

# CONTINUING DISCLOSURE REPORT

For the year ended  
December 31, 2014



City of  
**LONGMONT**  
Colorado

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# FINANCE DEPARTMENT

350 Kimbark Street, Longmont, Colorado 80501

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September 24, 2015

In connection with the issuance of municipal securities, the City of Longmont has agreed to provide certain continuing disclosure for the benefit of the holders of such securities. The commitments to provide such disclosure, commonly referred to as “continuing disclosure undertakings”, have been undertaken in conformity with the requirements established by Rule 15c2-12 (the Rule) under the Securities Exchange Act of 1934. The Rule was in effect at the time of the issuance of the securities, and references to the Rule in this report are to Rule 15c2-12 in effect at the time of execution and delivery of each continuing disclosure undertaking. This report is meant to supplement and complement information found within the City of Longmont’s 2014 Comprehensive Annual Financial Report (CAFR) and is not intended to be viewed as a fully inclusive compliance document.

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

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

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Golden", is written over the typed name and title.

James M. Golden  
Director of Finance  
City of Longmont

## **Reporting of Significant Events**

As of December 31, 2014 the City of Longmont had outstanding four different types of obligations: Sales & Use Tax Revenue bonds, Enterprise Revenue Bonds, Loans and Certificates of Participation.

Information related to the disclosures made by the City can be found at the City's disclosure portal, also known as EMMA – Electronic Municipal Market Access, at [www.emma.msrb.org](http://www.emma.msrb.org).

## **Subsequent Events**

The City of Longmont November 2013 election authorized the issuance of Wastewater Enterprise Bonds. On August 25, 2015 the City of Longmont issued \$31,100,000 of Wastewater Enterprise Revenue Bonds.

## **Statistical Disclosure**

This Continuing Disclosure Report reflects each debt structure outstanding as of December 31, 2014 requiring annual reporting: (1) Sales and Use Tax Revenue Bonds (2) Enterprise Revenue Bonds (3) Certificates of Participation.

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

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

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

Summarized below is a listing, including the CUSIP 6-digit issuer number, of all obligations outstanding by type as of December 31, 2014.

### **Sales & Use Tax Revenue Bonds**

Sales and Use Tax Revenue Refunding Bonds, Series 2006 – CUSIP #543103

Open Space Revenue Refunding Bonds, Series 2010A and Series 2010B – CUSIP #543103

### **Enterprise Bonds**

Storm Drainage Revenue Refunding Bonds, Series 2008 – CUSIP #54310P

Electric and Broadband Utility Enterprise Revenue Bonds, Series 2014 – CUSIP #543097

Wastewater Revenue Refunding Bonds, Series 2010A and Series 2010B - CUSIP #543098

Wastewater Revenue Refunding Bonds, Series 2013 – CUSIP #543098

Storm Drainage Revenue Bonds, Series 2014 – CUSIP #54310P

### **Certificates of Participation**

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

Sales and Use Tax  
Revenue Refunding Bonds

Series 2006

(CUSIP #543103)

Table 1.1

**Pro-Forma Debt Service Coverage**

<u>Year</u>	<u>Pledged Sales and Use Tax Revenues (1)</u>	<u>Maximum Annual Debt Service on the 2006 Bonds (2)</u>	<u>Coverage</u>
1995	\$ 13,584,927	\$ 2,897,550	4.69
1996	14,898,098	2,897,550	5.14
1997	16,627,320	2,897,550	5.74
1998	18,776,718	2,897,550	6.48
1999	20,299,652	2,897,550	7.01
2000	24,381,820	2,897,550	8.41
2001	26,260,919	2,897,550	9.06
2002	25,229,706	2,897,550	8.71
2003	25,292,326	2,897,550	8.73
2004	26,834,839	2,897,550	9.26
2005	27,250,464	2,897,550	9.40
2006	27,998,620	2,799,100	10.00
2007	28,532,328	2,799,100	10.19
2008	28,160,393	2,799,100	10.06
2009	26,067,179	2,799,100	9.31
2010	27,221,782	2,799,100	9.73
2011	28,823,947	2,799,100	10.30
2012	30,105,775	2,799,100	10.76
2013	31,951,254	2,799,100	11.41
2014	34,361,981	2,799,100	12.28
2015 (3)	13,529,397 (3)	2,799,100	4.83

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

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

(3) Represents Pledged Sales and Use Tax Revenues collected through May 31, 2015.

**Comparative Disclosure Adjustments and Analysis**  
 Related to Table 1.1  
**Pro-Forma Debt Service Coverage**

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

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

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

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



**Annual History of City Sales and Use Tax Collections**

<u>Year</u>	<u>Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales &amp; Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
1995	\$ 14,791,313	---	\$ 3,887,961	---	\$ 18,679,274	---
1996	16,077,627	8.70 %	4,407,257	13.36 %	20,484,884	9.67 %
1997	17,955,152	11.68 %	4,907,413	11.35 %	22,862,565	11.61 %
1998	20,027,757	11.54 %	5,790,230	17.99 %	25,817,987	12.93 %
1999	21,974,302	9.72 %	5,937,720	2.55 %	27,912,022	8.11 %
2000	25,609,889	16.54 %	7,915,113	33.30 %	33,525,002	20.11 %
2001 (1)	29,711,296	16.01 %	8,896,046	12.39 %	38,607,342	15.16 %
2002	29,268,352	(1.49) %	8,014,657	(9.91) %	37,283,009	(3.43) %
2003	29,646,403	1.29 %	8,077,110	0.78 %	37,723,513	1.18 %
2004	30,920,491	4.30 %	8,798,520	8.93 %	39,719,011	5.29 %
2005	31,767,568	2.74 %	8,459,373	(3.85) %	40,226,941	1.28 %
2006	33,451,047	5.30 %	7,846,915	(7.24) %	41,297,962 (4)	2.66 %
2007 (2)	39,519,208	18.14 %	7,201,121	(8.23) %	46,720,329 (4)	13.13 %
2008	39,027,017	(1.25) %	7,085,626	(1.60) %	46,112,643	(1.30) %
2009	37,013,856	(5.16) %	5,671,150	(19.96) %	42,685,006 (4)	(7.43) %
2010	38,265,468	3.38 %	6,310,198	11.27 %	44,575,666 (4)	4.43 %
2011	40,109,760	4.82 %	7,089,453	12.35 %	47,199,213 (4)	5.89 %
2012	41,378,361	3.16 %	7,919,845	11.71 %	49,298,206 (4)	4.45 %
2013	43,969,073	6.26 %	8,351,103	5.45 %	52,320,176	6.13 %
2014	46,935,209	6.75 %	9,332,536	11.75 %	56,267,745	7.55 %
2015 (3)	18,346,156	n/a	3,808,234	n/a	22,154,390	n/a

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

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

(3) Represents Sales and Use Tax Revenues collected through May 31, 2015.

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

**Comparative Disclosure Adjustments and Analysis**  
Related to Table 1.2

**Annual History of City Sales and Use Tax Collections**

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

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

Table 1.3

**General Fund - Budget Summary and Comparison**

	2014 Final Budget	Actual 2014	2015 Amended Budget	Actual 6/30/2015 (1)
<b>REVENUES</b>				
Taxes	\$ 49,787,556	\$ 51,516,646	\$ 52,312,552	\$ 29,386,012
Licenses and permits	994,932	1,545,246	1,405,829	922,933
Intergovernmental	2,062,214	1,565,205	734,163	324,016
Charges for services	12,185,406	12,703,823	5,889,772	3,177,159
Interfund transfers	210,821	692,017	6,607,314	3,227,331
Fines and forfeits	1,355,800	1,208,723	1,240,700	596,216
Interest earnings	89,000	134,974	75,000	38,826
Miscellaneous	175,523	286,446	96,635	60,684
Proceeds from Advance	-	-	1,120,000	1,120,000
Total Sources of Funds	<u>66,861,252</u>	<u>69,653,080</u>	<u>69,481,965</u>	<u>38,853,177</u>
<b>EXPENDITURES</b>				
General government	26,571,971	21,861,379	27,444,862	10,524,120
Public Safety	32,446,178	32,579,528	33,292,014	15,800,278
Culture and recreation	15,398,577	14,522,212	14,890,312	6,660,677
Total Expenditures	<u>74,416,726</u>	<u>68,963,119</u>	<u>75,627,188</u>	<u>32,985,075</u>
Excess of revenues of over (under) expenditures	(7,555,474)	689,961	(6,145,223)	5,868,102
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	-	-	(550,729)	(17,846)
Total other financing sources (uses)	-	-	(550,729)	(17,846)
Excess of revenues and other sources over (under) expenditures and other uses	(7,555,474)	689,961	(6,695,952)	5,850,256
<b>BEGINNING FUND BALANCE</b>	<u>16,628,075</u>	<u>16,628,075</u>	<u>17,318,036</u>	<u>17,318,036</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 9,072,601</u>	<u>\$ 17,318,036</u>	<u>\$ 10,622,084</u>	<u>\$ 23,168,292</u>

(1) Source June 30, 2015 Interim, unaudited reports.

