Taxing Entity</u>	<u>2016 Mill Levy<sup>(1)</sup></u>
Poudre R-1 School District	52.630
Larimer County	21.882
City	9.797
Health District of Northern Larimer County	2.167
Larimer County Pest Control	0.142
Poudre River Public Library District	3.016
Northern Colorado Water Conservation District	1.000

(1) One mill equals one tenth of one cent. Mill levies certified in 2016 are for the collection of ad valorem property taxes in 2017.

Source: Larimer County Assessor's Office



**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – OVERLAPPING DEBT (UNAUDITED)  
(Continued)**

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**Estimated Overlapping General Obligation Debt**

Other taxing entities are authorized to incur general obligation debt within boundaries which overlap or partially overlap the boundaries of the Plan Area. The following table sets forth the estimated overlapping general obligation debt chargeable to property owners within the Plan Area as of the date of this disclosure. Additional taxing entities may overlap with the Authority in the future.

**Estimated Overlapping General Obligation Debt  
(in thousands)**

Entity	2016 Assessed Valuation <sup>(1)</sup>	Outstanding	Outstanding G.O. Debt	
		General Obligation Debt	Percent	Attributable to the Authority <sup>(2)</sup> Debt
Poudre R-1 School District	\$ 3,055,076	\$ 231,536	1.32%	\$3,054
<b>TOTAL</b>		\$ 231,536		\$3,054

(1) Assessed values certified in 2016 are for collection of ad valorem property taxes in 2017.

(2) The percentage of an entity's outstanding debt chargeable to the Authority is calculated by comparing the assessed valuation of the portion overlapping the Authority to the total assessed valuation of the overlapping entity. To the extent the Authority's assessed valuation changes disproportionately with the assessed valuation of an overlapping entity, the percentage of debt for which property owners within the Authority are responsible will also change.

Sources: Larimer County Assessor's Office; and individual taxing entities

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – OUTSTANDING PRINCIPAL AND PLEDGED REVENUE SOURCES  
(UNAUDITED)  
(Continued)**

**Urban Renewal Authority Fund – History Revenues, Expenditures, and Changes in Fund Balance**

General. The Authority’s revenues are provided primarily from the Pledged Property Tax Revenues. The activities of the Authority are recorded in the Urban Renewal Authority Fund, which is included in the City’s audited financial statements.

History of Revenues, Expenditures, and Changes in Fund Balance. The following table provides a comparative history of revenues, expenditures and changes in fund balance in the Urban Renewal Authority Fund for fiscal years 2012 through 2016. The information in this table has been derived from the audited financial information presented in the City’s Comprehensive Annual Financial Report (“CAFR”) for each of those years.

**History of Revenues, Expenditures and Changes in Fund Balances**

	Year Ended December 31,				
	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Taxes	\$ 918,817	\$ 1,284,690	\$ 1,220,060	\$ 1,501,239	\$ 1,903,682
Interest earnings	109,283	77,174	114,192	99,439	87,369
Miscellaneous revenue	-	233,832	328,301	8,484	4,499
Total Revenues	1,028,100	1,595,696	1,662,553	1,609,162	1,995,550
<b>EXPENDITURES</b>					
Sustainability services <sup>(1)</sup>	495,428	4,668,120	1,303,463	257,553	789,592
Debt service					
Principal	-	-	540,000	550,000	560,000
Interest	281,631	596,493	1,143,267	702,963	747,521
Total Expenditures	777,059	5,264,613	2,986,730	1,510,516	2,097,113
Excess (Deficiency) of Revenues <sup>(1)</sup> Over (Under) Expenditures	251,041	(3,668,917)	(1,324,177)	98,646	(101,563)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	(2,700,000)	-	(125,000)	-	-
Loan Issuance	-	11,085,000	-	-	-
Premium on Debt	-	316,806	-	-	-
Total Other Financing Sources (Uses)	(2,700,000)	11,401,806	(125,000)	-	-
Net change in Fund Balances (Deficit)	(2,448,959)	7,732,889	(1,449,177)	98,646	(101,563)
Fund Balances (Deficit)-January 1	(6,778,442)	(9,227,401)	(1,494,512)	(2,943,689)	(2,845,043)
Fund Balances (Deficit)-December 31 <sup>(1)</sup>	\$ (9,227,401)	\$ (1,494,512)	\$ (2,943,689)	\$ (2,845,043)	\$ (2,946,606)

