

# City of Fort Lupton Colorado



## 2014 Comprehensive Annual Financial Report For the Year Ended December 31, 2014

# City of Fort Lupton, Colorado

Comprehensive Annual Financial Report

For The Fiscal Year Ending

December 31, 2014

Issued by:

City of Fort Lupton  
Finance Department



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# City of Fort Lupton

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2014

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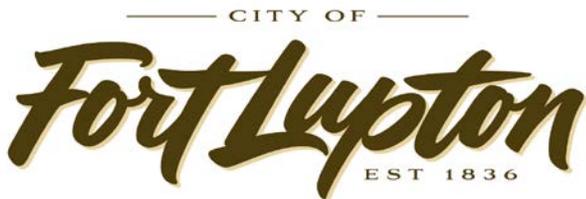
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## Finance Department

130 S. McKinley Avenue  
Fort Lupton, CO 80621  
[www.fortlupton.org](http://www.fortlupton.org)

Phone: 303.857.6694  
Fax: 303.857.0351

June 15, 2015

To: Honorable Mayor Tommy Holton, Members of Council and  
Residents of the City of Fort Lupton:

State Law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Fort Lupton (the City) for the fiscal year ended December 31, 2014.

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

CliftonLarsonAllen, LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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



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### PROFILE OF THE CITY

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

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

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

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

### LOCAL ECONOMY

44% of the City's general fund revenues are derived from sales taxes. Sales tax is used to provide services such as police, parks, municipal court, planning and economic development, and general governmental services. In addition to services the sales tax revenue in the general fund also provided for street maintenance and repair and the purchase of water. The major sources of sales tax within the City are grocery stores, auto sales, and restaurants.

Five of the top ten major employers in the City are in the oil and gas industry or related services. The oil and gas industry has brought 1,500 new jobs to the City in the last five years. The 2014 increase in City sales tax of 27% is related to the oil & gas industry. The property tax valuation for 2013, taxes collected in 2014, decreased 2%, due to a large decrease in oil & gas valuations partially offset by increases in industrial, commercial and residential valuations.

### LONG-TERM FINANCIAL PLANNING

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



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## Finance Department

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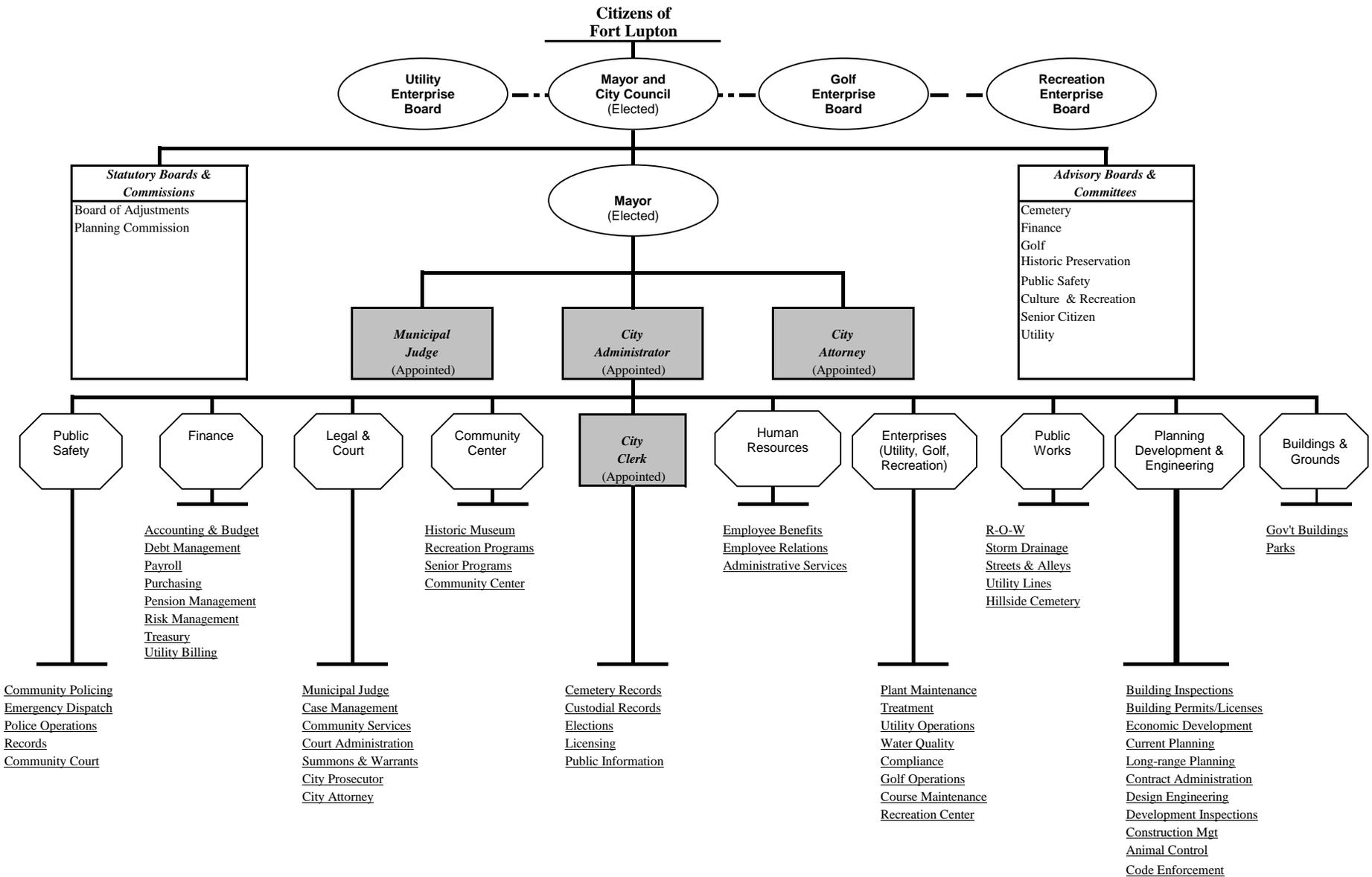
The City monitors the budget throughout the year and makes adjustments as necessary to provide services and infrastructure improvements.

Sincerely,

Leann Perino  
Finance Director

# CITY OF FORT LUPTON

## 2014 ORGANIZATIONAL CHART



**By Function**

○ - City Departments.

■ - Appointed Officials.

○ - Elected Officials.

**CITY OF FORT LUPTON  
PRINCIPAL OFFICIALS**

**CITY COUNCIL**

**TOMMY HOLTON**

Mayor  
At-Large

**SHANNON RHODA**

Council Member  
Ward 1

**ZO HUBBARD**

Treasurer  
Ward 2

**CHRIS CROSS**

Mayor Pro-Tem  
Ward 3

**DAVID CRESPIN**

Council Member  
Ward 1

**CHRIS CERETTO**

Council Member  
Ward 2

**BOB MCWILLIAMS**

Council Member  
Ward 3

**LEGAL AND COURT**

**ANDREW AUSMUS**

City Attorney

**LOUIS A. GRESH**

Municipal Court Judge

**CITY ADMINISTRATION**

**CLAUD HANES**

City Administrator

**KENNETH PONCELOW**

Public Safety Director

**NANETTE FORNOF**

City Clerk

**LEANN PERINO**

Finance Director

**MIKE ROUSEY**

Wastewater/Water Plant  
Operator - OMI

**MONTY SCHUMAN**

Parks & Recreation Director

**JEANELLE ANDERSEN**

Court Coordinator

**MARCO CARANI**

Public Works Manager

**LAURA HOWE**

Human Resource Manager

**TYLER TARPLEY**

Golf Course Manager

**TODD HODGES**

City Planner

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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Fort Lupton  
Fort Lupton, Colorado

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fort Lupton, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fort Lupton as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the managements' discussion and analysis and budgetary comparison information on pages 3 to 10 and 48 to 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

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

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



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
June 26, 2015

**CITY OF FORT LUPTON  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

This discussion and analysis of the City's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the transmittal letter and the City's financial statements.

**FINANCIAL HIGHLIGHTS**

- The City's financial position continues to be strong and improving during 2014.
- The City's assets exceeded liabilities and deferred inflows of resources by \$64,330,054 at the end of 2014. Of this amount \$924,344 or 1.4% is unrestricted. \$(3,776,933) of the unrestricted balance is primarily accrued debt interest in the proprietary funds primarily the Golf Course Enterprise Fund. The City's unrestricted balance excluding the accrued bond interest is \$4,701,277 or 7.3% and may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$63,405,710 is invested in capital assets or restricted by agreement or regulation.
- The City's total net position increased by \$2,969,892 in 2014. \$2,001,687 of the increase was in the Governmental Activities. In the Governmental Activities current assets increased \$2,227,878, current liabilities increased \$24,042 and deferred inflows of resources increased \$173,952.
- The City's General Fund balance was \$6,576,749 as of December 31, 2014; which is an increase of \$1,827,277 from the previous year. The unassigned fund balance in 2014 is \$2,485,096 or 45% of expenditures.
- Sales tax revenue for the Governmental Funds increased by \$943,098 or 30% in 2014.
- The enterprise funds had an unrestricted net position deficit of \$(2,943,955) at the end of 2014.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

The *statement of activities* presents information showing how the government's assets changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

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

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

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

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

The City maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, which is considered to be the City's only major fund. Data from the other four funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in the report.

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

**Proprietary Funds** The City maintains four operations that are considered enterprise in nature. The four *enterprise funds* are the Recreation Center, Utility Fund, Storm Water Drainage Fund

and the Golf Fund that are presented in the *business-type activities* in the government-wide financial statements.

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

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

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

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

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

#### CITY-WIDE FINANCIAL ANALYSIS

**Net position** As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. As of December, 31, 2014, assets exceeded liabilities and deferred inflows of resources by \$64,330,054.

The following table provides a summary of the City’s governmental and business-type net position for 2013 and 2014.

**Table 1  
Net Position**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current assets	\$ 9,715,819	\$ 7,487,941	\$ 5,497,833	\$ 5,168,974	\$ 15,213,652	\$12,656,915
Capital Assets	25,369,586	25,382,338	56,309,354	56,463,883	81,678,940	81,846,221
Total Assets	35,085,405	32,870,279	61,807,187	61,632,587	96,892,592	94,503,136
<b>Liabilities</b>						
Current liabilities	397,138	373,096	12,900,299	12,762,066	13,297,437	13,135,162
Long term liabilities	118,338	102,893	16,287,476	17,282,168	16,405,814	17,385,061
Total liabilities	515,476	475,989	29,187,775	30,044,234	29,703,251	30,520,223

#### Deferred Inflows of Resources

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Property Taxes	\$ 1,843,526	\$ 1,669,574	\$ 1,015,761	\$ 953,177	\$ 2,859,287	\$ 2,622,751
<b>Net position</b>						
Net Investment in capital assets	25,369,586	25,382,338	33,275,694	32,494,395	58,645,280	57,876,733
Restricted	3,488,518	2,932,189	1,271,912	1,356,597	4,760,479	4,288,786
Unrestricted	3,868,299	2,410,189	(2,943,935)	(3,215,546)	924,295	(805,357)
<b>Total net position</b>	<b>\$32,726,403</b>	<b>\$30,724,716</b>	<b>\$31,603,651</b>	<b>\$30,635,446</b>	<b>\$64,330,054</b>	<b>\$61,360,162</b>

The City's unrestricted net position of \$924,344 is primarily interest accrued of \$(3,776,933). The City's unrestricted net position excluding accrued debt interest is \$4,701,228.

A significant portion of the City's net position (91%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment, and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Another small portion of the City's net position (7%) represents resources that are subject to external restrictions and City ordinance on how they may be used. 2% of the funds are restricted for the payment of debt. 3.5% of the funds have been legally restricted by ordinance for the purchase and maintenance of infrastructure. 1.3% of funds have been restricted by ordinance for use in parks and recreation. 0.1% of funds are restricted for perpetual care of the cemetery. 0.4% of the funds have been restricted by the State of Colorado Conservation Trust Fund for use in parks and recreation.

**Changes in Net Position** Governmental and Business-type activities increased the City's net position by \$3,470,823 in 2014. The following table indicates the changes in net position for governmental and business-type activities in 2014.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for Service	\$645,640	\$800,131	\$6,413,697	\$6,302,947	\$7,059,337	\$7,103,078
Operating Grants & Contributions	235,720	172,698	3,336	-	239,056	172,698
Capital grants & contributions	\$529,298	\$461,155	\$669,042	\$298,120	\$1,198,340	\$759,275

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2014	2013	2014	2013	2014	2013
<b>General revenue:</b>						
Sales tax	4,141,976	3,177,171	-	-	4,141,976	3,177,171
Property taxes	1,668,804	1,501,966	952,629	1,252,924	2,621,433	2,754,890
Other taxes	1,278,040	1,068,065	-	-	1,278,040	1,068,065
Other revenue	(272,097)	(141,375)	1,140,911	491,981	868,814	350,606
Total revenue	8,227,381	7,039,811	9,179,615	8,352,904	17,406,966	15,385,783
<b>Expenses</b>						
General government	2,336,076	1,983,618	-	-	2,336,076	1,983,618
Public safety	1,269,834	1,188,061	-	-	1,269,834	1,188,061
Public works	1,406,244	1,351,463	-	-	1,406,244	1,351,463
Culture, parks, recreation	621,742	639,145	1,212,567	1,139,988	1,834,309	1,779,133
Other	591,798	546,855	-	12,750	591,798	559,605
Utilities	-	-	5,738,153	4,591,194	5,735,153	4,591,194
Storm Water Drainage	-	-	28,852	33,747	28,852	33,747
Golf	-	-	1,231,840	1,060,304	1,231,840	1,060,304
Total expenses	6,225,694	5,709,142	8,211,412	6,837,983	14,437,106	12,547,125
<b>Increase in net position</b>	<b>\$2,001,687</b>	<b>\$1,330,669</b>	<b>\$968,203</b>	<b>\$1,507,989</b>	<b>\$2,969,890</b>	<b>\$2,838,658</b>

*Governmental Activities* Governmental activities increased the City's net position by \$2,001,687 in 2014. Key elements of this increase are as follows:

- Revenues increased \$1,187,570 or 17% from 2013 primarily in tax revenue.
- Expenses increased \$516,552. This represents a 9% increase primarily in salary and wages.

*Business-type Activities* Business-type activities increased the City's net position by \$968,203 in 2014. The key elements are as follows:

- Revenues increased \$826,711 or 9.9% from 2013 primarily in utility fund usage fees.
- Expenses were up \$1,373,429 from 2013, which equates to a 16% increase primarily due to two factors:
  - continuing repairs to facilities damaged in the floods of September 2013
  - the costs associated with the tender offer made in December 2014 on the outstanding bonds issued in 1996 to construct Coyote Creek Golf Course.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

*Governmental Funds Overview* The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted

fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2014, the combined ending fund balance of the City's government funds was \$7,521,175, with \$2,485,096 unassigned, which is available as working capital and for current spending in accordance with the purposes of specific funds.

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

1. General Fund. This is the primary operating fund of the City. It accounts for many of the City's core services, such as law enforcement, legal and court, public works, planning, finance and administration. The general fund balance was \$6,576,749 as of December 31, 2014, of which \$2,485,096 was unassigned. The 2014 general fund balance increased \$1,827,277. This fund generates a 1% sales tax reserved for the operation and maintenance of the water treatment facility, as well as purchase of water for future needs. The fund also collects a ½ % sales tax reserved for street improvements and maintenance. The water and street sales tax accounts for 90% of the \$2,544,141 restricted balance in the general fund.

#### **PROPRIETARY FUNDS OVERVIEW**

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

1. Utility Enterprise Fund - This fund generates revenue through billings for water and sewer usage in the incorporated area of the City. Funds are utilized for the maintenance of the sewer treatment plant, water treatment plant, and the various water and sewer infrastructure for the City. The net position for this fund was \$37,013,645 up \$971,179 from 2013, with 3.3% of the assets obligated to debt service. The increase was due to two factors: 1) an increase in other income for payment of "in lieu of water" charged on industrial building permits; 2) an increase in capital contributions by industrial users adding water and sewer infrastructure.
2. Storm Water Drainage Fund – This fund was created to address storm water issues in the City and has accumulated \$783,975 for this purpose by year end.
3. Golf Course Fund - This fund accounts for the operation of the Coyote Creek Golf Course, which is a City owned. The operation of the course is outsourced to a private concern. The City defaulted on the Revenue Bonds for the golf course in 2001, as the operational profits in the original plan were never realized. The net position was (\$6,636,288) as of December 31, 2014 which continues to be a concern for the City administration.
4. Recreation Center Fund - The recreation center opened in 2004 and provides various activities for the citizenry of all ages. At year end the net position totaled \$442,319, up \$130,720 from 2013.