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

**Public Improvement Fund - Budget Summary and Comparison**

	2014 Final Budget	Actual 2014	2015 Amended Budget (1)	Actual at 6/30/2015 (1)
<b>REVENUES</b>				
Taxes	\$ 3,736,454	\$ 4,471,068	\$ 4,256,449	\$ 1,995,579
Intergovernmental	6,146,162	728,889	-	2,342
Transfers In	660,000	523,717	539,539	6,399
Interest earnings	10,000	34,973	7,000	12,053
Private grants/donations	1,542,269	1,059,245	-	220,000
Miscellaneous Revenue	-	46	-	250
Total Sources of Funds	<u>12,094,885</u>	<u>6,817,938</u>	<u>4,802,988</u>	<u>2,236,623</u>
<b>EXPENDITURES</b>				
Capital projects	16,479,044	3,201,073	10,094,582	5,157,120
Bond principal retired	-	2,065,000	-	-
Interest and fiscal charges	-	658,025	-	-
Total Expenditures	<u>16,479,044</u>	<u>5,924,098</u>	<u>10,094,582</u>	<u>5,157,120</u>
Excess of revenues of over (under) expenditures	(4,384,159)	893,840	(5,291,594)	(2,920,497)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(20,795)	-	-
Total other financing sources (uses)	-	(20,795)	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(4,384,159)	873,045	(5,291,594)	(2,920,497)
BEGINNING FUND BALANCE	<u>\$ 4,536,382</u>	<u>\$ 4,536,382</u>	<u>\$ 5,409,427</u>	<u>\$ 5,409,427</u>
ENDING FUND BALANCE	<u>\$ 152,223</u>	<u>\$ 5,409,427</u>	<u>\$ 117,833</u>	<u>\$ 2,488,930</u>

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

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

	Fiscal Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>REVENUE</b>					
Taxes(2)	\$ 44,438,338	\$ 45,676,651	\$ 46,858,516	\$ 49,064,566	\$ 51,516,646
Licenses and permits	911,127	935,881	1,189,318	1,262,587	1,545,246
Intergovernmental	619,302	638,099	1,049,351	1,043,373	1,565,205
Charges for services	12,783,664	12,439,300	12,981,298	12,872,106	12,704,076
Fines and forfeits	1,442,613	1,365,678	1,426,776	1,048,076	1,208,723
Investment income	170,908	204,438	140,541	1,960	165,222
Miscellaneous income	119,482	339,354	265,343	299,480	286,468
Total revenue	<u>60,485,434</u>	<u>61,599,401</u>	<u>63,911,143</u>	<u>65,592,148</u>	<u>68,991,586</u>
<b>EXPENDITURES</b>					
Current					
General government	17,508,296	19,300,872	23,201,064	20,555,032	21,111,878
Public Safety	28,014,680	29,022,194	30,479,357	31,466,991	32,520,433
Culture and recreation	12,856,376	12,704,345	13,750,099	13,840,357	14,606,326
Total Expenditures	<u>58,379,352</u>	<u>61,027,411</u>	<u>67,430,520</u>	<u>65,862,380</u>	<u>68,238,637</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>2,106,082</u>	<u>571,990</u>	<u>(3,519,377)</u>	<u>(270,232)</u>	<u>752,949</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Lease proceeds	74,088	-	3,195,823	-	-
Operating transfers in	75,581	168,815	1,487,445	3,155,937	834,664
Operating transfers out	(191,328)	(1,039,053)	(686,158)	(709,622)	(825,911)
Total other financing sources (uses)	<u>(41,659)</u>	<u>(870,238)</u>	<u>3,997,110</u>	<u>2,446,315</u>	<u>8,753</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>2,064,423</u>	<u>(298,248)</u>	<u>477,733</u>	<u>2,176,083</u>	<u>761,702</u>
FUND BALANCE, January 1	\$ 12,140,741	\$ 15,200,875	\$ 14,902,627	\$ 15,380,360	\$ 17,556,443
Adjustments to fund balance(3)	<u>995,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restated fund balance	13,136,452	15,200,875	14,902,627	15,380,360	17,556,443
FUND BALANCE, December 31	<u>\$ 15,200,875</u>	<u>\$ 14,902,627</u>	<u>\$ 15,380,360</u>	<u>\$ 17,556,443</u>	<u>\$ 18,318,145</u>

(1) GAAP basis.

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

(3) Reflects reporting change in relation to the adoption of GASB Statement no. 54.

Table 1.6

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

	Fiscal Year Ended Dec. 31,				
	2010	2011	2012	2013	2014
<b>REVENUE</b>					
Taxes(2)	\$ 3,581,110	\$ 4,261,032	\$ 3,999,340	\$ 4,068,199	\$ 4,471,068
Intergovernmental	32,587	-	-	-	728,889
Interest earnings	61,818	49,294	37,849	(3,887)	34,973
Private grants/donations	-	-	292,326	1,123,350	1,059,245
Miscellaneous	24,615	25,000	823	-	46
Total revenue	<u>3,700,130</u>	<u>4,335,326</u>	<u>4,330,338</u>	<u>5,187,662</u>	<u>6,294,221</u>
<b>EXPENDITURES</b>					
Capital projects	893,318	2,193,219	3,375,563	2,382,196	3,201,073
Debt service	2,674,623	2,683,810	2,666,125	2,718,925	2,065,000
Interest and fiscal charges	-	-	-	-	658,025
Total Expenditures	<u>3,567,941</u>	<u>4,877,029</u>	<u>6,041,688</u>	<u>5,101,121</u>	<u>5,924,098</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>132,189</u>	<u>(541,703)</u>	<u>(1,711,350)</u>	<u>86,541</u>	<u>370,123</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	-	850,000	266,300	250,000	523,717
Operating transfers out	<u>(5,467)</u>	<u>(16,274)</u>	<u>(17,632)</u>	<u>(12,653)</u>	<u>(20,795)</u>
Total other financing sources (uses)	<u>(5,467)</u>	<u>833,726</u>	<u>248,668</u>	<u>237,347</u>	<u>502,922</u>
<b>EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>126,722</u>	<u>292,023</u>	<u>(1,462,682)</u>	<u>323,888</u>	<u>873,045</u>
<b>FUND BALANCE, January 1</b>	\$ 5,256,431	\$ 5,383,153	\$ 5,675,176	\$ 4,212,494	\$ 4,536,382
<b>FUND BALANCE, December 31</b>	<u>\$ 5,383,153</u>	<u>\$ 5,675,176</u>	<u>\$ 4,212,494</u>	<u>\$ 4,536,382</u>	<u>\$ 5,409,427</u>

(1) GAAP basis.

(3) Reflects the cumulative effects of corrections to prior period financial statements in fiscal year 1995.

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

(CUSIP #543103)

**Historical Pledged Revenues and Pro-Forma Debt Service Coverage**

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

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

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



Table 2.2

**Annual History of Pledged Sales and Use Tax Collections**

<u>Year</u>	<u>Open Space Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Open Space Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales &amp; Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
2005	\$2,151,677	--	\$575,573	--	\$2,727,250	--
2006	2,267,867	5.40 %	531,994	(7.57) %	2,799,861	2.66 %
2007	2,409,631	6.25 %	443,600	(16.62) %	2,853,231	1.91 %
2008	2,385,798	(0.99) %	430,241	(3.01) %	2,816,039	(1.30) %
2009	2,260,388	(5.26) %	346,330	(19.50) %	2,606,718	(7.43) %
2010	2,336,822	3.38 %	385,356	11.27 %	2,722,178	4.43 %
2011	2,449,451	4.82 %	432,944	12.35 %	2,882,395	5.89 %
2012	2,526,923	3.16 %	483,655	11.71 %	3,010,578	4.45 %
2013	2,685,133	6.26 %	509,991	5.45 %	3,195,124	6.13 %
2014	2,866,270	6.75 %	569,926	11.75 %	3,436,196	7.55 %
2015	1,120,382 (1)	-	232,564 (1)	-	1,352,946 (1)	-

(1) Includes collections through 6/30/15 (for sales made in January through May 2015).

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

	Fiscal Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>REVENUE</b>					
Taxes(1)	\$ 2,722,178	\$ 2,882,395	\$ 3,010,578	\$ 3,195,124	\$ 3,436,196
Developer Participation	-	-	22,269	-	-
Intergovernmental	-	211,698	194,914	286,310	185,435
Private Grants	-	-	11,000	-	-
Investment income	50,191	47,304	39,570	5,787	38,225
Miscellaneous income	74,583	134,877	112,404	57,483	78,500
Total revenue	<u>2,846,952</u>	<u>3,276,274</u>	<u>3,390,735</u>	<u>3,544,704</u>	<u>3,738,356</u>
<b>EXPENDITURES</b>					
Current					
Culture and recreation	6,979,820	619,167	2,548,465	1,872,505	4,649,658
Debt Service					
Bond principal retired	-	1,060,000	1,145,000	1,150,000	1,160,000
Interest and fiscal charges	378,338	1,208,205	1,091,214	1,068,314	1,045,314
Bond issuance costs	408,421	-	-	-	-
Total Expenditures	<u>7,766,579</u>	<u>2,887,372</u>	<u>4,784,679</u>	<u>4,090,819</u>	<u>6,854,972</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(4,919,627)</u>	<u>388,902</u>	<u>(1,393,944)</u>	<u>(546,115)</u>	<u>(3,116,616)</u>
<b>OTHER FINANCING SOURCES (uses)</b>					
Transfers in:					
Street Fund	-	-	-	148,500	-
Fleet Fund	-	-	-	13,684	-
Self Insurance Fund	-	-	-	-	49,119
Transfers out:					
Art in public places fund	-	(163)	(1,274)	(7,218)	(28,905)
General Fund	-	-	(694)	(251)	(90)
Issuance of long-term debt	29,770,000	-	-	-	-
Premium on issuance of long-term debt	177,173	-	-	-	-
Payment to refunded bond escrow agent	(14,732,432)	-	-	-	-
Total other financing sources (uses)	<u>15,214,741</u>	<u>(163)</u>	<u>(1,968)</u>	<u>154,715</u>	<u>20,124</u>
<b>Net Changes in Fund Balance</b>	<u>10,295,114</u>	<u>388,739</u>	<u>(1,395,912)</u>	<u>(391,400)</u>	<u>(3,096,492)</u>
FUND BALANCE, January 1	\$ 487,913	\$ 10,783,027	\$ 11,171,766	\$ 9,775,854	\$ 9,384,454
FUND BALANCE, December 31	<u>\$ 10,783,027</u>	<u>\$ 11,171,766</u>	<u>\$ 9,775,854</u>	<u>\$ 9,384,454</u>	<u>\$ 6,287,962</u>

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

**Open Space Fund - Budget to Actual Comparison**

	Amended Budget 2014	Actual through 6/30/14(1)	Amended Budget 2015	Actual through 6/30/15(1)
<b>REVENUES</b>				
Sales tax	\$ 2,717,294	\$ 1,423,760	\$ 2,870,279	\$ 1,431,384
Use tax	476,257	313,943	590,248	273,141
Developer Participation	-	-	-	-
Interest income	21,067	13,975	10,000	13,371
Private Grants/donations	-	-	-	-
Miscellaneous	40,000	26,109	40,000	169,116
Intergovernmental	1,990,666	95,092	2,964,301	754,874
Total Revenue	<u>5,245,284</u>	<u>1,872,879</u>	<u>6,474,828</u>	<u>2,641,886</u>
<b>EXPENDITURES</b>				
Open Space Operations	7,640,161	1,704,348	5,243,149	608,941
Debt Service				
Interest and fiscal charges	1,045,314	522,657	1,022,114	511,057
Bond principal retired	1,160,000	-	1,165,000	-
Total Expenditures	<u>9,845,475</u>	<u>2,227,005</u>	<u>7,430,263</u>	<u>1,119,998</u>
Excess/Deficiency of Revenues Over (Under) Expenditures	(4,600,191)	(354,126)	(955,435)	1,521,888
<b>OTHER FINANCING SOURCES (uses)</b>				
Transfers out				
Art in public places fund	(19,185)	-	-	-
General fund	(90)	-	-	-
Total other financing sources (uses)	<u>(19,275)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(4,619,466)	(354,126)	(955,435)	1,521,888
BEGINNING FUND BALANCE, January 1	\$ 9,384,454	\$ 9,384,454	\$ 6,287,962	\$ 6,287,962
ENDING FUND BALANCE, June 30	<u>\$ 4,764,988</u>	<u>\$ 9,030,328</u>	<u>\$ 5,332,527</u>	<u>\$ 7,809,850</u>

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(1) Unaudited, interim information only.

