

CONTINUING DISCLOSURE REPORT

For the year ended
December 31, 2015



City of
LONGMONT, COLORADO

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FINANCE DEPARTMENT

350 Kimbark Street, Longmont, Colorado 80501



September 23, 2016

In connection with the issuance of municipal securities, the City of Longmont has agreed to provide certain continuing disclosure for the benefit of the holders of such securities. The commitments to provide such disclosure, commonly referred to as “continuing disclosure undertakings”, have been undertaken in conformity with the requirements established by Rule 15c2-12 (the Rule) under the Securities Exchange Act of 1934. The Rule was in effect at the time of the issuance of the securities, and references to the Rule in this report are to Rule 15c2-12 in effect at the time of execution and delivery of each continuing disclosure undertaking. This report is meant to supplement and complement information found within the City of Longmont’s 2015 Comprehensive Annual Financial Report (CAFR) and is not intended to be viewed as a fully inclusive compliance document.

The City of Longmont reaffirms its commitment to provide, on an annual basis, secondary market disclosure in conformity with the continuing disclosure undertakings entered into in connection with the primary offering of its municipal securities. Specifically, the City continues to meet its obligation to provide to the Municipal Securities Rulemaking Board, through its single centralized repository, annual financial information and operating data identified in its continuing disclosure undertakings and remains alert to the requirement that the City make timely notice of identified material events.

The Continuing Disclosure Report is delivered by the City for the benefit of the holders and beneficial owners of these and other outstanding obligations of the City and the Continuing Disclosure Report is available at: www.emma.msrb.org or at the City’s website at www.longmontcolorado.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "James M. Golden".

James M. Golden
Director of Finance
City of Longmont

Reporting of Significant Events

As of December 31, 2015 the City of Longmont had outstanding four different types of obligations: Sales & Use Tax Revenue bonds, Enterprise Revenue Bonds, Loans and Certificates of Participation. Information related to the disclosures made by the City can be found at the City's disclosure portal, also known as EMMA – Electronic Municipal Market Access, at www.emma.msrb.org.

Subsequent Events

On August 9, 2016 the City of Longmont issued \$8,530,000 of Storm Drainage Revenue Refunding Bonds, Series 2016 to refund \$8,710,000 aggregate principal amount of the City's Storm Drainage Revenue Bonds, Series 2008.

Statistical Disclosure

This Continuing Disclosure Report reflects each debt structure outstanding as of December 31, 2015 requiring annual reporting: (1) Sales and Use Tax Revenue Bonds (2) Enterprise Revenue Bonds (3) Certificates of Participation.

In addition, the City of Longmont, acting principally through an enterprise of the City, occasionally enters into loan and note agreements, the most significant of which is an issue with the Colorado Water Resources and Power Development Authority.

This Continuing Disclosure Report is delivered by the City for the benefit of the holders and beneficial owners of Longmont obligations and is available at: www.emma.msrb.org or at the City's website at www.longmontcolorado.gov.

The Table of Contents outlines each bond issue along with relevant tables as listed in the exhibit to the Continuing Disclosure Certificate(s) of each issue.

Summarized below is a listing, including the CUSIP 6-digit issuer number, of all obligations outstanding by type as of December 31, 2015.

Sales & Use Tax Revenue Bonds

Sales and Use Tax Revenue Refunding Bonds, Series 2006 – CUSIP #543103
Open Space Revenue Refunding Bonds, Series 2010A and Series 2010B – CUSIP #543103

Enterprise Bonds

Storm Drainage Revenue Refunding Bonds, Series 2008 – CUSIP #54310P
Electric and Broadband Utility Enterprise Revenue Bonds, Series 2014 – CUSIP #543097
Wastewater Revenue Refunding Bonds, Series 2010A and Series 2010B - CUSIP #543098
Wastewater Revenue Refunding Bonds, Series 2013 – CUSIP #543098
Wastewater Enterprise Revenue Bonds, Series 2015 – CUSIP #543098
Storm Drainage Revenue Bonds, Series 2014 – CUSIP #54310P

Certificates of Participation

Certificates of Participation, Series 2014A and Series 2014B – CUSIP #543096

Sales and Use Tax
Revenue Refunding Bonds
Series 2006

(CUSIP #543103)

Pro-Forma Debt Service Coverage

<u>Year</u>	<u>Pledged Sales and Use Tax Revenues (1)</u>	<u>Maximum Annual Debt Service on the 2006 Bonds (2)</u>	<u>Coverage</u>
1995	\$ 13,584,927	\$ 2,897,550	4.69
1996	14,898,098	2,897,550	5.14
1997	16,627,320	2,897,550	5.74
1998	18,776,718	2,897,550	6.48
1999	20,299,652	2,897,550	7.01
2000	24,381,820	2,897,550	8.41
2001	26,260,919	2,897,550	9.06
2002	25,229,706	2,897,550	8.71
2003	25,292,326	2,897,550	8.73
2004	26,834,839	2,897,550	9.26
2005	27,250,464	2,897,550	9.40
2006	27,998,620	2,799,100	10.00
2007	28,532,328	2,799,100	10.19
2008	28,160,393	2,799,100	10.06
2009	26,067,179	2,799,100	9.31
2010	27,221,782	2,799,100	9.73
2011	28,823,947	2,799,100	10.30
2012	30,105,775	2,799,100	10.76
2013	31,951,254	2,799,100	11.41
2014	34,361,981	2,799,100	12.28
2015	35,378,567	2,799,100	12.64
2016 (3)	17,998,238 (3)	2,799,100	6.43

(1) Includes only the Pledged Sales and Use Tax Revenues imposed at a rate of 2.0%. See "City's Pledge of the Pledged Sales and Use Tax Revenues" and "REVENUES AVAILABLE FOR DEBT SERVICE" in the Official Statement related to the 2006 Bonds. See Table 1.1a for a description of changes to the 2006-2012 Pledged Sales and Use Tax Revenues. As a result of these changes, the figures presented here differ from those presented in prior annual financial filings.

(2) Represents the combined Maximum Annual Debt Service (currently \$2,799,100 in 2018). See "DEBT SERVICE REQUIREMENTS" in the Official Statement related to the 2006 Bonds.

(3) Represents Pledged Sales and Use Tax Revenues collected for sales through May 31, 2016.

Comparative Disclosure Adjustments and Analysis

Related to Table 1.1

Pro-Forma Debt Service Coverage

	Pledged Sales and Use Tax Reported 1995 - 2015		Pledged Sales and Use Tax Reported 2015
Year	Pledged Sales & Use Tax Collections	Adjustments	Pledged Sales & Use Tax Collections (1)
1995	\$ 13,584,927	\$ -	\$ 13,584,927
1996	14,898,098	-	14,898,098
1997	16,627,320	-	16,627,320
1998	18,776,718	-	18,776,718
1999	20,299,652	-	20,299,652
2000	24,381,820	-	24,381,820
2001	26,260,919	-	26,260,919
2002	25,229,706	-	25,229,706
2003	25,292,326	-	25,292,326
2004	26,834,839	-	26,834,839
2005	27,250,464	-	27,250,464
2006	27,985,292	13,328	27,998,620
2007	28,494,697	37,631	28,532,328
2008	28,222,355	(61,962)	28,160,393 (2)
2009	26,139,009	(71,830)	26,067,179 (3)
2010	27,014,780	207,002	27,221,782
2011	28,660,031	163,916	28,823,947
2012	30,105,774	1	30,105,775
2013	31,951,254	-	31,951,254
2014	34,361,981	-	34,361,981
2015	35,369,621	8,946	\$ 35,378,567 (4)

(1) Comparative data reflects accruals added to pledged collections previously reported for years 2006 through 2012 in order to conform to the City's most current financial statements.

(2) The 2009-2013 CAFR statistical debt tables previously reported the accrual reduction for 2008 as (\$698,377). The accrual reduction of (\$61,962) is the correct accrual.

(3) Correction of transposed number reported in 2013 CAFR statistical tables as \$26,067,719.

(4) Correction of use tax accrual not reported in 2015 CAFR statistical debt tables.

Annual History of City Sales and Use Tax Collections

<u>Year</u>	<u>Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales & Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
1995	\$ 14,791,313	---	\$ 3,887,961	---	\$ 18,679,274	---
1996	16,077,627	8.70 %	4,407,257	13.36 %	20,484,884	9.67 %
1997	17,955,152	11.68 %	4,907,413	11.35 %	22,862,565	11.61 %
1998	20,027,757	11.54 %	5,790,230	17.99 %	25,817,987	12.93 %
1999	21,974,302	9.72 %	5,937,720	2.55 %	27,912,022	8.11 %
2000	25,609,889	16.54 %	7,915,113	33.30 %	33,525,002	20.11 %
2001 (1)	29,711,296	16.01 %	8,896,046	12.39 %	38,607,342	15.16 %
2002	29,268,352	(1.49) %	8,014,657	(9.91) %	37,283,009	(3.43) %
2003	29,646,403	1.29 %	8,077,110	0.78 %	37,723,513	1.18 %
2004	30,920,491	4.30 %	8,798,520	8.93 %	39,719,011	5.29 %
2005	31,767,568	2.74 %	8,459,373	(3.85) %	40,226,941	1.28 %
2006	33,451,047	5.30 %	7,846,915	(7.24) %	41,297,962 (4)	2.66 %
2007 (2)	39,519,208	18.14 %	7,201,121	(8.23) %	46,720,329 (4)	13.13 %
2008	39,027,017	(1.25) %	7,085,626	(1.60) %	46,112,643	(1.30) %
2009	37,013,856	(5.16) %	5,671,150	(19.96) %	42,685,006 (4)	(7.43) %
2010	38,265,468	3.38 %	6,310,198	11.27 %	44,575,666 (4)	4.43 %
2011	40,109,760	4.82 %	7,089,453	12.35 %	47,199,213 (4)	5.89 %
2012	41,378,361	3.16 %	7,919,845	11.71 %	49,298,206 (4)	4.45 %
2013	43,969,073	6.26 %	8,351,103	5.45 %	52,320,176	6.13 %
2014	46,935,209	6.75 %	9,332,536	11.75 %	56,267,745	7.55 %
2015	47,615,035	1.45 %	10,317,371	10.55 %	57,932,406	2.96 %
2016 (3)	19,347,269	n/a	3,896,401	n/a	23,243,670	n/a

(1) The Open Space Tax became effective January 1, 2001. Accordingly, the rate of the total City Sales and Use Tax increased from 2.75% to 2.95% on January 1, 2001.

(2) The City Sales and Use Tax increased on January 1, 2007 from 2.95% to 3.275% to include the .325% Public Safety Sales Tax.

(3) Represents Sales and Use Tax Revenues collected for sales through May 31, 2016.

(4) These numbers have changed since the 2013 annual report in order to correctly reflect certain required accruals. These totals tie to the City's most current financial statements. Also see the table entitled "Comparative Disclosure Adjustments and Analysis - Related to Table 1.2".

Comparative Disclosure Adjustments and Analysis
 Related to Table 1.2
Annual History of City Sales and Use Tax Collections

Year	Reported 1995 - 2012		Reported 2013		Reported 2014
	Total City Sales & Use Tax Collections	Adjustments	Total City Sales & Use Tax Collections	Adjustments	Total City Sales & Use Tax Collections
1995	\$ 18,679,274	\$ -	\$ 18,679,274	\$ -	\$ 18,679,274
1996	20,484,884	-	20,484,884	-	20,484,884
1997	22,862,565	-	22,862,565	-	22,862,565
1998	25,817,987	-	25,817,987	-	25,817,987
1999	27,912,022	-	27,912,022	-	27,912,022
2000	33,525,002	-	33,525,002	-	33,525,002
2001	38,607,342	-	38,607,342	-	38,607,342
2002	37,283,009	-	37,283,009	-	37,283,009
2003	37,723,513	-	37,723,513	-	37,723,513
2004	39,719,011	-	39,719,011	-	39,719,011
2005	40,196,620	30,321	40,226,941	-	40,226,941
2006	41,090,980	206,955	41,297,935	27	41,297,962
2007	46,944,555	(224,831)	46,719,724	605	46,720,329
2008	46,072,240	40,403	46,112,643	-	46,112,643
2009	42,685,006	(117,625)	42,567,381	117,625	42,685,006
2010	44,575,668	338,963	44,914,631	(338,965)	44,575,666
2011	47,199,213	261,728	47,460,941	(261,728)	47,199,213
2012	-	-	49,725,060	(426,854)	49,298,206
2013	-	-	-	-	52,320,176

This illustration is intended to disclose the differences in total City Sales and Use Tax Collections as reported in the City's past annual continuing disclosure reports. Certain of the adjustments reflect the change in accrual reporting; in 2009-2012, the changes reflect the correction of accruals which were mistakenly double-counted in the 2013 report. Numbers in the "Reported 2014" column conform to the City's most current financial statements.

Table 1.3

General Fund - Budget Summary and Comparison

	2015 Final Budget	Actual 2015	2016 Amended Budget	Actual 6/30/2016 (1)
REVENUES				
Taxes	\$ 52,312,552	\$ 52,872,675	\$ 54,907,608	\$ 31,409,470
Licenses and permits	1,435,829	2,035,149	1,575,418	1,742,484
Intergovernmental	1,739,352	1,880,126	754,088	812,424
Charges for services	12,594,035	13,719,865	6,441,882	3,708,481
Fines and forfeits	1,240,700	1,058,103	1,289,200	442,233
Interest earnings	75,000	110,050	75,000	42,232
Miscellaneous	195,335	373,008	118,186	100,951
Proceeds from Advance	-	-	-	-
Total Sources of Funds	69,592,803	72,048,976	65,161,382	38,258,275
EXPENDITURES				
General government	35,704,443	30,656,822	23,633,149	11,004,840
Public Safety	33,264,565	32,615,048	34,270,243	16,795,029
Culture and recreation	8,321,255	7,972,089	15,275,698	7,198,701
Total Expenditures	77,290,263	71,243,959	73,179,090	34,998,570
Excess of revenues of over (under) expenditures	(7,697,460)	805,017	(8,017,708)	3,259,705
OTHER FINANCING SOURCES (USES)				
Operating transfers in	85,011	85,214	7,095,975	3,480,635
Operating transfers out	(797,396)	(804,052)	(596,454)	(312,106)
Bond Proceeds	1,120,000	-	-	-
Total other financing sources (uses)	407,615	(718,838)	6,499,521	3,168,529
Excess of revenues and other sources over (under) expenditures and other uses	(7,289,845)	86,180	(1,518,187)	6,428,234
BEGINNING FUND BALANCE	17,318,036	17,318,036	17,404,216	17,404,216
ENDING FUND BALANCE	\$ 10,028,191	\$ 17,404,216	\$ 15,886,029	\$ 23,832,450

(1) Source June 30, 2016 Interim, unaudited reports.