## GENERAL FUND BUDGETARY HIGHLIGHTS

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

In December of 2014, the Council appropriated \$5,447,006 for general fund expenditures and other financing uses, no reserves. The budget was amended to include an additional \$124,984 in expenditures.

**Table 3**  
**2014 General Fund Budget**

	Original Budget	Amendments	Final Budget	Actual
Revenue and other Financing Sources	\$5,126,329	\$ -	\$5,126,329	\$6,183,101
Expenditures and other financing uses	\$5,447,006	\$124,984	\$5,571,990	\$4,794,099

Actual expenditures were within the budgetary limits. Budgeted capital expenditures became unnecessary during the year and resulted in general government expenditures of \$2,270,095, \$627,878 under budget.

The over budgeted revenue of \$1,056,772 is a result of increased sales tax due to the purchase of equipment in the oil and gas industry located in the City.

The ending fund balance increased \$1,389,002 from the prior year.

## CAPITAL ASSET AND DEBT ADMINISTRATION

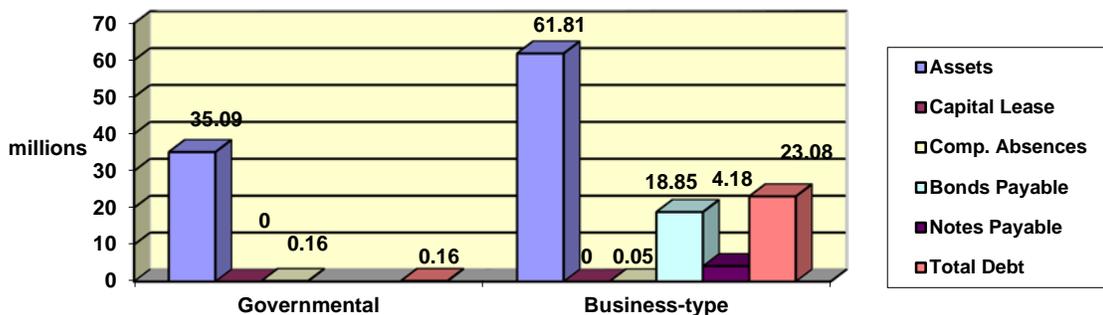
**Capital Assets** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2014 totals \$81,678,940 (net of accumulated depreciation). This investment includes land, buildings, machinery, equipment, and infrastructure. The increase in investment in capital assets for the current fiscal year is \$2,867,310.

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

**Long-Term Debt** At December 31, 2014, the City had outstanding long-term debt totaling \$23.24 million. This debt consists of: 1) bonds payable; 2) notes payable; 3) capital leases; and 4) compensated absences payable.

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

**Table 4**  
**Debt compared to Asset (in millions)**



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

**Other matters:** The following factors are expected to have a significant effect on the City’s financial position or results of operations and were taken into account in developing the 2015 budget.

- The City experienced a slight increase in growth in 2014 and has experienced signs of significant economic improvement due in large to the oil and gas industry. As future growth occurs it will cause increased demands in all service areas of the City, especially in the infrastructure to service new areas with roads, water supply and sewer capacity.
- The Planning director continues to work with landowners as the annexation demand is increasing monthly. He continues to assist developers in their site plan review process to assure proper infrastructure is in place on each annexation.
- The City Council is supportive of the development plan for the City, which will position us well for the upcoming growth and development that the City should experience.

**REQUESTS FOR INFORMATION**

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

# **BASIC FINANCIAL STATEMENTS**

— CITY OF —

*Fort Lupton*  
EST 1836

COME PAINT YOUR FUTURE WITH US

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF NET POSITION

December 31, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total 2014</u>
<b><u>ASSETS</u></b>			
<b>CURRENT ASSETS</b>			
Cash and investments	\$ 5,247,974	\$ 2,763,086	\$ 8,011,060
Restricted cash	-	2,342,322	2,342,322
Investments	-	204,973	204,973
Receivables:			
Accounts	117,011	416,197	533,208
Sales taxes	749,912	-	749,912
Property taxes	1,843,526	1,015,761	2,859,287
Internal Balance	1,632,398	(1,632,398)	-
Prepaid items	124,998	93,483	218,481
Other assets	-	294,409	294,409
Total Current Assets	<u>9,715,819</u>	<u>5,497,833</u>	<u>15,213,652</u>
<b>LONG-TERM ASSETS</b>			
Capital assets			
Nondepreciable capital assets	9,499,528	16,703,279	26,202,807
Depreciable capital assets, net	15,870,058	39,606,075	55,476,133
Total Long-term Assets	<u>25,369,586</u>	<u>56,309,354</u>	<u>81,678,940</u>
Total Assets	<u>35,085,405</u>	<u>61,807,187</u>	<u>96,892,592</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u></b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	198,893	180,720	379,613
Accrued expenses	98,357	4,895,315	4,993,672
Bonds payable - current	-	6,779,361	6,779,361
Payment in lieu of water	-	54,000	54,000
Compensated absences - current	46,020	12,903	58,923
Unearned Revenue	53,868	978,000	1,031,868
Total Current Liabilities	<u>397,138</u>	<u>12,900,299</u>	<u>13,297,437</u>
<b>LONG-TERM LIABILITIES</b>			
Bonds payable - Long-Term	-	12,073,299	12,073,299
Notes payable - Long-Term	-	4,181,000	4,181,000
Compensated absences payable	118,338	33,177	151,515
Total Long-Term Liabilities	<u>118,338</u>	<u>16,287,476</u>	<u>16,405,814</u>
Total Liabilities	<u>515,476</u>	<u>29,187,775</u>	<u>29,703,251</u>

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF NET POSITION

December 31, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total 2014</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property tax revenue	1,843,526	1,015,761	2,859,287
<b>NET POSITION</b>			
Net investment in capital assets	25,369,586	33,275,694	58,645,280
Restricted for debt service	-	1,271,912	1,271,912
Restricted for streets & water projects	2,274,675	-	2,274,675
Restricted for culture, parks & recreation	865,020	-	865,020
Restricted for cemeteries	56,695	-	56,695
Restricted for donations	12,248	-	12,248
Restricted for emergencies	279,880	-	279,880
Unrestricted	3,868,299	(2,943,955)	924,344
<b>Total Net Position</b>	<u>\$ 32,726,403</u>	<u>\$ 31,603,651</u>	<u>\$ 64,330,054</u>

The accompanying notes are an integral part of the financial statements

— CITY OF —

*Fort Lupton*  
EST 1836

COME PAINT YOUR FUTURE WITH US

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2014

Functions	Expenses	Program Revenues	
		Charges for Services, Sales and Fines	Operating Grants, and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>			
General Government	\$ 2,336,076	\$ 78,354	\$ 158,030
Public Safety	1,269,834	168,597	-
Public Works	1,406,244	276,280	-
Culture, Parks and Recreation	621,742	122,409	77,690
Other	591,798	-	-
<b>Total Governmental Activities</b>	<b>6,225,694</b>	<b>645,640</b>	<b>235,720</b>
<b>BUSINESS-TYPE ACTIVITIES</b>			
Utilities	5,738,153	4,915,359	-
Storm Water Drainage	28,852	139,480	-
Golf	1,231,840	987,288	-
Recreation	1,212,567	371,570	3,336
<b>Total Business Activities</b>	<b>8,211,412</b>	<b>6,413,697</b>	<b>3,336</b>
<b>Total</b>	<b>\$ 14,437,106</b>	<b>\$ 7,059,337</b>	<b>\$ 239,056</b>

**GENERAL REVENUES**

Taxes:

Sales and use

Property

Other

Investment earnings

Miscellaneous

**Transfers**

Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION, Beginning of Year

NET POSITION, End of Year

The accompanying notes are an integral part of the financial statements

Net (Expense) Revenue and Changes in Net Position			
Capital Grants, and Contributions	Governmental Activities	Business-Type Activities	Totals 2014
\$ 529,298	\$ (1,570,394)	\$ -	\$ (1,570,394)
-	(1,101,237)	-	(1,101,237)
-	(1,129,964)	-	(1,129,964)
-	(421,643)	-	(421,643)
-	(591,798)	-	(591,798)
<u>529,298</u>	<u>(4,815,036)</u>	<u>-</u>	<u>(4,815,036)</u>
669,042	-	(153,752)	(153,752)
-	-	110,628	110,628
-	-	(244,552)	(244,552)
-	-	(837,661)	(837,661)
<u>669,042</u>	<u>-</u>	<u>(1,125,337)</u>	<u>(1,125,337)</u>
<u>\$ 1,198,340</u>	<u>\$ (4,815,036)</u>	<u>\$ (1,125,337)</u>	<u>\$ (5,940,373)</u>
	4,141,976	-	4,141,976
	1,668,804	952,629	2,621,433
	1,278,040	-	1,278,040
	7,998	17,190	25,188
	147,115	696,511	843,626
	(427,210)	427,210	-
	<u>6,816,723</u>	<u>2,093,540</u>	<u>8,910,263</u>
	2,001,687	968,203	2,969,890
	<u>30,724,716</u>	<u>30,635,448</u>	<u>61,360,164</u>
	<u>\$ 32,726,403</u>	<u>\$ 31,603,651</u>	<u>\$ 64,330,054</u>

**CITY OF FORT LUPTON, COLORADO**

BALANCE SHEET  
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2014

	<u>General</u>	<u>Non Major Governmental Funds</u>	<u>Total 2014</u>
<b><u>ASSETS</u></b>			
Cash	\$ 4,366,158	\$ 881,816	\$ 5,247,974
Receivables			
Accounts	85,511	31,500	117,011
Property Taxes	1,843,526	-	1,843,526
Sales Tax	658,819	91,093	749,912
Prepaid Items	124,949	49	124,998
Due from Other Funds	1,632,398	-	1,632,398
<b>Total Assets</b>	<b>\$ 8,711,361</b>	<b>\$ 1,004,458</b>	<b>\$ 9,715,819</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 179,841	\$ 19,052	\$ 198,893
Accrued Expenses	88,877	9,480	98,357
Unearned Revenue	22,368	31,500	53,868
<b>Total Liabilities</b>	291,086	60,032	351,118
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Tax Revenue	1,843,526	-	1,843,526
 <b>FUND BALANCES</b>			
Nonspendable	124,949	49	124,998
Restricted	2,544,141	944,377	3,488,518
Committed	131,235	-	131,235
Assigned	1,291,328	-	1,291,328
Unassigned	2,485,096	-	2,485,096
<b>Total Fund Balances</b>	<b>6,576,749</b>	<b>944,426</b>	<b>7,521,175</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 8,711,361</b>	<b>\$ 1,004,458</b>	<b>\$ 9,715,819</b>

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION-GOVERNMENTAL ACTIVITIES**

For the Year Ended December 31, 2014

**TOTAL GOVERNMENTAL FUND BALANCE** \$ 7,521,175

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

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

Cost	41,559,756	
Less accumulated depreciation	<u>(16,190,170)</u>	25,369,586

Liabilities, including compensated absences are  
not due and payable in the current  
period and therefore are not reported in the funds:

Compensated absences	<u>(164,358)</u>	<u>(164,358)</u>
----------------------	------------------	------------------

**NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ 32,726,403**

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2014

	<u>General</u>	<u>Non Major Governmental</u>	<u>Total 2014</u>
<b>REVENUES</b>			
Taxes & Assessments	\$ 5,542,068	\$ 517,747	\$ 6,059,815
Licenses & Permits	111,044	-	111,044
Intergovernmental	898,520	73,420	971,940
Charges for Services	459,277	141,658	600,935
Fines & Forfeits	131,096	-	131,096
Other	<u>757,145</u>	<u>22,613</u>	<u>779,758</u>
Total Revenues	<u>7,899,150</u>	<u>755,438</u>	<u>8,654,588</u>
<b>EXPENDITURES</b>			
Current:			
General Government	2,270,095	-	2,270,095
Public Safety	1,221,589	-	1,221,589
Public Works	488,460	-	488,460
Culture, Parks & Recreation	-	439,996	439,996
Other	450,586	138,182	588,768
Capital Outlay	<u>1,106,592</u>	<u>75,990</u>	<u>1,182,582</u>
Total Expenditures	<u>5,537,322</u>	<u>654,168</u>	<u>6,191,490</u>
Excess of Revenues Over Expenditures	<u>2,361,828</u>	<u>101,270</u>	<u>2,463,098</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	107,341	107,341
Transfers Out	<u>(534,551)</u>	<u>-</u>	<u>(534,551)</u>
Total Other Financing Sources (Uses)	<u>(534,551)</u>	<u>107,341</u>	<u>(427,210)</u>
NET CHANGE IN FUND BALANCES	<u>1,827,277</u>	<u>208,611</u>	<u>2,035,888</u>
FUND BALANCES, Beginning of Year	<u>4,749,472</u>	<u>735,815</u>	<u>5,485,287</u>
FUND BALANCES, End of Year	<u>\$ 6,576,749</u>	<u>\$ 944,426</u>	<u>\$ 7,521,175</u>

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

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

For the Year Ended December 31, 2014

**NET CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS** \$ 2,035,888

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

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

Depreciation expense	(1,192,084)	
Capital additions	<u>1,179,334</u>	(12,750)

Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Balance at 12/31/2013	142,907	
Balance at 12/31/2014	<u>(164,358)</u>	(21,451)

Elimination of transfers between governmental funds

Transfers in	427,210	
Transfers out	<u>(427,210)</u>	-

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 2,001,687

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2014

	<u>Utility Enterprise Fund</u>	<u>StormWater Drainage Fund</u>	<u>Golf Course Fund</u>	<u>Recreation Center Fund</u>	<u>Total 2014</u>
<b><u>ASSETS</u></b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 2,260,829	\$ 441,200	\$ 51,110	\$ 9,947	\$ 2,763,086
Restricted Cash	1,246,447	-	1,095,875	-	2,342,322
Receivables:					
Accounts Receivable	367,936	8,095	-	40,166	416,197
Property Tax Receivable	-	-	-	1,015,761	1,015,761
Inventory	-	-	19,007	-	19,007
Prepaid Items	93,483	-	-	-	93,483
<b>Total Current Assets</b>	<b>3,968,695</b>	<b>449,295</b>	<b>1,165,992</b>	<b>1,065,874</b>	<b>6,649,856</b>
<b>CAPITAL ASSETS</b>					
Non-Depreciable					
Land and Improvements	479,434	-	4,208,882	-	4,688,316
Water Rights	11,314,199	-	-	-	11,314,199
Construction in Progress	700,764	-	-	-	700,764
Depreciable					
Wells	775,746	-	-	-	775,746
Buildings	13,121,654	-	612,873	6,787,894	20,522,421
Utility System	33,148,062	338,080	-	-	33,486,142
Equipment	2,225,226	-	559,014	273,455	3,057,695
<b>Total</b>	<b>61,765,085</b>	<b>338,080</b>	<b>5,380,769</b>	<b>7,061,349</b>	<b>74,545,283</b>
Less: Accumulated Depreciation	(14,190,533)	(2,211)	(1,492,318)	(2,550,867)	(18,235,929)
<b>Total Capital Assets</b>	<b>47,574,552</b>	<b>335,869</b>	<b>3,888,451</b>	<b>4,510,482</b>	<b>56,309,354</b>
<b>OTHER ASSETS</b>					
Investments - Golf Bonds, Net	204,973	-	-	-	204,973
Inclusion Fee	275,402	-	-	-	275,402
<b>Total Other Assets</b>	<b>480,375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>480,375</b>
<b>Total Assets</b>	<b>\$ 52,023,622</b>	<b>\$ 785,164</b>	<b>\$ 5,054,443</b>	<b>\$ 5,576,356</b>	<b>\$ 63,439,585</b>

