



Comprehensive Annual Financial Report

for the fiscal year ended December 31, 2019

City of Littleton, Colorado

Photo by Laura Salinas



Littleton, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Fiscal Year Ended
December 31, 2019*

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CITY OF LITTLETON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2019

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Photo by Yoshiko Wootten



2019 CAFR

Introductory Section



Finance Department

2255 West Berry Avenue
Littleton, Colorado 80120
303-795-3765
303-795-3815

July 17, 2020

Members of City Council and the Citizens of the City of Littleton:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Littleton, Colorado for the year ended December 31, 2019. State law requires that all local governments publish, within seven months of the close of each year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant.

This report is published to provide the city council, city staff, citizens, and other readers with detailed information concerning the financial position and activities of the city. Management assumes full responsibility for the completeness and reliability of the information in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to present fairly the financial position and results of operations of the various funds of the city. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the city's financial affairs.

CliftonLarsonAllen LLP has issued an unmodified opinion on the City of Littleton's financial statements for the year ended December 31, 2019. The Independent Auditor's Report is at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report and provides narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

Just ten miles south of Denver, the City of Littleton is a charming historic community, home to diverse shopping, restaurants, and parks. The city embodies a strong sense of community through its historic downtown, active trail system and numerous community events. Littleton was incorporated on March 8, 1890 with its Home-Rule Charter adopted July 28, 1959. It is approximately 13.5 square miles with the borders near Belleview Avenue on the north, S. Broadway on the east, County Line Road on the south and Platte Canyon Road/Lowell Blvd. on the west.

The City provides a full range of services. These services include police; fire protection and emergency medical services (through a contract with South Metro Fire Rescue in 2019); sewer and storm drainage utilities; the construction and maintenance of highways, streets, and other infrastructure; library; and museum. The city jointly manages a regional wastewater treatment plant with the City of Englewood, a neighboring city to the north.

The City functions under a council-manager form of government. The city council comprises seven members elected by the citizens of Littleton, three at-large and four from districts. This seven-member city council serves as the policy-making body of the city.

As required by generally accepted accounting principles, these financial statements present the City of Littleton (the primary government), as well as its component unit. The blended component unit, the Littleton Colorado Municipal Building Authority, is presented as a proprietary fund type. Separate financial statements are not prepared for the Littleton Colorado Municipal Building Authority. Although Littleton Riverfront Authority dba Littleton Invests for Tomorrow is a legally separate entity, separate financial statements are not issued, and it is included in the City's financial statements as a discretely presented component unit.

The annual budget serves as the foundation for the City's financial planning and control. The city manager is required by the city charter to submit a budget to city council by September 15 of each year. The council must hold public hearings and the final budget must be adopted by December 1 of each year. The city manager and finance director have authority to transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same department, office or agency, in accordance with the city charter; provided that such transfers over \$100,000 per transaction require formal council consent.

Local and national economy

The City has many amenities to offer its citizens. Arapahoe Community College in the downtown area of Littleton serves 18,000 students on a 51-acre campus. The city boasts top ranked schools and more than 2,000 diverse businesses. South Platte Park is one of the largest suburban parks in the United States with over 880 acres of open space along the South Platte River. Littleton is home to over 59 additional parks and open spaces. The City provides a museum which is one of only six Smithsonian Affiliate museums in Colorado. Littleton is also home to two light rail train locations which provide commuter rail service to other areas within the Denver Metro area.

The City of Littleton's 2019 revenues reflected an improved economy as compared to 2018. Due to the fire department transition to South Metro Fire Rescue (SMFR) General Fund revenues, excluding transfers in, were lower than 2018 by 23%. Sales and use taxes represented approximately 71% of total

General Fund revenue and were 6% higher than 2018. In 2020, the city has budgeted a 3.4% increase in sales and use tax revenues over the 2019 adopted budget.

The spread of the novel coronavirus and associated disease, COVID-19, and the efforts to contain the disease created an unanticipated negative financial impact on the City. Following other states in the nation, Colorado declared a state of emergency on March 11, 2020 and shortly thereafter issued stay-at-home orders for its citizens which were in effect through the month of April. Colorado transitioned to safer-at-home guidelines on April 27, 2020 easing some of the restrictions which had been in place for seven weeks. Businesses are slowly reopening, but many are operating at limited capacity. The Colorado economy is anticipated to be more vulnerable during this recession due to its dependence on the tourism and energy industries. More than 16 percent of the state's workers have filed unemployment claims since mid-March.

Overall, the national economy is experiencing a recession due to the economic impacts of the COVID-19 pandemic. While the duration of this recession is unknown, its depth and speed are unprecedented, resulting in the loss of more than 20 million jobs nationwide in the month of April – more jobs than had been created over the previous nine years. Economic activity began to decline in mid-March as businesses closed, consumers stayed home and governments took steps to increase social distancing and slow the spread of the virus. While some activity will resume as stay-at-home orders and other public health restrictions are eased across the county, economic growth is expected to remain weak and contingent upon the progression of the virus until the pandemic is over. (Governor's Office of State Planning and Budgeting).

Long term financial planning

At the end of the year, unassigned fund balance for the General Fund was \$9,740,290, or 20% of total 2019 General Fund revenues. The 2020 General Fund budget is projecting a net deficit of \$2,510,370, after transfers to other funds. Total 2020 General Fund revenues, before transfers, are estimated at \$45,588,410 or \$3,627,440 (7%) under 2019 actual revenues. Total 2020 General Fund expenditures are budgeted at \$44,948,780 before transfers or \$4,526,698 (10%) under 2019 actual expenditures. The decreases for revenues and expenditures are primarily related to the City's transition from providing fire services to surrounding districts to contracting for those services through South Metro Fire Rescue.

Like most municipalities, Littleton faces challenges to sustainability and strategic growth. In early 2020, Council adopted its three 2020-2021 Goals and Objectives: Quality Community – Envision Littleton, Financial Sustainability, and Good Governance. In November 2018, voters approved inclusion of the City's fire department with South Metro Fire Rescue effective January 2020. With this transition complete, the City's staff has begun work on a program to improve city streets and infrastructure. Envision Littleton 2040, which provides five community-supported guiding principles for policy setting, was adopted in December 2018. The Comprehensive Plan and Transportation Master Plan were adopted in October 2019. In addition, through implementation of priority-based budgeting, staff have begun to develop plans for addressing COVID-19 related economic concerns by aligning program costs with community priorities.

Many efforts have been put forth in connecting with the community through transparent government platforms such as the "Community Scorecard Annual Report" and numerous social media forums. The 2018 Resident and Business Surveys found that 96% of respondents believe Littleton is a good or excellent place to live. Updated Resident and Business Surveys are anticipated to be completed in 2020.

The city brought in multiple recognitions in 2019 including: 19th in the Best Small Cities in America by Wallethub.com; #1 Best Commuter Town Near Denver by CommercialCafe.com and #1 Best Places to Retire in Colorado by SmartAsset.com.

Pavement maintenance was performed on over 20 miles of streets including mill and overlay, slurry and chip seal and crack seal programs. Public Works completed a structural condition assessment on all 270 traffic signal poles to prioritize maintenance and replacement. The department also secured over \$12 million in grant funding for regional transportation improvement projects and local traffic safety projects. In October 2019, the South Platte Water Renewal Partners (a wastewater treatment plant jointly owned with the City of Englewood) held its grand opening of the \$7.8 million project to capture and sell biogas. Recent stormwater improvements resulted in FEMA certifying Littleton as a Class 5 flood management city, increasing the savings on premiums for property owners who have flood insurance. An innovative program to digitally map the city's sanitary and storm sewer systems was completed in 2019.

The Littleton Museum set new attendance records with over 162,000 people visiting in 2018 and 154,000 visitors in 2019. The Bemis Library was visited by 308,000 patrons in 2019 and set a decade-high record of 578,820 for circulation. South Suburban Parks and Recreation is busy with park improvements at Harlow Park, Writer's Vista Park and Hamlet Park which will improve existing community recreational opportunities.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2018. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate. The GFOA has also awarded the City its Distinguished Budget Presentation Award for the fiscal year 2019. This is the eleventh consecutive year for this award.

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department appreciates the contributions made to prepare this report. We also would like to thank the mayor and city council for their support in planning and conducting the financial operations of the City.

Sincerely,



Mark Relph
City Manager



Tiffany Hooten, CPA
Finance Director



Government Finance Officers Association

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

Presented to

**City of Littleton
Colorado**

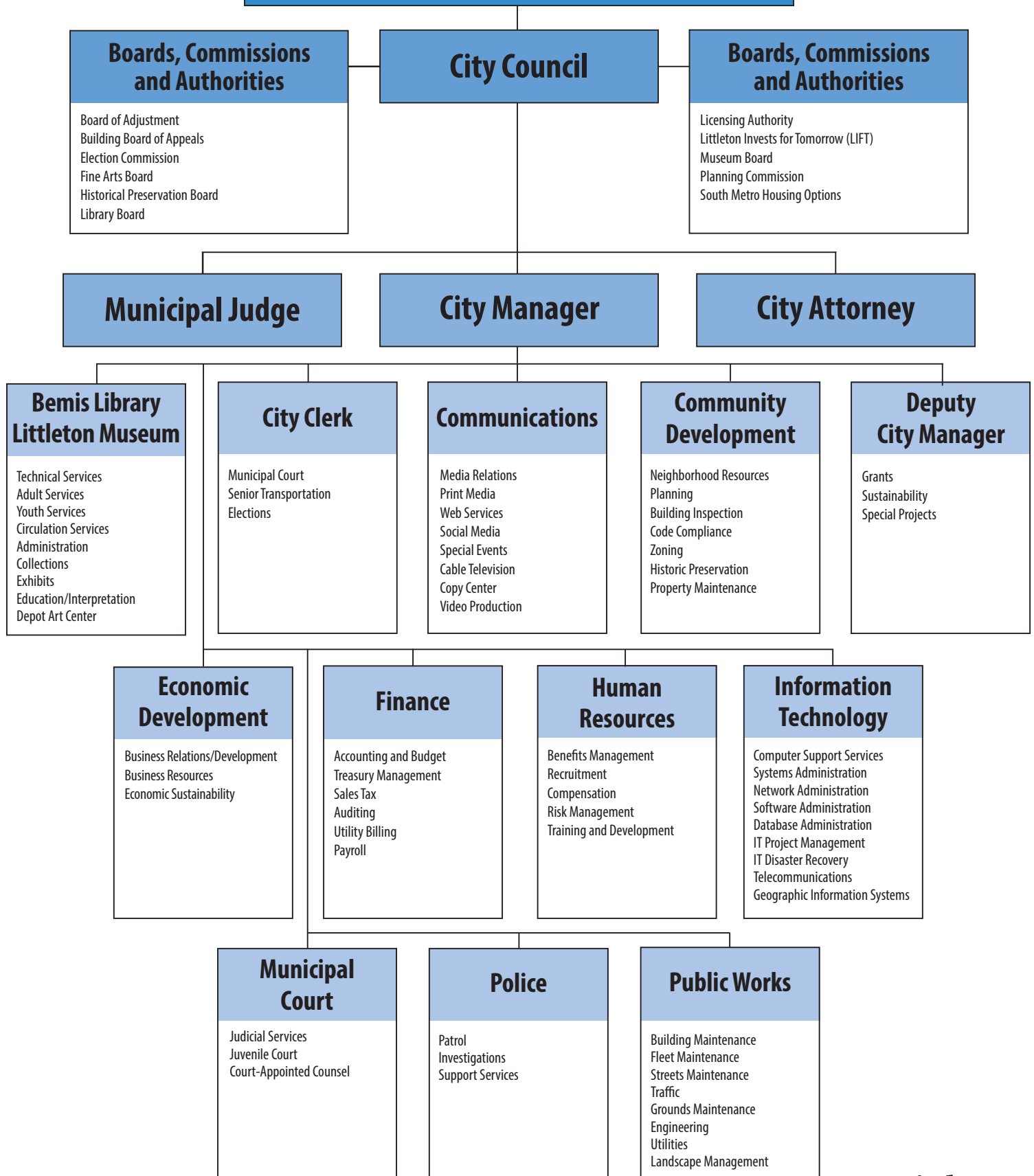
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