(1) Excess deficiencies of Revenues Under Expenditures and negative fund balances are reflected because the category "Sustainability Services" includes, among other things, the entire amount of advances payable to the City in each year. The advances are to be repaid by property tax increment revenue to be received through 2029. However, modified accrual accounting standards do not allow the recognition of a taxes receivable assets beyond those due within the year advanced.

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – OUTSTANDING PRINCIPAL AND PLEDGED REVENUE SOURCES  
(UNAUDITED)  
(Continued)**

**Outstanding Obligations**

The following table sets forth the Authority’s outstanding obligations as of December 31, 2016. No additional obligations have been issued by the Authority. According to City officials, the Authority may issue additional debt in the future to finance public improvements in the Plan Area.

**Outstanding Revenue Obligations**

<u>Issue</u>	<u>Outstanding Principal</u>
2013 URA Revenue Bond	\$ 9,435,000
<b><u>City Loan Obligations</u></b>	
RMI2	\$ 5,303,939
Prospect Station	234,027
Summit/Capstone	4,800,958

**CITY FINANCIAL INFORMATION AND DEBT STRUCTURE**

**Major Sources of Revenue**

Property Taxes. The City has the power to levy general (ad valorem) taxes against all taxable property in the City. The right of the City to increase the rate of levy for ad valorem taxes and to collect, retain and spend the revenue derived from such ad valorem taxes may be limited by the State Constitution. Tax levies may be made for general obligation bond principal and interest payments and for the cost of the City’s operations. Under the City Charter, the mill levy is limited to fifteen mills, except for debt service on general obligation bonds.

The following table set forth the total assessed value and estimated actual value of property within the City for assessment years 2007 through 2016.

<u>Year</u> <sup>1</sup>	<u>Total Assessed Valuation</u> <sup>2</sup>	<u>Estimated Actual Value</u> <sup>2,3</sup>
2007	\$ 1,713,170,788	\$ 13,603,426,669
2008	1,758,807,267	13,915,507,484
2009	1,822,241,879	14,345,784,572
2010	1,815,946,403	14,520,313,995
2011	1,792,231,397	14,456,329,831
2012	1,796,031,012	14,531,850,737
2013	1,884,693,625	15,272,734,901
2014	1,934,217,590	15,676,980,282
2015	2,229,600,072	18,146,317,480
2016	2,308,002,168	18,766,287,951

<sup>1</sup> Taxes for the year assessed are collected in the following year.

<sup>2</sup> Source: Larimer County Assessor's Office.

<sup>3</sup> Actual value is statutory based on manuals and data supplied by the State Property Tax Administrator and differs from market value.

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – LEVY AND COLLECTION HISTORY (UNAUDITED)  
(Continued)**

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The following property tax levies and collections have been remitted to the City by the County in the collection years 2007-2016.

**Property Tax Levies and Collections**

<u>Levy Year<sup>(1)</sup></u>	<u>Tax Levy (Mills)<sup>(2)</sup></u>	<u>Collection Year</u>	<u>Dollar Amount Levied<sup>(3)</sup></u>	<u>Dollar Amount Collected<sup>(4)</sup></u>	<u>Percentage Collected</u>
2007	9.797	2008	\$ 16,224,120	\$ 15,792,652	97.34
2008	9.797	2009	16,616,294	16,198,109	97.48
2009	9.797	2010	17,171,540	16,702,488	97.27
2010	9.797	2011	17,113,497	16,696,371	97.56
2011	9.797	2012	16,988,466	16,594,770	97.68
2012	9.797	2013	16,956,775	16,537,511	97.53
2013	9.797	2014	17,812,490	17,304,529	97.15
2014	9.797	2015	18,186,953	17,680,445	97.21
2015	9.797	2016	21,843,126	21,623,883	99.00
2016	9.797	2017	22,611,497	9,010,438	39.85 <sup>(5)</sup>

(1) Taxes for the year levied are collected in the following year.