**Storm Drainage**

**Revenue Bonds**

**Series 2008**

(CUSIP #54310P)

Table 3.1

**History of Storm Drainage Revenues**

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

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended 2003-2014.

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

	2013 Final Budget	Actual 2013	2014 Final Budget	Actual 2014	Budget 2015
<b>REVENUES</b>					
Charges for services	\$ 3,739,242	\$ 4,027,152	\$ 6,339,805	\$ 6,579,550	\$ 6,402,517
Plant investment fee	25,070	146,340	94,827	235,532	137,619
Intergovernmental	1,225,000	33,992	7,810,040	1,436,590	1,026,304
Investment income	33,457	(13,883)	20,683	50,134	15,410
Miscellaneous	31,212	44,432	31,836	79,408	32,473
Proceeds from long-term loan	2,600,000	-	-	21,777,953	-
<b>Total revenues</b>	<u>7,653,981</u>	<u>4,238,033</u>	<u>14,297,191</u>	<u>30,159,167</u>	<u>7,614,323</u>
<b>EXPENSES</b>					
Administration	716,848	620,673	874,321	1,074,163	1,818,640
Maintenance/Development	2,424,817	1,339,914	4,161,089	1,667,070	2,054,456
Administrative Fees	452,283	452,283	420,772	420,772	403,149
<b>Total operations</b>	<u>3,593,948</u>	<u>2,412,870</u>	<u>5,456,182</u>	<u>3,162,005</u>	<u>4,276,245</u>
Debt service	1,083,532	1,184,654	2,383,757	2,455,498	2,870,575
Capital outlay	6,861,432	4,771,090	11,146,688	3,628,730	12,027,200
<b>Total expenses</b>	<u>11,538,912</u>	<u>8,368,614</u>	<u>18,986,627</u>	<u>9,246,233</u>	<u>19,174,020</u>
<b>Excess of revenues (under) expenses</b>	<u>\$ (3,884,931)</u>	<u>\$ (4,130,581)</u>	<u>\$ (4,689,436)</u>	<u>\$ 20,912,934</u>	<u>\$ (11,559,697)</u>
<b>RECONCILIATION TO NET INCOME (GAAP BASIS)</b>					
Add: Additions to plant and equipment					
Capital outlay		\$ 4,771,090		\$ 3,628,730	
Capitalized salaries		44,119		151,800	
Capitalized interest		511,174		523,197	
Capital contributions		138,279		535,270	
		<u>5,464,662</u>		<u>4,838,997</u>	
Principal retired		565,000		1,885,000	
		<u>6,029,662</u>		<u>6,723,997</u>	
Less: Depreciation		1,340,628		1,395,679	
Impairment loss		6,343,272 (1)		-	
Proceeds from issuance of bonds		-		21,777,953	
		<u>7,683,900</u>		<u>23,173,632</u>	
<b>Net income (GAAP basis)</b>		<u>\$ (5,784,819)</u>		<u>\$ 4,463,299</u>	

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

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

	<b>Fiscal Year Ended December 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 3,420,656	\$ 3,395,622	\$ 3,835,700	\$ 4,027,152	\$ 6,579,550
<b>OPERATING EXPENSES</b>					
Administration	900,119	966,516	1,021,242	1,184,587	1,844,970
Maintenance/Development	745,619	780,133	716,653	674,955	737,224
Depreciation	956,836	1,126,588	1,253,769	1,340,628	1,395,679
Administrative fees	517,728	463,110	421,171	452,283	420,772
Total operating expenses	<u>3,120,302</u>	<u>3,336,347</u>	<u>3,412,835</u>	<u>3,652,453</u>	<u>4,398,645</u>
Operating income (loss)	<u>300,354</u>	<u>59,275</u>	<u>422,865</u>	<u>374,699</u>	<u>2,180,905</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	55,580	30,573	16,276	(13,883)	50,134
Miscellaneous	42,464	48,175	32,116	44,432	79,408
Intergovernmental	4,059	483,063	2,516,937	33,992	1,436,590
Interest	(16,895)	(6,414)	(9,094)	(2,581)	(47,301)
Bond/Loan issuance expense (2)	(6,653)	(6,654)	(6,654)	(105,899)	-
Net non-operating revenues	<u>78,555</u>	<u>548,743</u>	<u>2,549,581</u>	<u>(43,939)</u>	<u>1,518,831</u>
Change in net position before transfers and capital contributions	<u>378,909</u>	<u>608,018</u>	<u>2,972,446</u>	<u>330,760</u>	<u>3,699,736</u>
<b>CAPITAL CONTRIBUTIONS</b>	120,618	2,781,729	163,868	284,619	770,802
<b>SPECIAL ITEM</b>					
Impairment loss	-	-	-	(6,343,272) (1)	-
<b>TRANSFERS</b>					
Transfers in	7,121	-	-	-	-
Transfers out	(37,781)	(12,832)	(55,869)	(56,926)	(7,239)
Change in net position	468,867	3,376,915	3,080,445	(5,784,819)	4,463,299
<b>TOTAL NET POSITION - January 1</b>	<u>\$ 42,294,540</u>	<u>\$ 42,763,407</u>	<u>\$46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$ 43,435,948</u>
<b>TOTAL NET POSITION-December 31</b>	<u>\$ 42,763,407</u>	<u>\$ 46,140,322</u>	<u>\$49,220,767</u>	<u>\$ 43,435,948</u>	<u>\$ 47,899,247</u>

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

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

**Pro-Forma Debt Service Coverage (1)**

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

- (1) Includes only storm drainage user charge revenues and storm drainage plant investment fees, and does not include developer participation, investment income or miscellaneous income. See "Pledged Revenues" above and "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees."
- (2) Revenues increased in User Charge revenues due in part to a rate increase as described in "THE STORM DRAINAGE - Fees." Also see "Storm Drainage Fees" above.
- (3) Represents the Maximum Annual Debt Service on the 2008 Bonds (occurring in 2028). See "DEBT SERVICE REQUIREMENTS."



**Electric and Broadband Utility**

**Enterprise Revenue Bonds**

**Series 2014**

(CUSIP #543097)

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

	2010	2011	2012	2013	2014	Budgeted 2015
<b>Gross Pledged Revenues</b>						
<b>Electric System</b>						
Charges for services	\$49,440,782	\$53,838,044	\$57,182,388	\$60,870,571	\$63,158,938	\$66,289,000
Electric Aid to Construction (1)	384,005	464,804	680,804	1,245,959	1,686,685	900,000
Other (2)	243,359	271,240	214,835	130,370	332,630	405,200
	<u>50,068,146</u>	<u>54,574,088</u>	<u>58,078,027</u>	<u>62,246,900</u>	<u>65,178,253</u>	<u>67,594,200</u>
<b>Broadband System</b>						
Charges for services	293,519	282,208	290,774	316,941	614,926	1,789,910
Other (3)	197,787	37,185	8,671	1,806	48,272	500
	<u>491,306</u>	<u>319,393</u>	<u>299,445</u>	<u>318,747</u>	<u>663,198</u>	<u>1,790,410</u>
<b>Total Gross Pledged Revenues</b>	<u>50,559,452</u>	<u>54,893,481</u>	<u>58,377,472</u>	<u>62,565,647</u>	<u>65,841,451</u>	<u>69,384,610</u>
<b>Operation and Maintenance Expenses (4)</b>						
Electric System	45,360,028	49,436,713	50,834,779	53,099,447	52,003,050	57,145,454
Broadband System	125,040	138,080	316,445	720,652 (6)	2,936,261	2,769,255
<b>Total O&amp;M Expenses</b>	<u>45,485,068</u>	<u>49,574,793</u>	<u>51,151,224</u>	<u>53,820,099</u>	<u>54,939,311</u>	<u>59,914,709</u>
<b>Net Pledged Revenues</b>	\$5,074,384	\$5,318,688	\$7,226,248	\$8,745,548	\$10,902,140	\$9,469,901
<b>Combined Maximum Annual Principal and Interest Requirements (5)</b>	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013	\$3,717,013
<b>Pro-Forma Coverage</b>	1.37x	1.43x	1.94x	2.35x	2.93x	2.55x

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

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

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

(4) Generally includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation or amortization. Also does not include franchise fees paid by each portion of the System. Current City financial policies require the Electric System and the Broadband System to pay the General Fund franchise fees of 8% and 5% respectively, of current year revenues. The obligation to pay franchise fees is subordinate to the obligation to pay debt service on the 2014 Bonds.

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

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

Source: Derived from the City's audited financial statements for 2010-2014 and the 2015 Budget.

**Electric System User Charges - 2015**

Rate Description	Charges	Rates
<b>Residential Rates</b>		
Residential Energy	Customer Charge	\$10.4000
	0-750 kwh	\$0.0755
	751-1500 kwh	\$0.0823
	1501 kwh and above	\$0.0930
Residential Demand	Customer Charge	\$15.4000
	kwh	\$0.0431
	max kw	\$5.7500
Residential Generation	Customer Charge	\$22.4000
	kwh below average	\$0.0590
	kwh above average	\$0.0755
Renewable	kwh	\$ 0.0296
<b>Commercial Rates</b>		
Commercial Energy	Customer Charge	\$16.4000
	kwh	\$ 0.0780
Commercial Demand	Customer Charge	\$42.3000
	kwh	\$0.0431
	max kw	\$12.0000
Commercial Energy Generation	Customer Charge	\$53.5000
	kwh below average	\$0.0561
	kwh above average	\$0.0780
Commercial Demand Generation	Customer Charge	\$42.3000
	kwh	\$0.0431
	max kw	\$12.0000
<b>Unmetered Energy Rates</b>		
Unmetered 1-49 watt	Customer Charge	\$ 6.80
Unmetered 50-149 watt	Customer Charge	\$ 8.00
Unmetered 150-249 watt	Customer Charge	\$ 10.50
Unmetered 250 & over	Customer Charge	\$ 12.40
Power Supply	Customer Charge	\$ 43.00

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

Source: Longmont Power and Communications, City of Longmont.