Citizens of Littleton



List of Principal Officials December 31, 2019

MEMBERS OF 2019 CITY COUNCIL

		<i>Term Expires</i>
Mayor – District II	Jerry Valdes	2023
Mayor Pro-Tem – at large	Scott Melin	2021
City Council Member District I	Patrick Driscoll	2021
City Council Member at large	Karina Elrod	2021
City Council Member District III	Carol Fey	2021
City Council Member at large	Pam Grove	2023
City Council Member District IV	Kelly Milliman	2023

CITY OFFICIALS

City Manager	Mark Relph
Deputy City Manager	G. Randolph Young
City Attorney	Reid Betzing
City Clerk	Colleen Norton
Communications	Kelli Narde
Community Development	Jennifer Henninger
Court	Danielle Trujillo
Economic Development	Denise Stephens
Finance	Tiffany Hooten
Human Resources	Noël Mink
Information Technology	Ashley Bolton
Library and Museum	Timothy Nimz
Police	Douglas Stephens
Public Works	Keith Reester

SEPARATE AUTHORITIES

Littleton Municipal Building Authority	Carle Zimmerman, President
Littleton Invests for Tomorrow (LIFT)	Cindy Christensen, Chairperson

Littleton 2019 City Council

Jerry Valdes
Mayor *District II*
Term expires 2023



Scott Melin
Mayor Pro Tem *at large*
Term expires 2021



Patrick Driscoll
City Council Member *District I*
Term expires 2021



Karina Elrod
City Council Member *at large*
Term expires 2021



Carol Fey
City Council Member *District III*
Term expires 2021



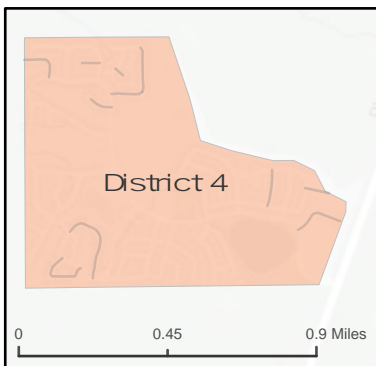
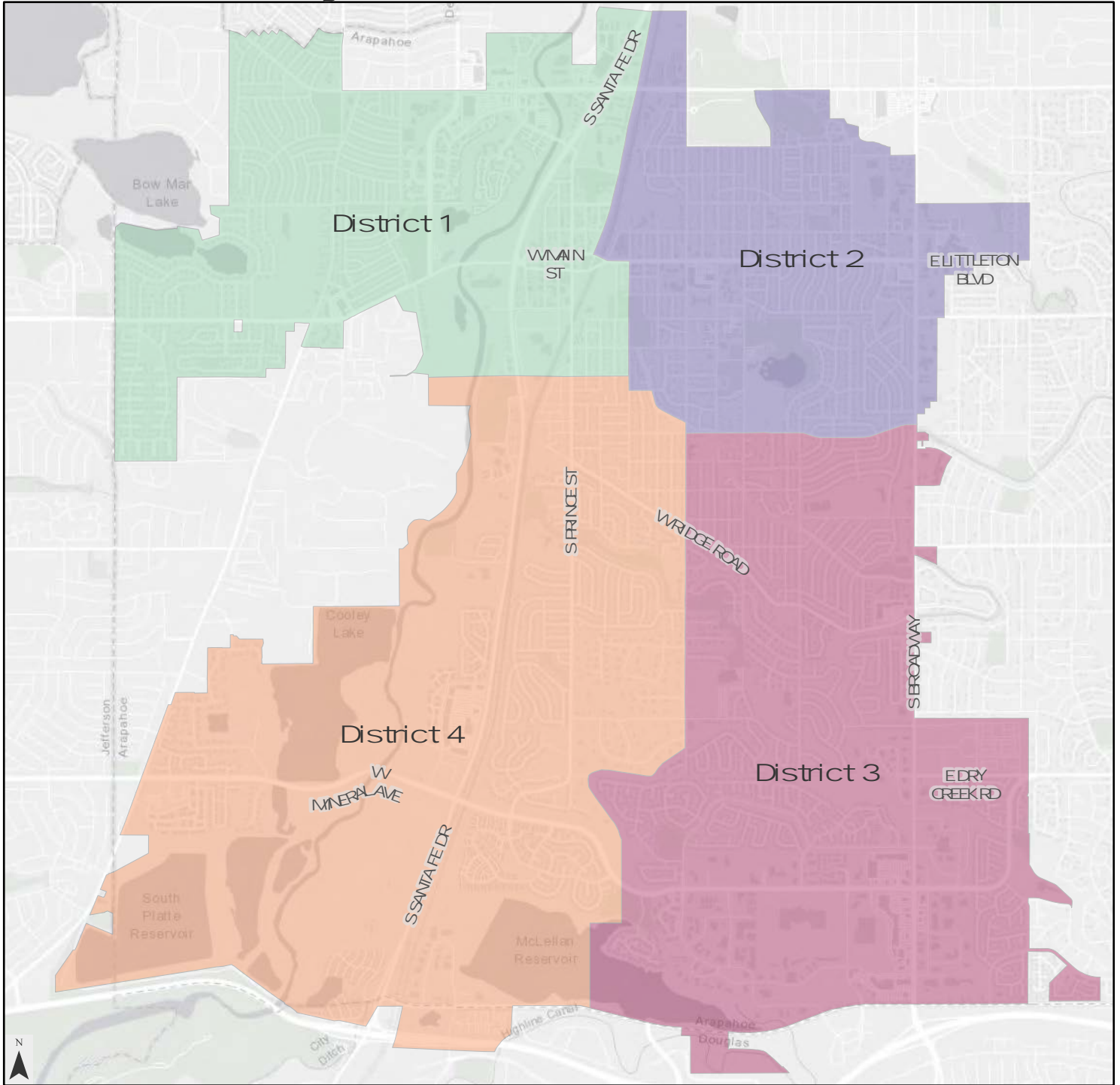
Pam Grove
City Council Member *at large*
Term expires 2023



Kelly Milliman
City Council Member *District IV*
Term expires 2023



City Council Districts



District

- 1
- 2
- 3
- 4



City of Littleton
2255 W Berry Ave
Littleton, CO 80120

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Photo by Phil Waltz



2019 CAFR



Financial Section



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
City of Littleton
Littleton, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton, as of and for the year ended December 31, 2019, 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 did not audit the financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture, a joint venture of the City of Littleton, which represents 47 percent and 55 percent, respectively, of the assets, and 82 percent and 83 percent, respectively of non-operating expenses of the business type activities and Sewer Utility Fund (a major enterprise fund). Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Littleton/Englewood Wastewater Treatment Plant Joint Venture, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Littleton/Englewood Wastewater Treatment Plan Joint Venture were not audited in accordance with *Government Auditing Standards*.

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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton as of December 31, 2019, 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 management's discussion and analysis, budgetary comparison schedule of the general fund and the required GASB pension schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements and budgetary comparison schedules and the Local Highway Finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors.

Honorable Mayor and Members of City Council
City of Littleton

In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and the Local Highway Finance Report are fairly stated in all material respects in relation to the financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2020 on our consideration of the City of Littleton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Littleton's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Littleton's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Greenwood Village, Colorado
July 17, 2020

This section of the City of Littleton's Comprehensive Annual Financial Report (CAFR) offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2019. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, the basic financial statements and the notes to the financial statements, contained in this report.

Financial Highlights

At the close of the year, the City's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$194,906,142 (*net position*). Of this amount, \$78,681,478 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. Additionally, a 3% reserve, \$1,821,959, for emergencies required by Colorado statute is restricted in the General Fund, \$3,323,325 is restricted for open space and parks, \$3,924,689 is restricted for impact fees, \$923,813 is restricted for employee benefits (pension, city-wide), \$305,216 is restricted for net pension asset and \$3,000,000 is restricted for rate stabilization in the Sewer Fund. Other restrictions of \$1,451,678 are imposed for the South Platte Water Renewal Partners joint venture, maintenance of a museum collection and debt.

- The net position of the City decreased by \$13,512,769, or approximately 7% as compared to 2018. In the governmental activities, revenues were less than expenses by \$15,845,175 and revenues exceeded expenses by \$2,332,406 in the business-type activities.
- As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$31,442,043, while the City's proprietary funds reported a combined net position of \$77,510,616.

Overview of the Financial Statements

This annual report comprises four parts – *management's discussion and analysis* (this section), the *basic financial statements, required and other supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental and proprietary funds and internal service funds.

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information besides the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these categories reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of when cash is received or paid*. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the city principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the city include general government, public safety, highways and streets, welfare, culture and recreation. The business-type activities of the city include the Sewer Utility, Storm Drainage, Emergency Medical Transport (inactive as of 12/31/2019), Geneva Village, and Building Authority.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate building authority and a legally separate urban development authority. Although legally separate, these entities function as agencies of the city, and therefore have been included as an integral part of the primary government. These entities do not issue separate financial statements.

Fund financial statements. A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Littleton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by state law and bond covenants. The city council establishes other funds to control and manage money for particular purposes, such as the Capital Projects Fund or the Geneva Village Fund, or to show that the City is properly using certain taxes and grants, such as open space monies or federal grants. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *current inflows and outflows of available resources*, and on *balances of unrestricted resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term 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 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 seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects Fund, both of which are major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. The City maintains seven proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Sewer Utility, Storm Drainage, Emergency Medical Transport, Geneva Village, and Building Authority. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its employee benefits and property and liability insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Utility, Storm Drainage, Emergency Medical Transport, Geneva Village, and Building Authority. The Sewer Utility and Storm Drainage, enterprise funds are major funds. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in *combining statements* elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the 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 basic financial statements.

Government-wide Financial Analysis

Net Position. Net position may serve over time as a useful indicator of a government's financial position. With the City of Littleton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$194,906,142 at the close of the most recent fiscal year (see Table A-1.)

Table A-1
City of Littleton's Net Position

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2018	2019	2018	2019	2018	2019	2018 - 2019
Current and other assets	\$ 55,641,664	\$ 44,093,841	\$ 78,544,097	\$ 78,435,916	\$ 134,185,761	\$ 122,529,757	-8.69%
Capital assets	95,108,143	85,558,292	21,431,005	20,859,235	116,539,148	106,417,527	-8.69%
Total assets	150,749,807	129,652,133	99,975,102	99,295,151	250,724,909	228,947,284	-8.69%
Total deferred outflows of resources	4,493,199	3,900,436	888,640	-	5,381,839	3,900,436	-27.53%
Long-term liabilities	7,659,042	4,606,433	22,352,329	16,310,203	30,011,371	20,916,636	-30.30%
Other liabilities	7,096,906	7,462,485	3,035,908	5,474,332	10,132,814	12,936,817	27.67%
Total liabilities	14,755,948	12,068,918	25,388,237	21,784,535	40,144,185	33,853,453	-15.67%
Total deferred inflows of resources	7,246,357	4,088,125	297,295	-	7,543,652	4,088,125	-45.81%
Net investment in capital assets	88,419,571	81,612,998	20,261,005	19,860,986	108,680,576	101,473,984	-6.63%
Restricted	15,613,336	10,320,515	5,656,522	4,430,165	21,269,858	14,750,680	-30.65%
Unrestricted	29,207,794	25,462,013	49,260,683	53,219,465	78,468,477	78,681,478	0.27%
Total net position	\$ 133,240,701	\$ 117,395,526	\$ 75,178,210	\$ 77,510,616	\$ 208,418,911	\$ 194,906,142	-6.48%

Capital assets reflect the City's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are *not* available for future spending.