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

December 31, 2014

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2014
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY</u></b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	\$ 154,925	\$ 443	\$ 20,403	\$ 4,949	\$ 180,720
Due to Other Funds	-	-	1,100,000	532,398	1,632,398
Accrued Expenses	116,396	-	4,770,328	8,591	4,895,315
Bonds and Loans Payable	565,449	-	5,800,000	413,912	6,779,361
Payment in Lieu of Water	54,000	-	-	-	54,000
Compensated Absences	4,304	209	-	8,390	12,903
Unearned Revenue	978,000	-	-	-	978,000
Total Current Liabilities	<u>1,873,074</u>	<u>652</u>	<u>11,690,731</u>	<u>968,240</u>	<u>14,532,697</u>
<b>LONG-TERM LIABILITIES</b>					
Bonds Payable	8,944,836	-	-	3,128,463	12,073,299
Loans Payable	4,181,000	-	-	-	4,181,000
Compensated absences	11,067	537	-	21,573	33,177
Total Long-Term Liabilities	<u>13,136,903</u>	<u>537</u>	<u>-</u>	<u>3,150,036</u>	<u>16,287,476</u>
Total Liabilities	<u>15,009,977</u>	<u>1,189</u>	<u>11,690,731</u>	<u>4,118,276</u>	<u>30,820,173</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Tax Revenue	-	-	-	1,015,761	1,015,761
<b>NET POSITION (DEFICIT)</b>					
Net Investment in Capital Assets	33,883,267	335,869	(1,911,549)	968,107	33,275,694
Restricted for Debt Service	1,246,447	-	-	25,465	1,271,912
Unrestricted	1,883,931	448,106	(4,724,739)	(551,253)	(2,943,955)
Total Net Position (Deficit)	<u>37,013,645</u>	<u>783,975</u>	<u>(6,636,288)</u>	<u>442,319</u>	<u>31,603,651</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 52,023,622</u>	<u>\$ 785,164</u>	<u>\$ 5,054,443</u>	<u>\$ 5,576,356</u>	<u>\$ 63,439,585</u>

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS**

For the Year Ended December 31, 2014

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	2014 Total
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 4,635,918	\$ 139,480	\$ 732,798	\$ 354,476	\$ 5,862,672
Sales of Merchandise	-	-	221,721	-	221,721
Other Income	279,441	-	32,769	17,094	329,304
<b>Total Operating Revenues</b>	<b>4,915,359</b>	<b>139,480</b>	<b>987,288</b>	<b>371,570</b>	<b>6,413,697</b>
<b>OPERATING EXPENSES</b>					
Salaries and Benefits	430,720	13,827	311,181	518,503	1,274,231
Professional Fees	94,223	5,789	154,449	-	254,461
Contract Management	865,034	-	60,000	-	925,034
Insurance	72,562	-	37,177	23,767	133,506
Maintenance	717,818	7,115	62,935	51,264	839,132
Merchandise for Resale	-	-	109,134	1,532	110,666
Supplies	50,013	1,015	58,391	49,666	159,085
Utilities	231,775	-	76,444	117,586	425,805
Water Assessments	900,101	-	-	-	900,101
Depreciation	1,017,559	1,106	84,988	231,434	1,335,087
Other	223,314	-	128,849	107,506	459,669
<b>Total Operating Expenses</b>	<b>4,603,119</b>	<b>28,852</b>	<b>1,083,548</b>	<b>1,101,258</b>	<b>6,816,777</b>
<b>Net Operating Income (Loss)</b>	<b>312,240</b>	<b>110,628</b>	<b>(96,260)</b>	<b>(729,688)</b>	<b>(403,080)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Property Taxes (Pledged for Debt)	-	-	-	952,629	952,629
Grant Income	-	-	-	3,336	3,336
Investment Income (Loss)	1,910	212	16	15,052	17,190
Gain (Loss) on Disposal of Assets	(507,420)	-	-	700	(506,720)
Interest Expense	(627,614)	-	(148,292)	(111,309)	(887,215)
Other	695,811	-	-	-	695,811
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(437,313)</b>	<b>212</b>	<b>(148,276)</b>	<b>860,408</b>	<b>275,031</b>
<b>Net Income (Loss) Before Transfers</b>	<b>(125,073)</b>	<b>110,840</b>	<b>(244,536)</b>	<b>130,720</b>	<b>(128,049)</b>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>					
Transfers In	427,210	-	-	-	427,210
Capital Contributions	669,042	-	-	-	669,042
<b>Transfers and Capital Contributions</b>	<b>1,096,252</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,096,252</b>
<b>Change In Net Position</b>	<b>971,179</b>	<b>110,840</b>	<b>(244,536)</b>	<b>130,720</b>	<b>968,203</b>
<b>NET POSITION, Beginning of Year</b>	<b>36,042,466</b>	<b>673,135</b>	<b>(6,391,752)</b>	<b>311,599</b>	<b>30,635,448</b>
<b>NET POSITION, End of Year</b>	<b>\$ 37,013,645</b>	<b>\$ 783,975</b>	<b>\$ (6,636,288)</b>	<b>\$ 442,319</b>	<b>\$ 31,603,651</b>

The accompanying notes are an integral part of the financial statements

**CITY OF FORT LUPTON, COLORADO**

Statement of Cash Flows

Proprietary Funds

For The Year Ended December 31, 2014

	Utility Enterprise Fund	StormWater Drainage Fund	Golf Course Fund	Recreation Center Fund	Total 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 5,041,289	\$ 142,493	\$ 980,158	\$ 359,019	\$ 6,522,959
Cash Paid to Suppliers	(3,211,695)	(14,517)	433,412	(372,065)	(3,164,865)
Cash Paid to Employees	(443,393)	(14,068)	(311,181)	(507,562)	(1,276,204)
Net Cash Provided by Operating Activities	<u>1,386,201</u>	<u>113,908</u>	<u>1,102,389</u>	<u>(520,608)</u>	<u>2,081,890</u>
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Transfers from Other Funds	427,210	-	-	-	427,210
Transfers to Other Funds	-	-	-	64,533	64,533
Property Taxes	-	-	-	952,629	952,629
Net Cash Provided by (Used In) Non-Capital and Related Financing Activities	<u>427,210</u>	<u>-</u>	<u>-</u>	<u>1,017,162</u>	<u>1,444,372</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and Construction of Capital Assets	(1,615,740)	-	(61,823)	(10,413)	(1,687,976)
Principal Paid on Notes and Bonds	(541,919)	-	-	(393,910)	(935,829)
Interest Paid on Notes and Bonds	(627,614)	-	-	(111,309)	(738,923)
Capital Contributions	669,042	-	-	-	669,042
Other	695,811	-	-	4,036	699,847
Net Cash Provided by (Used In) Capital and Related Financing Activities	<u>(1,420,420)</u>	<u>-</u>	<u>(61,823)</u>	<u>(511,596)</u>	<u>(1,993,839)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Received	1,910	212	16	15,052	17,190
Net Cash Provided by Investing Activities	<u>1,910</u>	<u>212</u>	<u>16</u>	<u>15,052</u>	<u>17,190</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>					
	394,901	114,120	1,040,582	10	1,549,613
<b>CASH AND CASH EQUIVALENTS, Beginning of Year</b>					
	<u>3,112,375</u>	<u>327,080</u>	<u>106,403</u>	<u>9,937</u>	<u>3,555,795</u>
<b>CASH AND CASH EQUIVALENTS, End of Year</b>					
	<u>\$ 3,507,276</u>	<u>\$ 441,200</u>	<u>\$ 1,146,985</u>	<u>\$ 9,947</u>	<u>\$ 5,105,408</u>
Cash and Cash Equivalents	\$ 2,260,829	\$ 441,200	\$ 51,110	\$ 9,947	\$ 2,763,086
Restricted Cash	1,246,447	-	1,095,875	-	2,342,322
<b>CASH AND CASH EQUIVALENTS, End of Year</b>	<u>\$ 3,507,276</u>	<u>\$ 441,200</u>	<u>\$ 1,146,985</u>	<u>\$ 9,947</u>	<u>\$ 5,105,408</u>

**CITY OF FORT LUPTON, COLORADO**

Statement of Cash Flows

Proprietary Funds

For The Year Ended December 31, 2014

	<u>Utility Enterprise Fund</u>	<u>StormWater Drainage Fund</u>	<u>Golf Course Fund</u>	<u>Recreation Center Fund</u>	<u>Total 2014</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating Income (Loss)	312,240	110,628	(96,260)	(729,688)	(403,080)
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Depreciation	1,017,559	1,106	84,988	231,434	1,335,087
Changes in Assets and Liabilities:					
Accounts Receivable	125,930	3,013	-	(12,551)	116,392
Prepaid Expenses	(7,887)	-	13,131	-	5,244
Inventory	-	-	(2,826)	-	(2,826)
Accounts Payable	(54,991)	(598)	7,660	(20,015)	(67,944)
Accrued Expenses	(6,650)	(241)	-	10,212	3,321
Unearned Revenues	-	-	(4,304)	-	(4,304)
Due To Other Funds	-	-	1,100,000	-	1,100,000
Total Adjustments	<u>1,073,961</u>	<u>3,280</u>	<u>1,198,649</u>	<u>209,080</u>	<u>2,484,970</u>
Net Cash Provided by (Used In)					
Operating Activities	<u>\$ 1,386,201</u>	<u>\$ 113,908</u>	<u>\$ 1,102,389</u>	<u>\$ (520,608)</u>	<u>\$ 2,081,890</u>

The accompanying notes are an integral part of the financial statements

# **NOTES TO THE FINANCIAL STATEMENTS**

— CITY OF —

*Fort Lupton*  
EST 1836

COME PAINT YOUR FUTURE WITH US

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**Reporting Entity**

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

The financial statements of the City do not include any separately administered organizations, as there were none as defined in the aforementioned paragraph.

**Basis of Presentation**

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

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

***Government-wide Financial Statements***

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

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

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

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

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

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

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

***Fund Financial Statements***

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon thereafter to pay liabilities of the current year. For this purpose the City considers revenues available if they are collected within 60 days of the end of the current year.

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

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

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

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

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

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

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

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

There are four major enterprise funds:

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

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

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

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

***Measurement Focus***

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

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

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

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

**Statement of Cash Flows**

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

**Pooled Cash**

The City has a single checking account for all cash transactions, with separate accounting into each fund. An overdraft in one fund will not result in returned checks with the single checking accounts. At December 31, 2014, the checking account of the City shows a positive bank balance. Any fund that issued checks in excess of its available funds from the checking account is treated as having borrowed cash from other funds.

**Capital Assets**

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

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

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

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

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

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

CITY OF FORT LUPTON  
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 For the Year Ended December 31, 2014

<u>Description</u>	<u>Estimated Useful life</u>
Machinery & Equipment	5-10

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

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

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

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

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

***Basis of Accounting***

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

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

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

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

**Budget and Budgetary Accounting**

An annual budget and appropriation resolution is adopted by the City Council in accordance with Colorado State Statutes. The budget is prepared on a basis consistent with US GAAP for all governmental and proprietary funds. On or about October 15<sup>th</sup>, the finance department submits to the Council a proposed budget for the next fiscal year beginning January 1<sup>st</sup>. The operating budget includes proposed expenditures and the revenues or reserves used to finance them. A public hearing is conducted in October at a special meeting to obtain comments from citizens. The mill levy is certified and the budget is legally adopted on or before January 15<sup>th</sup>.

**Property Taxes**

Under Colorado law, all property taxes become due and payable in the year following that in which they are levied. Property taxes are recognized as revenue when received by the County Treasurer. The 2014 fiscal year property tax calendar for Weld County was as follows:

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

**Accumulated Unpaid Vacation and Sick Leave**

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

**Inventory**

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the current year end are recorded as other current assets in the government-wide financial statements and will be reported as expenditures in the following year.

**Fund Equity**

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

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

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. The City Council also may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City’s Finance Director to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balances only in the general fund. Negative unassigned fund balances may be reported in all funds.

**Minimum Fund Balance Requirement**- Resolution 98-035 set the minimum fund balances as follows: The Culture, Parks & Recreation Sales Tax Fund must maintain the 3% emergency reserve defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer’s Bill of Rights (TABOR); the General Fund, Utility Enterprise Fund and the Golf Enterprise Fund are required to maintain the 3% TABOR reserve plus an additional 10% in emergency reserves. Ordinance 2012-950 created a contingency reserve starting with \$500,000 transferred from the General Fund’s fund balance. A percentage of the General Fund’s property tax is transferred to the contingency reserve annually. In 2014 the percentage transferred was 2% set and was set by council as part of the budget process.

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

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

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

**Operating Revenues and Expenses**

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

**Interfund Activity**

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

**NOTE 2: CASH AND INVESTMENTS**

Type	Rating	Carrying Value
<b>Deposits:</b>		
Cash on hand		\$ 4,150
Demand deposits		7,347,515
<b>Investments</b>		
Money Market	AAAm by S & P	175,906
ColoTrust	AAAm by S & P	2,611,498
CSAFE	AAAm by S & P	114,982
JP Morgan Chase Bank-CD	Not rated	99,331
Coyote Creek Golf Course Bond	Not rated	204,973
<b>Total deposits and investments</b>		<b>\$ 10,558,355</b>

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

**Reconciliation to Statement of net position**

Current:

Cash and investments	\$ 8,011,060
Restricted cash	2,342,322
Investments	204,973
Total deposits and investments	\$ 10,558,355

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

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

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

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

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The certificates of deposit mature in less than 3 years. See note 14 for Coyote Creek Golf Course bond disclosures. All other investments mature in less than one year.

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

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

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

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3: RESTRICTED CASH AND INVESTMENTS**

The restricted cash in the Enterprise Funds represents special development loan accounts, and specific use funds.

Enterprise Fund	
Loan provision US Dept of Agriculture	\$ 698,980
2000 Water & Wastewater Bonds	179,604
2005 Series B Bond	367,863
Bank of Oklahoma – Golf Course	1,095,875
Total Restricted	<u>\$ 2,342,322</u>

**NOTE 4: INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS**

	General Fund	Non-Major Funds	Utility Enterprise Fund	Recreation Center Enterprise Fund	Golf Course Enterprise Fund	Total
Due From Golf Enterprise Fund	\$ 1,682,297	\$ 347,845	\$ 548,428	\$ -	\$ -	\$ 2,578,570
Golf – Allowance for Doubtful Receivables	(582,297)	(347,845)	(548,428)	-	-	(1,478,570)
Due From Recreation Center	532,398	-	-	(532,398)		-
Due to the General Fund					(1,100,000)	(1,100,000)
<b>Total</b>	<u>\$ 1,632,398</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 532,398)</u>	<u>(\$1,100,000)</u>	<u>\$ -</u>

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

In 2014 the Golf Enterprise Fund made an offer to purchase all outstanding warrants (see note 14). The offer was funded by a \$1,100,000 loan from the General Fund.

Over a period of 9 years, from 2006-2014, the General Fund loaned \$746,290 in cash to the Recreation Center Enterprise Fund for operations. In 2014 Recreation revenues increased \$278,425 and were used to reimburse the General Fund. Revenues in 2014 were insufficient to cover operations and the General Fund loaned the Recreation Center \$64,533.

In the Utility Enterprise Fund, the A1 Golf Bonds purchased in 2000 have been adjusted to an estimated fair market value as required by GAAP. The estimate is based on current trading prices of the securities and anticipated settlement values.

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

<b>Transfers In:</b>	<b>Transfers Out:</b>
	General Fund
Governmental Funds:	
Non-Major Funds	
Culture, Parks & Recreation Sales Tax Fund	\$ 47,938
Perpetual Care Cemetery	59,403
Proprietary Fund:	
Major Fund	
Utility Enterprise Fund	427,210
	\$ 534,551

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

The general fund transfers 100% of the museum's expenditures to the Culture, Parks and Recreation Sales Tax (CPR Fund). This transfer insures none of the sales tax collected for the operation of the CPR fund are used in for purposes not approved by the voters.