(2) This table does not include sub-funds: Art in Public Places, Sub-divider's Escrow, Air Quality and the Library Trust.

Public Improvement Fund - Budget Summary and Comparison

	2015 Final Budget	Actual 2015	2016 Amended Budget (1)	Actual at 6/30/2016 (1)
REVENUES				
Taxes	\$ 4,256,449	\$ 4,544,053	\$ 5,377,778	\$ 2,312,792
Intergovernmental	-	2,341	3,062,500	5,127
Interest earnings	7,000	17,735	7,000	8,986
Private grants/donations	-	220,283	15,000	41,000
Miscellaneous Revenue	-	-	901,750	901,750
Total Sources of Funds	<u>4,263,449</u>	<u>4,784,412</u>	<u>9,364,028</u>	<u>3,269,655</u>
EXPENDITURES				
Capital outlay	10,191,144	4,699,351	10,658,809	3,447,748
Bond principal retired	-	2,155,000		
Interest and fiscal charges	-	573,625		
Total Expenditures	<u>10,191,144</u>	<u>7,427,976</u>	<u>10,658,809</u>	<u>3,447,748</u>
Excess of revenues of over (under) expenditures	(5,927,695)	(2,643,564)	(1,294,781)	(178,093)
OTHER FINANCING SOURCES (USES)				
Transfers in	635,895	545,938	879,489	91,538
Transfers out	-	(34,225)		
Total other financing sources (uses)	<u>635,895</u>	<u>511,713</u>	<u>879,489</u>	<u>91,538</u>
Excess of revenues and other sources over (under) expenditures and other uses	(5,291,800)	(2,131,851)	(415,292)	(86,555)
BEGINNING FUND BALANCE	<u>\$ 5,409,427</u>	<u>\$ 5,409,427</u>	<u>\$ 3,277,576</u>	<u>\$ 3,277,576</u>
ENDING FUND BALANCE	<u>\$ 117,627</u>	<u>\$ 3,277,576</u>	<u>\$ 2,862,284</u>	<u>\$ 3,191,021</u>

(1) This budget shows appropriated amounts only for the current year shown. Appropriations in this fund do not lapse at the end of each fiscal year as do appropriations in all other City funds. However, continuing appropriations from prior years are not reflected in this table.

General Fund - History of Revenue, Expenditures and Changes in Fund Balance(1)

	Fiscal Year Ended December 31,				
	2011	2012	2013	2014	2015
REVENUE					
Taxes(2)	\$ 45,676,651	\$ 46,858,516	\$ 49,064,566	\$ 51,516,646	\$ 52,872,675
Licenses and permits	935,881	1,189,318	1,262,587	1,545,246	2,035,149
Intergovernmental	638,099	1,049,351	1,043,373	1,565,205	1,880,126
Charges for services	12,439,300	12,981,298	12,872,106	12,704,076	13,549,488
Fines and forfeits	1,365,678	1,426,776	1,048,076	1,208,723	1,058,103
Investment income	204,438	140,541	1,960	165,222	134,327
Miscellaneous income	339,354	265,343	299,480	286,468	373,008
Total revenue	<u>61,599,401</u>	<u>63,911,143</u>	<u>65,592,148</u>	<u>68,991,586</u>	<u>71,902,876</u>
EXPENDITURES					
Current					
General government	19,300,872	23,201,064	20,555,032	21,111,878	30,793,075
Public Safety	29,022,194	30,479,357	31,466,991	32,520,433	32,524,707
Culture and recreation	12,704,345	13,750,099	13,840,357	14,606,326	7,972,089
Total Expenditures	<u>61,027,411</u>	<u>67,430,520</u>	<u>65,862,380</u>	<u>68,238,637</u>	<u>71,289,871</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>571,990</u>	<u>(3,519,377)</u>	<u>(270,232)</u>	<u>752,949</u>	<u>613,005</u>
OTHER FINANCING SOURCES (USES)					
Lease proceeds	-	3,195,823	-	-	-
Operating transfers in	168,815	1,487,445	3,155,937	834,664	564,538
Operating transfers out	(1,039,053)	(686,158)	(709,622)	(825,911)	(869,393)
Total other financing sources (uses)	<u>(870,238)</u>	<u>3,997,110</u>	<u>2,446,315</u>	<u>8,753</u>	<u>(304,855)</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(298,248)</u>	<u>477,733</u>	<u>2,176,083</u>	<u>761,702</u>	<u>308,150</u>
FUND BALANCE, January 1	\$ 15,200,875	\$ 14,902,627	\$ 15,380,360	\$ 17,556,443	\$ 18,318,145
FUND BALANCE, December 31	<u>\$ 14,902,627</u>	<u>\$ 15,380,360</u>	<u>\$ 17,556,443</u>	<u>\$ 18,318,145</u>	<u>\$ 18,626,295</u>

(1) GAAP basis.

(2) Includes general property taxes, a portion of the City Sales and Use Tax, cigarette taxes and franchise taxes.

Public Improvement Fund - History of Revenue, Expenditures and Changes in Fund Balance(1)

	Fiscal Year Ended Dec. 31,				
	2011	2012	2013	2014	2015
REVENUE					
Taxes(2)	\$ 4,261,032	\$ 3,999,340	\$ 4,068,199	\$ 4,471,068	\$ 4,544,053
Intergovernmental	-	-	-	728,889	2,341
Interest earnings	49,294	37,849	(3,887)	34,973	17,735
Private grants/donations	-	292,326	1,123,350	1,059,245	220,283
Miscellaneous	25,000	823	-	46	-
Total revenue	<u>4,335,326</u>	<u>4,330,338</u>	<u>5,187,662</u>	<u>6,294,221</u>	<u>4,784,412</u>
EXPENDITURES					
Capital outlay	2,193,219	3,375,563	2,382,196	3,201,073	4,699,351
Debt service	2,683,810	2,666,125	2,718,925	2,065,000	2,155,000
Interest and fiscal charges	-	-	-	658,025	573,625
Total Expenditures	<u>4,877,029</u>	<u>6,041,688</u>	<u>5,101,121</u>	<u>5,924,098</u>	<u>7,427,976</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(541,703)</u>	<u>(1,711,350)</u>	<u>86,541</u>	<u>370,123</u>	<u>(2,643,564)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	850,000	266,300	250,000	523,717	545,938
Operating transfers out	<u>(16,274)</u>	<u>(17,632)</u>	<u>(12,653)</u>	<u>(20,795)</u>	<u>(34,225)</u>
Total other financing sources (uses)	<u>833,726</u>	<u>248,668</u>	<u>237,347</u>	<u>502,922</u>	<u>511,713</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>292,023</u>	<u>(1,462,682)</u>	<u>323,888</u>	<u>873,045</u>	<u>(2,131,851)</u>
FUND BALANCE, January 1	\$ 5,383,153	\$ 5,675,176	\$ 4,212,494	\$ 4,536,382	\$ 5,409,427
FUND BALANCE, December 31	<u>\$ 5,675,176</u>	<u>\$ 4,212,494</u>	<u>\$ 4,536,382</u>	<u>\$ 5,409,427</u>	<u>\$ 3,277,576</u>

(1) GAAP basis.

(2) Includes a portion of the City Sales and Use Tax.

Open Space
Revenue Refunding Bonds
Series 2010A
&
Series 2010B

(CUSIP #543103)

Historical Pledged Revenues and Pro-Forma Debt Service Coverage

<u>Year</u>	<u>Open Space Sales and Use Tax Revenues (1)</u>	<u>Maximum Annual Debt Service on the 2010 Bonds (2)</u>	<u>Pro-Forma Coverage</u>
2005	\$2,727,251	\$2,268,205	1.20
2006	2,799,861	2,268,205	1.23
2007	2,853,231	2,268,205	1.26
2008	2,816,039	2,268,205	1.24
2009	2,606,718	2,268,205	1.15
2010	2,722,178	2,268,205	1.20
2011	2,882,395	2,268,205	1.27
2012	3,010,578	2,236,214	1.35
2013	3,195,124	2,218,314	1.44
2014	3,436,196	2,205,314	1.56
2015	3,537,857	2,187,114	1.62

(1) Includes only the proceeds on the Open Space Sales and Use Tax.

(2) Represents the Maximum Annual Debt Service on the 2010 Bonds. The City expects to receive a BAB credit in an amount equal to 35% of interest payable on the 2010B Bonds. The BAB credit has not been subtracted from the amounts shown.

Table 2.2

Annual History of Pledged Sales and Use Tax Collections

<u>Year</u>	<u>Open Space Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Open Space Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales & Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
2005	\$2,151,677	--	\$575,573	--	\$2,727,250	--
2006	2,267,867	5.40 %	531,994	(7.57) %	2,799,861	2.66 %
2007	2,409,631	6.25 %	443,600	(16.62) %	2,853,231	1.91 %
2008	2,385,798	(0.99) %	430,241	(3.01) %	2,816,039	(1.30) %
2009	2,260,388	(5.26) %	346,330	(19.50) %	2,606,718	(7.43) %
2010	2,336,822	3.38 %	385,356	11.27 %	2,722,178	4.43 %
2011	2,449,451	4.82 %	432,944	12.35 %	2,882,395	5.89 %
2012	2,526,923	3.16 %	483,655	11.71 %	3,010,578	4.45 %
2013	2,685,133	6.26 %	509,991	5.45 %	3,195,124	6.13 %
2014	2,866,270	6.75 %	569,926	11.75 %	3,436,196	7.55 %
2015	2,907,789	1.45 %	630,068	10.55 %	3,537,857	2.96 %
2016	1,181,520 (1)	-	237,948 (1)	-	1,419,468 (1)	-

(1) Includes collections through 6/30/16 (for sales made in January through May 2016).
This amount represents a 4.9% increase over collections for the same period in 2015

Summary of Revenues, Expenditures and Changes in Fund Balance - Open Space Fund

	Fiscal Year Ended December 31,				
	2011	2012	2013	2014	2015
REVENUE					
Taxes(1)	\$ 2,882,395	\$ 3,010,578	\$ 3,195,124	\$ 3,436,196	\$ 3,537,857
Developer Participation	-	22,269	-	-	-
Intergovernmental	211,698	194,914	286,310	185,435	877,493
Private Grants	-	11,000	-	-	-
Investment income	47,304	39,570	5,787	38,225	31,122
Miscellaneous income	134,877	112,404	57,483	78,500	202,309
Total revenue	<u>3,276,274</u>	<u>3,390,735</u>	<u>3,544,704</u>	<u>3,738,356</u>	<u>4,648,781</u>
EXPENDITURES					
Current					
Culture and recreation	619,167	2,548,465	1,872,505	4,649,658	1,499,466
Debt Service					
Bond principal retired	1,060,000	1,145,000	1,150,000	1,160,000	1,165,000
Interest and fiscal charges	1,208,205	1,091,214	1,068,314	1,045,314	1,022,114
Bond issuance costs	-	-	-	-	-
Total Expenditures	<u>2,887,372</u>	<u>4,784,679</u>	<u>4,090,819</u>	<u>6,854,972</u>	<u>3,686,580</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>388,902</u>	<u>(1,393,944)</u>	<u>(546,115)</u>	<u>(3,116,616)</u>	<u>962,201</u>
OTHER FINANCING SOURCES (uses)					
Transfers in:					
Street Fund	-	-	148,500	-	-
Fleet Fund	-	-	13,684	-	-
Self Insurance Fund	-	-	-	49,119	-
Transfers out:					
Art in public places fund	(163)	(1,274)	(7,218)	(28,905)	(3,407)
General Fund	-	(694)	(251)	(90)	(305)
Issuance of long-term debt	-	-	-	-	-
Premium on issuance of long-term debt	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Total other financing sources (uses)	<u>(163)</u>	<u>(1,968)</u>	<u>154,715</u>	<u>20,124</u>	<u>(3,712)</u>
Net Changes in Fund Balance	<u>388,739</u>	<u>(1,395,912)</u>	<u>(391,400)</u>	<u>(3,096,492)</u>	<u>958,489</u>
FUND BALANCE, January 1	\$ 10,783,027	\$ 11,171,766	\$ 9,775,854	\$ 9,384,454	\$ 6,287,962
FUND BALANCE, December 31	<u>\$ 11,171,766</u>	<u>\$ 9,775,854</u>	<u>\$ 9,384,454</u>	<u>\$ 6,287,962</u>	<u>\$ 7,246,451</u>

(1) Represents the Open Space Sales and Use Tax revenues.

Open Space Fund - Budget to Actual Comparison

	Amended Budget 2015	Actual through 6/30/15(1)	Amended Budget 2016	Actual through 6/30/16(1)
REVENUES				
Sales tax	\$ 2,870,279	\$ 1,120,382	\$ 3,114,972	\$ 1,181,520
Use tax	590,248	232,564	581,405	237,948
Developer Participation	-	-	-	-
Interest income	10,000	13,371	-	17,989
Private Grants/donations	-	-	-	-
Miscellaneous	40,000	169,116	50,000	30,366
Intergovernmental	2,964,301	754,874	3,240,457	236,772
Total Revenue	<u>6,474,828</u>	<u>2,290,307</u>	<u>6,986,834</u>	<u>1,704,595</u>
EXPENDITURES				
Open Space Operations	5,243,149	608,941	5,538,948	567,282
Debt Service				
Interest and fiscal charges	1,022,114	511,057	998,814	499,407
Bond principal retired	1,165,000	-	1,170,000	-
Total Expenditures	<u>7,430,263</u>	<u>1,119,998</u>	<u>7,707,762</u>	<u>1,066,689</u>
Excess/Deficiency of Revenues Over (Under) Expenditures	(955,435)	1,170,309	(720,928)	637,906
OTHER FINANCING SOURCES (uses)				
Transfers out				
Art in public places fund	-	-	-	-
General fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(955,435)	1,170,309	(720,928)	637,906
BEGINNING FUND BALANCE, January 1	\$ 6,287,962	\$ 6,287,962	\$ 7,246,451	\$ 7,246,451
ENDING FUND BALANCE, June 30	<u>\$ 5,332,527</u>	<u>\$ 7,458,271</u>	<u>\$ 6,525,523</u>	<u>\$ 7,884,357</u>

(1) Unaudited, interim information only.