**History of Electric System Customers**

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

Source: Longmont Power and Communications, City of Longmont.

**Electric System Customer Information by Customer Type**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Electric Sales in MWH</b>					
Residential	313,853	312,726	314,664	309,764	302,116
Commercial	344,546	347,587	352,736	348,984	354,705
Industrial	132,790	138,502	126,753	118,885	114,369
<b>Total</b>	<b>791,189</b>	<b>798,815</b>	<b>794,153</b>	<b>777,633</b>	<b>771,190</b>
<b>Electric Revenue (in 000s)</b>					
Residential	\$ 21,953	\$ 23,648	\$ 25,512	\$ 27,088	\$ 27,927
Commercial	20,917	22,598	24,151	25,884	27,252
Industrial	6,611	7,426	7,321	7,366	7,543
<b>Total</b>	<b>\$ 49,481</b>	<b>\$ 53,672</b>	<b>\$ 56,984</b>	<b>\$ 60,338</b>	<b>\$ 62,722</b>
<b>Average Customer Accounts</b>					
Residential-inside City limits	33,230	33,346	33,644	33,766	34,024
Residential-outside City limits	823	827	830	827	810
	<b>34,053</b>	<b>34,173</b>	<b>34,474</b>	<b>34,593</b>	<b>34,834</b>
Commercial-inside City limits	2,494	2,497	2,500	2,523	2,564
Commercial-outside City limits	126	127	124	119	118
	<b>2,620</b>	<b>2,624</b>	<b>2,624</b>	<b>2,642</b>	<b>2,682</b>
Industrial-inside City limits	7	9	7	8	6
Industrial-outside City limits	1	1	1	1	1
	<b>8</b>	<b>10</b>	<b>8</b>	<b>9</b>	<b>7</b>
Contract-inside City limits	1	1	0	0	0
Contract-outside City limits	1	1	1	1	1
	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Total Average Accounts</b>	<b>36,683</b>	<b>36,809</b>	<b>37,107</b>	<b>37,245</b>	<b>37,524</b>
<b>Average Use per Customer</b>					
Residential - Annual	9,217	9,151	9,128	8,955	8,673
Residential - Monthly	768	763	761	746	723
<b>Annual Peak Demand (MW)</b>					
Summer Peak	172	175	182	178	169
Winter Peak	127	131	123	129	128

Source: Longmont Power and Communications, City of Longmont.

**Largest Electric System Customers - 2014**

Customer Number (2)	Total kWh	Total kW	Total 2014 Revenue	Percent of Total 2014 Revenue(1)
126902	31,158,720	55,731	2,112,553	3.34%
264674	27,076,800	43,258	1,700,855	2.69%
125046	27,039,807	45,811	1,863,172	2.95%
127015	16,897,232	73,594	1,628,170	2.58%
231353	13,345,073	26,400	907,878	1.44%
332917	12,690,952	19,738	826,307	1.31%
126234	11,437,344	24,146	782,578	1.24%
125672	9,076,959	15,472	570,129	0.90%
369001	8,593,106	21,238	655,999	1.04%
291785	8,576,640	14,283	547,462	0.87%
<b>Total</b>	<b>165,892,633</b>	<b>339,671</b>	<b>11,595,102</b>	<b>18.36%</b>

(1) Based on total Electric System charges for service of \$63,158,948 for 2014.

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

Source: Longmont Power and Communications, City of Longmont.

**History of Broadband System Customers by Customer Class**

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

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

Source: Longmont Power and Communications, City of Longmont.

**History of Broadband System Revenues by Customer Class**

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

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

Source: Longmont Power and Communications, City of Longmont.



**Budget Summary and Comparison - Electric and Broadband Fund**

	2014	2014	2015
	Budget	Actual	Budget
<b>REVENUES</b>			
Electric charges for services	\$ 66,057,550	\$ 63,158,938	\$ 66,289,000
Electric aid to underground construction	1,100,000	1,636,214	900,000
Electric intergovernmental revenue	25,040	177,869	-
Electric interest income	20,000	48,246	30,000
Electric miscellaneous	259,310	284,384	375,200
Electric operating transfers in	40,281	40,281	40,090
Broadband charges for services	494,000	614,926	1,789,910
Broadband aid to underground construction	200,000	50,471	-
Broadband interest income	278,533	43,549	-
Broadband miscellaneous	-	4,723	500
Bond proceeds	7,438,538	40,320,609	-
<b>Total Revenue</b>	<b>\$ 75,913,252</b>	<b>\$ 106,380,210</b>	<b>\$ 69,424,700</b>
<b>EXPENSES</b>			
Electric distribution	\$ 4,410,938	\$ 4,767,167	\$ 4,483,908
Electric engineering	1,098,531	943,181	1,332,271
Electric purchased power	44,554,906	43,541,289	46,253,141
Electric administration	2,703,855	2,746,276	2,758,339
Electric franchise fee	4,992,704	5,019,901	5,275,000
Electric meter reading	332,785	340,437	407,648
Electric warehouse	400,630	413,091	504,832
Electric customer services and marketing	268,158	183,411	235,108
Electric energy services	941,942	740,397	1,170,207
Electric capital outlay	3,504,939	1,963,275	3,274,557
Broadband administration	1,653,173	1,389,881	1,401,091
Broadband franchise fee	11,910	16,769	8,142
Broadband distribution	294,877	696,954	1,170,558
Broadband engineering	78,959	127,883	197,606
Broadband debt service	886,049	912,184	1,472,013
Broadband capital outlay	7,500,000	3,295,949	18,945,458
<b>Total Expenses</b>	<b>\$ 73,634,356</b>	<b>\$ 67,098,045</b>	<b>\$ 88,889,879</b>
<b>Excess of Revenues over (under)</b>			
<b>Expenditures</b>	<b>\$ 2,278,896</b>	<b>\$ 39,282,165</b>	<b>\$ (19,465,179)</b>

Source: Derived from the 2014 and 2015 Budgets and the audited 2014 financial statements provided by the City of Longmont.

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

	<u>2013 (3)</u>	<u>2014</u>
<b>Operating Revenues</b>		
Charges for services	\$ 61,187,512	\$ 63,773,864
<b>Operating Expenses</b>		
Administration	2,936,124	3,693,506
Purchased power/cost of sales/premiums	43,744,408	43,541,289
Transmission/distribution	5,474,986	6,069,814
Depreciation	2,377,522	2,531,638
Administrative fees (1)	1,664,581	1,634,702
Franchise fee (2)	4,848,046	5,036,670
Total operating expenses	<u>61,045,667</u>	<u>62,507,619</u>
<b>Operating Income (Loss)</b>	141,845	1,266,245
<b>Non-Operating Revenues (Expenses)</b>		
Investment income (loss)	(7,230)	91,795
Miscellaneous	52,345	178,050
Intergovernmental	3,702	177,869
Other Sales	87,061	111,057
Interest Expense	-	(41,601)
Total non-operating revenues	<u>135,878</u>	<u>517,170</u>
<b>Change in net position before transfers and capital contributions</b>	277,723	1,783,415
Capital Contributions (4)	1,391,135	1,806,325
Special Item		
Impairment Loss	(118,785)	
Transfers		
Transfers in	28,168	40,281
Transfers out	<u>(664,212)</u>	<u>(200,028)</u>
<b>Change in net position</b>	914,029	3,429,993
<b>Total Net Position - January 1 (5)</b>	<u>55,492,412</u>	<u>56,406,441</u>
<b>Total Net Position - December 31 (5)</b>	<u>\$ 56,406,441</u>	<u>\$ 59,836,434</u>

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

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

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

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

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

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

Source: Derived from the City's CAFRs for the years ended December 31, 2013 and 2014.

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

(CUSIP #543098)

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

<b>Fiscal Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Gross Pledged Revenues</b>					
Charges for services	\$ 7,836,470	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986
System development fees	277,085	380,154	783,174	765,285	1,077,096
Developer participation	146,647	8,592	-	60	-
Other income	3,552	5,527	9,184	65,906	(23,084)
Interest earnings	168,769	117,574	73,249	67,280	99,692
BAB Credit on 2010B Bonds (2)	64,964	174,530	174,530	168,247	161,877
<b>Total</b>	<b>8,497,487</b>	<b>8,927,366</b>	<b>9,674,771</b>	<b>10,806,883</b>	<b>13,002,567</b>
<b>Operation and Maintenance Expenses (3)</b>	<b>6,274,255</b>	<b>6,213,740</b>	<b>6,420,819</b>	<b>7,498,334</b>	<b>8,178,180</b>
<b>Net Pledged Revenues</b>	<b>\$ 2,223,232</b>	<b>\$ 2,713,626</b>	<b>\$ 3,253,952</b>	<b>\$ 3,308,549</b>	<b>\$ 4,824,387</b>
<b>Actual Debt Service Paid (4)</b>	<b>\$ 417,786</b>	<b>\$ 1,041,896</b>	<b>\$ 1,063,995</b>	<b>\$ 1,190,917</b>	<b>\$ 1,648,608</b>
<b>Coverage</b>	5.32x	2.60x	3.06x	2.78x	2.93x
<b>Combined Maximum Annual Principal and Interest Requirements (5)</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>
<b>Pro-Forma Coverage</b>	<b>1.34x</b>	<b>1.64x</b>	<b>1.97x</b>	<b>2.00x</b>	<b>2.92x</b>

(1) Derived from the City's audited financial statements for 2010 through 2014, with the exception that investment gains and losses are excluded.

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

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

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

(5) Represents the estimated Combined Maximum Annual Principal and Interest Requirements payable on the 2010 Bonds and the 2013 Bonds (\$1,650,358 in 2016).