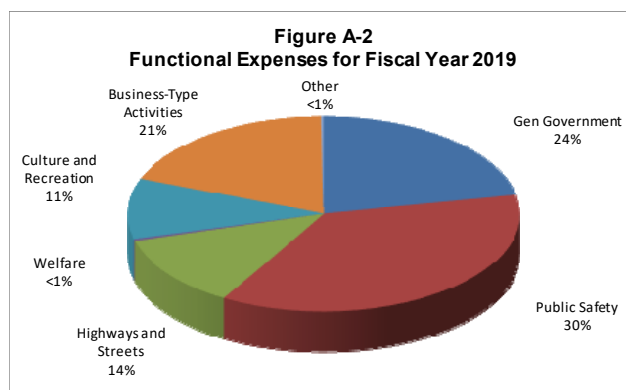
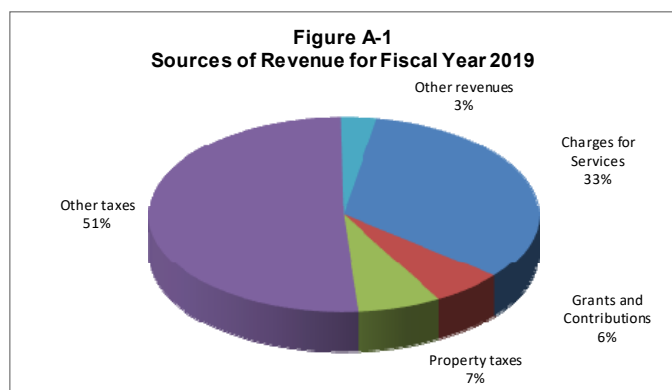
The largest portion of the City's net position is invested in capital assets, which represents \$101,473,984 or 52% of total net position.

Of the City's \$194,906,142 net position, \$14,750,680 is restricted for various purposes including the emergency reserves as required by the Colorado Constitution, open space for parks, impact fees, rate stabilization and operating expenses of the Littleton/Englewood Wastewater Treatment Plant joint venture, employee benefits, maintenance of a museum collection and debt.

Changes in Net Position. The City's total revenues were lower than the prior year by \$18,393,140 or 19%. Revenues in 2019 were \$77,791,413 as compared to \$96,184,553 in 2018. Operating and capital grants increased by \$820,689 or 20%. Sales, general use and building use tax revenues were \$2,284,015 higher than 2018. Charges for services decreased by \$22,645,503 (47%) as a result of the fire department transition to SMFR and subsequent loss of fire contract revenues in 2019. Approximately one-third of total revenues are received from charges for services which includes building permit-related fees and impact fees. For business-type activities, revenues decreased 14% compared to 2018 as a result of the fire department transition and the loss of Emergency

Medical Transport Revenues. Approximately 58% of the City's total revenues come from property and other types of taxes (see Figure A-1).

The total cost of all programs and services, \$74,664,798, decreased by 18% from 2018. The City's expenses cover a range of services, of which more than half is related to public safety and business-type activities (Figure A-2).



Governmental Activities

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Revenues. Total revenues for all governmental activities were \$58,098,328. This is a decrease from 2018 of \$15,316,494 or 21%. The following depicts the major revenue sources for the governmental activities:

- Charges for services were \$9,499,788 which includes court costs, Littleton Public Schools officers, Littleton VALE, building permits, impact fees, highway users tax, open space, county road and bridge, plans checking, lottery funds and other miscellaneous revenues.
- Grants and contributions related to public safety, highways and streets, welfare and culture and recreation were \$2,075,805.
- Tax related revenues were \$45,035,589.
- The total for interest and miscellaneous revenues is \$1,487,146.

Expenses. Expenses were lower in 2019 as compared to 2018 by \$10,228,086 or 15%.

Table A-2
City of Littleton's Changes in Net Position

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2018	2019	2018	2019	2018	2019	2018 - 2019
Revenues:							
Program revenues:							
Charges for services	\$ 27,524,912	\$ 9,499,788	\$ 20,580,011	\$ 15,959,632	\$ 48,104,923	\$ 25,459,420	-47.08%
Operating grants and contributions	289,455	252,925	-	-	289,455	252,925	-12.62%
Capital grants and contributions	2,010,586	1,822,880	1,744,491	2,789,416	3,755,077	4,612,296	22.83%
General revenues:							
Property taxes	5,507,401	5,594,305	-	-	5,507,401	5,594,305	1.58%
Other taxes	37,141,520	39,441,284	-	-	37,141,520	39,441,284	6.19%
Other	940,948	1,487,146	445,229	944,037	1,386,177	2,431,183	75.39%
Total revenues	<u>73,414,822</u>	<u>58,098,328</u>	<u>22,769,731</u>	<u>19,693,085</u>	<u>96,184,553</u>	<u>77,791,413</u>	<u>-19.12%</u>
Expenses:							
General government	16,835,027	18,193,507	-	-	16,835,027	18,193,507	8.07%
Public safety	34,940,029	22,035,266	-	-	34,940,029	22,035,266	-36.93%
Highways and streets	9,776,105	10,064,723	-	-	9,776,105	10,064,723	2.95%
Welfare	369,510	258,347	-	-	369,510	258,347	-30.08%
Culture and recreation	7,052,136	8,226,041	-	-	7,052,136	8,226,041	16.65%
Interest	193,433	160,270	-	-	193,433	160,270	-17.14%
Sewer Utility	-	-	15,605,506	14,484,754	15,605,506	14,484,754	-7.18%
Storm Drainage	-	-	1,144,794	959,001	1,144,794	959,001	-16.23%
Emergency Medical Transportation	-	-	5,307,959	-	5,307,959	-	-100.00%
Geneva Village	-	-	146,250	180,931	146,250	180,931	23.71%
Building Authority	-	-	109,581	101,958	109,581	101,958	-6.96%
Total expenses	<u>69,166,240</u>	<u>58,938,154</u>	<u>22,314,090</u>	<u>15,726,644</u>	<u>91,480,330</u>	<u>74,664,798</u>	<u>-18.38%</u>
Increase in net position before transfers & special items	4,248,582	(839,826)	455,641	3,966,441	4,704,223	3,126,615	-33.54%
Transfers	292,053	(194,719)	(292,053)	194,719	-	-	N/A
Special Items	-	(14,810,630)	-	(1,828,754)	-	(16,639,384)	N/A
Increase in net position	<u>4,540,635</u>	<u>(15,845,175)</u>	<u>163,588</u>	<u>2,332,406</u>	<u>4,704,223</u>	<u>(13,512,769)</u>	<u>-387.25%</u>
Net position - beginning	128,700,066	133,240,701	75,014,622	75,178,210	203,714,688	208,418,911	2.31%
Net position - ending	<u>\$ 133,240,701</u>	<u>\$ 117,395,526</u>	<u>\$ 75,178,210</u>	<u>\$ 77,510,616</u>	<u>\$ 208,418,911</u>	<u>\$ 194,906,142</u>	<u>-6.48%</u>

Business-type Activities

Revenues of the City's business-type activities decreased by \$3,076,646 or 14% and expenses decreased by \$6,587,446 or 30% (see Table A-2). Factors contributing to these results include:

- Sewer utility and storm drainage charges for services revenue increased \$658,621 (4%) due to user rate increases.
- Sewer utility and storm drainage capital contributions increased by \$1,044,925 due to an increase in tap fee connections in 2019.
- Sewer utility operating expenses decreased by \$935,468 or 8% due to decreased costs related to the joint venture sewer plant.
- Storm drainage operating expenses decreased by \$185,793 or 16% due to decreases in repair and maintenance costs.
- The fire department transition to South Metro Fire Rescue included emergency medical transport services. This resulted in decreased revenues of \$5,296,847 and expenses of \$5,307,959.
- Interest earnings reflected an increase of \$498,808.
- Other business-type activity revenues and expenses were consistent as compared to the prior year.

Fund Financial Analysis

Governmental funds. Governmental fund financial statements focus on *current inflows and outflows of available resources*, and on *balances of unassigned resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

At the end of 2019, the combined ending fund balances of the governmental funds were \$31,442,043. This is a decrease of \$3,773,723 from 2018. The unassigned fund balance was \$9,740,290 or 31% of the total fund balances. The remaining fund balance of \$21,701,753 is classified:

Nonspendable	\$	545,632
Restricted		9,091,485
Assigned		12,064,636
Total	\$	<u>21,701,753</u>

General Fund. The General Fund is the primary operating fund of the city and its ending fund balance on December 31, 2019 was \$15,874,388. Of this amount, \$274,283 was nonspendable in the form of inventories and prepaid items; \$1,821,959 restricted for TABOR emergencies; \$4,037,856 was assigned and \$9,740,290 was unassigned. The fund balance decreased by \$454,347 from 2018.

As compared to 2018, total revenues (excluding transfers in) decreased by \$14,773,261 or 23% and expenditures (excluding transfers out) decreased by \$11,535,841 or 19%. Key factors are:

- Property tax revenues increased by \$86,904 or 2%.
- Intergovernmental revenues decreased \$15,636,173 or 94% due to termination of fire service contracts.
- Charges for services decreased \$1,643,480 or 58% as a result of lost administrative fees and fire service contracts with non-government entities.
- Public safety costs decreased by \$13,466,671 or 38%.
- City-wide expenditures decreased \$11,535,841 or 19% due to decreased fire-related costs.
- The General Fund had fewer revenues than expenditures by \$259,628 prior to other financing uses. Net transfers from the General Fund to all other funds were \$194,719.

Other Governmental Funds. The Capital Projects Fund ending fund balance was \$8,057,255. The fund balance decreased by \$4,320,591 from 2018 due to several factors surrounding the fire department transition to SMFR. Revenues (excluding transfers in) were lower than the prior year by \$1,117,807 due mainly to a decrease in fire-related capital reimbursements. Expenditures were higher than the prior year by \$1,521,024 (23%) due to the early termination of fire-related capital leases.

The Conservation Trust Fund ending fund balance decreased by \$122,401 due to the replacement of the library boiler and the replacement of roofs on historical outbuildings at the Littleton Museum. Lottery revenues were \$34,682 (15%) higher in 2019 than 2018, with expenditures being higher in 2019 by \$201,297.

The city's Open Space Fund ending fund balance increased by \$621,509 due to a delayed completion of budgeted park projects including Options Playground and Harlow Park.

The city's Impact Fee Fund ending fund balance increased by \$442,266 in 2019. Impact fee revenues were significantly higher than 2018 by \$265,046 due primarily to more large developments completing the permitting stage in 2019. Expenditures increased as compared to 2018 as Council approved funding of the Transportation Master Plan and transition to Marmot library consortium from impact fees.