Storm Drainage

Revenue Bonds

Series 2008

(CUSIP #54310P)

Table 3.1

History of Storm Drainage Revenues

<u>Year</u>	<u>User Charge Revenues</u>	<u>Percentage Change</u>	<u>Plant Investment Fees</u>	<u>Percentage Change</u>	<u>Total</u>	<u>Percentage Change</u>
2003	\$ 2,246,618	-	\$ 248,042	-	\$ 2,494,660	-
2004	2,299,979	2.38%	223,428	-9.92%	2,523,407	1.15%
2005	2,474,057	7.57%	339,983	52.17%	2,814,040	11.52%
2006	3,035,929	22.71%	290,158	-14.66%	3,326,087	18.20%
2007	3,386,711	11.55%	194,241	-33.06%	3,580,952	7.66%
2008	3,421,596	1.03%	82,717	-57.42%	3,504,313	-2.14%
2009	3,428,994	0.22%	30,774	-62.80%	3,459,768	-1.27%
2010	3,420,656	-0.24%	120,618	291.95%	3,541,274	2.36%
2011	3,395,622	-0.73%	93,331	-22.62%	3,488,953	-1.48%
2012	3,835,699	12.96%	163,868	75.58%	3,999,567	14.64%
2013	4,027,152	4.99%	146,340	-10.70%	4,173,492	4.35%
2014	6,579,550	63.38%	235,532	60.95%	6,815,082	63.29%
2015	6,644,935	0.99%	302,142	28.28%	6,947,077	1.94%

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended 2003-2015.

Storm Drainage Enterprise Fund
Schedule of Revenues and Expenses-Budget (Legal Basis) and Actual

	2014 Final Budget	Actual 2014	2015 Final Budget	Actual 2015	Budget 2016
REVENUES					
Charges for services	\$ 6,339,805	\$ 6,579,550	\$ 6,402,517	\$ 6,644,935	\$ 6,655,300
Plant investment fee	94,827	235,532	137,619	302,142	177,693
Intergovernmental	7,810,040	1,436,590	1,397,904	377,247	12,112,488
Investment income	20,683	50,134	15,410	134,843	17,139
Miscellaneous	31,836	79,408	32,473	64,178	33,122
Proceeds from long-term loan	-	21,777,953	-	-	-
Total revenues	<u>14,297,191</u>	<u>30,159,167</u>	<u>7,985,923</u>	<u>7,523,345</u>	<u>18,995,742</u>
EXPENSES					
Administration	874,321	1,074,163	1,153,178	1,039,051	766,991
Maintenance/Development	4,161,089	1,667,070	1,629,931	1,249,656	2,320,592
Administrative Fees	420,772	420,772	403,149	403,149	546,335
Total operations	<u>5,456,182</u>	<u>3,162,005</u>	<u>3,186,258</u>	<u>2,691,856</u>	<u>3,633,918</u>
Debt service	2,383,757	2,455,498	4,183,575	3,767,678	2,536,369
Capital outlay	11,146,688	3,628,730	12,199,023	4,924,021	27,838,793
Total expenses	<u>18,986,627</u>	<u>9,246,233</u>	<u>19,568,856</u>	<u>11,383,555</u>	<u>34,009,080</u>
Excess of revenues (under) expenses	<u>\$ (4,689,436)</u>	<u>\$20,912,934</u>	<u>\$(11,582,933)</u>	<u>\$ (3,860,210)</u>	<u>\$(15,013,338)</u>
RECONCILIATION TO NET INCOME (GAAP BASIS)					
Add: Additions to plant and equipment					
Capital outlay		\$ 3,628,730		\$ 4,924,021	
Capitalized salaries		151,800		69,659	
Capitalized interest		523,197		1,028,241	
Capital contributions		535,270		256,237	
		<u>4,838,997</u>		<u>6,278,158</u>	
Principal retired		1,885,000		2,615,000	
		<u>6,723,997</u>		<u>8,893,158</u>	
Less: Depreciation		1,395,679		1,523,682	
Proceeds from issuance of bonds		21,777,953		-	
		<u>23,173,632</u>		<u>1,523,682</u>	
Net income (GAAP basis)		<u>\$ 4,463,299</u>		<u>\$ 3,509,266</u>	

Storm Drainage Enterprise Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Net Position

	Fiscal Year Ended December 31,				
	2011	2012	2013	2014	2015
OPERATING REVENUES					
Charges for services	\$ 3,395,622	\$ 3,835,700	\$ 4,027,152	\$ 6,579,550	\$ 6,644,935
OPERATING EXPENSES					
Administration	966,516	1,021,242	1,184,587	1,844,970	1,358,521
Maintenance/Development	780,133	716,653	674,955	737,224	803,687
Depreciation	1,126,588	1,253,769	1,340,628	1,395,679	1,523,682
Administrative fees	463,110	421,171	452,283	420,772	403,149
Total operating expenses	<u>3,336,347</u>	<u>3,412,835</u>	<u>3,652,453</u>	<u>4,398,645</u>	<u>4,089,039</u>
Operating income (loss)	<u>59,275</u>	<u>422,865</u>	<u>374,699</u>	<u>2,180,905</u>	<u>2,555,896</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	30,573	16,276	(13,883)	50,134	134,843
Miscellaneous	48,175	32,116	44,432	79,408	64,178
Intergovernmental	483,063	2,516,937	33,992	1,436,590	377,247
Interest	(6,414)	(9,094)	(2,581)	(47,301)	(124,437)
Bond/Loan issuance expense (2)	(6,654)	(6,654)	(105,899)	-	-
Net non-operating revenues	<u>548,743</u>	<u>2,549,581</u>	<u>(43,939)</u>	<u>1,518,831</u>	<u>451,831</u>
Change in net position before transfers and capital contributions	<u>608,018</u>	<u>2,972,446</u>	<u>330,760</u>	<u>3,699,736</u>	<u>3,007,727</u>
CAPITAL CONTRIBUTIONS	2,781,729	163,868	284,619	770,802	558,379
SPECIAL ITEM					
Impairment loss	-	-	(6,343,272) (1)	-	-
TRANSFERS					
Transfers in	-	-	-	-	-
Transfers out	(12,832)	(55,869)	(56,926)	(7,239)	(56,840)
Change in net position	3,376,915	3,080,445	(5,784,819)	4,463,299	3,509,266
TOTAL NET POSITION - January 1	<u>\$ 42,763,407</u>	<u>\$46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$43,435,948</u>	<u>\$ 47,899,247</u>
Cumulative effect of correction to prior period					<u>10,087,160</u> (3)
Restated Net Position					<u>\$ 57,986,407</u>
TOTAL NET POSITION-December 31	<u>\$ 46,140,322</u>	<u>\$49,220,767</u>	<u>\$ 43,435,948</u>	<u>\$47,899,247</u>	<u>\$ 61,495,673</u>

(1) Impairment loss due to flood damage in September 2013.

(2) In 2013 the City wrote off all the remaining unamortized issuance expense in accordance with GASB 65.

(3) In 2015, the City implemented new financial accounting software. Adjustments were necessary to bring fixed asset balances in the GL to balances in the fixed asset sub system after data conversion. Adjustments were also made for pension accounting in accordance with GASB 68 and GASB 71.

Pro-Forma Debt Service Coverage (1)

<u>Year</u>	<u>User Charge Revenues (2)</u>	<u>Plant Investment Fees</u>	<u>Total</u>	<u>Maximum Annual Debt Service on the 2008 Bonds (3)</u>	<u>Coverage</u>
2003	\$ 2,246,618	\$ 248,042	\$ 2,494,660	\$1,112,925	2.24
2004	2,299,979	223,428	2,523,407	1,112,925	2.27
2005	2,474,057	339,983	2,814,040	1,112,925	2.53
2006	3,035,929	290,158	3,326,087	1,112,925	2.99
2007	3,386,711	194,241	3,580,952	1,112,925	3.22
2008	3,421,596	82,717	3,504,313	1,112,925	3.15
2009	3,428,994	30,774	3,459,768	1,112,925	3.11
2010	3,420,656	120,618	3,541,274	1,112,925	3.18
2011	3,395,622	93,331	3,488,953	1,112,925	3.13
2012	3,835,699	163,868	3,999,567	1,112,925	3.59
2013	4,027,152	146,340	4,173,492	1,112,925	3.75
2014	6,579,550	235,532	6,815,082	1,112,925	6.12
2015	6,644,935	302,142	6,947,077	1,112,925	6.24

(1) Includes only storm drainage user charge revenues and storm drainage plant investment fees, and does not include developer participation, investment income or miscellaneous income. See "Pledged Revenues" above and "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees."

(2) Revenues increased in User Charge revenues due in part to a rate increase as described in "THE STORM DRAINAGE - Fees." Also see "Storm Drainage Fees" above.

(3) Represents the Maximum Annual Debt Service on the 2008 Bonds (occurring in 2028). See "DEBT SERVICE REQUIREMENTS."

Electric and Broadband Utility

Enterprise Revenue Bonds

Series 2014

(CUSIP #543097)

History of Net Pledged Revenues and Pro-Forma Debt Service Coverage

	2011	2012	2013	2014	2015	Budgeted 2016
Gross Pledged Revenues						
<u>Electric System</u>						
Charges for services	\$53,838,044	\$57,182,388	\$60,870,571	\$63,158,938	\$63,877,212	\$65,753,000
Electric Aid to Construction (1)	464,804	680,804	1,245,959	1,686,685	1,775,200	1,400,000
Other (2)	271,240	214,835	130,370	332,630	1,384,197	225,800
	<u>54,574,088</u>	<u>58,078,027</u>	<u>62,246,900</u>	<u>65,178,253</u>	<u>67,036,609</u>	<u>67,378,800</u>
<u>Broadband System</u>						
Charges for services	282,208	290,774	316,941	614,926	1,341,199	6,409,708
Broadband Aid to Construction	-	-	-	-	-	35,000
Other (3)	37,185	8,671	1,806	48,272	93,182	17,325
	<u>319,393</u>	<u>299,445</u>	<u>318,747</u>	<u>663,198</u>	<u>1,434,381</u>	<u>6,462,033</u>
Total Gross Pledged Revenues	<u>54,893,481</u>	<u>58,377,472</u>	<u>62,565,647</u>	<u>65,841,451</u>	<u>68,470,990</u>	<u>73,840,833</u>
Operation and Maintenance Expenses (4)						
Electric System	49,436,713	50,834,779	53,099,447	52,003,050	55,184,701	59,246,524
Broadband System	138,080	316,445	720,652 (6)	2,936,261	2,633,611	4,731,786
Total O&M Expenses	<u>49,574,793</u>	<u>51,151,224</u>	<u>53,820,099</u>	<u>54,939,311</u>	<u>57,818,312</u>	<u>63,978,310</u>
Net Pledged Revenues	\$5,318,688	\$7,226,248	\$8,745,548	\$10,902,140	\$10,652,678	\$9,862,523
Combined Maximum Annual Principal and Interest Requirements (5)	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013
Pro-Forma Coverage	1.43x	1.94x	2.35x	2.93x	2.87x	2.65x

(1) Aid to underground installation fees are capital contribution revenue in the Electric System and the Telecommunications System.

(2) Includes investment income, miscellaneous revenue and other sales. Does not include intergovernmental and transfers in.

(3) Includes investment income and miscellaneous revenue. Does not include Aid to underground installation.

(4) Generally includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation or amortization.

Also does not include franchise fees paid by each portion of the System. Current City financial policies require the Electric System and the Broadband System to pay the General Fund franchise fees of 8% and 5% respectively, of current year revenues. The obligation to pay franchise fees is subordinate to the obligation to pay debt service on the 2014 Bonds.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2014 Bonds (\$3,717,013 in 2017 and 2019). See "DEBT SERVICE REQUIREMENTS."

(6) Correction to increase Broadband System O&M Expenses by \$144,192 for a total of \$720,652 in 2013. This was erroneously reported as \$576,460 on the 2014 version of this table.

Source: Derived from the City's audited financial statements for 2011-2015 and the 2016 Budget.

Electric System User Charges - 2016

Rate Description	Charges	Rates
Residential Rates		
Residential Energy	Customer Charge	\$10.4000
	0-750 kwh	\$0.0755
	751-1500 kwh	\$0.0823
	1501 kwh and above	\$0.0930
Residential Demand	Customer Charge	\$15.4000
	kwh	\$0.0431
	max kw	\$5.7500
Residential Generation	Customer Charge	\$22.4000
	kwh below average	\$0.0590
	kwh above average	\$0.0755
Renewable	kwh	\$ 0.0296

Commercial Rates

Commercial Energy	Customer Charge	\$16.4000
	kwh	\$ 0.0780
Commercial Demand	Customer Charge	\$42.3000
	kwh	\$0.0431
	max kw	\$12.0000
Commercial Energy Generation	Customer Charge	\$53.5000
	kwh below average	\$0.0561
	kwh above average	\$0.0780
Commercial Demand Generation	Customer Charge	\$42.3000
	kwh	\$0.0431
	max kw	\$12.0000

Unmetered Energy Rates

Unmetered 1-49 watt	Customer Charge	\$ 6.80
Unmetered 50-149 watt	Customer Charge	\$ 8.00
Unmetered 150-249 watt	Customer Charge	\$ 10.50
Unmetered 250 & over	Customer Charge	\$ 12.40
Power Supply	Customer Charge	\$ 43.00

Other Fees and Charges: The City also imposes various fees, including annexation fees, charges for miscellaneous services and aid to construction fees.

Source: Longmont Power and Communications, City of Longmont.

History of Electric System Customers

Year	Electric Customers	% Change
2003	33,069	n/a
2004	33,992	2.8%
2005	34,779	2.3%
2006	35,454	1.9%
2007	35,750	0.8%
2008	36,231	1.3%
2009	36,383	0.4%
2010	36,683	0.8%
2011	36,809	0.3%
2012	37,107	0.8%
2013	37,360	0.7%
2014	37,751	1.0%
2015	38,229	1.3%

Source: Longmont Power and Communications, City of Longmont.

Electric System Customer Information by Customer Type

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Electric Sales in MWH					
Residential	312,726	314,664	309,764	302,116	303,034
Commercial	347,587	352,736	348,984	354,705	352,810
Industrial	138,502	126,753	118,885	114,369	116,862
Total	798,815	794,153	777,633	771,190	772,706
Electric Revenue (in 000s)					
Residential	\$ 23,648	\$ 25,512	\$ 27,088	\$ 27,927	\$ 28,480
Commercial	22,598	24,151	25,884	27,252	27,397
Industrial	7,426	7,321	7,366	7,543	7,759
Total	\$ 53,672	\$ 56,984	\$ 60,338	\$ 62,722	\$ 63,636
Average Customer Accounts					
Residential-inside City limits	33,346	33,644	33,766	34,024	34,645
Residential-outside City limits	827	830	827	810	820
	<u>34,173</u>	<u>34,474</u>	<u>34,593</u>	<u>34,834</u>	<u>35,465</u>
Commercial-inside City limits	2,497	2,500	2,523	2,564	2,632
Commercial-outside City limits	127	124	119	118	123
	<u>2,624</u>	<u>2,624</u>	<u>2,642</u>	<u>2,682</u>	<u>2,755</u>
Industrial-inside City limits	9	7	8	6	7
Industrial-outside City limits	1	1	1	1	1
	<u>10</u>	<u>8</u>	<u>9</u>	<u>7</u>	<u>8</u>
Contract-inside City limits	1	0	0	0	0
Contract-outside City limits	1	1	1	1	1
	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Average Accounts	<u>36,809</u>	<u>37,107</u>	<u>37,245</u>	<u>37,524</u>	<u>38,229</u>
Average Use per Customer					
Residential - Annual	9,151	9,128	8,955	8,673	8,545
Residential - Monthly	763	761	746	723	712
Annual Peak Demand (MW)					
Summer Peak	175	182	178	169	170
Winter Peak	131	123	129	128	122

Source: Longmont Power and Communications, City of Longmont.