**Residential and Small Commercial System Development Fee Schedules - 2015**

<b><u>Meter Size</u></b>	<b>Residential <u>SDF</u></b>	<b>Small Commercial <u>SDF</u></b>
5/8 inch	\$ 4,470	\$ 5,860
3/4 inch	6,710	8,790
1 inch	11,170	14,650
1.5 inches	-	29,320
2 inches	-	46,920
3 inches	-	93,830

**History of Wastewater System Development Fees**

<b><u>Year</u></b>	<b><u>Total Number of Connections</u></b>	<b><u>Total System Development Fees</u></b>
2005	25,190	\$1,550,118
2006	25,691	\$889,964
2007	25,887	\$851,565
2008	26,044	\$288,158
2009	26,147	\$96,975
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015 (1)	26,348	\$661,440

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(1) Taps and fees collected through June 30, 2015.

**History of User Connections by Customer Type**

<b><u>Year</u></b>	<b><u>Residential Connections</u></b>	<b><u>Commercial/ Industrial Connections</u></b>	<b><u>Contract Connection</u></b>	<b><u>Other/Out of City Users</u></b>	<b><u>Total Connections</u></b>	<b><u>% Change in Connections</u></b>
2005	23,775	1,369	1	45	25,190	--
2006	24,161	1,463	1	66	25,691	2.0%
2007	24,323	1,485	1	78	25,887	0.8%
2008	24,435	1,521	1	87	26,044	0.6%
2009	24,507	1,547	1	92	26,147	0.4%
2010	24,537	1,410	1	66	26,014	-0.5%
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015 (1)	24,902	1,361	0	85	26,348	--

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(1) As of June 30, 2015.

**History of Charges for Service by Category**

<b><u>Year</u></b>	<b><u>Residential Service Charges</u></b>	<b><u>Commercial/ Industrial Service Charges</u></b>	<b><u>Other Industrial Charges (1)</u></b>	<b><u>Special Tap/ Contract Revenues</u></b>	<b><u>Miscellaneous Revenues (2)</u></b>	<b><u>Total Revenues</u></b>	<b><u>Percent Change in Revenues</u></b>
2005	\$ 5,356,563	\$ 1,144,869	\$ 273,843	\$ 407,406	\$ 10,920	\$ 7,193,601	--
2006	5,621,533	1,181,641	223,662	390,832	9,201	7,426,869	3.2%
2007	5,402,944	1,146,694	228,839	409,684	(19,603)	7,168,558	-3.5%
2008	5,436,825	1,113,443	246,565	329,322	(8,166)	7,117,989	-0.7%
2009	5,844,437	1,206,730	285,927	19,068	59,877	7,416,039	4.2%
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	5.7%
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015 (4)	5,036,035	1,097,124	31,135	1,753	14,801	6,180,848	--

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

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

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

(4) Through June 30, 2015.



**Budget Summary and Comparison - Sewer Fund**

	<b>2014 Revised Budget</b>	<b>2014 YTD (through 6/30/14) (1)</b>	<b>2015 Revised Budget</b>	<b>2015 YTD (through 6/30/15) (1)</b>
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Charges for services (2)	\$ 11,582,300	\$ 5,689,496	\$ 13,210,500	\$ 6,194,339
<b>Non-Operating Revenue</b>				
Interest income	36,300	32,026	17,900	31,325
Intergovernmental	159,346	80,982	168,247	81,794
Bond Proceeds	28,341,340	-	-	-
Grant Awards	2,018,482	-	2,940,547	-
Miscellaneous	1,500	1,102	1,545	60,456
Operating transfers in	701,271	-	551,289	-
Total non-operating revenue	<u>31,258,239</u>	<u>114,110</u>	<u>3,679,528</u>	<u>173,575</u>
<b>Total revenue</b>	<u>\$ 42,840,539</u>	<u>\$ 5,803,606</u>	<u>\$ 16,890,028</u>	<u>\$ 6,367,914</u>
<b>APPLICATION OF REVENUE</b>				
<b>Operating Expense</b>				
Director administration	266,089	128,505	264,231	123,230
Administration	1,228,934	410,840	1,329,199	461,353
Industrial pretreatment	159,543	54,613	165,619	61,559
Collection system	1,206,296	367,821	1,372,596	548,302
Treatment plant	3,034,241	1,282,597	3,093,782	1,195,888
Water quality lab	558,035	246,142	761,112	254,580
Instrumentation & control	236,190	89,430	242,556	66,187
Administrative service	753,720	376,860	797,640	398,820
Franchise equivalency	463,352	231,674	528,480	264,240
Bad debt expense	2,000	1,029	2,000	832
Emergency Event	519,136	729,553	159,945	349,010
Total operating expenses	<u>8,427,536</u>	<u>3,919,064</u>	<u>8,717,160</u>	<u>3,724,001</u>
<b>Capital Expense</b>	<u>45,539,140</u>	<u>2,529,714</u>	<u>41,827,722</u>	<u>3,215,304</u>
<b>Non-Operating Expenses</b>				
Transfers to other funds	411,800	52,283	374,353	547
<b>Debt Requirements</b>	<u>2,032,100</u>	<u>259,536</u>	<u>3,866,683</u>	<u>380,604</u>
Total expenses	<u>\$ 56,410,576</u>	<u>\$ 6,760,597</u>	<u>\$ 54,785,918</u>	<u>\$ 7,320,456</u>
<b>Additions To (Deductions From) Operating Reserves</b>	<u>(13,570,037)</u>	<u>(956,991)</u>	<u>(37,895,890)</u>	<u>(952,542)</u>
<b>Total Application of Revenue</b>	<u>\$ 42,840,539</u>	<u>\$ 5,803,606</u>	<u>\$ 16,890,028</u>	<u>\$ 6,367,914</u>

(1) Unaudited, interim information only.

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

**Budget Summary and Comparison - Sewer Construction Fund**

	<b>2014 Revised Budget</b>	<b>2014 YTD (through 6/30/14) (1)</b>	<b>2015 Revised Budget</b>	<b>2015 YTD (through 6/30/15) (1)</b>
<b>Sources of Funds</b>				
Beginning Working Capital (fund balance) (2)	\$ 2,243,768	\$ 2,243,768	\$ 2,972,070	\$ 2,972,070
Connection fee	-	80	-	-
System development fee	612,800	667,832	884,100	661,440
Developer participation	-	-	-	14,760
Interest Income	20,000	5,781	12,900	7,437
<b>Total Sources of Funds</b>	<u>2,876,568</u>	<u>2,917,461</u>	<u>3,869,070</u>	<u>3,655,707</u>
<b>Expenses</b>				
Capital Expense	11,805	-	2,982,102	-
Non-capital expense (3)	2,500	-	2,500	-
Transfers out	370,101	-	583,022	-
<b>Total Expenses</b>	<u>384,406</u>	<u>-</u>	<u>3,567,624</u>	<u>-</u>
<b>Ending Working Capital</b>	<u>\$ 2,492,162</u>	<u>\$ 2,917,461</u>	<u>\$ 301,446</u>	<u>\$ 3,655,707</u>

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(1) Unaudited, interim information only.

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

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

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

	Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>Operating Revenues</b>					
Charges for services	\$ 7,836,470	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986
<b>Operating Expenses</b>					
Administration (1)	921,756	1,040,939	973,097	968,953	1,054,139
Transmission/distribution (1)	905,219	855,620	969,029	1,684,493	2,255,778
Treatment/disposal	3,340,403	3,280,425	3,350,871	3,695,667	3,651,191
Depreciation	2,296,515	2,320,436	2,399,391	2,575,516	2,676,453
Administrative fees (2)	784,377	695,756	778,370	768,009	753,720
Franchise fee (3)	322,500	341,000	349,452	381,212	463,352
Total operating expenses	<u>8,570,770</u>	<u>8,534,176</u>	<u>8,820,210</u>	<u>10,073,850</u>	<u>10,854,633</u>
<b>Operating Income (Loss)</b>	(734,300)	(293,187)	(185,576)	(333,745)	832,353
<b>Non-Operating Revenues (Expenses)</b>					
Investment income (loss)	72,225	73,240	59,309	(7,727)	138,732
Miscellaneous	3,677	5,457	8,588	65,861	(23,205)
Intergovernmental	140,186	231,326	200,009	194,686	1,111,741
Interest expense	(65,999)	(48,535)	(25,294)	(1,354)	(31,909)
Gain (Loss) on disposal of assets	10,000	8,373	-	-	(2,294,421)
Bond/loan issuance expenses (5)	(11,493)	(19,653)	(18,882)	(189,734)	-
Total non-operating revenues	<u>148,596</u>	<u>250,208</u>	<u>223,730</u>	<u>61,732</u>	<u>(1,099,062)</u>
<b>Change in net assets before transfers and capital contributions</b>	(585,704)	(42,979)	38,154	(272,013)	(266,709)
Capital Contributions	266,369	386,050	25,360	295,352	654,766
Special Item					
Impairment loss	-	-	-	(925,375)	-
Transfers					
Transfers in	405,891	462,156	361,149	382,377	368,071
Transfers out (1)	(11,890)	(4,830)	(126,218)	(327,319)	(89,642)
<b>Change in net position</b>	74,666	800,397	298,445	(846,978)	666,486
<b>Total Net Position - January 1 (4)</b>	95,318,768	95,393,434	96,193,831	96,492,276	95,645,298
<b>Total Net Position - December 31 (4)</b>	<u>\$ 95,393,434</u>	<u>\$ 96,193,831</u>	<u>\$ 96,492,276</u>	<u>\$ 95,645,298</u>	<u>\$ 96,311,784</u>

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

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

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

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

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

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

	<b>Year Ended December 31,</b>				
	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Revenues</b>					
Licenses and permits (1)	\$ 277,028	\$ 379,979	\$ 783,770	\$ 765,285	\$ 1,077,096
Developer/owner participation	146,647	8,592	-	60	-
Investment income (loss)	17,467	14,433	10,788	(3,092)	19,156
Miscellaneous	165	245	-	45	120
<b>Total revenues</b>	<b><u>441,307</u></b>	<b><u>403,249</u></b>	<b><u>794,558</u></b>	<b><u>762,298</u></b>	<b><u>1,096,372</u></b>
<b>Expenditures</b>					
<b>Current:</b>					
Municipal utility system	<u>260,623</u>	<u>9,356</u>	<u>25,360</u>	<u>442</u>	<u>-</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b><u>180,684</u></b>	<b><u>393,893</u></b>	<b><u>769,198</u></b>	<b><u>761,856</u></b>	<b><u>1,096,372</u></b>
<b>Other Financing Sources (Uses)</b>					
Transfers out (2)	<u>(258,735)</u>	<u>(462,228)</u>	<u>(361,216)</u>	<u>(328,152)</u>	<u>(368,071)</u>
<b>Net change in fund balance</b>	<b>(78,051)</b>	<b>(68,335)</b>	<b>407,982</b>	<b>433,704</b>	<b>728,301</b>
<b>Fund Balance - January 1</b>	<b><u>1,548,469</u></b>	<b><u>1,470,418</u></b>	<b><u>1,402,083</u></b>	<b><u>1,810,065</u></b>	<b><u>2,243,769</u></b>
<b>Fund Balance - December 31</b>	<b><u><u>\$1,470,418</u></u></b>	<b><u><u>\$1,402,083</u></u></b>	<b><u><u>\$1,810,065</u></u></b>	<b><u><u>\$2,243,769</u></u></b>	<b><u><u>\$2,972,070</u></u></b>