Proprietary Funds. Sewer Utility Fund ending net position was \$63,509,209 which was \$3,942,497 or 7% higher than the 2018 ending net position. The increased ending net position is the result of infrastructure capital

contributions and tap fee connections. Operating revenues were higher by \$633,608 (4%) than 2018. Operating expenses were \$935,468 (8%) lower in 2019 due to completed construction of the biogas project at the joint venture sewer plant which started in 2018. The City's total project costs were approximately \$3.8 million.

The Storm Drainage Fund reported a decrease in net position of \$39,078 due to increased operating expenses. Council approved a rate study for 2020 to ensure future revenues continue to meet the operating and maintenance costs of this fund.

The Emergency Medical Transport Fund was closed in 2019 as these services were transitioned along with other fire services to South Metro Fire Rescue. As a result, the fund has no operating revenues or expenses for the year and the ending net position is \$0.

General Fund Budgetary Highlights

The General Fund accounts for all the general services provided by the city. At the end of 2019, differences between the original budgeted expenditures and the final amended budgeted expenditures, including transfers, were an additional \$1,613,029 or 3% of the original budget. This difference was the result of encumbered purchase orders from fiscal year 2018 that were not fulfilled in that year and were carried forward into the 2019 fiscal year as well as budget amendments totaling \$595,700 including increases for software upgrades and conversions, additional personnel (grant administrator and transportation planner), legal services and recruitment expenses, and funding assessments for grounds and fleet maintenance.

Tax revenues (including sales and use, property and other taxes) were higher than budgeted amounts by \$830,264. License and permits were \$52,273 lower and charges for services were \$514,274 lower than budgeted amounts, mainly due to decreased building permits, zoning reviews and plans checking fees. Investment earnings were higher than budgeted by \$277,367. The total revenue budget variance was \$797,280.

Actual expenditures were lower from the final budget by \$3,633,199 (7%) due to position vacancies, savings in professional services, delayed streetlight replacement and telecommunications projects. Total budget variance for the General Fund, excluding transfers, was \$4,430,481.

During the current fiscal year, fund balance in the General Fund decreased by \$454,347. The original budget for fund balance showed a decrease for 2019 of \$3,077,080 and the final budget included a decrease of \$4,690,109 creating a positive budget variance of \$4,235,762. This variance is mainly due to expenditures being lower than budgeted as described above.

Capital Asset and Debt Administration

Capital Assets

The city's capital assets for its governmental and business type activities as of December 31, 2019, were valued at \$106,417,527 (net of accumulated depreciation) and include: land, buildings and improvements, machinery and equipment, infrastructure and construction in progress. The city uses these assets to provide services to its citizens.

Additional information about the city's capital assets is presented in Note IV to the financial statements.

Comparative Schedule of Capital Assets - net of accumulated depreciation December 31, 2019 and 2018

	Governmental Activities			Business-type Activities			Total		
	2018	2019	Change	2018	2019	Change	2018	2019	Change
Land	\$ 24,583,062	\$ 24,044,341	\$ (538,721)	\$ 2,689,538	\$ 2,689,538	\$ -	\$ 27,272,600	\$ 26,733,879	\$ (538,721)
Buildings and improvements	20,108,862	14,693,323	(5,415,539)	18,041,339	17,194,304	(847,035)	38,150,201	31,887,627	(6,262,574)
Machinery and equipment	7,240,904	5,302,068	(1,938,836)	450,128	340,596	(109,532)	7,691,032	5,642,664	(2,048,368)
Infrastructure	40,795,411	39,402,733	(1,392,678)	-	-	-	40,795,411	39,402,733	(1,392,678)
Construction in progress	2,379,904	2,115,827	(264,077)	250,000	634,797	384,797	2,629,904	2,750,624	120,720
Totals	<u>\$ 95,108,143</u>	<u>\$ 85,558,292</u>	<u>\$ (9,549,851)</u>	<u>\$ 21,431,005</u>	<u>\$ 20,859,235</u>	<u>\$ (571,770)</u>	<u>\$ 116,539,148</u>	<u>\$ 106,417,527</u>	<u>\$ (10,121,621)</u>

Major capital asset events during the current fiscal year included:

- Building systems improvements including replacement of the boiler at the Bemis Library, replacement of security cameras and installation of new ventilation fans.
- Continued analysis for improvements at the Federal/Bowles intersection.
- Started engineering and design for the replacement of the Rio Grande Bridge over Slaughterhouse Gulch.
- Implementation of a new library consortium called Marmot.
- Several roads were resurfaced, and improvements were made to neighborhood curbs, gutters, and sidewalks.
- Thirteen city vehicles were replaced with newer vehicles including two dump trucks. The City also purchased a new armored vehicle and a new hot patch truck.
- Continued implementation of development and plan review software upgrade.
- Began replacement of police records management system.
- Replacement of the roofs on historical outbuildings at the Littleton Museum.
- Recreational projects were completed including Bowles Grove Ballfields and Playgrounds and Progress Park. Additional improvements in progress at the end of the year include Harlow Park, Writer's Vista Park, Hamlet Park and Reynolds Landing. Most of these projects are also funded by partners at South Suburban Parks and Recreation District as well as Arapahoe County Open Space.

Debt Administration

The City of Littleton's total debt outstanding for its governmental and business type activities as of December 31, 2019 was \$23,274,189 (see Table A-3). This comprises capital leases of \$3,913,557, an assignment certificate of \$990,000 and revenue loans and premiums of \$18,370,632. Additional information about the city's debt is presented in Notes V and VI to the financial statements.

Table A-3
City of Littleton's Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2018	2019	2018	2019	2018	2019	2018 - 2019
Capital Leases	\$ 6,688,572	\$ 3,913,557	\$ -	\$ -	\$ 6,688,572	\$ 3,913,557	-41.49%
Assignment Certificate	-	-	1,170,000	990,000	1,170,000	990,000	-15.38%
Revenue Bonds	-	-	21,182,329	18,370,632	21,182,329	18,370,632	-13.27%
	<u>\$ 6,688,572</u>	<u>\$ 3,913,557</u>	<u>\$ 22,352,329</u>	<u>\$ 19,360,632</u>	<u>\$ 29,040,901</u>	<u>\$ 23,274,189</u>	<u>-19.86%</u>

Economic Factors and Next Year's Budget

The spread of the novel coronavirus and associated disease, COVID-19, and the efforts to contain the disease pose a significant downside risk to the economic forecast for 2020 and future years. Significant uncertainty remains

about the actions of consumers, businesses, and investors, as well as health officials and government agencies in the months ahead. While a near-term contraction is certain, this contraction could lead to a prolonged and severe pullback in economic activity. The risk of recession in 2020 is elevated. As a result, the city has reduced anticipated expenditures for 2020 by \$1.1 million including the elimination of the 2020 market increase for civilian positions, elimination of the 2% 457 retirement plan match for employees and implementation of short-term furloughs. Departments are developing additional plans for short-term reductions in anticipation of significant losses in sales tax revenue for 2020.

Throughout 2019, demand has continued for increased services; however, the long-term financial sustainability of the city requires deferring many operating and capital requests. The 2020 Budget continues the council and community conversation as to the level of investment to make in the community infrastructure not just in 2020, but more importantly in the years that follow. The most significant change for 2020 relates to the South Metro Fire Rescue (SMFR) inclusion approved by voters in 2018 which goes into effect January 1, 2020. This change results in decreased revenues and expenses for the City of Littleton. The City reduced its mill levy to 2.0 mills from 6.662 mills (revenue decreased slightly more than \$4 million), reduced its fire contracted services expense budget by \$8.5 million and budgeted for a transfer of \$3.1 million from the General Fund to the Capital Reserve Account for street maintenance. In 2020, budgeted operating revenues are estimated to decrease by \$3.6 million (7%) from 2019's actual operating revenues. The city's sales and use tax revenues, which comprise 78% of the 2020 General Fund revenues, are estimated to rise by 0.5% to \$35,060,810 above the 2019 actual sales and use tax revenues.

The city council discussed 18 policy questions when adopting the 2020 budget. These questions addressed adding 4.4 FTE's: 0.4 FTE Court Clerk, 1.0 Crime Lab Technician, and 3.0 FTE Utility Operators. The Utility Operators will be funded through the Sewer Utility and Storm Drainage Enterprise funds. The other positions are funded through the General Fund. Funding for the two-year term limited Transportation Planner was scheduled to expire in November 2020, but Council approved this position to be converted to a permanent position.

The 2020 appropriation in the General Fund is \$48,098,780, a decrease of \$5,009,899, or 9% below the 2019 final budget of \$53,108,679. The decrease is a direct result of the expiration of the contract for fire services with South Metro Fire Rescue at the end of 2019 and the addition of a \$3.1 million transfer to the Capital Projects Fund in 2020. The five-year fiscally constrained financial plan resulted in a 12% ending fund balance which complies with the policy set by Council.

If the 2020 budget is realized in the General Fund, the city's budgetary fund balance is expected to be \$13,364,018, which equals an ending fund balance reserve of 30% of 2020 operating expenditures.

Requests for Information

This financial report provides a general overview of the city's finances for all those with an interest in the government's finances. Questions concerning the information in this report or requests for additional financial information should be addressed to the Finance Director, City of Littleton, 2255 West Berry Avenue, Littleton, CO 80120, or to thooten@littletongov.org, or 303-795-3765.



2019 CAFR



**Basic Financial
Statements**

City of Littleton, Colorado
Statement of Net Position
December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Littleton Invests For Tomorrow
ASSETS				
Cash and investments	\$ 35,182,960	\$ 25,937,257	\$ 61,120,217	\$ 429,481
Receivables (net of allowance for uncollectibles)	7,747,905	1,284,424	9,032,329	1,042
Due from component unit	154,444	-	154,444	-
Inventories	184,280	-	184,280	-
Prepaid Items	365,657	46,868	412,525	-
Restricted assets:				
Cash and investments	153,379	4,430,165	4,583,544	-
Equity in Bi-City joint venture	-	46,737,202	46,737,202	-
Net pension asset	305,216	-	305,216	-
Capital assets (net of accumulated depreciation):				
Non-depreciable assets	26,160,168	3,324,335	29,484,503	-
Depreciable assets	59,398,124	17,534,900	76,933,024	-
Total assets	<u>129,652,133</u>	<u>99,295,151</u>	<u>228,947,284</u>	<u>430,523</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension-related:				
Differences between expected and actual experience	1,511,237	-	1,511,237	-
Net difference between projected and actual earnings on pension plan investments	858,938	-	858,938	-
Changes in assumptions	1,021,660	-	1,021,660	-
City contributions subsequent to the measurement date	508,601	-	508,601	-
Total deferred outflows of resources	<u>3,900,436</u>	<u>-</u>	<u>3,900,436</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	4,781,875	1,952,264	6,734,139	-
Accrued interest payable	20,376	185,104	205,480	-
Due to primary government	-	-	-	154,444
Deposits and escrows	1,341,218	-	1,341,218	-
Unearned revenues	-	265,546	265,546	-
Noncurrent liabilities:				
Due within one year	1,319,016	3,071,418	4,390,434	-
Due in more than one year	3,597,390	16,310,203	19,907,593	-
Net pension liability	1,009,043	-	1,009,043	-
Total liabilities	<u>12,068,918</u>	<u>21,784,535</u>	<u>33,853,453</u>	<u>154,444</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	1,993,679	-	1,993,679	1,042
Pension-related:				
Differences between expected and actual experience	10,779	-	10,779	-
Changes in proportion	2,083,667	-	2,083,667	-
Total deferred inflows of resources	<u>4,088,125</u>	<u>-</u>	<u>4,088,125</u>	<u>1,042</u>
NET POSITION				
Net investment in capital assets	81,612,998	19,860,986	101,473,984	-
Restricted for:				
Emergencies	1,821,959	-	1,821,959	-
Open space and parks	3,323,325	-	3,323,325	-
Impact Fees	3,924,689	-	3,924,689	-
Employee benefits	923,813	-	923,813	-
Net pension asset	305,216	-	305,216	-
Museum collection maintenance	21,513	-	21,513	-
Rate stabilization	-	3,000,000	3,000,000	-
Bi-city joint venture	-	1,430,000	1,430,000	-
Debt service	-	165	165	-
Unrestricted	25,462,013	53,219,465	78,681,478	275,037
Total net position	<u>\$ 117,395,526</u>	<u>\$ 77,510,616</u>	<u>\$ 194,906,142</u>	<u>\$ 275,037</u>