Largest Electric System Customers - 2015

Customer Number (2)	Total kWh	Total kW	Total 2015 Revenue	Percent of Total 2015 Revenue(1)
126902	32,053,440	58,228	2,208,667	3.46%
264674	27,057,600	42,811	1,726,093	2.70%
125046	23,542,000	42,837	1,643,771	2.57%
332917	19,245,888	28,872	1,268,899	1.99%
127015	16,358,872	72,431	1,594,429	2.50%
231353	12,929,604	25,609	891,293	1.40%
126234	11,842,810	25,093	815,241	1.28%
125672	8,765,617	15,340	556,010	0.87%
291785	8,623,680	14,300	555,560	0.87%
272517	8,599,920	14,982	567,618	0.89%
Total	169,019,431	340,503	11,827,580	18.52%

(1) Based on total Electric System charges for service of \$63,877,212 for 2015.

(2) The identities of the largest individual electric system users and the amount of revenues generated by each cannot be divulged under penalty of law.

Source: Longmont Power and Communications, City of Longmont.

History of Broadband System Customers by Customer Class

Customer Class	2009	2010	2011	2012	2013	2014	2015
Residential (1)	0	0	0	0	25	244	2130
Commercial (1)	0	0	0	0	24	29	94
Fiber Lease	9	8	8	9	9	9	8
Colocation	6	4	4	4	5	6	5
Conduit Lease	1	1	1	1	1	1	1
Total	16	13	13	14	64	289	2238

(1) Years prior to 2013 include services provided to dark fiber and colocation contract customers, which the backbone system was designed to provide. The Broadband System began adding residential and commercial broadband customers in May 2013.

Source: Longmont Power and Communications, City of Longmont.

History of Broadband System Revenues by Customer Class

<u>Customer Class</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Residential (1)	-	-	-	-	\$ 1,096	\$ 63,266	\$ 767,790
Commercial (1)	-	-	-	-	19,612	186,400	\$ 383,341
Fiber Lease	\$ 203,953	\$ 263,445	\$ 251,254	\$ 262,031	261,928	314,201	\$ 167,137
Colocation	29,126	28,968	29,827	27,582	30,220	34,533	\$ 21,682
Conduit Lease	1,106	1,106	1,127	1,161	1,183	1,216	\$ 1,249
Total	\$ 234,185	\$ 293,519	\$ 282,208	\$ 290,774	\$ 314,039	\$ 599,616	\$ 1,341,199

(1) The Broadband System began adding residential and commercial customers in May 2013.

Source: Longmont Power and Communications, City of Longmont.

Budget Summary and Comparison - Electric and Broadband Fund

	2015	2015	2016
	Budget	Actual	Budget
REVENUES			
Electric charges for services	\$ 66,509,000	\$ 63,877,212	\$ 65,753,000
Electric aid to underground construction	2,400,000	1,775,200	1,400,000
Electric intergovernmental revenue	-	84,096	25,454
Electric interest income	30,000	54,533	50,000
Electric miscellaneous	505,200	1,329,663	175,800
Electric operating transfers in	16,361	16,361	15,974
Broadband charges for services	1,789,910	1,341,199	6,409,708
Broadband aid to underground construction	-	-	35,000
Broadband interest income	-	96,198	-
Broadband miscellaneous	500	(3,015)	17,325
Total Revenue	\$ 71,250,971	\$ 68,571,447	\$ 73,882,261
EXPENSES			
Electric distribution	\$ 5,009,908	\$ 5,464,815	\$ 5,341,802
Electric engineering	1,294,271	1,193,529	1,159,459
Electric purchased power	45,769,141	44,536,649	47,829,132
Electric administration	2,721,339	2,802,532	2,929,423
Electric franchise fee	5,275,000	5,155,460	5,217,664
Electric meter reading	407,648	345,599	409,185
Electric warehouse	479,832	444,457	528,626
Electric customer services and marketing	235,108	154,188	185,048
Electric energy services	1,170,207	800,615	939,289
Electric debt service	3,000	3,505	3,000
Electric capital outlay	5,186,275	2,248,793	4,539,306
Broadband administration	1,406,015	1,216,489	1,945,840
Broadband franchise fee	8,142	9,271	7,812
Broadband distribution	1,722,501	2,209,704	3,082,239
Broadband engineering	197,606	167,614	353,928
Broadband debt service	1,472,013	1,325,342	1,472,013
Broadband capital outlay	18,391,645	13,099,402	20,173,209
Total Expenses	\$ 90,749,651	\$ 81,177,964	\$ 96,116,975
Excess of Revenues over (under)			
Expenditures	\$ (19,498,680)	\$ (12,606,517)	\$ (22,234,714)

Source: Derived from the 2015 and 2016 Budgets and the audited 2015 financial statements provided by the City of Longmont.

Electric and Broadband Fund - History of Revenues, Expenses and Changes in Fund Net Position

	<u>2013 (3)</u>	<u>2014</u>	<u>2015</u>
Operating Revenues			
Charges for services	\$ 61,187,512	\$ 63,773,864	\$ 65,218,411
Operating Expenses			
Administration	2,936,124	3,693,506	4,522,592
Purchased power/cost of sales/premiums	43,744,408	43,541,289	44,536,649
Transmission/distribution	5,474,986	6,069,814	7,094,651
Depreciation	2,377,522	2,531,638	2,656,444
Administrative fees (1)	1,664,581	1,634,702	1,664,420
Franchise fee (2)	4,848,046	5,036,670	5,164,731
Total operating expenses	<u>61,045,667</u>	<u>62,507,619</u>	<u>65,639,487</u>
Operating Income (Loss)	141,845	1,266,245	(421,076)
Non-Operating Revenues (Expenses)			
Investment income (loss)	(7,230)	91,795	150,731
Miscellaneous	52,345	178,050	111,620
Intergovernmental	3,702	177,869	84,096
Other Sales	87,061	111,057	81,790
Gain (Loss) on disposal of assets	-	-	1,133,238
Interest Expense	-	(41,601)	(98,057)
Total non-operating revenues	<u>135,878</u>	<u>517,170</u>	<u>1,463,418</u>
Change in net position before transfers and capital contributions	277,723	1,783,415	1,042,342
Capital Contributions (4)	1,391,135	1,806,325	1,787,449
Special Item			
Impairment Loss	(118,785)	-	
Transfers			
Transfers in	28,168	40,281	16,361
Transfers out	(664,212)	(200,028)	(468,925)
Change in net position	914,029	3,429,993	2,377,227
Total Net Position - January 1 (5)	<u>55,492,412</u>	<u>56,406,441</u>	<u>59,836,434</u>
Cumulative effect of correction to prior period (6)			2,327,840
Restated Total Net Position - January 1			62,164,274
Total Net Position - December 31 (5)	<u>\$ 56,406,441</u>	<u>\$ 59,836,434</u>	<u>\$ 64,541,501</u>

(1) Represents a payment to the General Fund to cover the cost of general services (administrative, financial and legal services, office space, etc.) provided to the Electric and Broadband Funds.

(2) Current City financial policies require the Electric Fund to pay the General Fund a franchise fee of 8% of the current year revenues of the Electric Fund.

(3) Includes the combination of the Electric and Broadband Funds reported separately in the 2013 Combined Annual Financial Report.

(4) A portion of this amount is "aid to underground installation revenue." See "REVENUES AVAILABLE FOR DEBT SERVICE."

A portion of this amount is proceeds of the Electric Community Investment Fee, which is initially recorded in the ECIF Fund but transferred to the Electric Fund as capital contributions upon expenditure.

(5) Net Position includes the value of all assets attributable to the Electric Fund, not just those acquired during the year presented.

(6) Prior period correction due to fixed assets adjustments and implementation of GASB 68 and 71 related to Pension.

Source: Derived from the City's CAFRs for the years ended December 31, 2014 and 2015.

Wastewater
Enterprise Revenue Bonds
Series 2010A Tax-Exempt
&
Series 2010B Taxable

(CUSIP #543098)

History of Net Pledged Revenues and Pro-Forma Debt Service Coverage (1)

<u>Fiscal Year</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Pledged Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
System development fees	380,154	783,174	765,285	1,077,096	1,504,040
Developer participation	8,592	-	60	-	14,760
Other income	5,527	9,184	65,906	(23,084)	111,321
Interest earnings	117,574	73,249	67,280	99,692	66,174
BAB Credit on 2010B Bonds (2)	174,530	174,530	168,247	161,877	162,226
Total	<u>8,927,366</u>	<u>9,674,771</u>	<u>10,806,883</u>	<u>13,002,567</u>	<u>14,943,654</u>
Operation and Maintenance Expenses (3)	<u>6,213,740</u>	<u>6,420,819</u>	<u>7,498,334</u>	<u>8,178,180</u>	<u>8,100,714</u>
Net Pledged Revenues	\$ 2,713,626	\$ 3,253,952	\$ 3,308,549	\$ 4,824,387	\$ 6,842,940
Actual Debt Service Paid (4)	\$ 1,041,896	\$ 1,063,995	\$ 1,190,917	\$ 1,648,608	\$ 1,646,208
Coverage	2.60x	3.06x	2.78x	2.93x	4.16x
Combined Maximum Annual Principal and Interest Requirements (5)	3,648,375	3,648,375	3,648,375	3,648,375	3,648,375
Pro-Forma Coverage	0.74x	0.89x	0.91x	1.32x	1.88x

(1) Derived from the City's audited financial statements for 2011 through 2015, with the exception that investment gains and losses are excluded.

(2) The BAB Credit is also included in Gross Pledged Revenues.

(3) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization or interest paid on outstanding bonds.

(4) Includes debt service paid on a loan from the Colorado Water Resources and Power Development Authority in 2009-2012; debt service on the 2010 bonds beginning in 2010; and debt service on the 2013 bonds beginning in 2013.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2010 Bonds, the 2013 Bonds, and the 2015 Bonds (\$3,648,375 in 2035).

Comparative Disclosure Adjustments and Analysis

Related to Table 5.1

Pro-Forma Debt Service Coverage

	Actual Debt Service Paid Reported 2011 - 2015		Actual Debt Service Paid Reported 2015
Year	Actual Debt Service Paid	Adjustments	Actual Debt Service Paid
2011	\$ 1,041,896	-	\$ 1,041,896
2012	1,063,995	-	1,063,995
2013	1,190,917	-	1,190,917
2014	1,648,608	-	1,648,608
2015	2,716,208	(1,070,000) (1)	1,646,208 (2)

(1) The 2015 CAFR Sewer Enterprise Fund Schedule of Revenues and Expenses (Schedule D-10) previously reported the Principal retired for 2015 as \$1,955,000. The Principal retired of \$885,000 is the correct amount paid.

(2) The 2015 CAFR statistical debt Schedule 16, Pledged Revenue Bond/Loan Coverage, previously reported the total principal and interest paid for 2015 as \$2,716,208. The principal and interest of \$1,646,208 is the correct amount paid. Schedule 16 will be corrected for the 2016 CAFR.

Residential and Small Commercial System Development Fee Schedules - 2016

<u>Meter Size</u>	Residential <u>SDF</u>	Small Commercial <u>SDF</u>
5/8 inch	\$ 4,390	\$ 5,860
3/4 inch	6,590	8,780
1 inch	10,960	14,640
1.5 inches	-	29,300
2 inches	-	46,880
3 inches	-	93,750

History of Wastewater System Development Fees

<u>Year</u>	<u>Total Number of Connections</u>	<u>Total System Development Fees</u>
2005	25,190	\$1,550,118
2006	25,691	\$889,964
2007	25,887	\$851,565
2008	26,044	\$288,158
2009	26,147	\$96,975
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015	26,477	\$1,504,040
2016 (1)	26,611	\$1,227,628

(1) Taps and fees collected through June 30, 2016.

History of User Connections by Customer Type

<u>Year</u>	<u>Residential Connections</u>	<u>Commercial/ Industrial Connections</u>	<u>Contract Connection</u>	<u>Other/Out of City Users</u>	<u>Total Connections</u>	<u>% Change in Connections</u>
2005	23,775	1,369	1	45	25,190	--
2006	24,161	1,463	1	66	25,691	2.0%
2007	24,323	1,485	1	78	25,887	0.8%
2008	24,435	1,521	1	87	26,044	0.6%
2009	24,507	1,547	1	92	26,147	0.4%
2010	24,537	1,410	1	66	26,014	-0.5%
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015	25,011	1,376	0	90	26,477	0.8%
2016 (1)	25,206	1,315	0	90	26,611	--

(1) As of June 30, 2016.

History of Charges for Service by Category

<u>Year</u>	<u>Residential Service Charges</u>	<u>Commercial/ Industrial Service Charges</u>	<u>Other Industrial Charges (1)</u>	<u>Special Tap/ Contract Revenues</u>	<u>Miscellaneous Revenues (2)</u>	<u>Total Revenues</u>	<u>Percent Change in Revenues</u>
2005	\$ 5,356,563	\$ 1,144,869	\$ 273,843	\$ 407,406	\$ 10,920	\$ 7,193,601	--
2006	5,621,533	1,181,641	223,662	390,832	9,201	7,426,869	3.2%
2007	5,402,944	1,146,694	228,839	409,684	(19,603)	7,168,558	-3.5%
2008	5,436,825	1,113,443	246,565	329,322	(8,166)	7,117,989	-0.7%
2009	5,844,437	1,206,730	285,927	19,068	59,877	7,416,039	4.2%
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	5.7%
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015	10,615,333	2,343,578	116,557	4,096	5,569	13,085,133	12.0%
2016 (4)	5,342,150	1,096,777	71,237	1,630	15,874	6,527,668	--

(1) Includes industrial sewer surcharge and industrial pre-treatment charges.

(2) Includes miscellaneous revenues, mixed use rates and charges and accruals for unbilled revenue, which represents service provided as of the end of each year that will not be billed until the first billing date in January. Unbilled revenue was negative in 2008, 2012 and 2015.

(3) Reduced Miscellaneous Revenue from original bond table by negative unbilled revenue at year end.

(4) Through June 30, 2016.