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

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

Wastewater  
Enterprise Revenue Bonds

Series 2013

(CUSIP #543098)

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

<b><u>Fiscal Year</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Gross Pledged Revenues</b>					
Charges for services	\$ 7,836,470	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986
System development fees	277,085	380,154	783,174	765,285	1,077,096
Developer participation	146,647	8,592	-	60	-
Other income	3,552	5,527	9,184	65,906	(23,084)
Interest earnings	168,769	117,574	73,249	67,280	99,692
BAB Credit on 2010B Bonds (2)	64,964	174,530	174,530	168,247	161,877
<b>Total</b>	<b>8,497,487</b>	<b>8,927,366</b>	<b>9,674,771</b>	<b>10,806,883</b>	<b>13,002,567</b>
<b>Operation and Maintenance Expenses (3)</b>	<b>6,274,255</b>	<b>6,213,740</b>	<b>6,420,819</b>	<b>7,498,334</b>	<b>8,178,180</b>
<b>Net Pledged Revenues</b>	<b>\$ 2,223,232</b>	<b>\$ 2,713,626</b>	<b>\$ 3,253,952</b>	<b>\$ 3,308,549</b>	<b>\$ 4,824,387</b>
<b>Actual Debt Service Paid (4)</b>	<b>\$ 417,786</b>	<b>\$ 1,041,896</b>	<b>\$ 1,063,995</b>	<b>\$ 1,190,917</b>	<b>\$ 1,648,608</b>
<b>Coverage</b>	5.32x	2.60x	3.06x	2.78x	2.93x
<b>Combined Maximum Annual Principal and Interest Requirements (5)</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>	<b>1,650,358</b>
<b>Pro-Forma Coverage</b>	1.34x	1.64x	1.97x	2.00x	2.92x

(1) Derived from the City's audited financial statements for 2010 through 2014, with the exception that investment gains and losses are excluded.

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

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

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

(5) Represents the estimated Combined Maximum Annual Principal and Interest Requirements payable on the 2010 Bonds and the 2013 Bonds (\$1,650,358 in 2016).

**History of Wastewater System Development Fees**

<b><u>Year</u></b>	<b><u>Total Number of Connections</u></b>	<b><u>Total System Development Fees</u></b>
2008	26,044	\$288,158
2009	26,147	\$96,975
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015 (1)	26,348	\$661,440

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(1) Taps and fees collected through June 30, 2015.

**History of User Connections by Customer Type**

<b><u>Year</u></b>	<b><u>Residential Connections</u></b>	<b><u>Commercial/ Industrial Connections</u></b>	<b><u>Contract Connection</u></b>	<b><u>Other/Out of City Users</u></b>	<b><u>Total Connections</u></b>	<b><u>% Change in Connections</u></b>
2008	24,435	1,521	1	87	26,044	--
2009	24,507	1,547	1	92	26,147	0.4%
2010	24,537	1,410	1	66	26,014	-0.5%
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015 (1)	24,902	1,361	0	85	26,348	--

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(1) As of June 30, 2015.



**History of Charges for Service by Category**

<b>Year</b>	<b>Residential Service Charges</b>	<b>Commercial/ Industrial Service Charges</b>	<b>Other Industrial Charges (1)</b>	<b>Special Tap/ Contract Revenues</b>	<b>Miscellaneous Revenues (2)</b>	<b>Total Revenues</b>	<b>Percent Change in Revenues</b>
2008	\$ 5,436,825	\$ 1,113,443	\$ 246,565	\$ 329,322	\$ (8,166)	\$ 7,117,989	--
2009	5,844,437	1,206,730	285,927	19,068	59,877	7,416,039	4.2%
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	5.7%
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015 (4)	5,036,035	1,097,124	31,135	1,753	14,801	6,180,848	--

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

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

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

(4) Through June 30, 2015.

**Budget Summary and Comparison - Sewer Fund**

	<b>2014 Revised Budget</b>	<b>2014 YTD (through 6/30/14) (1)</b>	<b>2015 Revised Budget</b>	<b>2015 YTD (through 6/30/15) (1)</b>
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Charges for services (2)	\$ 11,582,300	\$ 5,689,496	\$ 13,210,500	\$ 6,194,339
<b>Non-Operating Revenue</b>				
Interest income	36,300	32,026	17,900	31,325
Intergovernmental	159,346	80,982	168,247	81,794
Bond Proceeds	28,341,340	-	-	-
Grant Awards	2,018,482	-	2,940,547	-
Miscellaneous	1,500	1,102	1,545	60,456
Operating transfers in	701,271	-	551,289	-
Total non-operating revenue	<u>31,258,239</u>	<u>114,110</u>	<u>3,679,528</u>	<u>173,575</u>
<b>Total revenue</b>	<u><u>\$ 42,840,539</u></u>	<u><u>\$ 5,803,606</u></u>	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>
<b>APPLICATION OF REVENUE</b>				
<b>Operating Expense</b>				
Director administration	266,089	128,505	264,231	123,230
Administration	1,228,934	410,840	1,329,199	461,353
Industrial pretreatment	159,543	54,613	165,619	61,559
Collection system	1,206,296	367,821	1,372,596	548,302
Treatment plant	3,034,241	1,282,597	3,093,782	1,195,888
Water quality lab	558,035	246,142	761,112	254,580
Instrumentation & control	236,190	89,430	242,556	66,187
Administrative service	753,720	376,860	797,640	398,820
Franchise equivalency	463,352	231,674	528,480	264,240
Bad debt expense	2,000	1,029	2,000	832
Emergency Event	519,136	729,553	159,945	349,010
Total operating expenses	<u>8,427,536</u>	<u>3,919,064</u>	<u>8,717,160</u>	<u>3,724,001</u>
<b>Capital Expense</b>	<u>45,539,140</u>	<u>2,529,714</u>	<u>41,827,722</u>	<u>3,215,304</u>
<b>Non-Operating Expenses</b>				
Transfers to other funds	411,800	52,283	374,353	547
<b>Debt Requirements</b>	<u>2,032,100</u>	<u>259,536</u>	<u>3,866,683</u>	<u>380,604</u>
Total expenses	<u><u>\$ 56,410,576</u></u>	<u><u>\$ 6,760,597</u></u>	<u><u>\$ 54,785,918</u></u>	<u><u>\$ 7,320,456</u></u>
<b>Additions To (Deductions From) Operating Reserves</b>	<u>(13,570,037)</u>	<u>(956,991)</u>	<u>(37,895,890)</u>	<u>(952,542)</u>
<b>Total Application of Revenue</b>	<u><u>\$ 42,840,539</u></u>	<u><u>\$ 5,803,606</u></u>	<u><u>\$ 16,890,028</u></u>	<u><u>\$ 6,367,914</u></u>

(1) Unaudited, interim information only.

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

**Budget Summary and Comparison - Sewer Construction Fund**

	<b>2014 Revised Budget</b>	<b>2014 YTD (through 6/30/14) (1)</b>	<b>2015 Revised Budget</b>	<b>2015 YTD (through 6/30/15) (1)</b>
<b>Sources of Funds</b>				
Beginning Working Capital (fund balance) (2)	\$ 2,243,768	\$ 2,243,768	\$ 2,972,070	\$ 2,972,070
Connection fee	-	80	-	-
System development fee	612,800	667,832	884,100	661,440
Developer participation	-	-	-	14,760
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<b>Total Sources of Funds</b>	<u>2,876,568</u>	<u>2,917,461</u>	<u>3,869,070</u>	<u>3,655,707</u>
<b>Expenses</b>				
Capital Expense	11,805	-	2,982,102	-
Non-capital expense (3)	2,500	-	2,500	-
Transfers out	370,101	-	583,022	-
<b>Total Expenses</b>	<u>384,406</u>	<u>-</u>	<u>3,567,624</u>	<u>-</u>
<b>Ending Working Capital</b>	<u>\$ 2,492,162</u>	<u>\$ 2,917,461</u>	<u>\$ 301,446</u>	<u>\$ 3,655,707</u>

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(1) Unaudited, interim information only.