(2) One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation.

(3) Amounts are net of incremental taxes pledged for the City's tax increment revenue obligations.

(4) The dollar amounts collected in Levy Years 2007-2014 are reduced by the County's 2% collection fees. Accordingly, the maximum possible percentage of property taxes collected in such years was 98% of the property taxes levied.

(5) Collections as of 03/30/2017

Source: Larimer County Treasurer's Office

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – TAXPAYER BASE (UNAUDITED)  
(Continued)**

**Ten Largest Property Taxpayers of the City  
(2016 Assessed Valuation for Taxes Due in 2017)**

Taxpayer	Assessed Valuation (Property in the City)	Percentage of Total City Assessed Valuation
Avago Technologies Wireless USA	\$ 139,749,582	6.06%
Anheuser-Busch Inc	70,420,949	3.05
Ramco-Gershenson Properties LP	30,353,024	1.32
Qwest Corporation	19,116,000	0.83
Walton Foothills Holdings Vi LLC	17,588,987	0.76
Ancap Harmony LLC	15,040,270	0.65
New Belgium Brewing Co	14,063,747	0.61
Woodward Inc	12,397,529	0.54
Public Service Co Of Colo (XCEL)	11,429,500	0.50
Hewlett Packard	9,860,000	0.43

Source: Larimer County Assessor's Office

**Present Tax Levy Applicable to Most Properties Located in the City  
For 2016 Taxes Due in 2017**

<u>Governmental Unit</u>	<u>Mill Levy</u>
City of Fort Collins	9.797
Larimer County	22.521
Larimer County Pest Control	0.142
Poudre School District R-1	52.630
Northern Colorado Water Conservancy District	1.000
Health District of Northern Larimer County	2.167
Poudre River Public Library District	3.034

Portions of the City are subject to additional mill levies due to their location within the following tax districts:

<u>Governmental Unit</u>	<u>Mill Levy</u>
Fort Collins General Improvement District No. 1 <sup>(1)</sup>	4.924
Fort Collins-Loveland Water District	1.500
South Fort Collins Sanitation District	0.500
Thompson R2-J School District	38.349
Thompson Valley Health Services District	1.768
Larimer County GID No. 15 Skyview South	10.000
Harmony Technology Park Metro District No. 2	25.000
Fort Collins Downtown Development Authority <sup>(1)</sup>	5.000

(1) Part of the City's reporting entity

Source: Larimer County Assessor's Office

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – SALES TAX RATES (UNAUDITED)  
(Continued)**

The following table shows the historical breakdown of the total sales tax rate within the City for fiscal years 2007-2016.

**Direct and Overlapping Sales Tax Rates**

<u>Fiscal Year</u>	<u>City Direct Rate<sup>(1)</sup></u>	<u>Larimer County</u>	<u>State of Colorado</u>	<u>Total</u>
2007	3.00	0.80	2.90	6.70
2008	3.00	0.80	2.90	6.70
2009	3.00	0.80	2.90	6.70
2010	3.00	0.80	2.90	6.70
2011	3.85	0.80	2.90	7.55
2012	3.85	0.80/0.60 <sup>(2)</sup>	2.90	7.55/7.35
2013	3.85	0.60	2.90	7.35
2014	3.85	0.60	2.90	7.35
2015	3.85	0.65	2.90	7.40
2016	3.85	0.65	2.90	7.40

(1) Food for home consumption sales direct rate is 2.25%

(2) Larimer County sales tax rate decreased from 0.8% to 0.6% effective July 1, 2012.