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

City of Littleton, Colorado
Statement of Activities
For The Year Ended December 31, 2019

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Government activities:				
General government	\$ 18,193,507	\$ 4,535,940	\$ 58,724	\$ -
Public safety	22,035,266	932,436	47,878	52,584
Highways and streets	10,064,723	2,183,729	45,240	5,000
Welfare	258,347	38,078	66,052	-
Culture and recreation	8,226,041	1,809,605	35,031	1,765,296
Interest on long-term debt	160,270	-	-	-
Total government activities	58,938,154	9,499,788	252,925	1,822,880
Business-type activities:				
Sewer Utility	14,484,754	14,766,549	-	2,729,416
Storm Drainage	959,001	848,762	-	60,000
Emergency Med. Trans	-	-	-	-
Geneva Village	180,931	125,513	-	-
Building Authority	101,958	218,808	-	-
Total business-type activities	15,726,644	15,959,632	-	2,789,416
Total primary government	\$ 74,664,798	\$ 25,459,420	\$ 252,925	\$ 4,612,296
Component unit:				
Littleton Invests for Tomorrow	\$ 1,008	\$ -	\$ -	\$ -
Total component unit	\$ 1,008	\$ -	\$ -	\$ -

General revenues:

Taxes:

 Property

 Sales and use

 Building use

 Franchise

 Other

Investment earnings

Miscellaneous

Special item - Disposal of operations

Transfers

 Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Littleton Invests For Tomorrow
\$ (13,598,843)	\$ -	\$ (13,598,843)	\$ -
(21,002,368)	-	(21,002,368)	-
(7,830,754)	-	(7,830,754)	-
(154,217)	-	(154,217)	-
(4,616,109)	-	(4,616,109)	-
(160,270)	-	(160,270)	-
<u>(47,362,561)</u>	<u>-</u>	<u>(47,362,561)</u>	<u>-</u>
-	3,011,211	3,011,211	-
-	(50,239)	(50,239)	-
-	-	-	-
-	(55,418)	(55,418)	-
-	116,850	116,850	-
<u>-</u>	<u>3,022,404</u>	<u>3,022,404</u>	<u>-</u>
<u>(47,362,561)</u>	<u>3,022,404</u>	<u>(44,340,157)</u>	<u>-</u>
-	-	-	(1,008)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,008)</u>
5,594,305	-	5,594,305	722
34,875,932	-	34,875,932	102,957
1,647,204	-	1,647,204	-
2,282,379	-	2,282,379	-
635,769	-	635,769	-
1,178,968	944,037	2,123,005	7,436
308,178	-	308,178	-
(14,810,630)	(1,828,754)	(16,639,384)	-
(194,719)	194,719	-	-
<u>31,517,386</u>	<u>(689,998)</u>	<u>30,827,388</u>	<u>111,115</u>
<u>(15,845,175)</u>	<u>2,332,406</u>	<u>(13,512,769)</u>	<u>110,107</u>
<u>133,240,701</u>	<u>75,178,210</u>	<u>208,418,911</u>	<u>164,930</u>
<u>\$ 117,395,526</u>	<u>\$ 77,510,616</u>	<u>\$ 194,906,142</u>	<u>\$ 275,037</u>

City of Littleton, Colorado

Balance Sheet

Governmental Funds

December 31, 2019

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 13,677,947	\$ 8,203,329	\$ 8,609,685	\$ 30,490,961
Receivables (net of allowance for uncollectibles)	7,241,195	106,505	400,205	7,747,905
Due from component unit	154,444	-	-	154,444
Inventories	184,280	-	-	184,280
Prepaid items	90,003	271,349	-	361,352
Restricted cash and investments	-	-	26,513	26,513
Total assets	<u>\$ 21,347,869</u>	<u>\$ 8,581,183</u>	<u>\$ 9,036,403</u>	<u>\$ 38,965,455</u>
LIABILITIES				
Contracts and accounts payable	\$ 1,451,428	\$ 473,928	\$ 1,479,840	\$ 3,405,196
Deposits and escrows	1,291,218	50,000	-	1,341,218
Unearned revenue	-	-	46,163	46,163
Other liabilities	737,156	-	-	737,156
Total liabilities	<u>3,479,802</u>	<u>523,928</u>	<u>1,526,003</u>	<u>5,529,733</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax	1,993,679	-	-	1,993,679
Total deferred inflows of resources	<u>1,993,679</u>	<u>-</u>	<u>-</u>	<u>1,993,679</u>
FUND BALANCES				
Nonspendable:				
Inventories	184,280	-	-	184,280
Prepaid items	90,003	271,349	-	361,352
Restricted:				
Conservation trust	-	-	157,206	157,206
Museum collection maintenance	-	-	21,513	21,513
Open space	-	-	3,166,118	3,166,118
Impact fees	-	-	3,924,689	3,924,689
Emergencies	1,821,959	-	-	1,821,959
Assigned:				
Purchases on order	1,527,486	-	-	1,527,486
Subsequent year expenditures	2,510,370	-	-	2,510,370
Capital projects	-	7,785,906	-	7,785,906
Consolidated special revenues	-	-	240,874	240,874
Unassigned	9,740,290	-	-	9,740,290
Total fund balances	<u>15,874,388</u>	<u>8,057,255</u>	<u>7,510,400</u>	<u>31,442,043</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,347,869</u>	<u>\$ 8,581,183</u>	<u>\$ 9,036,403</u>	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	\$ 85,558,292
The net pension asset is not available to pay current period expenditures and, therefore, are not reported in the funds.	305,216
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(1,009,043)
The pension-related deferred outflows (\$3,900,436) and inflows (\$2,094,446) of resources are amortized over future periods and therefore, are not reported in the funds.	1,805,990
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	46,163
Internal service funds are used by management to charge the costs of various insurance funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	4,183,647
Long-term liabilities, including capital leases of \$3,913,557; accrued interest of \$20,376; and compensated absences of \$1,002,849 are not due and payable from current financial resources, and therefore, are not reported in the funds.	(4,936,782)
Net position of governmental activities	<u>\$ 117,395,526</u>

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

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2019

	General	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 5,594,305	\$ -	\$ -	\$ 5,594,305
Sales and use	34,875,932	-	-	34,875,932
Building use	-	1,647,204	-	1,647,204
Specific ownership	454,188	-	-	454,188
Cigarette	181,581	-	-	181,581
Franchise	2,230,948	-	51,431	2,282,379
Licenses and permits	1,393,597	-	-	1,393,597
Intergovernmental	1,001,277	1,744,924	2,703,458	5,449,659
Charges for services	1,201,876	45,678	855,264	2,102,818
Fines and forfeitures	749,590	-	74,715	824,305
Investment earnings	455,817	307,762	269,419	1,032,998
Miscellaneous	1,076,739	-	15,310	1,092,049
Total revenues	<u>49,215,850</u>	<u>3,745,568</u>	<u>3,969,597</u>	<u>56,931,015</u>
EXPENDITURES				
Current:				
General government	16,779,380	697,124	58,563	17,535,067
Public safety	22,006,497	354,870	118,992	22,480,359
Highway and streets	4,749,608	1,888,335	333,412	6,971,355
Welfare	240,590	-	-	240,590
Culture and recreation	5,603,829	32,273	1,396,745	7,032,847
Debt service:				
Principal	-	2,738,476	-	2,738,476
Interest	-	193,275	-	193,275
Capital outlay	95,574	2,268,404	1,021,494	3,385,472
Total expenditures	<u>49,475,478</u>	<u>8,172,757</u>	<u>2,929,206</u>	<u>60,577,441</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(259,628)</u>	<u>(4,427,189)</u>	<u>1,040,391</u>	<u>(3,646,426)</u>
OTHER FINANCING SOURCES				
Transfers in	-	39,176	-	39,176
Transfers out	(194,719)	-	(39,176)	(233,895)
Proceeds from sale of capital assets	-	67,422	-	67,422
Total other financing sources	<u>(194,719)</u>	<u>106,598</u>	<u>(39,176)</u>	<u>(127,297)</u>
Net change in fund balance	(454,347)	(4,320,591)	1,001,215	(3,773,723)
Fund balance - beginning	<u>16,328,735</u>	<u>12,377,846</u>	<u>6,509,185</u>	<u>35,215,766</u>
Fund balance - ending	<u>\$ 15,874,388</u>	<u>\$ 8,057,255</u>	<u>\$ 7,510,400</u>	<u>\$ 31,442,043</u>

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

City of Littleton, Colorado
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For The Year Ended December 31, 2019

Amounts reported for governmental activities in the statement of activities (pages 23 and 24) are different because:

Net change in fund balances - total governmental funds (page 26)	\$ (3,773,723)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$5,892,101 and capital disposals of \$7,769,003 exceeded capital contributions of \$725,781 and capital outlays of \$3,385,472.	(9,549,851)
Under the accrual basis, an adjustment is needed to reflect the change in unearned revenues which is a change in revenues in the statement of activities.	22,643
The cumulative effects of the total pension asset and the fair value of pension plan net position available to pay pension benefits is the pension expense reported in the statement of activities. These effects result in an increase to pension expense.	(5,957,771)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the change in net position. This amount is the net effect of the repayment of \$2,738,476 in principal of long-term debt and amortization of \$36,539.	2,775,015
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the increase in compensated absences of \$32,379 and decrease in accrued interest expense of \$33,005.	626
Internal service funds are used by management to charge the costs of various insurance to individual funds.	637,886
Change in net position of governmental activities (page 24)	<u>\$ (15,845,175)</u>

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

City of Littleton, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Non-Major Proprietary Funds
ASSETS			
Current assets:			
Cash and investments	\$ 25,576,812	\$ 330,277	\$ 30,168
Receivables (net of allowance for uncollectibles)	1,236,803	47,621	-
Prepaid items	45,557	1,311	-
Total current assets	<u>26,859,172</u>	<u>379,209</u>	<u>30,168</u>
Noncurrent assets:			
Restricted assets:			
Cash and investments	4,430,000	-	165
Equity in Bi-City joint venture	46,737,202	-	-
Capital assets:			
Land	255,815	1,982,652	451,071
Buildings and systems	19,014,079	20,949,817	3,394,606
Improvements other than buildings	-	-	65,740
Machinery and equipment	640,006	3,148	166,690
Construction in progress	1,149	633,648	-
Less accumulated depreciation	<u>(13,700,507)</u>	<u>(11,355,867)</u>	<u>(1,642,812)</u>
Total capital assets (net of accumulated depreciation)	<u>6,210,542</u>	<u>12,213,398</u>	<u>2,435,295</u>
Total noncurrent assets	<u>57,377,744</u>	<u>12,213,398</u>	<u>2,435,460</u>
Total assets	<u>84,236,916</u>	<u>12,592,607</u>	<u>2,465,628</u>
Total assets and deferred outflows of resources	<u>\$ 84,236,916</u>	<u>\$ 12,592,607</u>	<u>\$ 2,465,628</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 1,914,272	\$ 23,648	\$ 14,344
Claims and judgments	-	-	-
Unearned revenue	244,514	21,032	-
Accrued interest payable	180,971	-	4,133
Long term debt payable - current	<u>2,885,013</u>	<u>1,405</u>	<u>185,000</u>
Total current liabilities	<u>5,224,770</u>	<u>46,085</u>	<u>203,477</u>
Noncurrent liabilities:			
Long term debt payable	<u>15,502,937</u>	<u>2,266</u>	<u>805,000</u>
Total noncurrent liabilities	<u>15,502,937</u>	<u>2,266</u>	<u>805,000</u>
Total liabilities	<u>20,727,707</u>	<u>48,351</u>	<u>1,008,477</u>
NET POSITION			
Net investment in capital assets	6,210,542	12,205,149	1,445,295
Restricted for:			
Rate stabilization	3,000,000	-	-
Bi-city joint venture	1,430,000	-	-
Employee benefits	-	-	-
Debt service	-	-	165
Unrestricted	<u>52,868,667</u>	<u>339,107</u>	<u>11,691</u>
Total net position	<u>63,509,209</u>	<u>12,544,256</u>	<u>1,457,151</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 84,236,916</u>	<u>\$ 12,592,607</u>	<u>\$ 2,465,628</u>