**NOTE 5:     CAPITAL ASSETS**

Capital Asset activity for the year ended December 31, 2014 is as follows:

	<u>Balance 1/1/2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance 12/31/2014</u>
<b>Government Activities</b>					
Capital Assets not Being Depreciated					
Land	\$ 8,919,636	\$ -	\$ -	\$ -	\$ 8,919,636
Water Rights	323,700	-	-	-	323,700
Construction in Progress	92,851	256,192	-	(92,851)	256,192
<b>Total Capital Assets not Being Depreciated</b>	<b>9,336,187</b>	<b>256,192</b>	<b>-</b>	<b>(92,851)</b>	<b>9,499,528</b>
Capital Assets Being Depreciated					
Building and Improvments	4,742,057	152,954	-	370	4,895,381
Equipment and Machinery	2,762,037	68,560	(44,963)	6959	2,792,593
Furniture and Fixtures	18,059	-	-	-	18,059
Infrastructure	23,567,042	701,628	-	85,522	24,354,192
<b>Total Capital Being Depreciated</b>	<b>31,089,195</b>	<b>923,142</b>	<b>(44,963)</b>	<b>92,851</b>	<b>32,060,225</b>
<b>Total Capital Assets</b>	<b>40,425,382</b>	<b>1,179,334</b>	<b>(44,963)</b>	<b>-</b>	<b>41,559,753</b>
Accumulated Depreciation					
Buildings and Improvments	(2,379,240)	(160,118)	-	-	(2,539,358)
Equipment and Machinery	(1,743,591)	(202,886)	44,963	-	(1,901,514)
Furniture and Fixtures	(18,060)	-	-	-	(18,060)
Infrastructure	(10,902,155)	(829,080)	-	-	(11,731,235)

CITY OF FORT LUPTON  
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	<b>Balance 1/1/2014</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Balance 12/31/2014</b>
<b>Government Activities</b>					
Infrastructure	(10,902,155)	(829,080)	-	-	(11,731,235)
Total Accumulated Depreciation	(15,043,046)	(1,192,084)	44,963	-	(16,190,167)
Depreciated Capital Assets, Net	16,046,149	(268,942)	-	92,851	15,870,058
Government Activities Capital Assets, Net	\$ 25,382,336	\$ (12,750)	\$ -	\$ -	\$ 25,369,586

	<b>Balance 1/1/2014</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Balance 12/31/2014</b>
<b>Business-Type Activities</b>					
Capital Assets not Being Depreciated					
Land	\$ 4,688,316	\$ -	\$ -	\$ -	\$ 4,688,316
Water Rights	11,314,199	-	-	-	11,314,199
Construction in Progress	219,910	576,603	-	(95,749)	700,764
Total Capital Assets not Being Depreciated	16,222,425	576,603	-	(95,749)	16,703,279
Capital Assets Being Depreciated					
Wells	775,746	-	-	-	775,746
Buildings	20,522,421	-	-	-	20,522,421
Utility Systems	32,723,789	762,353	-	-	33,486,142
Equipment	4,284,612	349,020	(1,671,686)	95,749	3,057,695
Total Capital Being Depreciated	58,306,568	1,111,373	(1,671,686)	95,749	57,842,004
Total Capital Assets	74,528,993	1,687,976	(1,671,686)	-	74,545,283
Accumulated Depreciation					
Wells	(353,643)	(22,000)	-	-	(375,643)
Buildings	(7,432,015)	(717,983)	-	-	(8,149,998)
Utility Systems	(6,801,854)	(501,391)	-	-	(7,303,245)
Equipment	(3,477,596)	(93,713)	1,164,257	-	(2,407,043)
Total Accumulated Depreciation	(18,065,108)	(1,335,087)	1,164,267	-	(18,235,929)
Depreciated Capital Assets, Net	40,241,460	(223,714)	(507,419)	95,749	39,606,075
Business-Type Activities Capital Assets, Net	\$ 56,463,885	\$ 352,889	\$ (507,419)	\$ -	\$ 56,309,354

CITY OF FORT LUPTON  
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	<b>Amount</b>
<b>Depreciation By Function</b>	
<b>Governmental Activities:</b>	
General Government	\$ 42,604
Public Safety	55,357
Public Works	1,001,514
Cemetery	3,030
Culture, Parks & Recreation	89,579
Total depreciation for governmental activities	\$ 1,192,084
<b>Business-Type Activities:</b>	
Utility	\$ 1,017,559
Storm Drainage	1,106
Golf Course	84,988
Recreation	231,434
Total depreciation for business-type activities	\$ 1,335,087

**NOTE 6: LEASE AGREEMENT**

The City entered into an agreement to sublease/sell a parcel of real property known as “The Fort” at a total contract amount of \$125,000 to the South Platte Valley Historical Society (a nonprofit organization) to be used for historical preservation purposes. The South Platte Valley Historical Society agreement provides for annual rental payments of \$1,000 payable December 31, 1992, through December 31, 1996, followed by \$3,000 annual payments through December 31, 2001, and finally, annual payments of \$5,250 through December 31, 2021. There is no interest provided in the agreement. The agreement provides that the Historical Society has the option on any payment date to pay the entire principal balance plus one dollar and own the property. On December 31, 2014 the receivable was \$31,500.

**NOTE 7: NOTES AND BONDS PAYABLE AND CHANGES IN LONG-TERM DEBT**

	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2014</u>	<u>Due in</u> <u>1 Year</u>
<b><u>Enterprise Funds-Utility:</u></b>					
\$4,396,456 Carter Lake Pipeline Construction Loan from the State of Colorado through the Colorado Water Conservation Board. The forty-year loan requires annual payments of \$160,716 beginning January 1, 1997, and provides for interest at 2%.	\$2,714,801	-	\$106,420	\$2,608,381	\$108,548
\$6,000,000 Revenue Bond, Series 1995, owned by the United States of America for the Big Water	4,685,000	-	122,000	4,563,000	128,000

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	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2014</u>	<u>Due in</u> <u>1 Year</u>
Project. Principal payments due in yearly installments of \$53,000 in 1998 with additional increases through 2035. Principal and interest is payable each December 1 and June 1, with interest at 5.125%. The debt is a revenue obligation of the City, payable from Water Fund Revenue.					
\$5,500,000 Revenue Bond, Series 1996, owned by the United States of America for the Big Water Project. Interest only to September 1, 1997, with principal payments starting March 1, 1998 through 2036. Principal and interest are payable each September 1 and March 1, thereafter, with additional interest at 5.125%. The debt is a revenue obligation of the City payable from Water Fund Revenue.	4,393,400	-	103,500	4,289,900	108,900
\$2,300,000 Revenue Bond, Series 2005, owned by the Colorado Water Resources and Power Development Authority for the purchase of 3 units of Windy Gap water. Principal payment due on November 1, 2006 through 2025. Principal and interest are payable each May 1 and November 1, thereafter, with interest rates varying between 3% to 4.625%.	1,585,000	-	105,000	1,480,000	110,000
\$1,850,000 Water Fund Revenue Anticipation Warrants, Series 2000, construction expansion of the water plant. Principal payments due in increasing amounts from \$60,000 in 2001 to \$140,000 in 2020 and interest rates varying from 4.35% in 2001 to 5.3% in 2020. The warrants are a special revenue obligation of the	855,000	-	105,000	750,000	110,000

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	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2014</u>	<u>Due in</u> <u>1 Year</u>
Utility Enterprise Fund payable from net operating income of the water system.					
<b><u>Recreation Center Fund:</u></b>					
\$4,930,000 Principal with a \$139,108 Premium, General Obligation Bond Series 2011 for the construction of the Recreation Center refinanced October 28, 2014. Principal and interest payments due December 1 starting in 2014 ending December 1, 2022. Interest only payments due Jun 1 starting 2014. Interest rates start at 3.0% in 2014 and increase to 3.5%.	3,825,000	-	380,000	3,445,000	400,000
Remaining Bond Premium	111,285		13,906	97,379	13,913
<b><u>Golf Enterprise Fund:</u></b>					
\$5,900,000, Bond for construction of a Golf Course, went into default in 2002	5,800,000	-	-	5,800,000	5,800,000
<b>Total Business Type Activities</b>	<b>\$23,969,486</b>	<b>\$ -</b>	<b>\$935,826</b>	<b>\$23,033,660</b>	<b>\$6,779,361</b>

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

	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2014</u>	<u>Due in</u> <u>1 Year</u>
<u>Governmental Activities</u>					
Accrued Compensated Absences	\$ 142,907	\$ 139,948	\$ (118,497)	\$ 164,358	\$ 46,020
<u>Business Type Activities</u>					
Accrued Compensated Absences	\$ 48,053	\$ 35,303	\$ (37,276)	\$ 46,080	\$ 12,903

The City will liquidate compensated absences in the General, Utility Enterprise, Storm Water Drainage and Recreation Center funds.

The annual requirements to amortize all debt outstanding, excluding accrued compensated absences, as of December 31, 2014 are as follows:

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Business Type Activities		
<u>Bonds and Notes Payable</u>		
	Principal	Interest
2015	\$ 6,779,361	\$ 711,850
2016	1,004,232	678,463
2017	1,039,346	642,496
2018	1,075,905	604,058
2019	1,107,709	562,642
2020-2024	4,607,293	2,171,624
2025-2029	3,052,496	1,376,175
2030-2034	3,573,518	662,664
2035-2036	793,800	44,549
Total	<u>\$ 23,033,660</u>	<u>\$ 7,454,521</u>

The principal of outstanding debt due in 2014 includes the default bonds of the Golf Course, amounting to \$5,800,000.

**NOTE 8: NET POSITION AND FUND BALANCE**

***Net position:***

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2014 are as follows:

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>
<b>Net Investment in capital assets</b>		
Cost of capital assets	\$ 41,559,756	\$ 74,545,283
Less accumulated depreciation	(16,190,170)	(18,235,929)
Book value	25,369,586	56,309,354
Less capital related debt		(22,936,281)
Less deferred refunding amounts and bond premiums and discounts (net)		(97,379)
Net investment in capital assets	<u>\$ 25,369,586</u>	<u>\$ 33,275,694</u>

The deficit of \$6,636,288 in the Golf Course Fund is the result of excess expenses which is principally the debt service expense.

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Nonspendable, restricted, committed and assigned fund balances of the governmental funds consist of the following:

	General Fund	Non-Major Governmental Funds	Total
<b>Restricted Fund Balance</b>			
<u>Emergency Reserves</u> – A portion restricted for emergencies as defined under Article X, Section 20 to the Colorado Constitution also known as the Taxpayer’s Bill of Rights (TABOR)	\$ 257,218	\$ 22,662	\$ 279,880
<u>Children’s Fund</u> – Private donations made to the police department	12,248	-	12,248
<u>Street Sales Tax</u> – used to maintain, build and replace streets, sidewalks, curbs and gutters	954,895	-	954,895
<u>Water Sales Tax</u> – to support maintenance of water systems, assure quality and quantity and acquire water	1,319,780	-	1,319,780
<u>Culture Parks &amp; Recreation Sales Tax Fund</u> – to provide culture and recreation programs and maintain parks	-	590,013	590,013
<u>Perpetual Care Cemetery Fund</u> – maintain cemetery grounds, provide services and acquire new property	-	54,440	54,440
<u>Memorial Trust Fund</u> – administer funds donated to the cemetery	-	2,255	2,255
<u>Conservation Trust Fund</u> – for the administration of lottery funds.	-	275,007	275,007
<b>Total Restricted Fund Balance</b>	<b>2,544,141</b>	<b>944,377</b>	<b>3,488,518</b>
<b>Committed Fund Balance:</b>			
Police Equipment	28,123	-	28,123
Victims Compensation	103,112	-	103,112
<b>Total Committed Fund Balance</b>	<b>131,235</b>	<b>-</b>	<b>131,235</b>
<b>Assigned Fund Balance:</b>			
Fireworks	7,500	-	7,500
IT Equipment	15,000	-	15,000
Subsequent Year Expenditures	1,268,828	-	1,268,828
<b>Total Assigned Fund Balance</b>	<b>1,291,328</b>	<b>-</b>	<b>1,291,328</b>
<b>Non-spendable</b>	<b>124,949</b>	<b>49</b>	<b>124,998</b>
<b>Unassigned</b>	<b>2,485,096</b>	<b>-</b>	<b>2,485,096</b>
<b>Total Fund Balance</b>	<b>\$ 6,576,749</b>	<b>\$ 944,426</b>	<b>\$ 7,521,175</b>

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The Restricted Fund Balance in the Proprietary Funds is primarily for debt service. The Recreation Center Fund has an additional \$25,465 restricted for emergencies.

**NOTE 9:     RETIREMENT PLAN**

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

A defined contribution plan states that contributions of the employee and contributions of the City are, although invested jointly, maintained in separate accounts for each employee. The amount of benefit to be received at retirement is determined by the amount of monies accumulated in the employee's account at the time of retirement. All sworn police department employees contribute 9.7% of their salaries to the plan with all other employees contributing 4.0% of their salaries to the plan. The total amount of the City's current year covered payroll was \$3,174,432 and the total current year payroll was \$3,763,722. The City matches the respective contributions, with the total contribution made by the City during 2014 amounting to \$169,199.

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

**NOTE 10:    CONTINGENCY**

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

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

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

**NOTE 11:    RISK MANAGEMENT**

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

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

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

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

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

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

II. EXCESS INSURERS, AGGREGATE LIMITS AND MEMBER DEDUCTIBLE:

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

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

2014 CIRSA SELF-INSURED RETENTIONS:

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

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2014 CIRSA LOSS FUND AMOUNTS:

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

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

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

**NOTE 12: JOINT VENTURES**

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

Northern Colorado Water Conservancy District - NISP.

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

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

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

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

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

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

Our pro rata share is:

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<u>Year Paid</u>	<u>Amount</u>
2006	\$ 95,000
2007	22,476
2008	59,976
2010	112,500
2012	112,500
2014	<u>112,500</u>
Total	<u>\$514,952</u>

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

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

Town of Hudson

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

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

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

CITY OF FORT LUPTON  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended December 31, 2014

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

**NOTE 13: TAX, SPENDING, AND DEBT LIMITATIONS**

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

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

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

**NOTE 14: DEFAULT ON GOLF COURSE REVENUE ANTICIPATION WARRANTS**

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

The total payment due for 2014 was \$721,225, \$570,000 in principal and \$151,225 in interest. This payment was not made.

As a result of the default, the bond covenant states that the bonds become due and payable and thus the balance has been re-classed to Current Bonds Payable, resulting in a Current Bond Payable Balance at December 31, 2014 of \$5,800,000.

The Golf Enterprise Fund issued an offer to purchase any and all outstanding warrants on December 19, 2014 for the consideration described in the table below:

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

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

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

As a result of this offer, \$4,015,000 of the outstanding warrants (\$3,115,000 of the Senior Warrants, \$875,000 of the Subordinate 1996A1 Warrants and \$25,000 of the "B" Registered Coupons) were tendered and purchased by the Golf Course Enterprise. The result is a decrease in future debt service payments of \$4,015,000 and a net present value savings of \$6,955,713. The remaining warrants outstanding, totaling \$1,785,000, will remain as current bonds payable outstanding in fiscal year 2015. It is anticipated that the 2015 payments on the remaining balance will not be paid and the outstanding warrants will remain in default.

**NOTE 15: COMMITMENTS AND CONTRACTS & BUDGET OVERAGES**

On July 30, 2008 the City entered into an agreement with Weld County Dispatch Center (WELDCOM), until December 31, 2009 with automatic one year renewals through December 19, 2019. The City's share of expenses for 2014 total \$10,678.

The City and CH2MHill entered into an agreement for compensation for services to manage, operate, and maintain the effluent discharged from the Wastewater Treatment Plant and the finished water discharged for the Water Treatment Facility. Compensation for services is negotiated every three years. Compensation for years two & three will be adjusted based on the base fee adjustment formula shown in Appendix F of the negotiated agreement. Subsequent years' base fees shall be determined as hereinafter specified. 2014 fees were \$964,441. \$76,122 of the \$108,305 increase in fees is related to additional services for the maintenance and monitoring of operations at the Perry Pit water storage facility leased by the City in 2013.

On April 1, 2013 the City entered into a ten year agreement with Consolidated Mutual Water Company to lease 150 acre feet of water storage in the Perry Pit East Reservoir. The 2014 lease base rate is \$206.40 per acre foot of water capacity. The rate will increase annually based on a formula in paragraphs 6 (b) (c) and (d) of the lease agreement. Subsequently, the City has agreed to lease the remaining 300 acre feet of capacity in the Perry Pit East Reservoir for the same terms as the initial lease and an additional 50 acre feet for \$1,434 per acre foot. In 2014 the City paid \$121,157 for 587 acre feet of storage in the Perry Pit.

On October 22, 2014 the City and Anadarko Petroleum Corporation entered into a three year agreement with two consecutive one year extensions. On a take or pay agreement the City will provide 300 acre feet per year of non-potable water to Anadarko at a rate of \$3,260 per acre foot or \$978,000 per year in 2014-2015. Anadarko has an option to purchase an additional 200 acre feet of water per year at the City's current bulk water rate, the 2014 bulk rate is \$10 per 1,000 gallons of water used.

In December 2014, the Golf Enterprise Board terminated the management agreement with Escalante Golf, LLC. The City will manage the Coyote Creek Golf Course starting January 1, 2015.