Budget Summary and Comparison - Sewer Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
REVENUE				
Operating Revenue				
Charges for services (2)	\$ 13,210,500	\$ 6,194,339	\$ 13,794,300	\$ 6,553,477
Non-Operating Revenue				
Interest income	17,900	31,325	28,000	179,512
Intergovernmental	168,247	81,794	168,247	1,100,591
Bond Proceeds	-	-	-	-
Grant Awards	2,940,547	-	2,829,016	-
Miscellaneous	1,545	60,456	-	(119,896)
Operating transfers in	551,289	-	552,119	-
Total non-operating revenue	<u>3,679,528</u>	<u>173,575</u>	<u>3,577,382</u>	<u>1,160,207</u>
Total revenue	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>	<u><u>\$ 17,371,682</u></u>	<u><u>\$ 7,713,684</u></u>
APPLICATION OF REVENUE				
Operating Expense				
Director administration	264,231	123,230	218,497	97,144
Administration	1,329,199	461,353	1,247,193	519,649
Industrial pretreatment	165,619	61,559	150,045	50,978
Collection system	1,372,596	548,302	1,407,488	540,493
Treatment plant	3,336,338	1,262,075	3,361,607	1,739,909
Water quality lab	761,112	254,580	656,936	277,321
Administrative service	797,640	398,820	740,067	370,035
Franchise equivalency	528,480	264,240	551,772	275,886
Bad debt expense	2,000	832	2,000	1,355
Emergency Event	159,945	349,010	5,000	3,729
Total operating expenses	<u>8,717,160</u>	<u>3,724,001</u>	<u>8,340,605</u>	<u>3,876,499</u>
Capital Expense	<u>41,827,722</u>	<u>3,215,304</u>	<u>38,246,970</u>	<u>6,508,605</u>
Non-Operating Expenses				
Transfers to other funds	374,353	547	345,932	562
Debt Requirements	<u>3,866,683</u>	<u>380,604</u>	<u>3,870,833</u>	<u>743,267</u>
Total expenses	<u><u>\$ 54,785,918</u></u>	<u><u>\$ 7,320,456</u></u>	<u><u>\$ 50,804,340</u></u>	<u><u>\$ 11,128,933</u></u>
Additions To (Deductions From) Operating Reserves	<u>(37,895,890)</u>	<u>(952,542)</u>	<u>(33,432,658)</u>	<u>(3,415,249)</u>
Total Application of Revenue	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>	<u><u>\$ 17,371,682</u></u>	<u><u>\$ 7,713,684</u></u>

(1) Unaudited, interim information only.

(2) Includes sewer fees (rate and charges), industrial surcharges and construction inspections.

Budget Summary and Comparison - Sewer Construction Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
Sources of Funds				
Beginning Working Capital (fund balance) (2)	\$ 2,972,070	\$ 2,972,070	\$ 4,140,579	\$ 4,140,579
Connection fee	-	-	-	-
System development fee	884,100	661,440	1,154,700	1,227,628
Developer participation	-	14,760	-	5,326
Interest Income	12,900	7,437	3,600	10,536
Total Sources of Funds	<u>3,869,070</u>	<u>3,655,707</u>	<u>5,298,879</u>	<u>5,384,069</u>
Expenses				
Capital Expense	2,982,102	-	3,142,102	-
Non-capital expense (3)	2,500	-	2,500	-
Transfers out	583,022	-	583,852	-
Total Expenses	<u>3,567,624</u>	<u>-</u>	<u>3,728,454</u>	<u>-</u>
Ending Working Capital	<u>\$ 301,446</u>	<u>\$ 3,655,707</u>	<u>\$ 1,570,425</u>	<u>\$ 5,384,069</u>

(1) Unaudited, interim information only.

(2) Represents actual beginning working capital (fund balance) in each column, rather than budgeted information.

(3) Added line to appropriately reflect non-capital expense budget information.

Sewer Fund - History of Revenues, Expenses and Changes in Fund Net Position

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
Operating Expenses					
Administration (1)	1,040,939	973,097	968,953	1,054,139	1,103,308
Transmission/distribution (1)	855,620	969,029	1,684,493	2,255,778	1,966,981
Treatment/disposal	3,280,425	3,350,871	3,695,667	3,651,191	3,704,305
Depreciation	2,320,436	2,399,391	2,575,516	2,676,453	2,904,957
Administrative fees (2)	695,756	778,370	768,009	753,720	797,640
Franchise fee (3)	341,000	349,452	381,212	463,352	528,480
Total operating expenses	<u>8,534,176</u>	<u>8,820,210</u>	<u>10,073,850</u>	<u>10,854,633</u>	<u>11,005,671</u>
Operating Income (Loss)	(293,187)	(185,576)	(333,745)	832,353	2,079,462
Non-Operating Revenues (Expenses)					
Investment income (loss)	73,240	59,309	(7,727)	138,732	37,336
Miscellaneous	5,457	8,588	65,861	(23,205)	444,522
Intergovernmental	231,326	200,009	194,686	1,111,741	278,857
Interest expense	(48,535)	(25,294)	(1,354)	(31,909)	-
Gain (Loss) on disposal of assets	8,373	-	-	(2,294,421)	(10,767)
Bond/loan issuance expenses (5)	(19,653)	(18,882)	(189,734)	-	-
Total non-operating revenues	<u>250,208</u>	<u>223,730</u>	<u>61,732</u>	<u>(1,099,062)</u>	<u>749,948</u>
Change in net assets before transfers and capital contributions	(42,979)	38,154	(272,013)	(266,709)	2,829,410
Capital Contributions	386,050	25,360	295,352	654,766	554,288
Special Item					
Impairment loss	-	-	(925,375)	-	-
Transfers					
Transfers in	462,156	361,149	382,377	368,071	367,591
Transfers out (1)	(4,830)	(126,218)	(327,319)	(89,642)	(107,543)
Change in net position	800,397	298,445	(846,978)	666,486	3,643,746
Total Net Position - January 1 (4)	<u>95,393,434</u>	<u>96,193,831</u>	<u>96,492,276</u>	<u>95,645,298</u>	<u>96,311,784</u>
Cumulative effect of correction to prior period (6)					(1,439,699)
Restated Total Net Position - January					94,872,085
Total Net Position - December 31 (4)	<u>\$ 96,193,831</u>	<u>\$ 96,492,276</u>	<u>\$ 95,645,298</u>	<u>\$ 96,311,784</u>	<u>\$ 98,515,831</u>

(1) Beginning in 2009, the "Administration" category includes the Sewer Fund's share of warehouse expenses and technical and surveying expenses and the "Transmission/Distribution" category includes the Sewer Fund's share of meter reading and construction inspection expenses. Amounts attributable to those expenses previously were included in the "Transfers out" category.

(2) Represents a payment to the General Fund to cover the cost of general services provided to the Sewer Fund.

(3) Current City financial policies require the Sewer Fund to pay the General Fund a 4% franchise fee.

(4) "Net Position" includes the value of all assets attributable to the Sewer Fund, not just those acquired during the year presented.

(5) In 2013 the City wrote off all the remaining unamortized issuance expense in accordance with GASB 65.

(6) Prior period correction due to fixed assets adjustments and implementation of GASB 68 and 71 related to Pension.

Sewer Construction Fund - History of Revenues, Expenditures and Changes in Fund Balances

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues					
Licenses and permits (1)	\$ 379,979	\$ 783,770	\$ 765,285	\$ 1,077,096	\$ 1,504,040
Developer/owner participation	8,592	-	60	-	14,760
Investment income (loss)	14,433	10,788	(3,092)	19,156	17,300
Miscellaneous	245	-	45	120	-
Total revenues	<u>403,249</u>	<u>794,558</u>	<u>762,298</u>	<u>1,096,372</u>	<u>1,536,100</u>
Expenditures					
Current:					
Municipal utility system	<u>9,356</u>	<u>25,360</u>	<u>442</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>393,893</u>	<u>769,198</u>	<u>761,856</u>	<u>1,096,372</u>	<u>1,536,100</u>
Other Financing Sources (Uses)					
Transfers out (2)	<u>(462,228)</u>	<u>(361,216)</u>	<u>(328,152)</u>	<u>(368,071)</u>	<u>(367,591)</u>
Net change in fund balance	(68,335)	407,982	433,704	728,301	1,168,509
Fund Balance - January 1	<u>1,470,418</u>	<u>1,402,083</u>	<u>1,810,065</u>	<u>2,243,769</u>	<u>2,972,070</u>
Fund Balance - December 31	<u><u>\$1,402,083</u></u>	<u><u>\$1,810,065</u></u>	<u><u>\$2,243,769</u></u>	<u><u>\$2,972,070</u></u>	<u><u>\$4,140,579</u></u>

(1) Consists primarily of System Development Fees; also includes material fees.

(2) Consists primarily of transfers to the Sewer Fund and also includes transfers to the Art in Public Places Fund.

Wastewater
Enterprise Revenue Bonds
Series 2013

(CUSIP #543098)

History of Net Pledged Revenues and Pro-Forma Debt Service Coverage (1)

<u>Fiscal Year</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Pledged Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
System development fees	380,154	783,174	765,285	1,077,096	1,504,040
Developer participation	8,592	-	60	-	14,760
Other income	5,527	9,184	65,906	(23,084)	111,321
Interest earnings	117,574	73,249	67,280	99,692	66,174
BAB Credit on 2010B Bonds (2)	174,530	174,530	168,247	161,877	162,226
Total	8,927,366	9,674,771	10,806,883	13,002,567	14,943,654
Operation and Maintenance Expenses (3)	6,213,740	6,420,819	7,498,334	8,178,180	8,100,714
Net Pledged Revenues	\$ 2,713,626	\$ 3,253,952	\$ 3,308,549	\$ 4,824,387	\$ 6,842,940
Actual Debt Service Paid (4)	\$ 1,041,896	\$ 1,063,995	\$ 1,190,917	\$ 1,648,608	\$ 1,646,208
Coverage	2.60x	3.06x	2.78x	2.93x	4.16x
Combined Maximum Annual Principal and Interest Requirements (5)	3,648,375	3,648,375	3,648,375	3,648,375	3,648,375
Pro-Forma Coverage	0.74x	0.89x	0.91x	1.32x	1.88x

(1) Derived from the City's audited financial statements for 2011 through 2015, with the exception that investment gains and losses are excluded.

(2) The BAB Credit is also included in Gross Pledged Revenues.

(3) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization or interest paid on outstanding bonds.

(4) Includes debt service paid on a loan from the Colorado Water Resources and Power Development Authority in 2009-2012; debt service on the 2010 bonds beginning in 2010; and debt service on the 2013 bonds beginning in 2013.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2010 Bonds, the 2013 Bonds, and the 2015 Bonds (\$3,648,375 in 2035).

Comparative Disclosure Adjustments and Analysis

Related to Table 6.1

Pro-Forma Debt Service Coverage

	Actual Debt Service Paid Reported 2011 - 2015		Actual Debt Service Paid Reported 2015
Year	Actual Debt Service Paid	Adjustments	Actual Debt Service Paid
2011	\$ 1,041,896	-	\$ 1,041,896
2012	1,063,995	-	1,063,995
2013	1,190,917	-	1,190,917
2014	1,648,608	-	1,648,608
2015	2,716,208	(1,070,000) (1)	1,646,208 (2)

(1) The 2015 CAFR Sewer Enterprise Fund Schedule of Revenues and Expenses (Schedule D-10) previously reported the Principal retired for 2015 as \$1,955,000. The Principal retired of \$885,000 is the correct amount paid.

(2) The 2015 CAFR statistical debt Schedule 16, Pledged Revenue Bond/Loan Coverage, previously reported the total principal and interest paid for 2015 as \$2,716,208. The principal and interest of \$1,646,208 is the correct amount paid. Schedule 16 will be corrected for the 2016 CAFR.

History of Wastewater System Development Fees

<u>Year</u>	<u>Total Number of Connections</u>	<u>Total System Development Fees</u>
2008	26,044	\$288,158
2009	26,147	\$96,975
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015	26,477	\$1,504,040
2016 (1)	26,611	\$1,227,628

(1) Taps and fees collected through June 30, 2016.

History of User Connections by Customer Type

<u>Year</u>	<u>Residential Connections</u>	<u>Commercial/ Industrial Connections</u>	<u>Contract Connection</u>	<u>Other/Out of City Users</u>	<u>Total Connections</u>	<u>% Change in Connections</u>
2008	24,435	1,521	1	87	26,044	--
2009	24,507	1,547	1	92	26,147	0.4%
2010	24,537	1,410	1	66	26,014	-0.5%
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015	25,011	1,376	0	90	26,477	0.8%
2016 (1)	25,206	1,315	0	90	26,611	--

(1) As of June 30, 2016.

History of Charges for Service by Category

<u>Year</u>	<u>Residential Service Charges</u>	<u>Commercial/ Industrial Service Charges</u>	<u>Other Industrial Charges (1)</u>	<u>Special Tap/ Contract Revenues</u>	<u>Miscellaneous Revenues (2)</u>	<u>Total Revenues</u>	<u>Percent Change in Revenues</u>
2008	\$ 5,436,825	\$ 1,113,443	\$ 246,565	\$ 329,322	\$ (8,166)	\$ 7,117,989	--
2009	5,844,437	1,206,730	285,927	19,068	59,877	7,416,039	4.2%
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	5.7%
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015	10,615,333	2,343,578	116,557	4,096	5,569	13,085,133	12.0%
2016 (4)	5,342,150	1,096,777	71,237	1,630	15,874	6,527,668	--

(1) Includes industrial sewer surcharge and industrial pre-treatment charges.

(2) Includes miscellaneous revenues, mixed use rates and charges and accruals for unbilled revenue, which represents service provided as of the end of each year that will not be billed until the first billing date in January. Unbilled revenue was negative in 2008, 2012 and 2015.

(3) Reduced Miscellaneous Revenue from original bond table by negative unbilled revenue at year end.

(4) Through June 30, 2016.