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

		Governmental Activities- Internal Service Funds
Totals		
\$ 25,937,257	\$	4,691,999
1,284,424		-
46,868		4,305
27,268,549		4,696,304
4,430,165		126,866
46,737,202		-
2,689,538		-
43,358,502		-
65,740		-
809,844		-
634,797		-
(26,699,186)		-
20,859,235		-
72,026,602		126,866
99,295,151		4,823,170
\$ 99,295,151	\$	4,823,170
\$ 1,952,264	\$	125,422
-		514,101
265,546		-
185,104		-
3,071,418		-
5,474,332		639,523
16,310,203		-
16,310,203		-
21,784,535		639,523
19,860,986		-
3,000,000		-
1,430,000		-
-		126,866
165		-
53,219,465		4,056,781
77,510,616		4,183,647
\$ 99,295,151	\$	4,823,170

City of Littleton, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For The Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Non-Major Proprietary Funds
OPERATING REVENUES			
Charges for services	\$ 14,584,501	\$ 837,901	\$ -
Employer/employee contributions	-	-	-
Rental payments	-	-	343,818
Miscellaneous	182,048	10,861	503
Total operating revenues	<u>14,766,549</u>	<u>848,762</u>	<u>344,321</u>
OPERATING EXPENSES			
Personnel services	475,251	243,467	-
Supplies	11,345	3,354	-
Bi-City operating costs	7,424,043	-	-
Contractual services	234,197	22,811	31,480
Services by General Fund	540,750	-	-
Insurance	-	-	-
Benefits and claims	-	-	-
Other services and charges	1,312,535	80,883	132,338
Amortization	15,344	-	-
Depreciation	454,198	608,486	80,718
Total operating expenses	<u>10,467,663</u>	<u>959,001</u>	<u>244,536</u>
Operating income (loss)	<u>4,298,886</u>	<u>(110,239)</u>	<u>99,785</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	931,286	11,161	1,590
Debt administration costs	(249,282)	-	(27)
Change in Bi-City joint venture equity	(3,326,348)	-	-
Insurance recovery	-	-	-
Interest charges	(441,461)	-	(38,326)
Total nonoperating revenues (expenses)	<u>(3,085,805)</u>	<u>11,161</u>	<u>(36,763)</u>
Income (loss) before capital contributions and transfers	<u>1,213,081</u>	<u>(99,078)</u>	<u>63,022</u>
Transfers in	-	-	194,719
Capital contributions	2,729,416	60,000	-
Total capital contributions and transfers	<u>2,729,416</u>	<u>60,000</u>	<u>194,719</u>
SPECIAL ITEM			
Loss from disposal of business unit	-	-	(1,828,754)
Total special item	<u>-</u>	<u>-</u>	<u>(1,828,754)</u>
Change in net position	3,942,497	(39,078)	(1,571,013)
Net position - beginning	<u>59,566,712</u>	<u>12,583,334</u>	<u>3,028,164</u>
Net position - ending	<u>\$ 63,509,209</u>	<u>\$ 12,544,256</u>	<u>\$ 1,457,151</u>

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

		Governmental Activities- Internal Service Funds
Totals		
\$ 15,422,402	\$ 794,650	
-	4,891,640	
343,818	-	
193,412	132,020	
<u>15,959,632</u>	<u>5,818,310</u>	
718,718	-	
14,699	-	
7,424,043	-	
288,488	-	
540,750	-	
-	1,453,870	
-	3,788,623	
1,525,756	219,548	
15,344	-	
1,143,402	-	
<u>11,671,200</u>	<u>5,462,041</u>	
<u>4,288,432</u>	<u>356,269</u>	
944,037	145,970	
(249,309)	-	
(3,326,348)	-	
-	135,647	
(479,787)	-	
<u>(3,111,407)</u>	<u>281,617</u>	
<u>1,177,025</u>	<u>637,886</u>	
194,719	-	
2,789,416	-	
<u>2,984,135</u>	<u>-</u>	
(1,828,754)	-	
<u>(1,828,754)</u>	<u>-</u>	
2,332,406	637,886	
<u>75,178,210</u>	<u>3,545,761</u>	
<u>\$ 77,510,616</u>	<u>\$ 4,183,647</u>	

City of Littleton, Colorado
Statement of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Storm Drainage Fund	Non-Major Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 14,663,694	\$ 845,907	\$ 1,241,198
Cash received from interfund services provided	-	-	-
Cash paid to suppliers	(9,438,384)	(111,444)	(368,440)
Cash paid to employees	(462,506)	(247,740)	-
Cash paid to other funds for services	(540,750)	-	-
Net cash provided (used) by operating activities	<u>4,222,054</u>	<u>486,723</u>	<u>872,758</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments to other funds	-	-	(893,796)
Transfers in	-	-	194,719
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>(699,077)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Investment in Bi-City joint venture	(3,146,683)	-	-
Purchase of capital assets	(1,149)	(542,158)	-
Principal paid on debt	(2,796,354)	-	(180,000)
Interest paid on debt	(472,149)	-	(39,078)
Insurance proceeds	-	-	-
Debt administration costs	(249,282)	-	(27)
Capital contributions	2,704,224	-	-
Net cash provided (used) by capital and related financing activities	<u>(3,961,393)</u>	<u>(542,158)</u>	<u>(219,105)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	931,286	11,161	1,590
Net cash provided by investing activities	<u>931,286</u>	<u>11,161</u>	<u>1,590</u>
Net increase (decrease) in cash and cash equivalents	1,191,947	(44,274)	(43,834)
Cash and cash equivalents - January 1	28,814,865	374,551	74,167
Cash and cash equivalents - December 31	<u>\$ 30,006,812</u>	<u>\$ 330,277</u>	<u>\$ 30,333</u>
Reconciliation of operating income (loss) to net cash provided by (used by) operating activities:			
Operating income (loss)	\$ 4,298,886	\$ (110,239)	\$ 99,785
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:			
Depreciation expense	454,198	608,486	80,718
Amortization expense	15,344	-	-
<i>Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources</i>			
Receivables	(102,855)	(1,544)	896,877
Prepaid expenses	(45,557)	(1,311)	-
Accounts payable and other current liabilities	(397,962)	(8,669)	(204,622)
Claims and judgments payable	-	-	-
Total adjustments	<u>(76,832)</u>	<u>596,962</u>	<u>772,973</u>
Net cash provided (used) by operating activities	<u>\$ 4,222,054</u>	<u>\$ 486,723</u>	<u>\$ 872,758</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 25,576,812	\$ 330,277	\$ 30,168
Restricted	4,430,000	-	165
Total cash and cash equivalents	<u>\$ 30,006,812</u>	<u>\$ 330,277</u>	<u>\$ 30,333</u>
Noncash, investing, capital, and financing activities			
Contribution of capital assets	\$ 25,192	\$ 60,000	\$ -

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

		Governmental Activities- Internal Service Funds
Totals		
\$ 16,750,799	\$ 794,650	
-	4,891,640	
(9,918,268)	(6,288,613)	
(710,246)	-	
(540,750)	-	
<u>5,581,535</u>	<u>(602,323)</u>	
(893,796)	-	
194,719	-	
<u>(699,077)</u>	<u>-</u>	
(3,146,683)	-	
(543,307)	-	
(2,976,354)	-	
(511,227)	-	
-	135,647	
(249,309)	-	
<u>2,704,224</u>	<u>-</u>	
<u>(4,722,656)</u>	<u>135,647</u>	
944,037	145,970	
<u>944,037</u>	<u>145,970</u>	
1,103,839	(320,706)	
<u>29,263,583</u>	<u>5,139,571</u>	
<u>\$ 30,367,422</u>	<u>\$ 4,818,865</u>	
\$ 4,288,432	\$ 356,269	
1,143,402	-	
15,344	-	
792,478	-	
(46,868)	5,685	
(611,253)	17,956	
-	(982,233)	
<u>1,293,103</u>	<u>(958,592)</u>	
<u>\$ 5,581,535</u>	<u>\$ (602,323)</u>	
\$ 25,937,257	\$ 4,691,999	
<u>4,430,165</u>	<u>126,866</u>	
<u>\$ 30,367,422</u>	<u>\$ 4,818,865</u>	
\$ 85,192	\$ -	

City of Littleton, Colorado
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	Private - Purpose Trust Fund
ASSETS	
Cash and investments	\$ 32,162
Cash and investments with trustee, at fair value	238,598
Total assets	<u>270,760</u>
LIABILITIES	
Contract and accounts payable	-
Total liabilities	<u>-</u>
NET POSITION	
Held in trust for specific purposes	<u>\$ 270,760</u>

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

City of Littleton, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For The Year Ended December 31, 2019

	Private - Purpose Trust Fund
ADDITIONS	
Interest	\$ 6,523
Total additions	<u>6,523</u>
DEDUCTIONS	
Culture and recreation	<u>-</u>
Total deductions	<u>-</u>
Change in net position	6,523
Net position - beginning	<u>264,237</u>
Net position - ending	<u><u>\$ 270,760</u></u>

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Littleton, Colorado (the City) was incorporated in 1890. On July 28, 1959, the citizens voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution (Home Rule Cities and Towns). The City operates under a council-manager form of government with the City council consisting of seven members, four elected by district and three at large. The City provides the following services as authorized by its charter: administration, finance, city attorney, planning and zoning, economic development, public safety (police), highway, street and building maintenance, sewer, storm drainage utilities, public housing, welfare (free senior citizen transportation), culture and recreation, and municipal court services.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City's significant accounting policies applied in the preparation of these financial statements.

Reporting Entity

The financial reporting entity consists of the City and organizations for which the City is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. In addition, any legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the City.

Based on the application of these criteria, the component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationship with the City. Separate financial statements are not issued for these component units.

Blended Component Unit

The Littleton Colorado Municipal Building Authority – The Littleton Colorado Municipal Building Authority (LCMBA) is governed by a Board of Directors which was originally appointed by the City Council. Subsequent board members have been and will be appointed by the LCMBA. Created in 1976, the LCMBA constructs and acquires buildings solely for the City's use under lease agreements. The buildings will be deeded to the City once the debt is retired. Activities of the LCMBA are reported as a proprietary fund type. The LCMBA does not prepare separate financial statements.