In 2010 The City and Halliburton Energy Services, Inc. (Halliburton) entered into an agreement to extend water lines and sanitary sewer lines to the Halliburton facility at Denver Avenue and Weld County Road 8. Halliburton funded the construction in the amount of \$2,400,000. The lines will benefit all properties in the service area and as sites are developed along the services lines a proportionate share of the original cost and

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

accrued interest will be charged by the City on building permits and refunded to Halliburton. On December 31, 2014, \$2,057,839 was the amount of the original construction costs to be collected on future development along the water and sewer lines. The interest accrued at a rate of prime plus one percent (4.25%) was \$91,576. As the City is not required to reimburse Halliburton unless sufficient development occurs, these balances are not reported as a liability in the City's financial statements.

In 2014 The City and Martin Marietta Materials, Inc. (Martin Marietta) entered into an agreement to extend water lines from Weld County Road 8 525 lineal feet south along Denver Avenue to the Martin Marietta facility. Martin Marietta funded the construction in the amount of \$114,077. The lines will benefit all properties in the service area and as sites are developed along the service lines a proportionate share of the original cost and accrued interest will be charged by the City on building permits and refunded to Martin Marietta.

**NOTE 16: COOPERATIVE AGREEMENTS**

Weld County School District RE-8 and High Plains Library District

The Weld County School District RE-8 (the School) and the City are empowered to enter into a contract pursuant to the provisions of Colorado Revised Statute 29-1-203, and the provisions of C.R.S. 29-1-110.7 in those circumstances where governmental entities may make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with each other to accomplish mutually beneficial ends. They entered into an Intergovernmental Agreement on September 1, 1976, to jointly provide space and facilities for the operation of an integrated public and school library for the residents of the City of Fort Lupton and the students of the RE-8 School District controlled by the respective parties hereto.

In 1985 both the City and the School joined with six other governmental entities to form the Weld County Library District, now High Plains Library District (High Plains). The agreement with High Plains under C.R.S. 29-90-111 provided for the retention of title to the municipal public library and the continuance of control by the Board of Trustees of the City and the School. High Plains has the authority to certify the property tax mill levy for all member libraries. The tax is collected by Weld County remitted to High Plains who keeps one third (1/3) of the proceeds to provide certain administration functions and technology as chosen from a menu of services offered by High Plains. The remaining two thirds of the property tax proceeds are remitted by High Plains to each member library.

The City and School renewed their intergovernmental agreement in 2013. The City's responsibility is as the fiscal agent for the library maintaining the reserves of the library, preparing an annual budget, posting budgets, financial information and board meeting minutes on the internet and insuring they are available to the public. The City is also responsible for all accounting and financial functions for the Library including payroll, purchasing, accounts payable and accounts receivable.

The Schools responsibility is to provide 16,500 square feet within its public school building, a public parking area off the street, restroom accessibility for library patrons, maintenance and custodial services and utilities.

The Library's operations are managed by a seven member advisory board. The City and the School each appoint three members of the board. The six appointed members appoint the seventh board member. The board is responsible for the adoption and implementation of operating policies and procedures and management of the library.

CITY OF FORT LUPTON  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2014

The library has entered into contracts to purchase goods and services in its own name. The ability to sue and be sued has not been tested. For these reasons The Fort Lupton Public and School Library's financial statements have not been included in the City's financial statements.

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**REQUIRED SUPPLEMENTARY  
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**CITY OF FORT LUPTON, COLORADO**

GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>				
Taxes	\$ 3,188,766	\$ 3,188,766	\$ 3,955,451	\$ 766,685
Licenses and Permits	115,800	115,800	111,044	(4,756)
Intergovernmental	1,189,058	1,189,058	898,520	(290,538)
Charges for Services	435,455	435,455	459,277	23,822
Fines and Forfeits	157,050	157,050	131,096	(25,954)
Other	40,200	40,200	627,713	587,513
Total Revenues	<u>5,126,329</u>	<u>5,126,329</u>	<u>6,183,101</u>	<u>1,056,772</u>
<b>EXPENDITURES</b>				
General Government	2,897,973	2,897,973	2,270,095	627,878
Public Safety	1,348,191	1,348,191	1,221,514	126,677
Public Works	446,442	446,442	413,944	32,498
Capital Outlay	429,000	553,984	588,600	(34,616)
Other	252,300	252,300	192,605	59,695
Total Expenditures	<u>5,373,906</u>	<u>5,498,890</u>	<u>4,686,758</u>	<u>812,132</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(247,577)</u>	<u>(372,561)</u>	<u>1,496,343</u>	<u>1,868,904</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(73,100)</u>	<u>(73,100)</u>	<u>(107,341)</u>	<u>(34,241)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (320,677)</u>	<u>\$ (445,661)</u>	<u>1,389,002</u>	<u>\$ 1,834,663</u>
FUND BALANCES, Beginning of Year			<u>2,167,823</u>	
FUND BALANCES, End of Year			<u>\$ 3,556,825</u>	

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

Certain funds used for accounting purposes are combined with the General Fund for reporting purposes. In accordance with GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences*, the activity of such funds is not included in the General Fund budgetary comparison schedule. The following is a reconciliation of the General Fund budgetary comparison schedule to the General Fund as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance for the year ended December 31, 2014.

**Revenue**

General Fund Budgetary Comparison Schedule	\$ 6,183,101
Adjustments:	
Street Sales Tax	645,588
Water Sales Tax	1,036,455
Contingency	34,006
Total General Fund revenues as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 7,899,150

**Expenditures**

General Fund Budgetary Comparison Schedule	4,686,758
Adjustments:	
Street Sales Tax	568,215
Water Sales Tax	282,349
Total General Fund expenditures as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	5,537,322

**Other Financing Sources (uses)**

General Fund Budgetary Comparison Schedule	(107,341)
Adjustments:	
Water Sales Tax	(427,210)
Total General Fund other financing sources (uses) as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance	(534,551)

# **SUPPLEMENTARY INFORMATION**

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**CITY OF FORT LUPTON, COLORADO**

CONTINGENCY FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>				
Property Tax	\$ 33,392	\$ 33,392	\$ 33,376	\$ (16)
Interest Income	500	500	630	130
Total Revenues	<u>33,892</u>	<u>33,892</u>	<u>34,006</u>	<u>114</u>
<b>EXPENDITURES</b>				
Capital Outlay	<u>564,454</u>	<u>564,454</u>	-	<u>564,454</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (530,562)</u>	<u>\$ (530,562)</u>	34,006	<u>\$ (564,340)</u>
FUND BALANCES, Beginning of Year			<u>530,616</u>	
FUND BALANCES, End of Year			<u>\$ 564,622</u>	

**CITY OF FORT LUPTON, COLORADO**

STREET IMPROVEMENT SALES TAX FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014		
	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>			
Sales Tax	\$ 344,396	\$ 517,747	\$ (173,351)
Interest Income	900	874	26
Infrastructure Assessment Fees	250,000	126,967	123,033
Total Revenues	595,296	645,588	(50,292)
<b>EXPENDITURES</b>			
Current:			
Other	120,000	74,591	45,409
Capital Outlay:			
Streets	725,000	493,624	231,376
Total Expenditures	845,000	568,215	276,785
Excess (Deficiency) of Revenues Over Expenditures	\$ (249,704)	77,373	\$ 226,493
 FUND BALANCES, Beginning of Year		907,055	
 FUND BALANCES, End of Year		\$ 984,428	

**CITY OF FORT LUPTON, COLORADO**

WATER SALES TAX FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUE</b>				
Sales Tax	\$ 688,793	\$ 688,793	\$ 1,035,494	\$ 346,700
Interest Income	1,000	1,000	961	(39)
Total Revenues	<u>689,793</u>	<u>689,793</u>	<u>1,036,455</u>	<u>346,661</u>
<b>EXPENDITURES</b>				
Water Leases	10,000	10,000	6,778	3,222
Water Carryover	38,000	38,000	-	38,000
Capital Outlay	342,542	342,542	24,368	318,174
Other	<u>245,000</u>	<u>282,500</u>	<u>251,203</u>	<u>(6,203)</u>
Total Expenditures	<u>635,542</u>	<u>673,042</u>	<u>282,349</u>	<u>353,193</u>
Excess of Revenues Over Expenditures	<u>54,251</u>	<u>16,751</u>	<u>754,106</u>	<u>699,854</u>
Other Financing Sources (Uses)				
Operating Transfer Out	<u>(427,209)</u>	<u>(427,209)</u>	<u>(427,210)</u>	<u>1</u>
Excess (Deficiencies) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ (372,958)</u>	<u>\$ (410,458)</u>	326,896	<u>\$ 699,855</u>
FUND BALANCE, Beginning of Year			<u>1,143,978</u>	
FUND BALANCE, End of Year			<u>\$ 1,470,874</u>	

**CITY OF FORT LUPTON, COLORADO**

NON MAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

December 31, 2014

	Culture, Parks & Recreation Sales Tax Fund	Conservation Trust Fund	Perpetual Care Cemetery Fund	Memorial Trust Fund	Non Major Governmental Funds
<b><u>ASSETS</u></b>					
Cash	\$ 545,082	\$ 277,213	\$ 57,266	\$ 2,255	\$ 881,816
Accounts Receivable	31,500	-	-	-	31,500
Sales Tax Receivable	91,093	-	-	-	91,093
Prepaid Items	-	-	49	-	49
Total Assets	<u>\$ 667,675</u>	<u>\$ 277,213</u>	<u>\$ 57,315</u>	<u>\$ 2,255</u>	<u>\$ 1,004,458</u>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>					
Liabilities					
Accounts Payable	\$ 18,955	\$ -	\$ 97	\$ -	\$ 19,052
Accrued Expenses	8,270	-	1,210	-	9,480
Unearned Revenue	31,500	-	-	-	31,500
Total Liabilities	<u>58,725</u>	<u>-</u>	<u>1,307</u>	<u>-</u>	<u>60,032</u>
Fund Balances					
Non-Spendable	-	-	49	-	49
Restricted	590,013	275,007	-	2,255	867,275
Tabor	18,937	2,206	1,519	-	22,662
Perpetual Care	-	-	54,440	-	54,440
Total Fund Balances	<u>608,950</u>	<u>277,213</u>	<u>56,008</u>	<u>2,255</u>	<u>944,426</u>
Total Liabilities and Fund Balances	<u>\$ 667,675</u>	<u>\$ 277,213</u>	<u>\$ 57,315</u>	<u>\$ 2,255</u>	<u>\$ 1,004,458</u>

**CITY OF FORT LUPTON, COLORADO**

**NON MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE**

For the Year Ended December 31, 2014

	Culture, Parks & Recreation Sales Tax Fund	Conservation Trust Fund	Perpetual Care Cemetery Fund	Memorial Trust Fund	Total
<b>REVENUES</b>					
Sales Taxes	\$ 517,747	\$ -	\$ -	\$ -	\$ 517,747
Federal and State Sources	-	73,420	-	-	73,420
Charges for Services	105,858	-	35,800	-	141,658
Interest Income	259	127	105	-	491
Other	7,371	-	14,715	36	22,122
<b>Total Revenues</b>	<b>631,235</b>	<b>73,547</b>	<b>50,620</b>	<b>36</b>	<b>755,438</b>
<b>EXPENDITURES</b>					
Current:					
Other	84,992	-	18,165	-	103,157
Salaries and Benefits	279,890	-	51,958	-	331,848
Supplies	27,290	-	955	-	28,245
Utilities	35,006	-	60,101	-	95,107
Maintenance	12,818	-	7,003	-	19,821
Capital Outlay:					
Land and Land Improvements	52,565	6,196	17,229	-	75,990
<b>Total Expenditures</b>	<b>492,561</b>	<b>6,196</b>	<b>155,411</b>	<b>-</b>	<b>654,168</b>
Excess (Deficiency) of Revenues Over Expenditures	138,674	67,351	(104,791)	36	101,270
Other Financing Sources (Uses) Transfers In	47,938	-	59,403	-	107,341
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	186,612	67,351	(45,388)	36	208,611
FUND BALANCE, Beginning of Year	422,338	209,862	101,396	2,219	735,815
FUND BALANCE, End of Year	\$ 608,950	\$ 277,213	\$ 56,008	\$ 2,255	\$ 944,426

**CITY OF FORT LUPTON, COLORADO**

CULTURE, PARKS, AND RECREATION SALES TAX FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>				
Sales Tax	\$ 344,396	\$ 344,396	\$ 517,747	\$ 173,351
Interest Income	175	175	259	(84)
Enhancement Fees	15,000	15,000	16,550	(1,550)
Private Contributions	600	600	4,270	3,670
Usage Fees	83,000	83,000	105,858	22,859
Other	11,250	11,250	(13,449)	24,699
<b>Total Revenues</b>	<u>454,421</u>	<u>454,421</u>	<u>631,235</u>	<u>222,945</u>
<b>EXPENDITURES</b>				
Current:				
Salaries and Benefits	330,090	330,090	279,890	50,200
Maintenance	13,400	13,400	12,818	582
Supplies	20,100	20,100	27,290	(7,190)
Utilities	37,400	37,400	35,006	2,394
Other	82,035	97,035	84,992	12,043
Capital Outlay:				
Museum	30,000	30,000	17,855	12,145
Community Center	50,000	50,000	34,710	15,290
<b>Total Expenditures</b>	<u>563,025</u>	<u>578,025</u>	<u>492,561</u>	<u>85,464</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(108,604)</u>	<u>(123,604)</u>	<u>138,674</u>	<u>308,409</u>
Other Financing Sources (Uses) Transfers In	<u>73,100</u>	<u>73,100</u>	<u>47,938</u>	<u>25,162</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ (35,504)</u>	<u>\$ (50,504)</u>	186,612	<u>\$ 333,571</u>
FUND BALANCES, Beginning of Year			<u>422,338</u>	
FUND BALANCES, End of Year			<u>\$ 608,950</u>	

**CITY OF FORT LUPTON, COLORADO**

CONSERVATION TRUST FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>			
Lottery Funds	\$ 65,000	\$ 73,420	\$ (8,420)
Interest Income	100	127	27
Total Revenues	<u>65,100</u>	<u>73,547</u>	<u>(8,393)</u>
<b>EXPENDITURES</b>			
Capital Outlay:			
Land and Improvements	<u>145,000</u>	<u>6,196</u>	<u>138,804</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (79,900)</u>	67,351	<u>\$ 130,411</u>
FUND BALANCES, Beginning of Year		<u>209,862</u>	
FUND BALANCES, End of Year		<u>\$ 277,213</u>	

**CITY OF FORT LUPTON, COLORADO**

PERPETUAL CARE CEMETERY FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>				
Charges for Services	\$ 58,550	\$ 58,550	\$ 35,800	\$ (22,750)
Perpetual Care	11,250	11,250	9,650	(1,600)
Interest Income	100	100	105	(5)
Other	4,000	4,000	5,065	1,065
Total Revenues	<u>73,900</u>	<u>73,900</u>	<u>50,620</u>	<u>(23,290)</u>
<b>EXPENDITURES</b>				
Current:				
Salaries and Benefits	45,900	45,900	51,958	(6,058)
Maintenance	25,000	25,000	7,003	17,997
Supplies	1,250	1,250	955	295
Utilities	2,200	61,800	60,101	1,699
Other	9,050	9,050	18,165	(9,115)
Capital Outlay:				
Other Capital	49,000	49,000	17,229	31,771
Total Expenditures	<u>132,400</u>	<u>192,000</u>	<u>155,411</u>	<u>36,589</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(58,500)</u>	<u>(118,100)</u>	<u>(104,791)</u>	<u>13,299</u>
Other Financing Sources (Uses)				
Transfers In	<u>-</u>	<u>-</u>	<u>59,403</u>	<u>(59,403)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ (58,500)</u>	<u>\$ (118,100)</u>	<u>(45,388)</u>	<u>\$ (46,104)</u>
FUND BALANCES, Beginning of Year			<u>101,396</u>	
FUND BALANCES, End of Year			<u>\$ 56,008</u>	

**CITY OF FORT LUPTON, COLORADO**

MEMORIAL TRUST FUND  
BUDGETARY COMPARISON SCHEDULE  
 For the Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Positive (Negative) Variance
<b>REVENUES</b>			
Contributions	\$ -	\$ 35	\$ 35
Other	-	1	1
Total Revenues		36	36
Excess of Revenues Over Expenditures	<u>\$ -</u>	36	<u>\$ 36</u>
FUND BALANCES, Beginning of Year		2,219	
FUND BALANCES, End of Year		<u>\$ 2,255</u>	

**CITY OF FORT LUPTON, COLORADO**

UTILITY ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL  
For the Year Ended December 31, 2014