Budget Summary and Comparison - Sewer Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
REVENUE				
Operating Revenue				
Charges for services (2)	\$ 13,210,500	\$ 6,194,339	\$ 13,794,300	\$ 6,553,477
Non-Operating Revenue				
Interest income	17,900	31,325	28,000	179,512
Intergovernmental	168,247	81,794	168,247	1,100,591
Bond Proceeds	-	-	-	-
Grant Awards	2,940,547	-	2,829,016	-
Miscellaneous	1,545	60,456	-	(119,896)
Operating transfers in	551,289	-	552,119	-
Total non-operating revenue	<u>3,679,528</u>	<u>173,575</u>	<u>3,577,382</u>	<u>1,160,207</u>
Total revenue	<u>\$ 16,890,028</u>	<u>\$ 6,367,914</u>	<u>\$ 17,371,682</u>	<u>\$ 7,713,684</u>
APPLICATION OF REVENUE				
Operating Expense				
Director administration	264,231	123,230	218,497	97,144
Administration	1,329,199	461,353	1,247,193	519,649
Industrial pretreatment	165,619	61,559	150,045	50,978
Collection system	1,372,596	548,302	1,407,488	540,493
Treatment plant	3,336,338	1,262,075	3,361,607	1,739,909
Water quality lab	761,112	254,580	656,936	277,321
Administrative service	797,640	398,820	740,067	370,035
Franchise equivalency	528,480	264,240	551,772	275,886
Bad debt expense	2,000	832	2,000	1,355
Emergency Event	159,945	349,010	5,000	3,729
Total operating expenses	<u>8,717,160</u>	<u>3,724,001</u>	<u>8,340,605</u>	<u>3,876,499</u>
Capital Expense	<u>41,827,722</u>	<u>3,215,304</u>	<u>38,246,970</u>	<u>6,508,605</u>
Non-Operating Expenses				
Transfers to other funds	374,353	547	345,932	562
Debt Requirements	<u>3,866,683</u>	<u>380,604</u>	<u>3,870,833</u>	<u>743,267</u>
Total expenses	<u>\$ 54,785,918</u>	<u>\$ 7,320,456</u>	<u>\$ 50,804,340</u>	<u>\$ 11,128,933</u>
Additions To (Deductions From) Operating Reserves	<u>(37,895,890)</u>	<u>(952,542)</u>	<u>(33,432,658)</u>	<u>(3,415,249)</u>
Total Application of Revenue	<u>\$ 16,890,028</u>	<u>\$ 6,367,914</u>	<u>\$ 17,371,682</u>	<u>\$ 7,713,684</u>

(1) Unaudited, interim information only.

(2) Includes sewer fees (rate and charges), industrial surcharges and construction inspections.

Budget Summary and Comparison - Sewer Construction Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
Sources of Funds				
Beginning Working Capital (fund balance) (2)	\$ 2,972,070	\$ 2,972,070	\$ 4,140,579	\$ 4,140,579
Connection fee	-	-	-	-
System development fee	884,100	661,440	1,154,700	1,227,628
Developer participation	-	14,760	-	5,326
Interest Income	12,900	7,437	3,600	10,536
Total Sources of Funds	<u>3,869,070</u>	<u>3,655,707</u>	<u>5,298,879</u>	<u>5,384,069</u>
Expenses				
Capital Expense	2,982,102	-	3,142,102	-
Non-capital expense (3)	2,500	-	2,500	-
Transfers out	583,022	-	583,852	-
Total Expenses	<u>3,567,624</u>	<u>-</u>	<u>3,728,454</u>	<u>-</u>
Ending Working Capital	<u>\$ 301,446</u>	<u>\$ 3,655,707</u>	<u>\$ 1,570,425</u>	<u>\$ 5,384,069</u>

(1) Unaudited, interim information only.

(2) Represents actual beginning working capital (fund balance) in each column, rather than budgeted information.

(3) Added line to appropriately reflect non-capital expense budget information.

Sewer Fund - History of Revenues, Expenses and Changes in Fund Net Position

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
Operating Expenses					
Administration (1)	1,040,939	973,097	968,953	1,054,139	1,103,308
Transmission/distribution (1)	855,620	969,029	1,684,493	2,255,778	1,966,981
Treatment/disposal	3,280,425	3,350,871	3,695,667	3,651,191	3,704,305
Depreciation	2,320,436	2,399,391	2,575,516	2,676,453	2,904,957
Administrative fees (2)	695,756	778,370	768,009	753,720	797,640
Franchise fee (3)	341,000	349,452	381,212	463,352	528,480
Total operating expenses	<u>8,534,176</u>	<u>8,820,210</u>	<u>10,073,850</u>	<u>10,854,633</u>	<u>11,005,671</u>
Operating Income (Loss)	(293,187)	(185,576)	(333,745)	832,353	2,079,462
Non-Operating Revenues (Expenses)					
Investment income (loss)	73,240	59,309	(7,727)	138,732	37,336
Miscellaneous	5,457	8,588	65,861	(23,205)	444,522
Intergovernmental	231,326	200,009	194,686	1,111,741	278,857
Interest expense	(48,535)	(25,294)	(1,354)	(31,909)	-
Gain (Loss) on disposal of assets	8,373	-	-	(2,294,421)	(10,767)
Bond/loan issuance expenses (5)	(19,653)	(18,882)	(189,734)	-	-
Total non-operating revenues	<u>250,208</u>	<u>223,730</u>	<u>61,732</u>	<u>(1,099,062)</u>	<u>749,948</u>
Change in net assets before transfers and capital contributions	(42,979)	38,154	(272,013)	(266,709)	2,829,410
Capital Contributions	386,050	25,360	295,352	654,766	554,288
Special Item					
Impairment loss	-	-	(925,375)	-	-
Transfers					
Transfers in	462,156	361,149	382,377	368,071	367,591
Transfers out (1)	(4,830)	(126,218)	(327,319)	(89,642)	(107,543)
Change in net position	800,397	298,445	(846,978)	666,486	3,643,746
Total Net Position - January 1 (4)	<u>95,393,434</u>	<u>96,193,831</u>	<u>96,492,276</u>	<u>95,645,298</u>	<u>96,311,784</u>
Cumulative effect of correction to prior period (6)					(1,439,699)
Restated Total Net Position - January					94,872,085
Total Net Position - December 31 (4)	<u>\$ 96,193,831</u>	<u>\$ 96,492,276</u>	<u>\$ 95,645,298</u>	<u>\$ 96,311,784</u>	<u>\$ 98,515,831</u>

(1) Beginning in 2009, the "Administration" category includes the Sewer Fund's share of warehouse expenses and technical and surveying expenses and the "Transmission/Distribution" category includes the Sewer Fund's share of meter reading and construction inspection expenses. Amounts attributable to those expenses previously were included in the "Transfers out" category.

(2) Represents a payment to the General Fund to cover the cost of general services provided to the Sewer Fund.

(3) Current City financial policies require the Sewer Fund to pay the General Fund a 4% franchise fee.

(4) "Net Position" includes the value of all assets attributable to the Sewer Fund, not just those acquired during the year presented.

(5) In 2013 the City wrote off all the remaining unamortized issuance expense in accordance with GASB 65.

(6) Prior period correction due to fixed assets adjustments and implementation of GASB 68 and 71 related to Pension.

Sewer Construction Fund - History of Revenues, Expenditures and Changes in Fund Balances

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues					
Licenses and permits (1)	\$ 379,979	\$ 783,770	\$ 765,285	\$1,077,096	\$ 1,504,040
Developer/owner participation	8,592	-	60	-	14,760
Investment income (loss)	14,433	10,788	(3,092)	19,156	17,300
Miscellaneous	245	-	45	120	-
Total revenues	<u>403,249</u>	<u>794,558</u>	<u>762,298</u>	<u>1,096,372</u>	<u>1,536,100</u>
Expenditures					
Current:					
Municipal utility system	<u>9,356</u>	<u>25,360</u>	<u>442</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>393,893</u>	<u>769,198</u>	<u>761,856</u>	<u>1,096,372</u>	<u>1,536,100</u>
Other Financing Sources (Uses)					
Transfers out (2)	<u>(462,228)</u>	<u>(361,216)</u>	<u>(328,152)</u>	<u>(368,071)</u>	<u>(367,591)</u>
Net change in fund balance	(68,335)	407,982	433,704	728,301	1,168,509
Fund Balance - January 1	<u>1,470,418</u>	<u>1,402,083</u>	<u>1,810,065</u>	<u>2,243,769</u>	<u>2,972,070</u>
Fund Balance - December 31	<u><u>\$1,402,083</u></u>	<u><u>\$1,810,065</u></u>	<u><u>\$2,243,769</u></u>	<u><u>\$2,972,070</u></u>	<u><u>\$4,140,579</u></u>

(1) Consists primarily of System Development Fees; also includes material fees.

(2) Consists primarily of transfers to the Sewer Fund and also includes transfers to the Art in Public Places Fund.

Storm Drainage

Revenue Bonds

Series 2014

(CUSIP #54310P)

History of Pledged Revenues and Pro-Forma Debt Service Coverage (1)

Fiscal Year	2011	2012	2013	2014	2015
Pledged Revenues					
User charges (2)	\$ 3,395,622	\$ 3,835,699	\$ 4,027,152	\$ 6,579,550	\$ 6,644,935
Plant investment fees	93,331	163,868	146,340	235,532	302,142
Total	\$ 3,488,953	\$ 3,999,567	\$ 4,173,492	\$ 6,815,082	\$ 6,947,077
Actual Debt Service Paid on 2008/2014 Bonds	\$ 1,083,631	\$ 1,086,406	\$ 1,083,531	\$ 2,383,756	\$ 2,534,803
Coverage	3.22x	3.68x	3.85x	2.86x	2.74x
Combined Maximum Annual Debt Service (3)	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263
Pro-Forma Coverage	1.36x	1.56x	1.63x	2.66x	2.71x

(1) Includes only storm drainage user charge revenues and storm drainage plant investment fees, and does not include investment income or miscellaneous income, which are also included in Pledged Revenues. See "Pledged Revenues" above and "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees." Storm Drainage Plant Investment Fees are recorded as capital contributions in the Storm Drainage Fund.

(2) Revenues increased in "User Charges" category due in part to a rate increase as described in "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees."

(3) Represents the Combined Maximum Annual Debt Service on the 2008 Bonds and the 2014 Bonds (\$2,563,263 occurring in 2028). See "DEBT SERVICE REQUIREMENTS."

Source: Derived from the City's Comprehensive Annual Financial Reports for 2011-2015; and the Financial Advisor (as to the combined maximum annual debt service).

History of Storm Drainage Revenues

<u>Year</u>	<u>User Charge Revenues</u>	<u>Percentage Change</u>	<u>Plant Investment Fees</u>	<u>Percentage Change</u>	<u>Total</u>	<u>Percentage Change</u>
2009	3,428,994	-	\$30,774	-	\$3,459,768	-
2010	3,420,656	-0.24%	120,618	291.95%	3,541,274	2.36%
2011	3,395,622	-0.73%	93,331	-22.62%	3,488,953	-1.48%
2012	3,835,699	12.96%	163,868	75.58%	3,999,567	14.64%
2013	4,027,152	4.99%	146,340	-10.70%	4,173,492	4.35%
2014	6,579,550	63.38%	235,532	60.95%	6,815,082	63.29%
2015	6,644,935	0.99%	302,142	28.28%	6,947,077	1.94%
2016 (1)	3,401,586	-	303,478	-	3,705,064	-

(1) Represents collections through June 2016.

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended 2009-2015 and from 2016 interim information provided by the City.

Storm Drainage Enterprise Fund - Budget Summary and Comparison

	2015 Final Budget	2015 YTD through (06/30/15) (1)	2016 Amended Budget	2016 YTD through (06/30/16) (1)
REVENUES				
Charges for services	\$ 6,402,517	\$ 3,316,877	\$ 6,655,300	\$ 3,401,586
Plant investment fee	137,619	120,624	177,693	303,478
Intergovernmental	1,397,904	-	12,112,488	1,011,459
Investment income	15,410	115,863	17,139	130,748
Miscellaneous	32,473	24,258	33,122	80,106
Total Revenues	<u>7,985,923</u>	<u>3,577,622</u>	<u>18,995,742</u>	<u>4,927,377</u>
EXPENDITURES				
Administration	1,153,178	842,605	766,991	340,871
Maintenance/Development	1,629,931	269,299	2,320,592	1,125,120
Administrative Fees (2)	403,149	201,573	546,335	273,167
Total Operations	<u>3,186,258</u>	<u>1,313,477</u>	<u>3,633,918</u>	<u>1,739,158</u>
Debt service	4,183,575	612,217	2,536,369	490,154
Capital outlay	12,199,023	585,206	27,838,793	2,251,061
Transfers to other funds	-	274	-	349
Total Expenses	<u>19,568,856</u>	<u>2,511,174</u>	<u>34,009,080</u>	<u>4,480,721</u>
Excess of Revenues over (under) Expenditures	<u>\$ (11,582,933)</u>	<u>\$ 1,066,448</u>	<u>\$ (15,013,338)</u>	<u>\$ 446,656</u>

(1) Unaudited, interim information only.

(2) Represents payments from other funds to the General Fund to cover the cost of general services (administrative, financial and legal services, offices space, etc.).

Source: The City; derived from the 2016 Budget and unaudited interim information provided by the City.

Storm Drainage Enterprise Fund
Comparative Statement of Revenues, Expenditures and Changes in Net Fund Position

	Year Ended December 31,				
	2011	2012	2013	2014	2015
Operating Revenues					
Charges for services	\$ 3,395,622	\$ 3,835,700	\$ 4,027,152	\$ 6,579,550	\$ 6,644,935
Operating Expenses					
Administration	966,516	1,021,242	1,184,587	1,844,970	1,358,521
Maintenance/Development	780,133	716,653	674,955	737,224	803,687
Depreciation	1,126,588	1,253,769	1,340,628	1,395,679	1,523,682
Administrative fees (1)	463,110	421,171	452,283	420,772	403,149
Total operating expenses	<u>3,336,347</u>	<u>3,412,835</u>	<u>3,652,453</u>	<u>4,398,645</u>	<u>4,089,039</u>
Operating Income (Loss)	<u>59,275</u>	<u>422,865</u>	<u>374,699</u>	<u>2,180,905</u>	<u>2,555,896</u>
Non-Operating Revenues (Expenses)					
Investment income	30,573	16,276	(13,883)	50,134	134,843
Miscellaneous	48,175	32,116	44,432	79,408	64,178
Intergovernmental	483,063	2,516,937	33,992	1,436,590	377,247
Interest	(6,414)	(9,094)	(2,581)	(47,301)	(124,437)
Bond/Loan issuance expense (4)	(6,654)	(6,654)	(105,899)	-	-
Total non-operating revenues	<u>548,743</u>	<u>2,549,581</u>	<u>(43,939)</u>	<u>1,518,831</u>	<u>451,831</u>
Change in net position before transfers and capital contributions	<u>608,018</u>	<u>2,972,446</u>	<u>330,760</u>	<u>3,699,736</u>	<u>3,007,727</u>
Capital Contributions	2,781,729	163,868	284,619	770,802	558,379
Special Items					
Impairment Loss (2)	-	-	(6,343,272)	-	-
Transfers					
Transfers in	-	-	-	-	-
Transfers out	(12,832)	(55,869)	(56,926)	(7,239)	(56,840)
Change in Net Position	3,376,915	3,080,445	(5,784,819)	4,463,299	3,509,266
Total Net Position - January 1 (3)	<u>\$ 42,763,407</u>	<u>\$ 46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$ 43,435,948</u>	<u>\$ 47,899,247</u>
Cumulative effect of correction to prior period					<u>10,087,160</u>
Restated Net Position (5)					<u>\$ 57,986,407</u>
Total Net Position - December 31 (3)	<u>\$ 46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$ 43,435,948</u>	<u>\$ 47,899,247</u>	<u>\$ 61,495,673</u>

(1) Represents a payment to the General Fund to cover the cost of general services (administrative, financial and legal services, office space etc.) provided to the Storm Drainage Fund.