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

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

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

	Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>Operating Revenues</b>					
Charges for services	\$ 7,836,470	\$ 8,240,989	\$ 8,634,634	\$ 9,740,105	\$ 11,686,986
<b>Operating Expenses</b>					
Administration (1)	921,756	1,040,939	973,097	968,953	1,054,139
Transmission/distribution (1)	905,219	855,620	969,029	1,684,493	2,255,778
Treatment/disposal	3,340,403	3,280,425	3,350,871	3,695,667	3,651,191
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<b>Non-Operating Revenues (Expenses)</b>					
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Bond/loan issuance expenses (5)	(11,493)	(19,653)	(18,882)	(189,734)	-
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Capital Contributions	266,369	386,050	25,360	295,352	654,766
Special Item					
Impairment loss	-	-	-	(925,375)	-
Transfers					
Transfers in	405,891	462,156	361,149	382,377	368,071
Transfers out (1)	(11,890)	(4,830)	(126,218)	(327,319)	(89,642)
<b>Change in net position</b>	74,666	800,397	298,445	(846,978)	666,486
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<b>Total Net Position - December 31 (4)</b>	<u>\$ 95,393,434</u>	<u>\$ 96,193,831</u>	<u>\$ 96,492,276</u>	<u>\$ 95,645,298</u>	<u>\$ 96,311,784</u>

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

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

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

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

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

	<b>Year Ended December 31,</b>				
	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Revenues</b>					
Licenses and permits (1)	\$ 277,028	\$ 379,979	\$ 783,770	\$ 765,285	\$ 1,077,096
Developer/owner participation	146,647	8,592	-	60	-
Investment income (loss)	17,467	14,433	10,788	(3,092)	19,156
Miscellaneous	165	245	-	45	120
<b>Total revenues</b>	<b><u>441,307</u></b>	<b><u>403,249</u></b>	<b><u>794,558</u></b>	<b><u>762,298</u></b>	<b><u>1,096,372</u></b>
<b>Expenditures</b>					
Current:					
Municipal utility system	<u>260,623</u>	<u>9,356</u>	<u>25,360</u>	<u>442</u>	<u>-</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b><u>180,684</u></b>	<b><u>393,893</u></b>	<b><u>769,198</u></b>	<b><u>761,856</u></b>	<b><u>1,096,372</u></b>
<b>Other Financing Sources (Uses)</b>					
Transfers out (2)	<u>(258,735)</u>	<u>(462,228)</u>	<u>(361,216)</u>	<u>(328,152)</u>	<u>(368,071)</u>
<b>Net change in fund balance</b>	<b>(78,051)</b>	<b>(68,335)</b>	<b>407,982</b>	<b>433,704</b>	<b>728,301</b>
<b>Fund Balance - January 1</b>	<b><u>1,548,469</u></b>	<b><u>1,470,418</u></b>	<b><u>1,402,083</u></b>	<b><u>1,810,065</u></b>	<b><u>2,243,769</u></b>
<b>Fund Balance - December 31</b>	<b><u><u>\$1,470,418</u></u></b>	<b><u><u>\$1,402,083</u></u></b>	<b><u><u>\$1,810,065</u></u></b>	<b><u><u>\$2,243,769</u></u></b>	<b><u><u>\$2,972,070</u></u></b>

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

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

Storm Drainage

Revenue Bonds

Series 2014

(CUSIP #54310P)

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

<b>Fiscal Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Pledged Revenues</b>					
User charges (2)	\$ 3,420,656	\$ 3,395,622	\$ 3,835,699	\$ 4,027,152	\$ 6,579,550
Plant investment fees	120,618	93,331	163,868	146,340	235,532
Total	\$ 3,541,274	\$ 3,488,953	\$ 3,999,567	\$ 4,173,492	\$ 6,815,082
<b>Actual Debt Service Paid on 2008/2014 Bonds</b>	\$ 1,089,231	\$ 1,083,631	\$ 1,086,406	\$ 1,083,531	\$ 2,383,756
<b>Coverage</b>	3.25x	3.22x	3.68x	3.85x	2.86x
<b>Combined Maximum Annual Debt Service (3)</b>	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263	\$ 2,563,263
<b>Pro-Forma Coverage</b>	1.38x	1.36x	1.56x	1.63x	2.66x

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

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

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

Source: Derived from the City's Comprehensive Annual Financial Reports for 2010-2014; and the Financial Advisor (as to the combined maximum annual debt service).

**History of Storm Drainage Revenues**

<u>Year</u>	<u>User Charge Revenues</u>	<u>Percentage Change</u>	<u>Plant Investment Fees</u>	<u>Percentage Change</u>	<u>Total</u>	<u>Percentage Change</u>
2009	\$3,428,994	-	\$30,774	-	\$3,459,768	-
2010	3,420,656	(0.24)%	120,618	291.95%	3,541,274	2.36%
2011	3,395,622	(.73)%	93,331	(22.62)%	3,488,953	(1.48)%
2012	3,835,699	12.96%	163,868	75.58%	3,999,567	14.64%
2013	4,027,152	4.99%	146,340	(10.70)%	4,173,492	4.35%
2014	6,579,550	63.38%	235,532	60.95%	6,815,082	63.29%
2015 (1)	3,316,877	-	120,624	-	3,437,501	-

(1) Represents collections through June 2015.

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended 2009-2014 and from 2015 interim information provided by the City.



**Storm Drainage Enterprise Fund - Budget Summary and Comparison**

	2014 Final Budget	2014 YTD through (06/30/14) (1)	2015 Amended Budget	2015 YTD through (06/30/15) (1)
<b>REVENUES</b>				
Charges for services	\$ 6,339,805	\$ 3,285,718	\$ 6,402,517	\$ 3,316,877
Plant investment fee	94,827	125,608	137,619	120,624
Intergovernmental	7,810,040	13,779	1,026,304	-
Investment income	20,683	6,746	15,410	115,863
Miscellaneous	31,836	33,643	32,473	24,258
<b>Total Revenues</b>	<u>14,297,191</u>	<u>3,465,494</u>	<u>7,614,323</u>	<u>3,577,622</u>
<b>EXPENDITURES</b>				
Administration	874,321	834,870	1,818,640	842,605
Maintenance/Development	4,161,089	461,080	2,054,456	269,299
Administrative Fees (2)	420,772	210,388	403,149	201,573
<b>Total Operations</b>	<u>5,456,182</u>	<u>1,506,338</u>	<u>4,276,245</u>	<u>1,313,477</u>
Debt service	2,383,757	207,815	2,870,575	612,217
Capital outlay	11,146,688	471,592	12,027,200	585,206
Transfers to other funds	-	6,637	-	274
<b>Total Expenses</b>	<u>18,986,627</u>	<u>2,192,382</u>	<u>19,174,020</u>	<u>2,511,174</u>
<b>Excess of Revenues over (under) Expenditures</b>	<u>\$ (4,689,436)</u>	<u>\$ 1,273,112</u>	<u>\$ (11,559,697)</u>	<u>\$ 1,066,448</u>

(1) Unaudited, interim information only.

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

Source: The City; derived from the 2015 Budget and unaudited interim information provided by the City.

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

	Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>Operating Revenues</b>					
Charges for services	\$ 3,420,656	\$ 3,395,622	\$ 3,835,700	\$ 4,027,152	\$ 6,579,550
<b>Operating Expenses</b>					
Administration	900,119	966,516	1,021,242	1,184,587	1,844,970
Maintenance/Development	745,619	780,133	716,653	674,955	737,224
Depreciation	956,836	1,126,588	1,253,769	1,340,628	1,395,679
Administrative fees (1)	517,728	463,110	421,171	452,283	420,772
Total operating expenses	<u>3,120,302</u>	<u>3,336,347</u>	<u>3,412,835</u>	<u>3,652,453</u>	<u>4,398,645</u>
<b>Operating Income (Loss)</b>	<u>300,354</u>	<u>59,275</u>	<u>422,865</u>	<u>374,699</u>	<u>2,180,905</u>
<b>Non-Operating Revenues (Expenses)</b>					
Investment income	55,580	30,573	16,276	(13,883)	50,134
Miscellaneous	42,464	48,175	32,116	44,432	79,408
Intergovernmental	4,059	483,063	2,516,937	33,992	1,436,590
Interest	(16,895)	(6,414)	(9,094)	(2,581)	(47,301)
Bond/Loan issuance expense (4)	(6,653)	(6,654)	(6,654)	(105,899)	-
Total non-operating revenues	<u>78,555</u>	<u>548,743</u>	<u>2,549,581</u>	<u>(43,939)</u>	<u>1,518,831</u>
<b>Change in net position before transfers and capital contributions</b>	<u>378,909</u>	<u>608,018</u>	<u>2,972,446</u>	<u>330,760</u>	<u>3,699,736</u>
<b>Capital Contributions</b>	120,618	2,781,729	163,868	284,619	770,802
<b>Special Items</b>					
Impairment Loss (2)	-	-	-	(6,343,272)	-
<b>Transfers</b>					
Transfers in	7,121	-	-	-	-
Transfers out	(37,781)	(12,832)	(55,869)	(56,926)	(7,239)
<b>Change in Net Position</b>	468,867	3,376,915	3,080,445	(5,784,819)	4,463,299
<b>Total Net Position - January 1 (3)</b>	<u>\$ 42,294,540</u>	<u>\$ 42,763,407</u>	<u>\$ 46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$ 43,435,948</u>
<b>Total Net Position - December 31 (3)</b>	<u>\$ 42,763,407</u>	<u>\$ 46,140,322</u>	<u>\$ 49,220,767</u>	<u>\$ 43,435,948</u>	<u>\$ 47,899,247</u>

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

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

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

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

Source: Derived from the City's CAFRs for the years ended December 31, 2010 through 2014.

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

(CUSIP #543096)

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

<u>Year</u>	<u>General Sales Tax Collections</u>	<u>Percent Change</u>	<u>General Use Tax Collections</u>	<u>Percent Change</u>	<u>Total General Sales and Use Tax Collections</u>	<u>Percent Change</u>
2009	\$22,603,881	-	\$3,463,298	-	\$26,067,179	-
2010	23,368,226	3.4 %	3,853,556	11.3 %	27,221,782	4.4 %
2011	24,494,510	4.8	4,329,437	12.4	28,823,947	5.9
2012	25,269,228	3.2	4,836,547	11.7	30,105,775	4.5
2013	26,851,343	6.3	5,099,911	5.5	31,951,254	6.1
2014	28,662,723	6.8	5,699,258	11.8	34,361,981	7.6
2015 (2)	13,864,287	-	2,899,687	-	16,763,974	-

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

(2) Includes collections through June 2015. For a description of certain of the factors behind the increases, see "CITY FINANCIAL INFORMATION - Director of Finance's Summary of Material Trends in City Finances."

Source: City Finance Department.

History of City's Assessed Valuations (1)

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

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

Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2009-2013; and the Assessors' Offices of Boulder and Weld Counties.

History of City's Mill Levy

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

Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2009-2013; and the Boulder County Assessor's Office.

Property Tax Collections for the City

<u>Levy/ Collection Year</u>	<u>Total Taxes Levied (1)</u>	<u>Boulder County Collections</u>	<u>Weld County Collections</u>	<u>Total Current Tax Collections (2)</u>	<u>Collection Rate</u>
2008/2009	\$14,738,533	\$14,623,568	\$93,954	\$14,717,522	99.86 %
2009/2010	14,686,238	14,515,863	107,581	14,623,444	99.57
2010/2011	14,609,475	14,459,155	115,479	14,574,634	99.76
2011/2012	14,062,499	13,837,255	170,961	14,008,216	99.61
2012/2013	14,032,776	13,806,957	189,362	13,996,319	99.74
2013/2014	14,089,687	13,887,507	170,117	14,057,624	99.77
2014/2015 (3)	14,435,338	10,332,573	129,583	10,462,156	-

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

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

(3) Figures are for January 1 through May 31, 2015.