	2014			Positive (Negative) Variance
	Original Budget	Final Budget	Actual	
<b>Operating Revenues</b>				
Charges for Services	\$ 4,150,087	\$ 4,150,087	\$ 4,635,918	\$ 485,831
Other Income	71,000	71,000	279,441	208,441
<b>Total Operating Revenues</b>	<b>4,221,087</b>	<b>4,221,087</b>	<b>4,915,359</b>	<b>694,272</b>
<b>Operating Expenses</b>				
Salaries and Benefits	541,517	541,517	430,720	110,796
Professional Fees	91,000	91,000	94,223	(3,223)
Contract Management	864,442	864,442	865,034	(592)
Insurance	67,645	67,645	72,562	(4,917)
Maintenance	120,000	612,324	717,818	(105,494)
Supplies	50,250	50,250	50,013	237
Utilities	261,450	261,450	231,775	29,675
Water Assessments	1,181,964	1,181,964	900,101	281,863
Depreciation and Amortization	1,003,591	1,003,591	1,017,559	(13,968)
Other	121,000	121,000	223,314	(102,314)
<b>Total Operating Expenses</b>	<b>4,302,859</b>	<b>4,795,183</b>	<b>4,603,119</b>	<b>192,063</b>
<b>Net Operating Income</b>	<b>(81,772)</b>	<b>(574,096)</b>	<b>312,240</b>	<b>886,336</b>
<b>Nonoperating Revenues (Expenses)</b>				
Investment Income (Loss)	2,000	2,000	1,910	(90)
Gain (Loss) on Disposal of Assets	-	-	(507,420)	507,420
Capital Contributions	-	345,573	669,042	323,469
Interest Expense	(718,967)	(718,967)	(627,614)	91,353
Administrative Fee	(16,311)	(16,311)	-	16,311
Capital Expenditures	(1,960,000)	(2,055,292)	(1,615,740)	(439,552)
Other	49,000	49,000	695,811	646,811
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(2,644,278)</b>	<b>(2,393,997)</b>	<b>(1,384,011)</b>	<b>1,145,722</b>
<b>Net Income (Loss) Before Transfers</b>	<b>(2,726,050)</b>	<b>(2,968,093)</b>	<b>(1,071,771)</b>	<b>1,896,322</b>
Transfers In	427,210	427,210	427,210	-
<b>Net Income (Loss) - Budgetary Basis</b>	<b>\$ (2,298,840)</b>	<b>\$ (2,540,883)</b>	<b>(644,561)</b>	<b>\$ 1,896,322</b>
Non GAAP Expenditures			1,615,740	
<b>Net Income (Loss) - GAAP Basis</b>			<b>971,179</b>	
<b>NET POSITION, Beginning of Year</b>			<b>36,042,466</b>	
<b>NET POSITION, End of Year</b>			<b>\$ 37,013,645</b>	

**CITY OF FORT LUPTON, COLORADO**

STORM WATER DRAINAGE ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL

For the Year Ended December 31, 2014

	2014			Positive (Negative) Variance
	Original Budget	Final Budget	Actual	
<b>Operating Revenues</b>				
Charges for Services	\$ 67,580	\$ 67,580	\$ 139,480	\$ 71,898
<b>Operating Expenses</b>				
Salaries and Benefits	15,108	15,108	13,827	1,281
Professional Fees	11,000	11,000	5,789	5,211
Maintenance	2,000	2,000	7,115	(5,115)
Supplies	1,000	1,000	1,015	(15)
Capital Expenditures	150,000	150,000	-	150,000
Depreciation and Amortization	-	-	1,106	(1,106)
Other	2,000	2,000	-	2,000
Total Operating Expenses	181,108	181,108	28,852	152,256
Net Operating Income	(113,528)	(113,528)	110,628	(80,358)
Nonoperating Revenues				
Investment Income	150	150	212	62
Net Income	<u>\$ (113,378)</u>	<u>\$ (113,378)</u>	110,840	<u>\$ (80,296)</u>
NET POSITION, Beginning of Year			<u>673,135</u>	
NET POSITION, End of Year			<u>\$ 783,975</u>	

**CITY OF FORT LUPTON, COLORADO**

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

For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 379,950	\$ 379,950	\$ 354,476	\$ (25,474)
Other	18,500	18,500	17,094	(1,404)
Total Operating Revenues	<u>398,450</u>	<u>398,450</u>	<u>371,570</u>	<u>(26,878)</u>
<b>OPERATING EXPENSES</b>				
Salaries	479,706	518,506	518,503	5
Insurance	25,267	25,267	23,767	1,500
Maintenance	40,000	40,000	51,264	(11,264)
Merchandise for Resale	1,300	1,300	1,532	(232)
Supplies	45,200	45,200	49,666	(4,466)
Utilities	115,500	115,500	117,586	(2,086)
Depreciation	228,767	228,767	231,434	(2,667)
Recreation Programs	47,250	47,250	41,775	5,475
Other	88,450	88,450	65,731	22,719
Total Operating Expenses	<u>1,071,440</u>	<u>1,110,240</u>	<u>1,101,258</u>	<u>8,984</u>
Net Operating Income	<u>(672,990)</u>	<u>(711,790)</u>	<u>(729,688)</u>	<u>(17,898)</u>
<b>NONOPERATING REVENUES (Expenses)</b>				
Property Taxes	953,177	953,177	952,629	(548)
Grant Income	-	-	3,336	3,336
Gain on Disposal of Assets	9,000	9,000	700	(8,300)
Investment Income	2,000	2,000	15,052	13,052
Interest Expense	(111,838)	(111,838)	(111,309)	529
Total Nonoperating Revenues	<u>852,339</u>	<u>852,339</u>	<u>860,408</u>	<u>8,069</u>
Net Income (Loss)	<u>\$ 179,349</u>	<u>\$ 140,549</u>	130,720	<u>\$ (9,829)</u>
NET POSITION, Beginning of Year			<u>311,599</u>	
NET POSITION, End of Year			<u>\$ 442,319</u>	

**CITY OF FORT LUPTON, COLORADO**

GOLF COURSE ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL

For the Year Ended December 31, 2014

	2014			
	Original Budget	Final Budget	Actual	Positive (Negative) Variance
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 707,050	\$ 707,050	\$ 732,798	\$ 25,750
Sales of Merchandise	187,800	187,800	221,721	33,921
Other	540	540	32,769	32,229
Total Operating Revenues	<u>895,390</u>	<u>895,390</u>	<u>987,288</u>	<u>91,900</u>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	308,348	308,348	311,181	(2,833)
Professional Fees	47,421	172,421	154,449	17,972
Insurance	30,168	30,168	37,177	(7,009)
Maintenance	59,560	65,902	62,935	2,967
Management Fees	60,000	60,000	60,000	-
Merchandise for Resale	92,813	92,813	109,134	(16,321)
Supplies	84,250	84,250	58,391	25,859
Utilities	68,676	68,676	76,444	(7,768)
Depreciation and Amortization	75,032	75,032	84,988	(9,956)
Equipment Rental	29,508	29,508	29,509	(1)
Other	122,838	122,838	99,340	23,498
Total Operating Expenses	<u>978,614</u>	<u>1,109,956</u>	<u>1,083,548</u>	<u>26,408</u>
Net Operating Loss	<u>(83,224)</u>	<u>(214,566)</u>	<u>(96,260)</u>	<u>118,306</u>
<b>NONOPERATING REVENUES (Expenses)</b>				
Interest Income	-	-	16	16
Interest Expense	-	-	(148,292)	(148,292)
Capital Expenditures	-	67,681	(61,823)	(55,965)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>67,681</u>	<u>(210,099)</u>	<u>(204,241)</u>
Net Loss	<u>\$ (83,224)</u>	<u>\$ (146,885)</u>	<u>(306,359)</u>	<u>\$ (159,474)</u>
Net Income (Loss) - GAAP Basis			<u>61,823</u>	
NET POSITION, Beginning of Year			<u>(6,391,752)</u>	
NET POSITION, End of Year			<u>\$ (6,636,288)</u>	

— CITY OF —

*Fort Lupton*  
EST 1836

COME PAINT YOUR FUTURE WITH US

# **STATISTICAL SECTION**

— CITY OF —

*Fort Lupton*  
EST 1836

COME PAINT YOUR FUTURE WITH US

City of Fort Lupton, Colorado

Government-wide Net Position by Category  
 Fiscal Years 2005-2014  
 (accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 25,353,676	\$ 25,145,709	\$ 25,222,628	\$ 24,815,079	\$ 24,710,688	\$ 24,136,541	\$ 24,253,776	\$ 25,423,316	\$ 25,382,338	\$ 25,369,586
Restricted	131,559	137,045	112,141	259,208	259,208	226,073	3,121,421	2,233,960	2,932,189	3,488,518
Unrestricted	2,298,924	2,691,793	2,103,523	2,061,766	2,215,273	2,690,489	750,712	1,736,771	2,410,189	3,868,299
Subtotal Government Activities Net Position	27,784,159	27,974,547	27,438,292	27,136,053	27,185,169	27,053,103	28,125,909	29,394,047	30,724,716	32,726,403
<b>Business Type Activities</b>										
Net Investment in Capital Assets	22,080,407	22,944,767	22,663,126	22,367,478	23,244,405	24,948,580	24,474,959	25,524,613	32,494,395	33,275,694
Restricted	1,465,554	1,468,376	1,278,536	1,566,173	1,587,049	1,807,957	1,624,858	1,616,906	1,356,597	1,271,912
Unrestricted	725,498	528,590	960,334	441,735	76,219	(484,213)	345,497	394,235	(3,215,546)	(2,943,955)
Subtotal Business Type Activities Net Position	24,271,459	24,941,733	24,901,996	24,375,386	24,907,673	26,272,324	26,445,314	27,535,754	30,635,446	31,603,651
<b>Total Government</b>										
Net Investment in Capital Assets	47,434,083	48,090,476	47,885,754	47,182,557	47,955,093	49,085,121	48,728,735	50,947,929	57,876,733	58,645,280
Restricted	1,597,113	1,605,421	1,390,677	1,825,381	1,846,257	2,034,030	4,746,279	3,850,866	4,288,786	4,760,430
Unrestricted	3,024,422	3,220,383	3,063,857	2,503,501	2,291,492	2,206,276	1,096,209	2,131,006	(805,357)	924,344
Total Net Position	\$ 52,055,618	\$ 52,916,280	\$ 52,340,288	\$ 51,511,439	\$ 52,092,842	\$ 53,325,427	\$ 54,571,223	\$ 56,929,801	\$ 61,360,162	\$ 64,330,054

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Government-wide Changes in Net Position

Fiscal Years 2005-2014

(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 1,416,801	\$ 1,888,093	\$ 1,842,978	\$ 1,146,647	\$ 1,402,046	\$ 1,104,816	\$ 1,511,845	\$ 1,649,002	\$ 1,983,618	\$ 2,336,076
Public Safety	1,496,335	1,535,172	1,676,527	1,775,631	1,674,082	1,641,378	1,181,606	1,132,846	1,188,061	1,269,834
Public Works	1,188,436	1,188,310	1,300,203	1,307,542	1,303,317	1,145,342	1,028,537	1,232,748	1,351,463	1,406,244
Culture, Parks and Recreation	340,557	350,512	159,055	676,103	754,907	743,588	803,453	902,575	639,145	621,742
Other	933,309	689,626	763,731	1,289,420	626,418	705,100	687,754	527,565	546,855	591,798
Total Governmental Activities Expenses	5,375,438	5,651,713	5,742,494	6,195,343	5,760,770	5,340,224	5,213,195	5,444,736	5,709,142	6,225,694
<b>Business Type Activities:</b>										
Utilities	2,332,936	2,542,640	3,149,678	2,883,404	2,856,120	2,800,607	3,170,747	3,534,405	4,591,194	5,738,153
Storm Water Drainage	-	-	-	29,459	21,523	12,517	12,192	14,884	33,747	28,852
Golf	932,346	916,383	1,040,200	956,207	879,753	842,600	899,114	983,607	1,060,304	1,231,840
Recreation	1,035,025	1,012,835	1,161,252	1,240,599	1,137,713	1,049,324	1,073,717	1,051,829	1,139,988	1,212,567
Interest	1,668,865	1,640,343	1,596,119	1,558,828	1,416,072	1,294,691	1,476,667	1,057,081	-	-
Other	93,622	57,797	35,100	49,568	50,359	40,908	52,855	50,196	12,750	-
Total Business Type Activities Expenses	6,062,794	6,169,998	6,982,349	6,718,065	6,361,540	6,040,647	6,685,292	6,692,002	6,837,983	8,211,412
Total Government Expenses	11,438,232	11,821,711	12,724,843	12,913,408	12,122,310	11,380,871	11,898,487	12,136,738	12,547,125	14,437,106
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services, Sales & Fines										
General Government	409,932	101,399	95,258	104,061	107,139	111,893	85,753	124,611	103,153	78,354
Public Safety	154,795	246,832	179,402	178,486	220,495	216,854	179,063	290,970	208,226	168,597
Public Works	373,859	240,869	185,499	81,810	238,474	192,045	832,671	343,635	371,754	276,280
Culture, Parks and Recreation	101,483	101,952	76,843	83,009	139,290	75,309	73,977	80,132	116,998	122,409
Operating Grants and Contributions	110,874	95,946	147,456	113,100	150,875	128,543	155,057	179,023	172,698	235,720
Capital Grants and Contributions	304,868	247,313	133,580	504,215	569,355	150,073	121,752	164,740	461,155	529,298
Total Governmental Activities Program Revenue	1,455,811	1,034,311	818,038	1,064,681	1,425,628	874,717	1,448,273	1,183,111	1,433,984	1,410,658
<b>Business Type Activities:</b>										
Utilities	2,996,779	3,249,371	3,145,264	3,358,923	3,506,146	3,918,328	4,122,995	4,498,327	4,967,660	4,915,359
Storm Water Drainage	-	-	49,271	66,852	126,781	69,310	67,774	107,887	106,172	139,480
Golf	855,301	869,214	857,740	951,583	865,126	792,012	830,940	916,153	859,367	987,288
Recreation	297,542	256,168	314,454	340,706	299,529	314,063	351,235	348,839	369,748	371,570
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	3,336
Capital Grants and Contributions	368,102	1,262,422	271,012	116,822	854,924	913,763	102,902	1,000	298,120	669,042
Total Business Activities Program Revenue	4,517,724	5,637,175	4,637,741	4,834,886	5,652,506	6,007,476	5,475,846	5,872,206	6,601,067	7,086,075
Total Program Revenues	5,973,535	6,671,486	5,455,779	5,899,567	7,078,134	6,882,193	6,924,119	7,055,317	8,035,051	8,496,733
<b>Net (Expenses) / Revenues</b>										
Government Activities	(3,919,627)	(4,617,402)	(4,924,456)	(5,130,662)	(4,335,142)	(4,465,507)	(3,764,922)	(4,261,625)	(4,275,158)	(4,815,036)
Business Type Activities	(1,545,070)	(532,823)	(2,344,608)	(1,883,179)	(709,034)	(33,171)	(1,209,446)	(819,796)	(236,916)	(1,125,337)
Total Government Net Expense	(5,464,697)	(5,150,225)	(7,269,064)	(7,013,841)	(5,044,176)	(4,498,678)	(4,974,368)	(5,081,421)	(4,512,074)	(5,940,373)