(2) Impairment loss due to flood damage in September 2013.

(3) Net Position includes the value of all assets attributable to the fund, not just those acquired during the year presented.

(4) In 2013 the City wrote off all the remaining unamortized issuance expense in accordance with GASB 65.

(5) In 2015, the City implemented new financial accounting software. Adjustments were necessary to bring fixed asset balances in the GL to balances in the fixed asset sub system after data conversion. Adjustments were also made for pension accounting in accordance with GASB 68 and GASB 71.

Source: Derived from the City's CAFRs for the years ended December 31, 2011 through 2015.

Wastewater
Enterprise Revenue Bonds
Series 2015

(CUSIP #543098)

History of Net Pledged Revenues and Pro-Forma Debt Service Coverage (1)

<u>Fiscal Year</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Pledged Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
System development fees	380,154	783,174	765,285	1,077,096	1,504,040
Developer participation	8,592	-	60	-	14,760
Other income	5,527	9,184	65,906	(23,084)	111,321
Interest earnings	117,574	73,249	67,280	99,692	66,174
BAB Credit on 2010B Bonds (2)	174,530	174,530	168,247	161,877	162,226
Total	<u>8,927,366</u>	<u>9,674,771</u>	<u>10,806,883</u>	<u>13,002,567</u>	<u>14,943,654</u>
Operation and Maintenance Expenses (3)	<u>6,213,740</u>	<u>6,420,819</u>	<u>7,498,334</u>	<u>8,178,180</u>	<u>8,100,714</u>
Net Pledged Revenues	\$ 2,713,626	\$ 3,253,952	\$ 3,308,549	\$ 4,824,387	\$ 6,842,940
Actual Debt Service Paid (4)	\$ 1,041,896	\$ 1,063,995	\$ 1,190,917	\$ 1,648,608	\$ 1,646,208
Coverage	2.60x	3.06x	2.78x	2.93x	4.16x
Combined Maximum Annual Principal and Interest Requirements (5)	3,648,375	3,648,375	3,648,375	3,648,375	3,648,375
Pro-Forma Coverage (6)	0.74x	0.89x	0.91x	1.32x	1.88x

(1) Derived from the City's audited financial statements for 2011 through 2015, with the exception that investment gains and losses are excluded.

(2) The 2010 B Bonds were issued as BABS; the City expects to receive an interest subsidy on the 2010B Bonds in each year. The original amount of the subsidy was 35% of the interest due on the 2010B Bonds. However, the BAB subsidy is subject to federal budget "sequestration" provisions and has been reduced in each year beginning with federal fiscal year 2013. Absent future federal legislation, sequestration is expected to continue through federal fiscal year 2024.

(3) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization or interest paid on outstanding bonds.

(4) Includes debt service paid on a loan from the Colorado Water Resources and Power Development Authority in 2010-2012; debt service on the Prior Bonds beginning in 2010.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2010 Bonds, the 2013 Bonds, and the 2015 Bonds (\$3,648,375 in 2035).

(6) In 2013, the City implemented rate increases in anticipation of the issuance of the 2015 Bonds.

Comparative Disclosure Adjustments and Analysis

Related to Table 8.1

Pro-Forma Debt Service Coverage

	Actual Debt Service Paid Reported 2011 - 2015		Actual Debt Service Paid Reported 2015	
Year	Actual Debt Service Paid	Adjustments	Actual Debt Service Paid	
2011	\$ 1,041,896	-	\$ 1,041,896	
2012	1,063,995	-	1,063,995	
2013	1,190,917	-	1,190,917	
2014	1,648,608	-	1,648,608	
2015	2,716,208	(1,070,000) (1)	1,646,208	(2)

(1) The 2015 CAFR Sewer Enterprise Fund Schedule of Revenues and Expenses (Schedule D-10) previously reported the Principal retired for 2015 as \$1,955,000. The Principal retired of \$885,000 is the correct amount paid.

(2) The 2015 CAFR statistical debt Schedule 16, Pledged Revenue Bond/Loan Coverage, previously reported the total principal and interest paid for 2015 as \$2,716,208. The principal and interest of \$1,646,208 is the correct amount paid. Schedule 16 will be corrected for the 2016 CAFR.

History of Wastewater System Development Fees

<u>Year</u>	<u>Total Number of Connections</u>	<u>Total System Development Fees</u>
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015	26,477	\$1,504,040
2016 (1)	26,611	\$1,227,628

(1) Taps and fees collected through June 30, 2016.

History of User Connections by Customer Type

<u>Year</u>	<u>Residential Connections</u>	<u>Commercial/ Industrial Connections</u>	<u>Contract Connection</u>	<u>Other/Out of City Users</u>	<u>Total Connections</u>	<u>% Change in Connections</u>
2010	24,537	1,410	1	66	26,014	--
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015	25,011	1,376	0	90	26,477	0.8%
2016 (1)	25,206	1,315	0	90	26,611	--

(1) As of June 30, 2016.

History of Charges for Service by Category

<u>Year</u>	<u>Residential Service Charges</u>	<u>Commercial/ Industrial Service Charges</u>	<u>Other Industrial Charges (1)</u>	<u>Special Tap/ Contract Revenues</u>	<u>Miscellaneous Revenues (2)</u>	<u>Total Revenues</u>	<u>Percent Change in Revenues</u>
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	--
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015	10,615,333	2,343,578	116,557	4,096	5,569	13,085,134	12.0%
2016 (4)	5,342,150	1,096,777	71,237	1,630	15,874	6,527,668	--

(1) Includes industrial sewer surcharge and industrial pre-treatment charges.

(2) Includes miscellaneous revenues, mixed use rates and charges and accruals for unbilled revenue, which represents service provided as of the end of each year that will not be billed until the first billing date in January. Unbilled revenue was negative in 2012 and 2015.

(3) Reduced Miscellaneous Revenue from original bond table by negative unbilled revenue at year end.

(4) Through June 30, 2016.

Budget Summary and Comparison - Sewer Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
REVENUE				
Operating Revenue				
Charges for services (2)	\$ 13,210,500	\$ 6,194,339	\$ 13,794,300	\$ 6,553,477
Non-Operating Revenue				
Interest income	17,900	31,325	28,000	179,512
Intergovernmental	168,247	81,794	168,247	1,100,591
Bond Proceeds	-	-	-	-
Grant Awards	2,940,547	-	2,829,016	-
Miscellaneous	1,545	60,456	-	(119,896)
Operating transfers in	551,289	-	552,119	-
Total non-operating revenue	<u>3,679,528</u>	<u>173,575</u>	<u>3,577,382</u>	<u>1,160,207</u>
Total revenue	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>	<u><u>\$ 17,371,682</u></u>	<u><u>\$ 7,713,684</u></u>
APPLICATION OF REVENUE				
Operating Expense				
Director administration	264,231	123,230	218,497	97,144
Administration	1,329,199	461,353	1,247,193	519,649
Industrial pretreatment	165,619	61,559	150,045	50,978
Collection system	1,372,596	548,302	1,407,488	540,493
Treatment plant	3,336,338	1,262,075	3,361,607	1,739,909
Water quality lab	761,112	254,580	656,936	277,321
Administrative service	797,640	398,820	740,067	370,035
Franchise equivalency	528,480	264,240	551,772	275,886
Bad debt expense	2,000	832	2,000	1,355
Emergency Event	159,945	349,010	5,000	3,729
Total operating expenses	<u>8,717,160</u>	<u>3,724,001</u>	<u>8,340,605</u>	<u>3,876,499</u>
Capital Expense	<u>41,827,722</u>	<u>3,215,304</u>	<u>38,246,970</u>	<u>6,508,605</u>
Non-Operating Expenses				
Transfers to other funds	374,353	547	345,932	562
Debt Requirements	<u>3,866,683</u>	<u>380,604</u>	<u>3,870,833</u>	<u>743,267</u>
Total expenses	<u><u>\$ 54,785,918</u></u>	<u><u>\$ 7,320,456</u></u>	<u><u>\$ 50,804,340</u></u>	<u><u>\$ 11,128,933</u></u>
Additions To (Deductions From) Operating Reserves	<u>(37,895,890)</u>	<u>(952,542)</u>	<u>(33,432,658)</u>	<u>(3,415,249)</u>
Total Application of Revenue	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>	<u><u>\$ 17,371,682</u></u>	<u><u>\$ 7,713,684</u></u>

(1) Unaudited, interim information only.

(2) Includes sewer fees (rate and charges), industrial surcharges and construction inspections.

Budget Summary and Comparison - Sewer Construction Fund

	2015 Revised Budget	2015 YTD (through 6/30/15) (1)	2016 Revised Budget	2016 YTD (through 6/30/16) (1)
Sources of Funds				
Beginning Working Capital (fund balance) (2)	\$ 2,972,070	\$ 2,972,070	\$ 4,140,579	\$ 4,140,579
Connection fee	-	-	-	-
System development fee	884,100	661,440	1,154,700	1,227,628
Developer participation	-	14,760	-	5,326
Interest Income	12,900	7,437	3,600	10,536
Total Sources of Funds	<u>3,869,070</u>	<u>3,655,707</u>	<u>5,298,879</u>	<u>5,384,069</u>
Expenses				
Capital Expense	2,982,102	-	3,142,102	-
Non-capital expense (3)	2,500	-	2,500	-
Transfers out	583,022	-	583,852	-
Total Expenses	<u>3,567,624</u>	<u>-</u>	<u>3,728,454</u>	<u>-</u>
Ending Working Capital	<u>\$ 301,446</u>	<u>\$ 3,655,707</u>	<u>\$ 1,570,425</u>	<u>\$ 5,384,069</u>

(1) Unaudited, interim information only.

(2) Represents actual beginning working capital (fund balance) in each column, rather than budgeted information.

(3) Represents non-capital expense budget information.

Sewer Fund - History of Revenues, Expenses and Changes in Fund Net Position

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues					
Charges for services	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986	\$ 13,085,133
Operating Expenses					
Administration (1)	1,040,939	973,097	968,953	1,054,139	1,103,308
Transmission/distribution (1)	855,620	969,029	1,684,493	2,255,778	1,966,981
Treatment/disposal	3,280,425	3,350,871	3,695,667	3,651,191	3,704,305
Depreciation	2,320,436	2,399,391	2,575,516	2,676,453	2,904,957
Administrative fees (2)	695,756	778,370	768,009	753,720	797,640
Franchise fee (3)	341,000	349,452	381,212	463,352	528,480
Total operating expenses	<u>8,534,176</u>	<u>8,820,210</u>	<u>10,073,850</u>	<u>10,854,633</u>	<u>11,005,671</u>
Operating Income (Loss)	(293,187)	(185,576)	(333,745)	832,353	2,079,462
Non-Operating Revenues (Expenses)					
Investment income (loss)	73,240	59,309	(7,727)	138,732	37,336
Miscellaneous	5,457	8,588	65,861	(23,205)	444,522
Intergovernmental	231,326	200,009	194,686	1,111,741	278,857
Interest expense	(48,535)	(25,294)	(1,354)	(31,909)	-
Gain (Loss) on disposal of assets	8,373	-	-	(2,294,421)	(10,767)
Bond/loan issuance expenses (5)	(19,653)	(18,882)	(189,734)	-	-
Total non-operating revenues	<u>250,208</u>	<u>223,730</u>	<u>61,732</u>	<u>(1,099,062)</u>	<u>749,948</u>
Change in net assets before transfers and capital contributions	(42,979)	38,154	(272,013)	(266,709)	2,829,410
Capital Contributions	386,050	25,360	295,352	654,766	554,288
Special Item					
Impairment loss	-	-	(925,375)	-	-
Transfers					
Transfers in	462,156	361,149	382,377	368,071	367,591
Transfers out (1)	(4,830)	(126,218)	(327,319)	(89,642)	(107,543)
Change in net position	800,397	298,445	(846,978)	666,486	3,643,746
Total Net Position - January 1 (4)	<u>95,393,434</u>	<u>96,193,831</u>	<u>96,492,276</u>	<u>95,645,298</u>	<u>96,311,784</u>
Cumulative effect of correction to prior period (6)					(1,439,699)
Restated Total Net Position - January					94,872,085
Total Net Position - December 31 (4)	<u>\$ 96,193,831</u>	<u>\$ 96,492,276</u>	<u>\$ 95,645,298</u>	<u>\$ 96,311,784</u>	<u>\$ 98,515,831</u>

(1) Beginning in 2009, the "Administration" category includes the Sewer Fund's share of warehouse expenses and technical and surveying expenses and the "Transmission/Distribution" category includes the Sewer Fund's share of meter reading and construction inspection expenses. Amounts attributable to those expenses previously were included in the "Transfers out" category.

(2) Represents a payment to the General Fund to cover the cost of general services provided to the Sewer Fund.

(3) Current City financial policies require the Sewer Fund to pay the General Fund a 4% franchise fee.

(4) "Net Position" includes the value of all assets attributable to the Sewer Fund, not just those acquired during the year presented.

(5) In 2013 the City wrote off all the remaining unamortized issuance expense in accordance with GASB 65.

(6) Prior period correction due to fixed assets adjustments and implementation of GASB 68 and 71 related to Pension.

Sewer Construction Fund - History of Revenues, Expenditures and Changes in Fund Balances

	Year Ended December 31,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues					
Licenses and permits (1)	\$ 379,979	\$ 783,770	\$ 765,285	\$1,077,096	\$ 1,504,040
Developer/owner participation	8,592	-	60	-	14,760
Investment income (loss)	14,433	10,788	(3,092)	19,156	17,300
Miscellaneous	245	-	45	120	-
Total revenues	<u>403,249</u>	<u>794,558</u>	<u>762,298</u>	<u>1,096,372</u>	<u>1,536,100</u>
Expenditures					
Current:					
Municipal utility system	<u>9,356</u>	<u>25,360</u>	<u>442</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>393,893</u>	<u>769,198</u>	<u>761,856</u>	<u>1,096,372</u>	<u>1,536,100</u>
Other Financing Sources (Uses)					
Transfers out (2)	<u>(462,228)</u>	<u>(361,216)</u>	<u>(328,152)</u>	<u>(368,071)</u>	<u>(367,591)</u>
Net change in fund balance	(68,335)	407,982	433,704	728,301	1,168,509
Fund Balance - January 1	<u>1,470,418</u>	<u>1,402,083</u>	<u>1,810,065</u>	<u>2,243,769</u>	<u>2,972,070</u>
Fund Balance - December 31	<u><u>\$1,402,083</u></u>	<u><u>\$1,810,065</u></u>	<u><u>\$2,243,769</u></u>	<u><u>\$2,972,070</u></u>	<u><u>\$4,140,579</u></u>

(1) Consists primarily of System Development Fees; also includes material fees.