Source: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2008-2014; and the Treasurers' Offices of Boulder and Weld Counties.

Largest Taxpayers in the City for 2014

<u>Taxpayer Name</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Amgen Inc.	\$27,835,919	2.65%
Longmont Diagonal Investments LP	19,098,241	1.82%
Xilinx Inc.	14,653,090	1.40%
Seagate Technology, LLC	13,597,201	1.30%
Hub Properties Trust	11,232,954	1.07%
DigitalGlobe, Inc.	11,061,561	1.05%
Ramco-Gershenson Properties LP	9,655,458	0.92%
Public Service Company of Colorado	8,244,640	0.79%
Seagate Peripherals	8,223,167	0.78%
Qwest Corporation	5,844,100	0.56%
TOTAL	<u>\$129,446,331</u>	<u>12.34%</u>

(1) Based on a 2014 certified assessed valuation of \$1,049,397,474.

Sources: Assessors' Offices of Boulder and Weld Counties.



General Fund - Budget Summary and Comparison(1)

	2014 Budget	2014 YTD (6/30/14) <sup>(1)</sup>	2015 Budget	2015 YTD (6/30/15) <sup>(1)</sup>
<b>REVENUES</b>				
Sales and use tax (2)	\$28,199,050	\$14,905,962	\$30,348,825	\$15,049,591
All other taxes	\$21,588,506	14,001,236	\$21,963,727	14,336,421
Licenses & permits	795,752	815,304	957,489	922,933
Intergovernmental revenue	250,634	338,978	315,395	324,016
Charges for services	5,474,206	3,269,039	5,675,621	3,177,159
Fines and forfeits	1,355,800	559,960	1,240,700	596,216
Miscellaneous revenue	430,762	153,025	666,726	60,684
Interest income	89,000	36,582	75,000	38,826
Administrative reimbursements (3)	6,648,200	3,366,411	6,600,814	3,227,331
Proceeds from Advance	-	-	-	1,120,000
<b>Total Revenues</b>	<b>64,831,910</b>	<b>37,446,497</b>	<b>67,844,297</b>	<b>38,853,177</b>
<b>EXPENDITURES</b>				
City Manager	3,614,706	1,470,391	4,323,603	1,573,143
City Attorney	973,596	434,437	1,037,778	482,788
Mayor & Council	677,511	361,296	736,610	389,099
Municipal Court	772,700	349,400	789,482	356,846
Shared Services	4,017,521	2,149,860	4,137,445	2,066,672
Finance	3,696,332	1,855,634	3,887,615	1,985,932
Community Services	12,954,091	5,749,645	13,157,179	6,069,157
Public Safety	30,274,112	14,911,356	32,011,970	15,342,027
Economic Development	2,957,726	1,585,191	2,658,838	1,188,358
Public Works & Natural Resources	7,097,749	3,438,963	7,539,683	3,531,053
Transfer to other funds	-	2,537	-	17,846
<b>Total Expenditures</b>	<b>67,036,044</b>	<b>32,308,710</b>	<b>70,280,203</b>	<b>33,002,921</b>
<b>Excess of Revenues of over (under) Expenditures</b>	<b>(\$2,204,134)</b>	<b>\$5,137,787</b>	<b>(\$2,435,906)</b>	<b>\$5,850,256</b>

(1) Unaudited, interim information only.

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

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

Source: The City; derived from the adopted 2015 Operating Budget and unaudited interim information provided by the City.

Public Improvement Fund - Budget Summary and Comparison (1)

	<u>2014 Budget</u>	<u>2014 YTD (6/30/14) (1)</u>	<u>2015 Budget</u>	<u>2015 YTD (6/30/15) (1)</u>
<b>REVENUES</b>				
Use Tax (2)	\$3,736,454	\$2,470,982	\$4,256,449	\$1,995,579
Intergovernmental	6,146,162	32,734	-	2,342
Interest income	10,000	11,753	7,000	12,053
Private grants/donations	1,542,269	215,245	-	220,000
Miscellaneous revenue	-	-	-	250
Transfer in	660,000	14,534	539,539	6,399
Total Revenues	<u>12,094,885</u>	<u>2,745,248</u>	<u>4,802,988</u>	<u>2,236,623</u>
<b>EXPENDITURES</b>				
Public improvement capital projects (3)	<u>16,479,044</u>	<u>2,926,566</u>	<u>10,094,582</u>	<u>5,157,120</u>
<b>Excess of Revenues of over (under) Expenditures</b>	<u><u>(\$4,384,159)</u></u>	<u><u>(\$181,318)</u></u>	<u><u>(\$5,291,594)</u></u>	<u><u>(\$2,920,497)</u></u>

(1) Unaudited, interim information only.

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

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

Source: The City; derived from the 2014 Budget and unaudited interim information provided by the City.

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

	Year Ended December 31.				
	2010	2011	2012	2013	2014
<b>Revenue</b>					
Taxes					
General Sales and Use (1)	\$23,640,672	\$24,562,915	\$26,106,434	\$27,883,055	\$29,890,913
Property	14,296,839	14,256,093	13,706,112	13,691,325	13,789,477
All other taxes	6,500,827	6,857,643	7,045,970	7,490,186	7,836,256
License and permits	911,127	935,881	1,189,318	1,262,587	1,545,246
Intergovernmental	619,302	638,099	1,049,351	1,043,373	1,565,205
Charges for services	12,783,664	12,439,300	12,981,298	12,872,106	12,704,076
Fines and forfeitures	1,442,613	1,365,678	1,426,776	1,048,076	1,208,723
Investment income	170,908	204,438	140,541	1,960	165,222
Miscellaneous	119,482	339,354	265,343	299,480	286,468
<b>Total Revenue</b>	<b>60,485,434</b>	<b>61,599,401</b>	<b>63,911,143</b>	<b>65,592,148</b>	<b>68,991,586</b>
<b>Expenditures</b>					
Current:					
General government	17,508,296	19,300,872	23,201,064	20,555,032	21,111,878
Public safety	28,014,680	29,022,194	30,479,357	31,466,991	32,520,433
Cultural and recreation	12,856,376	12,704,345	13,750,099	13,840,357	14,606,326
<b>Total Expenditures</b>	<b>58,379,352</b>	<b>61,027,411</b>	<b>67,430,520</b>	<b>65,862,380</b>	<b>68,238,637</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<b>2,106,082</b>	<b>571,990</b>	<b>(3,519,377)</b>	<b>(270,232)</b>	<b>752,949</b>
<b>Other Financing Sources (Uses)</b>					
Lease proceeds	74,088	-	3,195,823	-	-
Transfers in	75,581	168,815	1,487,445	3,155,937	834,664
Transfers (out)	(191,328)	(1,039,053)	(686,158)	(709,622)	(825,911)
<b>Total Other Financing (Uses)</b>	<b>(41,659)</b>	<b>(870,238)</b>	<b>3,997,110</b>	<b>2,446,315</b>	<b>8,753</b>
<b>Net change in fund balances</b>	<b>2,064,423</b>	<b>(298,248)</b>	<b>477,733</b>	<b>2,176,083</b>	<b>761,702</b>
<b>Fund Balance - Beginning of Year (2)</b>	<b>12,140,741</b>	<b>15,200,875</b>	<b>14,902,627</b>	<b>\$15,380,360</b>	<b>\$17,556,443</b>
<b>Fund Balance - End of Year (2)</b>	<b>\$14,205,164</b>	<b>\$14,902,627</b>	<b>\$15,380,360</b>	<b>\$17,556,443</b>	<b>\$18,318,145</b>

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

(2) In 2011, the City implemented GASB 54. As a result, four special revenue funds were consolidated into the General Fund. Those funds were the Art in Public Places Fund, Air Quality Control Fund, Library Services Fund, and Subdividers Escrow Fund (which is deposits held from developers for public improvements). As a result of the consolidation, the fund balance in the General Fund increased \$995,711.

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended December 31, 2010-2014.

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

	Year Ended Dec. 31,				
	2010	2011	2012	2013	2014
<b>Revenues</b>					
General Use Tax (1)	\$3,581,110	\$4,261,032	\$3,999,340	\$4,068,199	\$4,471,068
Developer/owner participation	6,000	-	-	-	-
Intergovernmental	32,587	-	-	-	728,889
Investment income	61,818	49,294	37,849	(3,887)	34,973
Private grants/donations	-	-	292,326	1,123,350	1,059,245
Miscellaneous	18,615	25,000	823	-	46
<b>Total Revenues</b>	<u>3,700,130</u>	<u>4,335,326</u>	<u>4,330,338</u>	<u>5,187,662</u>	<u>6,294,221</u>
<b>Expenditures</b>					
Capital projects	893,318	2,193,219	3,375,563	2,382,196	3,201,073
Debt service	2,674,623	2,683,810	2,666,125	2,718,925	2,065,000
Interest and fiscal charges	-	-	-	-	658,025
<b>Total Expenditures</b>	<u>3,567,941</u>	<u>4,877,029</u>	<u>6,041,688</u>	<u>5,101,121</u>	<u>5,924,098</u>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<u>132,189</u>	<u>(541,703)</u>	<u>(1,711,350)</u>	<u>86,541</u>	<u>370,123</u>
<b>Other Financing Sources (Uses)</b>					
Issuance of debt	-	-	-	-	-
Transfers in	-	850,000	266,300	250,000	523,717
Transfers out	(5,467)	(16,274)	(17,632)	(12,653)	(20,795)
<b>Total Other Financing Sources (Uses)</b>	<u>(5,467)</u>	<u>833,726</u>	<u>248,668</u>	<u>237,347</u>	<u>502,922</u>
<b>Net change in fund balances</b>	<u>126,722</u>	<u>292,023</u>	<u>(1,462,682)</u>	<u>323,888</u>	<u>873,045</u>
<b>Fund Balance - Beginning of Year</b>	<u>5,256,431</u>	<u>5,383,153</u>	<u>5,675,176</u>	<u>4,212,494</u>	<u>4,536,382</u>
<b>Fund Balance - End of Year</b>	<u>\$5,383,153</u>	<u>\$5,675,176</u>	<u>\$4,212,494</u>	<u>\$4,536,382</u>	<u>\$5,409,427</u>

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

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended December 31, 2010-2014.