City of Fort Lupton, Colorado

Government-wide Changes in Net Position

Fiscal Years 2005-2014

(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Revenues and Transfers</b>										
<b>Governmental Activities:</b>										
Taxes:										
Sales & Use Tax	\$ 2,552,190	\$ 2,855,512	\$ 2,878,165	\$ 2,750,000	\$ 2,317,028	\$ 2,475,491	\$ 2,644,241	\$ 2,970,656	\$ 3,177,171	\$ 4,141,976
Property Tax	823,979	982,174	1,082,948	1,121,854	1,215,210	1,274,416	1,401,364	1,410,597	1,501,966	1,668,804
Other	887,400	943,367	996,444	945,544	1,064,981	886,631	997,937	1,067,750	1,068,065	1,278,040
Investment Earnings	61,203	95,754	79,325	27,001	5,851	7,044	6,386	6,806	6,142	7,998
Miscellaneous	253,927	359,248	168,797	323,479	130,008	166,918	255,511	478,296	(367,316)	147,115
<b>Transfers</b>	<b>(326,137)</b>	<b>(428,265)</b>	<b>(329,204)</b>	<b>(339,455)</b>	<b>(348,820)</b>	<b>(477,059)</b>	<b>(467,711)</b>	<b>(404,342)</b>	<b>219,799</b>	<b>(427,210)</b>
Total Governmental Activities	4,252,562	4,807,790	4,876,475	4,828,423	4,384,258	4,333,441	4,837,728	5,529,763	5,605,827	6,816,723
<b>Business Type Activities:</b>										
Property Tax	809,701	889,138	897,590	929,837	884,175	893,695	880,245	871,184	1,252,924	952,629
Investment Earnings	90,218	99,147	164,368	87,277	8,326	5,022	4,101	18,225	38,520	17,190
Miscellaneous	326,137	3,131	46,503	-	-	22,041	30,380	616,485	111,121	696,511
<b>Transfers</b>	<b>9,752</b>	<b>428,265</b>	<b>329,204</b>	<b>339,455</b>	<b>348,820</b>	<b>477,059</b>	<b>467,711</b>	<b>404,342</b>	<b>342,340</b>	<b>427,210</b>
Total Business Activities	1,235,808	1,419,681	1,437,665	1,356,569	1,241,321	1,397,817	1,382,437	1,910,236	1,744,905	2,093,540
Total General Revenues and Transfers	5,488,370	6,227,471	6,314,140	6,184,992	5,625,579	5,731,258	6,220,165	7,439,999	7,350,732	8,910,263
<b>Changes in Net Position</b>										
Government Activities	332,935	190,388	(47,981)	(302,239)	49,116	(132,066)	1,072,806	1,268,138	1,330,669	2,001,687
Business Type Activities	(309,262)	886,858	(906,943)	(526,610)	532,287	1,364,646	172,991	1,090,440	1,507,989	968,203
Total Government-wide Changes in Net Position	\$ 23,673	\$ 1,077,246	\$ (954,924)	\$ (828,849)	\$ 581,403	\$ 1,232,580	\$ 1,245,797	\$ 2,358,578	\$ 2,838,658	\$ 2,969,890

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

**Fund Balances - Governmental Funds**  
**Fiscal Years 2005-2014**  
**(modified accrual basis of accounting)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Fund</b>										
Restricted For:										
Emergency Reserve	\$ 175,773	\$ 119,456	\$ 128,772	\$ 175,879	\$ 168,317	\$ 141,993	\$ 133,517	\$ 172,124	\$ 186,151	\$ 257,218
Drug Forfeitures	7,771	7,771	10,685	8,588	10,414	10,685	5,207	5,208	-	-
Water Sales Tax	747,348	781,800	1,010,329	1,168,188	1,048,380	815,127	802,356	875,257	1,119,897	1,319,780
Street Sales Tax	672,587	641,659	680,568	742,109	1,169,635	1,440,946	1,703,013	559,717	889,080	954,895
Santa Cops	-	-	-	-	-	-	-	5,038	1,248	12,248
Committed								136,960	133,707	131,235
Assigned								12,500	338,177	1,291,328
Non-Spendable								5,670	-	124,949
Unassigned	855,119	1,277,966	383,574	174,070	33,328	245,162	901,187	1,726,873	2,081,212	2,485,096
<b>Total General Fund</b>	<b>2,458,598</b>	<b>2,828,652</b>	<b>2,213,928</b>	<b>2,268,834</b>	<b>2,430,074</b>	<b>2,653,913</b>	<b>3,545,280</b>	<b>3,499,347</b>	<b>4,749,472</b>	<b>6,576,749</b>
<b>All Other Governmental Funds</b>										
Restricted for:										
Culture, Parks & Recreation	52,671	130,718	124,990	(11,971)	17,104	161,850	214,385	295,911	422,336	590,013
Other Non-Major Governmental Funds	129,507	110,490	141,923	206,675	195,421	243,419	262,943	320,705	313,477	354,364
Non-Spendable										49
<b>Total All Other Governmental Funds</b>	<b>182,178</b>	<b>241,208</b>	<b>266,913</b>	<b>194,704</b>	<b>212,525</b>	<b>405,269</b>	<b>477,328</b>	<b>616,616</b>	<b>735,813</b>	<b>944,426</b>
<b>Total Governmental Funds</b>										
Restricted	1,603,479	1,550,686	1,830,354	2,094,764	2,396,746	2,408,751	2,644,093	2,233,960	2,932,189	3,488,518
Committed								136,960	133,707	131,235
Assigned								12,500	338,177	1,291,328
Non-Spendable								5,670	-	124,998
Unassigned	1,037,297	1,519,174	650,487	368,774	245,853	650,431	1,378,515	1,726,873	2,081,212	2,485,096
<b>Total Governmental Fund Balances</b>	<b>\$ 2,640,776</b>	<b>\$ 3,069,860</b>	<b>\$ 2,480,841</b>	<b>\$ 2,463,538</b>	<b>\$ 2,642,599</b>	<b>\$ 3,059,182</b>	<b>\$ 4,022,608</b>	<b>\$ 4,115,963</b>	<b>\$ 5,485,285</b>	<b>\$ 7,521,175</b>

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Changes in Fund Balance - Governmental Funds

Fiscal Years 2005-2014

(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES</b>										
Taxes & Assessments	\$ 3,614,883	\$ 4,048,446	\$ 4,209,904	\$ 4,113,137	\$ 3,947,531	\$ 3,918,656	\$ 4,239,950	\$ 4,589,158	\$ 4,892,341	\$ 6,059,815
Licenses & Permits	109,241	79,791	75,938	51,583	59,794	168,899	151,975	131,636	126,146	111,044
Intergovernmental	761,736	640,383	688,428	1,013,837	1,292,855	683,294	747,953	877,978	1,151,973	971,940
Charges for Services	858,829	588,382	527,804	493,824	454,567	504,533	543,975	510,629	601,898	600,935
Fines & Forfeits	183,677	244,359	173,741	169,964	193,210	194,716	171,826	285,163	155,089	131,096
Other	365,369	510,030	347,903	342,449	199,167	198,421	765,327	722,654	472,612	779,758
<b>Total Revenues</b>	<b>5,893,735</b>	<b>6,111,391</b>	<b>6,023,718</b>	<b>6,184,794</b>	<b>6,147,124</b>	<b>5,668,519</b>	<b>6,621,006</b>	<b>7,117,218</b>	<b>7,400,059</b>	<b>8,654,588</b>
<b>EXPENDITURES</b>										
Current:										
General Government	1,418,646	1,688,351	1,867,318	1,247,760	1,360,426	1,317,658	1,480,055	1,678,331	1,961,113	2,270,095
Public Safety	1,437,689	1,470,321	1,608,426	1,705,871	1,641,162	1,589,310	1,157,474	1,103,279	1,136,985	1,221,589
Public Works	377,723	380,065	474,108	477,622	513,447	416,827	396,787	482,720	472,512	488,460
Culture, Parks & Recreation	245,045	228,643	229,475	684,398	683,580	568,170	626,472	723,720	462,009	439,996
Other	933,657	700,120	746,514	837,270	626,102	703,964	678,315	525,532	544,822	588,768
Capital Outlay	400,627	786,542	839,573	879,875	764,681	149,103	850,766	2,105,939	1,118,019	1,182,582
<b>Total Expenditures</b>	<b>4,813,387</b>	<b>5,254,042</b>	<b>5,765,414</b>	<b>5,832,796</b>	<b>5,589,398</b>	<b>4,745,032</b>	<b>5,189,869</b>	<b>6,619,521</b>	<b>5,695,460</b>	<b>6,191,490</b>
Excess (Deficiency) of Revenues Over Expenditures	1,080,348	857,349	258,304	351,998	557,726	923,487	1,431,137	497,697	1,704,599	2,463,098
Other Financing Sources (Uses)										
Payment of Loan	-	-	(29,845)	(29,845)	(29,845)	(29,845)	-	-	-	-
Transfers In	75,912	313,719	384,501	350,905	415,536	302,995	285,100	416,904	39,799	107,341
Transfers Out	(402,049)	(741,984)	(713,705)	(690,360)	(764,356)	(780,054)	(752,811)	(821,246)	(382,139)	(534,551)
Other	-	-	-	-	-	-	-	-	7,063	-
<b>Total Other Financing Sources (Uses)</b>	<b>(326,137)</b>	<b>(428,265)</b>	<b>(359,049)</b>	<b>(369,300)</b>	<b>(378,665)</b>	<b>(506,904)</b>	<b>(467,711)</b>	<b>(404,342)</b>	<b>(335,277)</b>	<b>(427,210)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 754,211</b>	<b>\$ 429,084</b>	<b>\$ (100,745)</b>	<b>\$ (17,302)</b>	<b>\$ 179,061</b>	<b>\$ 416,583</b>	<b>\$ 963,426</b>	<b>\$ 93,355</b>	<b>\$ 1,369,322</b>	<b>\$ 2,035,888</b>
Debt Service as a percentage of Noncapital Expenditures	0%	0%	0.61%	0.60%	0.62%	0.65%	0%	0%	0%	0%

Source: City of Fort Lupton Finance Department

**City of Fort Lupton, Colorado**

**General Governmental Tax Revenue by Source**

**Fiscal Years 2005-2014**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES SOURCE</b>										
Sales Tax	\$ 2,424,436	\$ 2,750,156	\$ 2,807,706	\$ 2,750,000	\$ 2,317,028	\$ 2,342,006	\$ 2,317,299	\$ 2,822,830	\$ 3,119,863	\$ 4,050,978
Property Tax	823,979	982,174	1,082,948	1,121,854	1,215,210	1,274,416	1,401,365	1,410,597	1,471,927	1,668,804
Motor Vehicle Tax	36,278	33,014	37,228	36,643	41,306	33,913	30,102	28,324	28,728	29,732
Specific Ownership Tax	202,435	177,746	211,562	195,024	196,257	134,835	164,243	179,581	184,481	219,304
Other	127,755	105,356	70,460	9,616	177,730	133,486	326,941	147,826	87,342	90,997
<b>Total Revenues</b>	<b>\$ 3,614,883</b>	<b>\$ 4,048,446</b>	<b>\$ 4,209,904</b>	<b>\$ 4,113,137</b>	<b>\$ 3,947,531</b>	<b>\$ 3,918,656</b>	<b>\$ 4,239,950</b>	<b>\$ 4,589,158</b>	<b>\$ 4,892,341</b>	<b>\$ 6,059,815</b>

Source: City of Fort Lupton Finance Department

City of Fort Lupton, Colorado

Sales Tax by Category  
Fiscal Years 2005-2014

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES SOURCE</b>										
Motor Vehicle	\$ 493,987	\$ 526,824	\$ 582,214	\$ 586,909	\$ 386,339	\$ 334,486	\$ 373,966	\$ 477,499	\$ 551,239	\$ 939,480
Hotels/motels	14,625	18,328	14,543	21,612	15,766	16,677	20,416	23,581	29,594	31,145
Restaurant	252,892	270,672	309,751	303,337	283,762	298,750	334,350	361,030	411,571	476,089
Food/grocery	490,478	516,157	510,113	511,838	459,563	458,181	475,766	503,190	533,937	585,585
Gas Stations/convenience	62,413	65,926	55,611	27,974	21,495	22,889	20,285	21,737	24,718	49,956
Utilities	491,978	506,636	510,189	487,821	446,835	399,472	410,238	394,362	446,456	469,668
Liquor/beer	107,003	103,492	98,203	112,182	109,888	111,697	127,394	143,911	149,661	166,235
Auto	154,107	158,179	181,798	119,053	107,504	125,661	123,024	152,924	162,591	161,063
Retail	126,157	125,738	113,151	161,562	141,458	156,364	156,922	188,070	220,988	282,560
Other	222,035	442,611	395,702	416,395	270,282	372,494	234,973	470,892	439,151	737,190
Wholesale	8,761	15,593	36,431	1,317	74,136	45,335	39,965	85,634	149,958	163,991
<b>Total Revenues</b>	<b>\$ 2,424,436</b>	<b>\$ 2,750,156</b>	<b>\$ 2,807,706</b>	<b>\$ 2,750,000</b>	<b>\$ 2,317,028</b>	<b>\$ 2,342,006</b>	<b>\$ 2,317,299</b>	<b>\$ 2,822,830</b>	<b>\$ 3,119,863</b>	<b>\$ 4,062,961</b>

Source: Sales Tax reports provided by Colorado Department of Revenue

City of Fort Lupton, Colorado

Assessed and Estimated Actual Value of Taxable Property  
Fiscal Years 2005-2014

Fort Lupton								
Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Property	Vacant Land	Other	
2005	\$ 25,991,920	\$ 16,024,680	\$ 4,045,750	\$ 55,300	\$ 4,439,680	\$ 1,765,100	\$ 28,726,950	
2006	26,756,670	17,280,890	4,224,310	156,770	6,972,770	1,742,700	24,945,240	
2007	26,792,580	20,500,150	4,466,820	155,200	6,873,980	1,957,850	24,085,110	
2008	27,054,540	18,950,020	4,565,800	154,430	4,475,690	1,801,000	24,766,310	
2009	20,390,160	19,720,250	4,125,420	162,230	8,034,530	1,454,460	28,713,590	
2010	20,449,300	19,174,600	4,270,680	218,150	7,209,310	1,451,790	28,647,170	
2011	18,841,290	17,711,660	5,074,390	251,640	8,634,070	1,162,660	29,969,690	
2012	18,971,660	18,144,720	5,607,200	259,340	22,494,410	1,123,790	32,472,850	
2013	18,510,770	19,159,730	10,138,620	256,010	16,188,079	976,600	31,313,940	
2014	18,826,110	19,687,500	11,989,010	399,200	12,016,590	894,760	30,632,340	
	<b>Less:</b>	<b>Total</b>	<b>Total</b>	<b>Grand Total</b>	<b>Assessed Value</b>			
	<b>Tax Exempt</b>	<b>Taxable</b>	<b>Direct Tax</b>	<b>Estimated Actual</b>	<b>as a Percentage</b>			
	<b>Real Property</b>	<b>Assessed Value</b>	<b>Rate</b>	<b>Taxable Value</b>	<b>of Actual Value</b>			
2005	\$ 6,451,800	\$ 81,049,380	\$ 23.111	\$ 528,411,898	15.34%			
2006	7,632,320	82,079,350	24.146	537,221,144	15.28%			
2007	8,957,690	84,831,690	24.531	552,852,859	15.34%			
2008	10,098,050	81,767,790	25.952	439,897,338	18.59%			
2009	11,505,430	82,600,640	26.359	452,643,407	18.25%			
2010	11,788,130	81,421,000	28.041	451,060,161	18.05%			
2011	14,870,340	81,645,400	27.981	435,101,260	18.76%			
2012	14,844,050	99,073,970	27.767	465,816,142	21.27%			
2013	14,771,850	96,543,749	27.166	466,145,510	20.71%			
2014	15,758,840	94,445,510	30.274	471,538,955	20.03%			

Source: Weld County Assessor

City of Fort Lupton, Colorado  
Property Tax Levy from District and Overlapping Governments  
Fiscal Years 2005-2014

Weld County								
Year	City of Fort Lupton	Weld County	School District RE8	Fort Lupton Fire Protection District	Fort Lupton Fire Bond (2022)	High Plains Library District	Aims Junior College	Central CO Water Conservancy District
<b>Rates (in mills)</b>								
2005	\$ 23.111	\$ 17.900	\$ 18.399	\$ 8.922		\$ 3.281	\$ 6.357	\$ 0.607
2006	24.146	16.804	23.635	8.223		3.261	6.330	0.550
2007	24.531	16.804	23.784	8.201		3.253	6.308	0.487
2008	25.952	16.804	24.220	8.465		3.260	6.323	0.540
2009	26.359	16.804	22.200	6.112	1.879	3.255	6.312	0.425
2010	28.041	16.804	25.319	6.101	2.380	3.281	6.360	0.425
2011	27.981	16.804	22.780	6.051	1.963	3.271	6.355	0.392
2012	27.767	16.804	22.350	8.524	1.514	3.261	6.318	1.856
2013	27.166	16.804	20.703	9.295	1.239	3.264	6.302	1.887
2014	30.274	15.800	19.563	9.303	1.032	3.267	6.333	1.737
<b>Levy</b>								
2005	\$ 1,873,132	\$ 64,637,501	\$ 5,086,001	\$ 1,932,200	\$ -	\$ 10,577,903	\$ 19,576,396	\$ 656,743
2006	1,981,888	70,575,085	7,538,765	2,028,143	-	12,128,026	22,688,970	714,887
2007	2,081,006	75,033,757	7,469,531	2,049,586	-	12,727,831	23,740,372	626,277
2008	2,122,038	76,642,132	7,260,190	1,920,185	-	13,012,470	24,212,078	663,436
2009	2,177,270	96,859,643	8,181,861	1,754,847	539,489	16,606,558	31,080,404	758,186
2010	2,283,126	78,373,379	7,075,670	1,359,770	531,610	13,294,958	24,509,558	518,945
2011	2,284,520	90,117,557	7,801,583	1,575,093	513,434	15,555,381	28,430,261	594,635
2012	2,750,987	107,816,616	9,775,936	2,916,831	520,590	18,760,406	34,250,321	3,371,803
2013	2,622,707	119,624,895	11,401,035	3,833,699	512,476	21,087,951	38,349,920	4,064,629
2014	2,859,243	144,255,294	12,588,987	4,648,631	516,853	27,510,678	51,249,131	5,167,759