Source: City's Finance Department

The City's base 2.25% sales and use tax is comprised of a 1% tax approved by Ordinance No. 58, 1967, a 1% tax approved by Ordinance No. 140, 1979 and 0.25% tax by Ordinance No. 149, 1981. This sales and use base tax has no expiration, no restrictions on how it can be used, and is deposited into the General Fund.

**Sales and Use Tax Collections** - In addition to the sales and use base tax, there are several special sales and use taxes which are restricted to specific purposes and have expiration dates. A street capital maintenance tax of 0.25% is imposed for a renewed period expiring December 31, 2025. A Capital Improvements tax of 0.25% tax is imposed for a renewed period expiring December 31, 2025. Natural Areas and Parks Tax is another 0.25% tax which is imposed through December 31, 2030 and may only be used for preservation and improvement of natural areas and trails and specified capital parks projects. An additional 0.85% of the tax is imposed through December 31, 2020 and referred to as Keep Fort Collins Great. The revenue from such 0.85% tax may only be used for Street Maintenance (33%), Other Transportation Needs (17%), Police Services (17%), Fire Protection (11%), Parks Maintenance and Recreation Services (11%), and Other Community Priorities (11%). The following table shows the sales and use tax revenues collected for such unrestricted and restricted purposes for fiscal years 2007 through 2016.

**Sales and Use Tax Revenue  
(in thousands of dollars)**

<u>Year</u>	<u>Unrestricted</u>	<u>Restricted Purpose</u>				<u>Total</u>
	2.25%	0.25%	0.25%	0.25%	0.85%	
	<u>General Fund</u>	<u>Pavement Maintenance</u>	<u>Capital Projects</u>	<u>Natural Areas</u>	<u>Keep Fort Collins Great</u>	
2007	58,473	\$ 5,767	\$ 5,767	\$ 5,767	\$ -	\$ 75,775
2008	58,922	5,529	5,529	5,529	-	75,509
2009	55,379	5,146	5,146	5,146	-	70,818
2010	57,887	5,554	5,554	5,554	-	74,548
2011	60,321	5,817	5,817	5,817	19,818	97,589
2012	68,074	6,596	6,596	6,596	21,752	109,613
2013	68,967	6,689	6,689	6,689	22,811	111,846
2014	79,803	7,800	7,800	7,800	25,885	129,088
2015	83,895	8,112	8,112	8,112	26,669	134,899
2016	84,039	8,198	8,188	8,216	27,447	136,087

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION - TAXABLE SALES HISTORY (UNAUDITED)**  
(Continued)