Discrete Component Unit

The Littleton Riverfront Authority dba Littleton Invests for Tomorrow Urban Renewal Authority – The Littleton Riverfront Authority was created in 1980 by the City Council to acquire land for a redevelopment project for the benefit of the City. In 2008, the authority to receive tax increment expired (limited to 25 years) and all debt owing on the bonds and City notes were discharged and deemed cancelled by the Trustee. Littleton Riverfront Authority remained dormant from 2009-2013.

In 2013, the Littleton Riverfront Authority was renamed Littleton Invests for Tomorrow Urban Renewal Authority (LIFT) to provide additional investment options for property owners not just along the Riverfront area, but the broader community as well. LIFT is a legally separate entity from the city and is governed by a board of commissioners who are appointed by the City Council. LIFT's annual budget is approved only by the authority. LIFT is authorized to collect incremental sales and property taxes from designated graphical areas as defined in the urban renewal plans. In 2014, four urban renewal areas were approved by the City Council; Columbine Urban Renewal Area, Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area.

In December 2016, the City Council repealed three of the four urban renewal areas consisting of Littleton Boulevard Urban Renewal Area, North Broadway Urban Renewal Area and Santa Fe Urban Renewal Area; thus ending incremental sales and property taxes for these areas. Columbine Urban Renewal Area, the only active urban renewal area as of December 31, 2019, was repealed in February 2020.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule include charges between the General Fund and the Sewer Utility Fund for administrative costs substantially equal to the value of the services. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major funds are those funds whose activities are considered significant to the City based on economic and other factors and are reported in separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term liabilities are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

Property taxes, sales taxes, intergovernmental revenues, other taxes, and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers or other funds for sales and services. The City also recognizes tap fees as capital contribution revenue. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, the City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Major revenue sources include retail sales and use taxes, property taxes and franchise tax revenues.

The *Capital Projects Fund* accounts for financing, acquisition and construction of capital improvements and various special projects throughout the City. These projects include public facilities, new street construction, parks and open space, information technology, public safety capital items, vehicle replacement and cultural and recreational improvements. Major revenue sources include building use taxes and highway users taxes.

The City reports the following major proprietary funds:

The *Sewer Utility Fund* accounts for sewer services to the residents of the City and several sewer districts located outside the City. The cities of Littleton and Englewood jointly own the South Platte Water Renewal Partners (formerly known as the Littleton/Englewood Wastewater Treatment Plant) located in Englewood. This treatment plant is operated by the City of Englewood under a joint supervisory committee. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The *Storm Drainage Fund* accounts for construction and maintenance of storm water facilities and detention ponds within the City limits.

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other entities, on a cost reimbursement basis. This category consists of the *Employee Insurance Fund* and the *Property and Liability Insurance Fund*.

Trust Funds are used to account for assets held by the City in a trustee capacity or as an agent for gifts and bequests for specific purposes. Included in this fund are the *P. Lyn White*, *Sophie Bramley*, *J. E. Hockaday*, *Patricia Braem*, and *South Platte Park Irrigation* trusts.

Cash and Investments

The City pools cash resources of its various funds in order to facilitate the management of cash. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments.

The City considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because pooled cash is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Investments are stated at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Certain investments are reported using net asset value (NAV) or amortized cost. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Receivables

Receivables consist primarily of sales and use tax, and other miscellaneous receivables and are reported net of an allowance for uncollectible accounts if applicable. The receivable balances as of December 31, 2019 were estimated to have no significant uncollectible balances.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/due from other funds”. If transactions are not due within the next fiscal year, it is an “advance to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Property Taxes Receivable

Property taxes are initially recorded as a receivable and as deferred inflow of resources when levied in both the funds and the government-wide reporting. Revenue is recognized when collected in the following year.

Property taxes are collected and remitted monthly to the City by Arapahoe, Jefferson and Douglas Counties, Colorado. The property tax calendar is detailed below:

Lien date		January - 1
City certifies mill levies to County		December - 15
Levy date		January - 1
Collection/due dates:	First half	February - 28
	In full	April - 30
	Second half	June - 15
	Delinquent notices	August - 15
	Tax sale	November - 15

Inventories and Prepaid Items

Inventories are valued at cost, using the first-in/first-out (FIFO) method. Inventory in the General Fund consists of items for the Littleton Historical Museum gift store and vehicle parts and fuel used for maintaining the City’s fleet. The costs of inventories are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, and classified as nonspendable fund balance in the governmental funds. Prepayments are allocated over appropriate service periods.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks, and similar items) purchased since 1980 are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets are stated at acquisition cost for purchased and constructed assets, estimated acquisition cost for older assets for which actual cost was not determinable, and estimated acquisition value at the time of receipt for donated or contributed items and capital assets received in a service concession arrangement. Expenditures incurred during the construction phase are recorded as construction in progress. These amounts are transferred from construction in progress to the appropriate classification (land, building improvements, etc.) upon completion of the project.

Salvage value is not material and is therefore not computed. Accordingly, assets are completely depreciated if retained for their total estimated useful life. Assets recorded under capital lease agreements are amortized over either the term of the lease or the estimated useful life of the asset, whichever period is shorter.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	10 - 50
Equipment	3 - 10
Infrastructure	10 - 50

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize long-term liabilities only when payment is due. Payments of long-term debt are reported as current expenditures. Proceeds are reported as other financing sources.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Colorado Fire and Police Pension Association (FPPA) Statewide Defined Benefit and Statewide Hybrid Plans and additions to/deductions from FPPA's plans fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate. The City's deferred inflows and outflows of resources primarily relate to pensions and property tax.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. In addition, property tax receivables are reported as a deferred inflow of resources when levied in the fund financial statements.

Net Position/Fund Balance

In the government-wide financial statements and the proprietary funds in the fund financial statements, net position is classified in the following categories:

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.
- Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents the net position of the City, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned or unassigned.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Nonspendable Fund Balance** – amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- **Restricted Fund Balance** – amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- **Committed Fund Balance** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council by ordinance. The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. This classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned Fund Balance** – amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by City Council through an informal action or City Council can delegate the authority to express intent to a committee, the city manager or other city official on a case by case basis.
- **Unassigned Fund Balance** – the remaining fund balance after amounts are set aside for other classifications. Only the General Fund may report a positive unassigned fund balance.

In 2018, the City Council adopted the Principles of Sound Financial Management by resolution. These principles served to consolidate multiple policies into one document. The principles established a formal policy for the City’s use of restricted and unrestricted (committed, assigned, unassigned) fund balance. For any expenditure which meets funding criteria of more than one category of fund balance, the order of use is: Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance. The Principles of Sound Financial Management authorize the City Manager or designee to designate available fund balance based on the intended use of such resources.

The City’s Principles of Sound Financial Management also includes a minimum fund balance of 8% of approved General Fund operating expenditures along with a maximum amount not to exceed 18% at the end of the five-year long-range forecast. This amount is included in Unassigned Fund Balance in the financial statements.

As part of net position, the City reports the following balances as net investment in capital assets:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Total capital assets, net of accumulated depreciation	\$ 85,558,292	\$ 20,859,235
Capital lease obligation (current and non-current)	(3,913,557)	(990,000)
Retainage payable	(31,737)	(8,249)
Net investment in capital assets	<u>\$ 81,612,998</u>	<u>\$ 19,860,986</u>

NOTE II – CASH AND INVESTMENTS**Primary Government****Reconciliation of Cash and Investments to Financial Statements**

Cash and investments	\$ 61,120,217
Restricted cash and investments	4,583,544
Fiduciary cash and investments	270,760
Total	<u>\$ 65,974,521</u>

NOTE II – CASH AND INVESTMENTS (Continued)

Petty cash	\$	2,895
Deposits with financial institutions		6,805,302
Cash and investments held by third party		1,565,795
Investments		<u>57,600,529</u>
Total	\$	<u><u>65,974,521</u></u>

Component Unit

At December 31, 2019, the component unit cash and investments consisted of the following:

Total Cash and Investments	\$	<u><u>429,481</u></u>
Cash	\$	10,859
Local government investment pool		<u>418,622</u>
Total Cash and Investments	\$	<u><u>429,481</u></u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2019, the City had bank deposits of \$6,284,270 collateralized with securities held by the pledging financial institutions' trust department or agent but not in the City's name. The City does not have a deposit policy.

Investments

The City's investment policy is more restrictive than the Colorado State Statutes. The City's policy allows investments of city funds in the following types of securities:

- Obligations of the United States Treasury
- Specific federal instrumentality securities
- Specific repurchase agreements
- Commercial paper
- Corporate debt (highly rated)
- General obligation, revenue bonds and certificates of participation of U. S. local government entities
- Certificates of deposit of certain banks
- Local government investment pools
- Certain money market mutual funds

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 – Quoted prices for identical investments in active markets;
- Level 2 – Observable inputs other than quoted market prices; and,
- Level 3 – Unobservable inputs.

NOTE II – CASH AND INVESTMENTS (Continued)

At December 31, 2019, the City had the following fair value measurements.

		Fair Value Measurements Using			
	12/31/2019	Level 1	Level 2	Level 3	
Investments by fair value level					
U.S. Agencies	\$ 21,781,534	\$ -	\$ 21,781,534	\$ -	
Corporate Bonds	9,766,738	-	9,766,738	-	
Municipal Bonds	11,071,798	-	11,071,798	-	
Certificates of Deposit	8,644,079	-	8,644,079	-	
Total investments by fair value level	51,264,149	\$ -	\$ 51,264,149	\$ -	
Investments measured at the net asset value (NAV) or amortized cost					
ColoTrust	6,011,792				
CSAFE (amortized cost)	324,588				
Total Investments	\$ 57,600,529				

Debt securities classified in Level 2 are valued using the following approaches:

- U. S. Agencies: quoted prices for identical securities in markets that are not active;
- Corporate and municipal bonds: quoted prices for similar securities in active markets; and,
- Negotiable Certificates of Deposits: matrix pricing based on securities' relationship to benchmark quoted prices.

At December 31, 2019, the City's investments consisted of the following:

Investments	Fair Value	% to Total
U.S. Agency Securities	\$ 21,781,534	38%
Corporate Bonds	9,766,738	17%
Municipal Bonds	11,071,798	19%
Certificates of Deposit	8,644,079	15%
Subtotal investments at fair value	51,264,149	89%
Local government investment pools	6,336,380	11%
Total Investments	\$ 57,600,529	100%

As of December 31, 2019, the City had the following investments and maturities:

Investments	S & P Rating	Fair Value	Investment Maturities		
			Less than 1 yr	1-5 yrs	5+ yrs
U.S. Agency Securities	AA+	\$ 21,781,534	\$ 6,991,636	\$ 14,789,898	\$ -
Corporate Bonds	AAA	1,002,116	1,002,116	-	-
Corporate Bonds	AA+	3,042,896	1,002,554	2,040,342	-
Corporate Bonds	AA	3,051,213	1,001,365	2,049,848	-
Corporate Bonds	AA-	2,670,513	-	2,670,513	-
Municipal Bonds	AAA	4,479,662	702,394	3,777,268	-
Municipal Bonds	AA+	749,333	-	749,333	-
Municipal Bonds	AA	3,834,863	2,026,481	1,808,382	-
Municipal Bonds	AA-	1,010,390	-	1,010,390	-
Municipal Bonds	A	997,550	997,550	-	-
Certificates of Deposit	N/A	8,644,079	980,622	7,663,457	-
Subtotal Investments		\$ 51,264,149	\$ 14,704,718	\$ 36,559,431	\$ -

Interest Rate Risk. As a means of limiting its exposure to losses arising from changing interest rates, the City's investment policy requires all investments to mature within five years or less from date of trade settlement.