Source: Weld County Assessor

City of Fort Lupton, Colorado  
Property Tax Levy from District and  
Overlapping Governments Fiscal Years  
2005-2014

Year	Northern CO		Cottonwood Green District #1	Cottonwood Green District #2	Cottonwood Green District #3	Cottonwood Green District #4	Cottonwood Green District #5	Total (excluding metro districts)
	Central CO Water Sub District	Water Conservancy District						
<b>Rates (in mills)</b>								
2005	\$ 3.350	\$ 1.000	\$ 43.000	\$ 43.000	\$ 43.000	\$ 43.000		\$ 82.927
2006	3.221	1.000	43.000	43.000	43.000	43.000		87.170
2007	0.746	1.000	43.000	43.000	43.000	43.000	43.000	85.114
2008	1.306	1.000	43.000	43.000	43.000	43.000	43.000	87.870
2009	1.338	1.000	43.000	43.000	43.000	43.000	43.000	85.684
2010	1.339	1.000	43.000	43.000	43.000	43.000	43.000	91.050
2011	1.319	1.000	43.000	43.000	43.000	43.000	43.000	87.916
2012	1.291	1.000	43.000	43.000	43.000	43.000	43.000	90.685
2013	1.301	1.000	43.000	43.000	43.000	43.000	43.000	88.961
2014	1.309	1.000	43.000	43.000	43.000	43.000	43.000	89.618
<b>Levy</b>								
2005	\$ 2,760,244	\$ 272,492	\$ -	\$ -	\$ -	\$ -		\$ 107,372,612
2006	3,157,565	3,186,435	0	0	0	0		\$ 123,999,765
2007	724,378	3,430,828	0	0	0	0	-	\$ 127,883,565
2008	1,203,894	3,494,476	0	0	0	0	27,268	\$ 130,530,899
2009	1,795,272	4,197,907	0	0	0	0	20,758	\$ 163,951,437
2010	1,250,025	3,498,148	0	0	0	0	27,137	\$ 132,695,190
2011	1,452,128	3,901,547	1	1	1	1	13,016	\$ 152,226,138
2012	1,707,595	4,412,136	1	1	1	1	20,102	\$ 186,283,220
2013	1,916,219	4,418,338	115	115	115	115	11,714	\$ 207,831,869
2014	2,722,329	4,821,505	1	1	1	1	12,475	\$ 256,340,411

Source: Weld Cour

**City of Fort Lupton, Colorado**  
**Property Tax Levies and Collections**  
**Fiscal Years 2005-2014**

<b>Year Levied</b>	<b>Tax Levy</b>	<b>Tax Collected</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collection</b>	<b>Total Collection</b>	<b>Percent of Total Tax Collected</b>
2005	\$ 1,873,132	\$ 1,766,538	96.8%	\$ 279	\$ 1,766,817	96.8%
2006	1,981,888	1,869,807	99.8%	1,506	1,871,313	99.9%
2007	2,081,006	1,978,934	99.9%	1,604	1,980,538	99.9%
2008	2,122,038	2,056,405	98.8%	453	2,056,858	98.8%
2009	2,177,270	2,099,385	98.9%	30,161	2,129,546	100.4%
2010	2,283,126	2,167,578	99.6%	534	2,168,112	99.6%
2011	2,284,520	2,277,788	99.8%	3,822	2,281,610	99.9%
2012	2,750,987	2,281,768	99.9%	13	2,281,781	99.9%
2013	2,622,750	2,749,374	99.9%	5,516	2,754,890	100.1%
2014	2,285,531	2,620,552	99.9%	774	2,621,326	99.9%

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

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

City of Fort Lupton, Colorado  
Principal Property Taxpayers  
Fiscal Years 2014

	City of Fort Lupton			City of Fort Lupton			Weld County					
	2013			2014			2013			2014		
	Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value
Thermo Cogeneration Partnership	\$ 23,016,300	1	23.23%	\$ 22,314,800	1	22.52%	\$ -			\$ -		
Kerr-McGee Oil & Gas Onshore LP	11,967,723	2	12.08%	9,930,110	2	10.02%	1,129,933,753	2	15.87%			
Public Service Co Of Colo (Xcel)	4,055,880	4	4.09%	4,224,740	3	4.26%	239,660,400	4	3.37%	101,246,200	3	3.38%
Golden Aluminum Inc	3,361,350	5	3.39%	3,474,110	4	3.51%						
Encana Oil & Gas (USA) Inc	2,008,888	6	2.03%	1,524,450	5	1.54%	203,241,512	5	2.85%	78,768,780	4	2.63%
Qwest Corporation	1,661,300	8	1.68%	1,444,700	6	1.46%						
Safeway Stores 46 Inc	1,182,040	9	1.19%	1,182,040	7	1.19%						
United Power Inc	933,080	10	0.94%	1,057,340	8	1.07%						
Greenhouse Colorado LLC				890,560	9	0.90%						
Bach Composit Colorado Inc				796,640	10	0.80%						
Halliburton Energy Services Inc	4,698,310	3	4.74%									
Noble Energy Inc	1,684,822	7	1.70%				1,551,265,612	1	21.79%			
Petroleum Development Corp							270,406,669	3	3.80%	40,358,480	6	1.35%
DCP Midstream LP							147,155,680	6	2.07%			
Bonanza Creek Energy Inc							121,795,457	7	1.71%			
Kerr-McGee Gathering LLC							105,314,600	8	1.48%	33,150,100	9	1.11%
EOG Resources Inc							84,574,816	9	1.19%			
Vestas Blades America Inc							64,687,420	10	0.91%			
Kerr-McGee Rocky Mountain Corp										345,574,340	1	11.54%
Patina Oil & Gas Corporation										298,148,540	2	9.96%
Merit Energy										40,564,600	5	1.36%
Eastman Kodak Company										37,486,180	7	1.25%
Prima Oil & Gas										34,999,910	8	1.17%
Duke Energy Field Services Inc										31,004,620	10	1.04%
	<u>\$ 54,569,693</u>		<u>55.08%</u>	<u>\$ 46,839,490</u>		<u>47.28%</u>	<u>\$ 3,918,035,919</u>		<u>55.04%</u>	<u>\$ 1,041,301,750</u>		<u>34.79%</u>

Source: Weld County Assessor's Office

City of Fort Lupton, Colorado  
Ratio of Outstanding Debt by Type  
Fiscal Years 2005-2014  
(Unaudited)

Year	Governmental Activities		Business Type Activities			Total Primary Government	Weld County Percentage of Personal Income	Per Capita
	Capital Leases	Revenue Bonded Debt	General Obligation Bond	Construction Loans	Capital Leases			
2005	\$ 1,419,874	\$ 20,149,300	\$ 6,100,000	\$ 7,190,219	\$ -	\$ 34,859,393	0.602%	4,822
2006	1,300,821	19,849,200	5,835,000	6,771,842	60,000	33,816,863	0.579%	4,675
2007	1,014,981	19,531,600	5,560,000	6,238,009	146,418	32,491,008	0.522%	4,442
2008	775,985	19,201,200	5,280,000	5,692,308	109,182	31,058,675	0.466%	4,197
2009	527,414	18,861,800	4,990,000	5,123,965	70,041	29,573,220	0.401%	3,944
2010	268,886	18,503,300	4,690,000	4,527,627	28,886	28,018,699	0.396%	3,798
2011	-	18,125,400	4,560,000	6,015,374	-	28,700,774	0.414%	3,835
2012	-	17,731,800	4,200,000	3,138,014	-	25,069,814	0.323%	3,398
2013	-	17,318,400	3,825,000	2,714,804	-	23,858,204	0.286%	3,234
2014	-	16,882,900	3,445,000	2,608,384	-	22,936,284	0.275%	3,109

Source: Fort Lupton Finance Department

City of Fort Lupton, Colorado

Ratio of General Bonded Debt Outstanding

Fiscal Years 2005-2014

(Unaudited)

Year	City Population (1)	Estimated Actual Value (2)	General Obligation Bond (3)	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2005	7,229	\$ 522,803,105	\$ 6,100,000	1.17%	\$ 844
2006	7,234	528,411,898	5,835,000	1.10%	807
2007	7,315	537,221,144	5,560,000	1.03%	760
2008	7,400	552,852,859	5,280,000	0.96%	714
2009	7,498	439,897,338	4,990,000	1.13%	666
2010	7,377	452,643,407	4,690,000	1.04%	636
2011	7,483	451,060,161	4,560,000	1.01%	609
2012	7,377	435,101,260	4,200,000	0.97%	569
2013	7,377	465,816,142	3,825,000	0.82%	519
2014	7,377	466,145,510	3,445,000	0.74%	467

Source: Fort Lupton Finance Department

(1) Department of Local Affairs / US Census

(2) Weld County Assessors Office

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

City of Fort Lupton, Colorado

Pledged Revenue Coverage  
(Unaudited)

Year	Utility Revenues	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2005	\$ 2,996,779	\$ 2,332,936	\$ 663,843	\$ 685,753	\$ 985,665	\$ 0.40
2006	3,249,371	2,542,640	706,731	794,306	976,902	0.40
2007	3,145,264	3,149,678	(4,414)	838,249	948,698	(0.00)
2008	3,358,923	2,883,404	475,519	872,951	908,351	0.27
2009	3,506,146	2,856,120	650,026	909,598	866,328	0.37
2010	3,918,328	2,800,607	1,117,721	956,802	822,435	0.63
2011	4,122,995	3,170,747	952,248	1,004,759	774,030	0.54
2012	4,498,327	3,534,405	963,922	1,058,035	723,345	0.54
2013	5,398,703	4,603,944	794,759	836,613	675,520	0.53
2014	4,915,359	4,609,606	305,753	541,920	630,894	0.26

Source: Fort Lupton Finance Department current & prior year financial statements  
Operating expenditures are net of depreciation expense

**City of Fort Lupton, Colorado**  
**Direct and Overlapping General Bonded Debt**  
**December 31, 2014**  
**(Unaudited)**

	<b>Outstanding General Obligation Bond Debt</b>	<b>Percentage Applicable to the City</b>	<b>Share of Debt Applicable to the City</b>
Direct Debt			
City of Fort Lupton	\$ -	100%	\$ -
Overlapping General Obligation Bond Debt			
Fort Lupton Fire Protection District	4,042,500	28.81%	1,164,644
Weld County School District RE-8	16,380,000	20.78%	3,403,764
Direct & Overlapping General Obligation Bonded Debt	<u>\$ 20,422,500</u>		<u>\$ 4,568,408</u>

Source: Provided by each entity

Note:

The following governments had no outstanding general obligation bond debt as of December 31, 2014:

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

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

**City of Fort Lupton, Colorado**  
**Demographic and Economic Statistics**  
**Fiscal Years 2005-2014**  
**(Unaudited)**

Year	City Population (1)	Weld County (2)		
		Personal Income Amounts (expressed in billions)	Per Capita Income	Unemployment Rate
2005	7,229	5.79	\$ 25,968.00	5.00%
2006	7,234	5.84	25,495	3.80%
2007	7,315	6.23	26,280	4.63%
2008	7,400	6.66	27,238	6.30%
2009	7,498	7.38	27,788	8.16%
2010	7,377	7.07	28,503	9.80%
2011	7,483	6.93	27,186	9.10%
2012	7,377	7.76	25,233	8.70%
2013	7,377	8.35	29,986	6.70%
2014	7,377	8.35	31,657	3.90%

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

(2) Weld County.

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

**City of Fort Lupton, Colorado**

**Principal Employers**

**Fiscal Years 2014**

**(Unaudited)**

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	<u>Employees</u>	<u>Rank</u>
Halliburton	950	1
A&W Water Supply	500	2
Weld Schol RE8	150	3
City of Fort Lupton	126	4
Golden Aluminum	105	5
San Jel	80	6
Safeway	71	7
Redi Services	65	8
Leed Energy Services	65	9
BMC Truss	65	10

Source: City of Fort Lupto Economic Development Department

Information not available for prior years. Data will be accumulated over time.

**City of Fort Lupton, Colorado**

**Full time Equivalent City Government Employees by Function**

**Fiscal Years 2005-2014**

**(Unaudited)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Function:</b>										
General Government	20.4	20.6	21.65	21.9	22.15	22.15	16.53	17.65	18.15	19.65
Building & Grounds	7.36	9.03	9.52	8.43	8.43	8.43	8.39	9.39	10.89	10.79
Public Works	13	12.15	10	12	12	12	11	10	12	12
Public Safety	18	17	20	19	19	19	13	12	13	13
Culture, Parks & Recreation	5.43	5.43	5.61	3.32	3.32	3.32	2.11	1.98	2.23	2.23
Utility	1	1	1	1	1	0	0	0	0	0
Recreation Center	13.2	13.35	13.35	15.27	13.31	13.31	11.71	11.71	11.71	11.71
<b>Total</b>	<b>78.39</b>	<b>78.56</b>	<b>81.13</b>	<b>80.92</b>	<b>79.21</b>	<b>78.21</b>	<b>62.74</b>	<b>62.73</b>	<b>67.98</b>	<b>69.38</b>

Source: City of Fort Lupton Finance Department

**Miscellaneous Statistics**  
**Fiscal Years 2014**  
**(Unaudited)**

**2014**

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Number of Employees	
Non-Exempt (hourly)	69
Exempt (salary)	15
Area (sq. miles)	9.7
Miles of streets maintained	39.38
Population (est.)	7651
Elected Officials	7
Employees (Full-time equivalents)	69.38
Police Protection:	
Number of Stations	1
Number of Sworn Police Officers	12
Municipal Water and Sewer:	
Miles of Water Mains	45
Miles of Sanitary Sewer Mains	36
Miles of Storm Sewer Mains	26
Municipal Parks and Recreation:	
Number of Indoor Swimming Pools	1
Parks (Developed/Undeveloped)	11/3
Services not included in the reporting entity:	
Fire Protection (Fort Lupton Fire Protection District):	2
Electricity Services (United Power)	-
Natural Gas Service (Xcel Energy)	-
School District - Weld County School District RE-8	4

Source: City of Fort Lupton Finance Department  
Information not available for prior years. Ten year data will be accumulated over time.

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

**LOCAL HIGHWAY FINANCE REPORT**

City or County:  
City of Fort Lupton  
YEAR ENDING :  
December 2014

This Information From The Records Of City of Fort Lupton:

Prepared By: Kris Kindle  
Phone: (720) 466-6121

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

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

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	763,986
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	322,310
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	81,423
2. General fund appropriations		b. Snow and ice removal	18,009
3. Other local imposts (from page 2)	920,386	c. Other	18,653
4. Miscellaneous local receipts (from page 2)	142,580	d. Total (a. through c.)	118,085
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	636,047
a. Bonds - Original Issues		6. Total (1 through 5)	1,840,428
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,062,967	b. Redemption	
<b>B. Private Contributions</b>	260,000	c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	281,412	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	1,604,379	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	1,840,428

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	(1,344,633)	1,604,379	1,840,428	(1,580,682)	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2014	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	874
b. Other local imposts:		b. Traffic Fines & Penalties	43,957
1. Sales Taxes	494,998	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	126,967	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	0
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	298,421	g. Other Misc. Receipts	75,000
6. Total (1. through 5.)	920,386	h. Other	22,749
c. Total (a. + b.)	920,386	i. Total (a. through h.)	142,580
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	245,182	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	29,732	d. Federal Transit Admin	
d. Other (Specify) - Street Maint.	6,498	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal - 52 Decel Lane	0
f. Total (a. through e.)	36,230	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	281,412	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs	47,107		47,107
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	0
(3). System Preservation		493,624	493,624
(4). System Enhancement & Operation	15,250	208,005	223,255
(5). Total Construction (1) + (2) + (3) + (4)	15,250	701,629	716,879
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	62,357	701,629	763,986
			(Carry forward to page 1)
<b>Notes and Comments:</b>			