**Taxable Sales by Category**

Last Ten Fiscal Years

in millions of dollars

<u>Sales Tax Category</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Grocery, Convenience, Liquor	\$ 347.4	\$ 359.8	\$ 359.7	\$ 363.8	\$ 394.1	\$ 429.0	\$ 458.9	\$ 488.3	\$ 513.5	\$ 530.3
Restaurants, Caterers and Bars	274.8	285.9	285.4	295.6	315.4	337.9	353.1	380.2	408.8	427.7
General Merchandise	336.2	318.3	306.7	299.4	303.0	303.5	313.1	323.2	302.9	300.0
Building Materials, Garden Equipment & Supplies	132.4	138.4	130.2	142.9	154.8	165.9	186.1	221.5	226.4	230.0
Vehicle Sales, Parts and Repairs	175.8	162.9	149.3	160.0	164.5	180.6	193.6	221.4	228.5	227.6
Miscellaneous Retailers	113.6	110.0	103.9	110.4	116.4	121.7	131.0	138.6	146.9	169.8
Electronics and Appliances	116.8	117.7	107.8	111.9	118.2	122.1	126.0	150.7	163.0	156.6
Sporting, Hobby, Book, Music	121.7	126.0	126.1	129.2	134.5	134.9	137.3	140.5	149.2	144.8
Broadcasting and Telecommunications	116.5	113.7	113.0	119.0	116.7	117.2	108.0	111.8	115.2	124.7
Utilities	96.0	103.3	97.5	100.8	107.0	111.2	117.5	122.2	118.1	118.9
Clothing and Accessories	84.9	79.4	74.8	76.9	83.0	88.7	82.9	78.4	78.1	103.1
Pharmacy, Salon and Laundry	44.0	45.4	45.0	54.5	61.1	54.6	56.8	66.6	84.5	101.2
Other	47.4	47.2	43.0	44.3	45.9	51.0	53.7	58.6	63.3	70.3
Furniture and Home Furnishings	56.7	52.3	38.9	41.0	43.7	50.0	56.5	60.7	65.4	68.0
Rental and Leasing Services	52.1	52.1	46.4	43.1	42.7	46.3	44.5	52.0	59.3	66.5
Wholesale Trade	57.9	49.2	41.9	35.6	37.5	42.4	43.6	45.2	54.1	57.1
Lodging	34.3	33.9	29.1	32.2	35.2	40.2	42.1	49.8	54.9	53.5
Manufacturing	37.9	37.3	26.7	30.5	37.1	44.5	44.2	52.2	51.4	51.6
<b>Total</b>	<b>\$2,246.4</b>	<b>\$2,232.8</b>	<b>\$2,125.3</b>	<b>\$2,191.2</b>	<b>\$2,310.9</b>	<b>\$2,441.7</b>	<b>\$2,548.9</b>	<b>\$2,761.9</b>	<b>\$2,883.7</b>	<b>\$3,001.7</b>
City direct sales tax rate*	3.00%	3.00%	3.00%	3.00%	3.85%	3.85%	3.85%	3.85%	3.85%	3.85%

\* Food sales city direct sales tax rate is 2.25%

Totals may not add due to rounding

**FORT COLLINS URBAN RENEWAL AUTHORITY  
TAX INCREMENT REVENUE REFUNDING BONDS  
SEC RULE 15c2-12 INFORMATION – GENERAL FUND OPERATING HISTORY (UNAUDITED)  
(Continued)**