(2) Consists primarily of transfers to the Sewer Fund and also includes transfers to the Art in Public Places Fund.

Certificates of
Participation
Series 2014A Tax-Exempt
&
Series 2014B Taxable

(CUSIP #543096)

Annual History of General Sales and Use Tax Collections (1)

<u>Year</u>	<u>General Sales Tax Collections</u>	<u>Percent Change</u>	<u>General Use Tax Collections</u>	<u>Percent Change</u>	<u>Total General Sales and Use Tax Collections</u>	<u>Percent Change</u>
2009	\$22,603,881	-	\$3,463,298	-	\$26,067,179	-
2010	23,368,226	3.4 %	3,853,556	11.3 %	27,221,782	4.4 %
2011	24,494,510	4.8	4,329,437	12.4	28,823,947	5.9
2012	25,269,228	3.2	4,836,547	11.7	30,105,775	4.5
2013	26,851,343	6.3	5,099,911	5.5	31,951,254	6.1
2014	28,662,723	6.8	5,699,258	11.8	34,361,981	7.6
2015	29,077,883	1.4	6,300,684	10.6	35,378,567	3.0
2016 (2)	14,625,006	-	3,305,917	-	17,930,923	-

(1) Represents total collections of the 2% General Sales and Use Tax. The City currently deposits a portion of the revenues received from the General Sales and Use Tax into the General Fund and a portion into the Public Improvement Fund.

(2) Includes collections through June 2016.

Source: City Finance Department.

History of City's Assessed Valuations (1)

<u>Levy/Collection Year</u>	<u>Boulder County Assessed Value</u>	<u>Weld County Assessed Value</u>	<u>Total Assessed Value</u>	<u>Percent Change</u>
2009/2010	\$1,072,813,250	\$8,016,480	\$1,080,829,730	-
2010/2011	1,067,551,663	8,598,950	1,076,150,613	(0.43) %
2011/2012	1,023,195,519	12,739,280	1,035,934,799	(3.74)
2012/2013	1,020,468,232	14,186,010	1,034,654,242	(0.12)
2013/2014	1,030,076,145	12,676,416	1,042,752,561	0.78
2014/2015	1,055,196,679	12,171,750	1,067,368,429	2.36
2015/2016	1,220,427,732	12,694,190	1,233,121,922	15.53

(1) Does not include the assessed valuation attributable to the Longmont Downtown Development Authority in the following amounts for the respective levy years: \$13,524,800 in 2009; \$12,483,878 in 2010; \$11,941,460 in 2011; \$11,007,207 in 2012; \$7,149,576 in 2013; \$8,290,110 in 2014; and \$8,941,066 in 2015.

Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2009-2014; and the Assessors' Offices of Boulder and Weld Counties.

History of City's Mill Levy

Levy/Collection Year	General Fund	Debt Service	Special Abatement	Total
2009/2010	13.420	0.000	0.000	13.420
2010/2011	13.420	0.000	0.000	13.420
2011/2012	13.420	0.000	0.000	13.420
2012/2013	13.420	0.000	0.000	13.420
2013/2014	13.420	0.000	0.000	13.420
2014/2015	13.420	0.000	0.000	13.420
2015/2016	13.420	0.000	0.000	13.420

Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2009-2014; and the Boulder County Assessor's Office.

Property Tax Collections for the City

Levy/ Collection Year	Total Taxes Levied (1)	Boulder County Collections	Weld County Collections	Total Current Tax Collections (2)	Collection Rate
2008/2009	\$14,738,533	\$14,623,568	\$93,954	\$14,717,522	99.86 %
2009/2010	14,686,238	14,515,863	107,581	14,623,444	99.57
2010/2011	14,609,475	14,459,155	115,479	14,574,634	99.76
2011/2012	14,062,499	13,837,255	170,961	14,008,216	99.61
2012/2013	14,032,776	13,806,957	189,362	13,996,319	99.74
2013/2014	14,089,687	13,887,507	170,117	14,057,624	99.77
2014/2015	14,435,338	14,209,217	163,345	14,372,561	99.57
2015/2016 (3)	16,668,485	12,198,463	164,953	12,363,415	-

(1) Levied amounts do not reflect abatements or other adjustments. Levied amounts do include the assessed revenue attributable to various tax increment financing districts in the following amounts for the respective levy years: \$169,347 for 2008; \$181,503 for 2009; \$167,534 for 2010; \$160,254 for 2011; \$147,717 for 2012; \$94,622 for 2013; and \$104,253 for 2014. In previous years, this footnote incorrectly indicated that the amounts levied for tax increment districts were not included.

(2) The county treasurers' collection fees have not been deducted from these amounts. Figures do not include interest, fees and penalties.

(3) Figures are for January 1 through May 31, 2016.

Source: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2008-2015; and the Treasurers' Offices of Boulder and Weld Counties.

Largest Taxpayers in the City for 2015

<u>Taxpayer Name</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Amgen Inc.	\$21,315,965	1.99%
Longmont Diagonal Investments LP	19,488,611	1.81%
Seagate Technology, LLC	14,116,624	1.31%
Xilinx Inc.	13,533,267	1.26%
Ramco-Gershenson Properties LP	12,628,871	1.17%
HUB Properties Trust	12,585,843	1.17%
DigitalGlobe, Inc.	8,835,423	0.82%
Public Service Company of Colorado	8,317,768	0.77%
Seagate Technology	7,880,707	0.73%
NMMS Twin Peaks LLC	7,157,076	0.67%
TOTAL	<u>\$125,860,155</u>	<u>11.70%</u>

(1) Based on a 2014 certified assessed valuation of \$1,075,658,539.

Sources: Assessors' Offices of Boulder and Weld Counties.

Table 9.6

General Fund - Budget Summary and Comparison(1)

	2015 Budget	2015 YTD (6/30/15) ⁽¹⁾	2016 Budget	2016 YTD (6/30/16) ⁽¹⁾
REVENUES				
Sales and use tax (2)	\$30,348,825	\$15,049,591	\$30,474,074	\$15,469,787
All other taxes	\$21,963,727	14,336,421	\$24,433,534	15,724,024
Licenses & permits	957,489	922,933	1,166,010	1,742,484
Intergovernmental revenue	315,395	324,016	394,848	812,424
Charges for services	5,675,621	3,177,159	6,043,952	3,708,481
Fines and forfeits	1,240,700	596,216	1,289,200	442,233
Miscellaneous revenue	666,726	60,684	639,840	100,951
Interest income	75,000	38,826	75,000	42,232
Administrative reimbursements (3)	6,600,814	3,227,331	7,095,975	3,480,635
Proceeds from Advance	-	1,120,000	-	-
Total Revenues	67,844,297	38,853,177	71,612,433	41,523,251
EXPENDITURES				
City Manager	4,323,603	1,573,143	4,663,261	1,479,064
City Attorney	1,037,778	482,788	1,095,246	479,059
Mayor & Council	736,610	389,099	500,112	241,152
Municipal Court	789,482	356,846	804,466	382,128
Shared Services	4,137,445	2,066,672	4,202,386	2,170,172
Finance	3,887,615	1,985,932	3,967,041	2,271,737
Community Services	13,157,179	6,069,157	14,150,229	6,764,878
Public Safety	32,011,970	15,342,027	32,892,774	16,295,612
Economic Development	2,658,838	1,188,358	2,825,028	1,292,904
Public Works & Natural Resources	7,539,683	3,531,053	7,925,077	3,621,864
Transfer to other funds	-	17,846	-	312,106
Total Expenditures	70,280,203	33,002,921	73,025,620	35,310,676
Excess of Revenues of over (under) Expenditures	(\$2,435,906)	\$5,850,256	(\$1,413,187)	\$6,212,575

(1) Unaudited, interim information only.

(2) Represents collections of the General Sales Tax and a portion of the General Use Tax imposed at a rate of 2.0%. A portion of the General Use Tax revenues is deposited into the Public Improvement Fund.

(3) Represents payments from other funds to the General Fund to cover the cost of general services (administrative, financial and legal services, office space, etc.).

Source: The City; derived from the adopted 2016 Operating Budget and unaudited interim information provided by the City.

Public Improvement Fund - Budget Summary and Comparison (1)

	<u>2015 Budget</u>	<u>2015 YTD (6/30/15) (1)</u>	<u>2016 Budget</u>	<u>2016 YTD (6/30/16) (1)</u>
REVENUES				
Use Tax (2)	\$4,256,449	\$1,995,579	\$5,377,778	\$2,528,451
Intergovernmental	-	2,342	3,062,500	5,127
Interest income	7,000	12,053	7,000	8,986
Private grants/donations	-	220,000	15,000	41,000
Miscellaneous revenue	-	250	901,750	901,750
Transfer in	539,539	6,399	879,489	91,538
Total Revenues	<u>4,802,988</u>	<u>2,236,623</u>	<u>10,243,517</u>	<u>3,576,852</u>
EXPENDITURES				
Public improvement capital projects (3)	<u>10,094,582</u>	<u>5,157,120</u>	<u>10,658,809</u>	<u>3,447,748</u>
Excess of Revenues of over (under) Expenditures	<u>(\$5,291,594)</u>	<u>(\$2,920,497)</u>	<u>(\$415,292)</u>	<u>\$129,104</u>

(1) Unaudited, interim information only.

(2) Represents collections of a portion of the General Use Tax imposed at a rate of 2.0%. A portion of the General Use Tax revenues is deposited into the General Fund.

(3) Includes debt service payments on the 2006 Bonds.

Source: The City; derived from the 2016 Budget and unaudited interim information provided by the City.

General Fund - History of Revenue, Expenditures and Changes in Fund Balance

	Year Ended December 31,				
	2011	2012	2013	2014	2015
Revenue					
Taxes					
General Sales and Use (1)	\$24,562,915	\$26,106,434	\$27,883,055	\$29,890,913	\$30,834,514
Property	14,256,093	13,706,112	13,691,325	13,789,477	14,101,150
All other taxes	6,857,643	7,045,970	7,490,186	7,836,256	7,937,011
License and permits	935,881	1,189,318	1,262,587	1,545,246	2,035,149
Intergovernmental	638,099	1,049,351	1,043,373	1,565,205	1,880,126
Charges for services	12,439,300	12,981,298	12,872,106	12,704,076	13,549,488
Fines and forfeitures	1,365,678	1,426,776	1,048,076	1,208,723	1,058,103
Investment income	204,438	140,541	1,960	165,222	134,327
Miscellaneous	339,354	265,343	299,480	286,468	373,008
Total Revenue	61,599,401	63,911,143	65,592,148	68,991,586	71,902,876
Expenditures					
Current:					
General government	19,300,872	23,201,064	20,555,032	21,111,878	30,793,075
Public safety	29,022,194	30,479,357	31,466,991	32,520,433	32,524,707
Cultural and recreation	12,704,345	13,750,099	13,840,357	14,606,326	7,972,089
Total Expenditures	61,027,411	67,430,520	65,862,380	68,238,637	71,289,871
Excess (Deficiency) of Revenue Over (Under) Expenditures	571,990	(3,519,377)	(270,232)	752,949	613,005
Other Financing Sources (Uses)					
Lease proceeds	-	3,195,823	-	-	-
Transfers in	168,815	1,487,445	3,155,937	834,664	564,538
Transfers (out)	(1,039,053)	(686,158)	(709,622)	(825,911)	(869,393)
Total Other Financing (Uses)	(870,238)	3,997,110	2,446,315	8,753	(304,855)
Net change in fund balances	(298,248)	477,733	2,176,083	761,702	308,150
Fund Balance - Beginning of Year (2)	15,200,875	14,902,627	\$15,380,360	\$17,556,443	\$18,318,145
Fund Balance - End of Year (2)	\$14,902,627	\$15,380,360	\$17,556,443	\$18,318,145	\$18,626,295

(1) Represents collections of the General Sales Tax and a portion of the General Use Tax imposed at a rate of 2.0%. A portion of the General Use Tax revenues is deposited into the Public Improvement Fund.

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended December 31, 2011-2015.

Public Improvement Fund - History of Revenue, Expenditures and Changes in Fund Balance

	Year Ended Dec. 31,				
	2011	2012	2013	2014	2015
Revenues					
General Use Tax (1)	\$4,261,032	\$3,999,340	\$4,068,199	\$4,471,068	\$4,544,053
Developer/owner participation	-	-	-	-	-
Intergovernmental	-	-	-	728,889	2,341
Investment income	49,294	37,849	(3,887)	34,973	17,735
Private grants/donations	-	292,326	1,123,350	1,059,245	220,283
Miscellaneous	25,000	823	-	46	-
Total Revenues	<u>4,335,326</u>	<u>4,330,338</u>	<u>5,187,662</u>	<u>6,294,221</u>	<u>4,784,412</u>
Expenditures					
Capital projects	2,193,219	3,375,563	2,382,196	3,201,073	4,699,351
Debt service	2,683,810	2,666,125	2,718,925	2,065,000	2,155,000
Interest and fiscal charges	-	-	-	658,025	573,625
Total Expenditures	<u>4,877,029</u>	<u>6,041,688</u>	<u>5,101,121</u>	<u>5,924,098</u>	<u>7,427,976</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(541,703)</u>	<u>(1,711,350)</u>	<u>86,541</u>	<u>370,123</u>	<u>(2,643,564)</u>
Other Financing Sources (Uses)					
Issuance of debt	-	-	-	-	-
Transfers in	850,000	266,300	250,000	523,717	545,938
Transfers out	(16,274)	(17,632)	(12,653)	(20,795)	(34,225)
Total Other Financing Sources (Uses)	<u>833,726</u>	<u>248,668</u>	<u>237,347</u>	<u>502,922</u>	<u>511,713</u>
Net change in fund balances	<u>292,023</u>	<u>(1,462,682)</u>	<u>323,888</u>	<u>873,045</u>	<u>(2,131,851)</u>
Fund Balance - Beginning of Year	<u>5,383,153</u>	<u>5,675,176</u>	<u>4,212,494</u>	<u>4,536,382</u>	<u>5,409,427</u>
Fund Balance - End of Year	<u><u>\$5,675,176</u></u>	<u><u>\$4,212,494</u></u>	<u><u>\$4,536,382</u></u>	<u><u>\$5,409,427</u></u>	<u><u>\$3,277,576</u></u>

(1) Represents collections of a portion of the General Use Tax imposed at a rate of 2.0%. A portion of the General Use Tax revenues is deposited into the General Fund.

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended December 31, 2011-2015.