<b>City of Fort Collins General Fund Comparative Statement of Revenues and Other Sources, Expenditures and Other Uses and Fund Balance For the Years Ended December 31, 2012-2016</b>					
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>REVENUES</b>					
Taxes	\$ 88,612,237	\$ 89,625,619	\$ 101,405,160	\$ 106,377,268	\$ 108,842,908
Licenses and permits	1,999,017	2,776,268	4,366,908	3,635,061	3,740,888
Intergovernmental	10,960,401	10,903,908	11,684,816	12,604,604	12,575,111
Fees and charges for services	8,161,064	8,668,524	9,182,619	9,209,344	10,132,917
Fines and forfeitures	2,782,990	2,803,037	2,536,019	2,774,131	2,151,744
Earnings on investments	420,237	113,166	1,334,797	1,007,591	501,851
Miscellaneous revenue	1,935,069	1,490,609	1,319,949	2,014,863	1,796,671
<b>Total Revenues</b>	<b>114,871,015</b>	<b>116,381,131</b>	<b>131,830,268</b>	<b>137,622,862</b>	<b>139,742,090</b>
<b>EXPENDITURES</b>					
<b>Current operating</b>					
Police services	31,554,774	31,009,177	31,588,192	32,706,835	34,735,721
Financial services	3,166,784	3,583,699	3,716,210	3,867,954	3,957,133
Community and operation	16,206,925	19,494,541	19,156,348	20,618,636	21,560,882
Planning, development and transportation	5,854,179	4,918,379	6,699,335	6,829,551	7,755,895
Executive, legislative and judicial	4,589,435	5,287,972	5,838,697	6,841,668	6,934,808
Employee and communications	2,342,929	2,708,537	2,812,320	3,541,153	4,651,522
Sustainability services	2,915,438	5,328,328	4,712,753	6,772,316	7,913,103
Other	1,404,327	1,649,314	1,198,085	2,205,191	1,249,843
<b>Intergovernmental</b>					
Fire protection	16,931,807	17,412,296	17,682,145	19,383,092	20,556,911
Capital outlay	1,716,333	830,728	3,370,494	1,860,349	1,174,048
<b>Debt service</b>					
Principal	76,265	27,725	110,761	235,228	224,223
Interest	174,628	1,903	11,430	21,798	16,534
<b>Total Expenditures</b>	<b>86,933,824</b>	<b>92,252,599</b>	<b>96,896,770</b>	<b>104,883,771</b>	<b>110,730,623</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,937,191	24,128,532	34,933,498	32,739,091	29,011,467
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	6,952,904	2,085,971	3,398,310	619,247	955,314
Transfers out	(19,954,954)	(21,506,120)	(25,115,948)	(34,192,559)	(27,536,157)
Capital leases	150,500	158,771	1,321,925	43,800	
Sale of capital assets	-	-	16,097	118,298	1,249
Impairment of land held for resale	-	-	-	(1,058,771)	
<b>Total Other Financing Sources (Uses)</b>	<b>(12,851,550)</b>	<b>(19,261,378)</b>	<b>(20,379,616)</b>	<b>(34,469,985)</b>	<b>(26,579,594)</b>
<b>Net Change in Fund Balance</b>	<b>15,085,641</b>	<b>4,867,154</b>	<b>14,553,882</b>	<b>(1,730,894)</b>	<b>2,431,873</b>
Fund Balances-January 1	40,167,124	55,252,765	60,119,919	74,673,801	72,942,907
<b>Fund Balance-December 31</b>	<b>\$55,252,765</b>	<b>\$60,119,919</b>	<b>\$74,673,801</b>	<b>\$72,942,907</b>	<b>\$75,374,780</b>

Sources: Information provided for the years ended December 31, 2012-2016 was obtained from the City's Comprehensive annual Financial Reports. However, certain expenditures for such years have been reallocated to different expenditure subcategories developed for fiscal year 2012 in order to provide data which is comparable over the five year period.



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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Fort Collins
	YEAR ENDING: December 2016

This Information From The Records Of (example - City of _ or County of _):	Prepared By: Accounting
	Phone: 970-416-2436

**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,298,401
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	30,271,768
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	4,547,948
2. General fund appropriations	4,979,588	b. Snow and ice removal	2,758,325
3. Other local imposts (from page 2)	28,224,593	c. Other	2,471,484
4. Miscellaneous local receipts (from page 2)	5,422,117	d. Total (a. through c.)	9,777,757
5. Transfers from toll facilities	-	4. General administration & miscellaneous	1,501,575
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	869,271
a. Bonds - Original Issues		6. Total (1 through 5)	43,718,772
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	
7. Total (1 through 6)	38,626,298	b. Redemption	
<b>B. Private Contributions</b>	0	c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	5,092,474	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	43,718,772	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	43,718,772

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		43,718,772	43,718,772		0

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 2016

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	184,276
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	20,122,536	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	4,819,807	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	15,648
4. Licenses	260,346	f. Charges for Services	4,864,416
5. Specific Ownership &/or Other	3,021,904	g. Other Misc. Receipts	92,777
6. Total (1. through 5.)	28,224,593	h. Other	265,000
c. Total (a. + b.)	28,224,593	i. Total (a. through h.)	5,422,117
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	4,613,249	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	479,225	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	479,225	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	5,092,474	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		1,256,256	1,256,256
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		42,145	42,145
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	42,145	42,145
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,298,401	1,298,401
			(Carry forward to page 1)

**Notes and Comments:**

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