NOTE II – CASH AND INVESTMENTS (Continued)

Credit Risk. State statutes limit investments in U. S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. Funds invested in money market funds have a Standard and Poor's rating of AAA for the primary government.

Custodial Credit Risk. At December 31, 2019, the City had deposits held by third parties. The City of Englewood holds \$1,430,000 as required by the operating agreement for the South Platte Water Renewal Partners (formerly known as the Littleton/Englewood Wastewater Treatment Plant Joint Venture.) In addition, \$113,000 is held by CIGNA Insurance Company as required minimum balances for healthcare costs, \$17,795 is held by 24 Hour Flex Retirement Services Planning Inc. as required for flex spending accounts and \$5,000 is held by the State Land Board related to a lease agreement.

Concentration of Credit Risk. The City's investment policy requires that investments be diversified to reduce the concentration of credit risk. The City may invest up to 35% of the book value of its investment portfolio in repurchase agreements, commercial paper, corporate debt, municipal bonds or negotiable CDs but no more than 5% of the City's investment portfolio can be invested in the obligations of any one issuer. The City may invest up to 20% of the City's investment portfolio in non-negotiable CDs but no more than 5% of the City's investment portfolio can be invested in the obligations of any one issuer. The City may invest up to 100% of the investment portfolio in either U.S. treasuries, federal agencies and instrumentalities, local government investments pools or money market mutual funds, but is limited to 30% of the portfolio balance invested with each issuer for federal agencies or instrumentalities and is limited to 50% of the portfolio balance invested with each issuer that falls within the local government investment pool or money market funds.

Local Government Investment Pools

Colotrust – At December 31, 2019, the City had \$6,011,792 and LIFT had \$418,622 invested in Colorado Local Government Liquid Asset Trust (Colotrust). Colotrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. This investment is valued using the NAV per share (or its equivalent) of the investments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Colotrust is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes and are registered with the State Securities Commissioner. The pools operate similarly to money market funds and each share is equal in value to \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. Securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments. Investments of the pools consist of US Treasury bills, notes and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by US Treasury securities and or US Instrumentalities. ColoTrust is rated AAAM by Standard and Poor's. Information regarding Colotrust's financial statements is available at their website www.colotrust.com.

CSAFE – At December 31, 2019, the city had \$324,588 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is considered to be a 2a7-like investment and is valued at amortized cost. The 2a7-like investments do not have any unfunded commitments, redemption restrictions or redemption notice periods.

The 2a7-like investments conform to Colorado Statutes CRS 24-75-601 et. Seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado Depositories collateralized at 102% of market value investments will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve a AAAM rating, the highest attainable rating for a Local Government Investment Pool. Information regarding CSAFE's financial statements is available at their website www.csafe.org.

NOTE II – CASH AND INVESTMENTS (Continued)**Restricted Cash and Investments**

At December 31, 2019, the City's restricted cash and investments consisted of the following:

Rate Stabilization	\$	3,000,000
Joint venture deposit		1,430,000
Employee benefit funds		126,865
Other		<u>26,679</u>
Total restricted cash and investments	\$	<u><u>4,583,544</u></u>

NOTE III – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following interfund transfers occurred during 2019 for the purposes stated below:

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
Fire Impact Fees	Capital Projects	\$ 39,176
Purpose: Transfer residual balance of fund closed in 2019.		
General Fund	EMT Fund	\$ 194,719
Purpose: Transfer residual balance of fund closed in 2019.		
		<u><u>\$ 233,895</u></u>

NOTE IV – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2019:

	12/31/2018 Beginning Balance	Increases	Decreases	12/31/2019 Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 24,583,062	\$ -	\$ (538,721)	\$ 24,044,341
Construction in progress	2,379,904	622,637	(886,714)	2,115,827
Total capital assets, not being depreciated	26,962,966	622,637	(1,425,435)	26,160,168
Capital assets, being depreciated:				
Buildings	36,100,360	295,409	(6,123,897)	30,271,872
Machinery and equipment	22,335,617	1,826,286	(6,389,263)	17,772,640
Infrastructure	104,249,141	2,253,635	(2,203,811)	104,298,965
Total capital assets, being depreciated	162,685,118	4,375,330	(14,716,971)	152,343,477
Less accumulated depreciation for:				
Buildings	(15,991,498)	(878,352)	1,291,301	(15,578,549)
Machinery and equipment	(15,094,713)	(1,389,619)	4,013,760	(12,470,572)
Infrastructure	(63,453,730)	(3,624,130)	2,181,628	(64,896,232)
Total capital assets, being depreciated	(94,539,941)	(5,892,101)	7,486,689	(92,945,353)
Total capital assets, being depreciated, net	68,145,177	(1,516,771)	(7,230,282)	59,398,124
Governmental activities capital assets, net	\$ 95,108,143	\$ (894,134)	\$ (8,655,717)	\$ 85,558,292
	12/31/2018 Beginning Balance	Increases	Decreases	12/31/2019 Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,689,538	\$ -	\$ -	\$ 2,689,538
Construction in progress	250,000	384,797	-	634,797
Total capital assets, not being depreciated	2,939,538	384,797	-	3,324,335
Capital assets, being depreciated:				
Buildings and systems	43,114,800	243,702	-	43,358,502
Other improvements	65,740	-	-	65,740
Machinery and equipment	1,181,559	-	(371,715)	809,844
Total capital assets, being depreciated	44,362,099	243,702	(371,715)	44,234,086
Less accumulated depreciation for:				
Buildings and systems	(25,073,461)	(1,090,737)	-	(26,164,198)
Other improvements	(65,740)	-	-	(65,740)
Machinery and equipment	(731,431)	(52,665)	314,848	(469,248)
Total capital assets, being depreciated	(25,870,632)	(1,143,402)	314,848	(26,699,186)
Total capital assets, being depreciated, net	18,491,467	(899,700)	(56,867)	17,534,900
Business-type activities capital assets, net	\$ 21,431,005	\$ (514,903)	\$ (56,867)	\$ 20,859,235

NOTE IV – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	\$ 742,508
Public safety	742,549
Highways and streets, including depreciation of general infrastructure assets	3,123,452
Welfare	22,897
Culture and recreation	<u>1,260,695</u>
Total depreciation expense - governmental activities	<u>\$ 5,892,101</u>
Business-type activities:	
Sewer Utility Fund	\$ 454,198
Storm Drainage Fund	608,486
Geneva Village	17,113
Building Authority Fund	<u>63,605</u>
Total depreciation expense - business-type activities	<u>\$ 1,143,402</u>

NOTE V – CAPITAL LEASES

During 2012, 2016 and 2017, the City acquired capital assets using leases as an alternate method of financing for governmental activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the lower of the cost of the asset or present value of the future minimum lease payments. Capital lease payments are funded by capital projects fund revenues.

Museum Building – In 2012, the City of Littleton issued Certificates of Participation to refund the 2003 Certificates of Participation of the Littleton Building Corporation. In turn, the City entered into a Master Lease Purchase Agreement to lease the museum property from the Trustee, UMB Bank, for a twenty-year term pursuant to the site lease agreement. The net present value benefit to the City was \$1,374,807 with a total debt service savings of \$1,477,592. All financial obligations of the City under the lease, including the City's obligation to pay base rentals, are subject to annual appropriation by the City Council. The museum is recorded in the City's capital assets at \$10,077,338 with accumulated depreciation of \$1,326,992. Annual payments range from \$1,086,650 to \$1,092,550, including principal and interest accruing at 2.00% to 3.00%, payable semi-annually beginning in December 2013 through December 2022.

Communications Equipment – In 2016, the City entered into a lease agreement as lessee to finance the acquisition of communications equipment for police, fire and public works. Annual payments of \$255,902 (subject to appropriation by the city council), including principal and interest accruing at an imputed rate of 1.751%, are due in annual installments beginning in January 2017 through January 2024. At the beginning of 2019, the fire equipment was relinquished to South Metro Fire Rescue as part of the fire department transition and that portion of the lease was paid in full. The remaining equipment is recorded in the City's capital assets at \$1,150,578 with accumulated depreciation of \$548,333. The revised annual installments are \$152,482 and will continue through January 2024.

Fire Platform Truck – In 2017, the City entered into a lease agreement as lessee to purchase a fire platform truck. The equipment was recorded in the City's capital assets at \$1,320,594 with accumulated depreciation of \$165,074. Annual payments of \$187,476 (subject to appropriation by the city council), including principal and interest accruing at a rate of 1.951%, were due in annual installments beginning in February 2017 through February 2024. At the beginning of 2019, this apparatus was relinquished to South Metro Fire Rescue as part of the fire department transition. The lease was paid in full in February 2019.

NOTE V – CAPITAL LEASES (Continued)

The following table presents minimum future payments for governmental activities capital leases as of December 31, 2019:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>
2020	\$ 1,239,882
2021	1,245,032
2022	1,239,132
2023	152,482
2024	<u>152,482</u>
Total minimum lease payments	\$ 4,029,010
Less: amount representing interest	<u>(225,070)</u>
Present value of minimum lease payments	\$ <u><u>3,803,940</u></u>

NOTE VI – LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital leases payable					
Communications Equipment	\$ 1,445,541	\$ -	\$ (721,601)	\$ 723,940	\$ 139,806
Fire Platform Truck	1,051,875	-	(1,051,875)	-	-
Museum Building	4,045,000	-	(965,000)	3,080,000	995,000
Museum Building premium	<u>146,156</u>	<u>-</u>	<u>(36,539)</u>	<u>109,617</u>	<u>-</u>
Total capital leases	<u>6,688,572</u>	<u>-</u>	<u>(2,775,015)</u>	<u>3,913,557</u>	<u>1,134,806</u>
Compensated absences	<u>970,470</u>	<u>1,918,633</u>	<u>(1,886,254)</u>	<u>1,002,849</u>	<u>184,210</u>
Governmental activity Long-term liabilities	<u>\$ 7,659,042</u>	<u>\$ 1,918,633</u>	<u>\$ (4,661,269)</u>	<u>\$ 4,916,406</u>	<u>\$ 1,319,016</u>
Business-type Activities:					
Assignment Certificate, 2011	\$ 1,170,000	\$ -	\$ (180,000)	\$ 990,000	\$ 185,000
Revenue loan payable, 2004	21,085,152	-	(2,796,354)	18,288,798	2,882,066
Revenue loan premium	<u>97,177</u>	<u>-</u>	<u>(15,343)</u>	<u>81,834</u>	<u>-</u>
Total capital leases	<u>22,352,329</u>	<u>-</u>	<u>(2,991,697)</u>	<u>19,360,632</u>	<u>3,067,066</u>
Compensated absences	<u>17,141</u>	<u>35,083</u>	<u>(31,235)</u>	<u>20,989</u>	<u>4,352</u>
Business-type activity Long-term liabilities	<u>\$ 22,369,470</u>	<u>\$ 35,083</u>	<u>\$ (3,022,932)</u>	<u>\$ 19,381,621</u>	<u>\$ 3,071,418</u>

NOTE VI – LONG-TERM DEBT (Continued)**2011 Assignment Certificate**

Certificates of participation are assignments of proportionate interests in the right to receive certain payments under an annually terminable Master Lease Purchase Agreement by and between the City of Littleton as lessee and the Littleton Colorado Municipal Building Authority (LCMBA) as lessor. On June 8, 1999, the LCMBA issued certificates of participation in the amount of \$3,385,000 to finance the renovation and equipping of the City of Littleton courthouse. The LCMBA holds title to the courthouse and the City is not obligated for repayment of the certificates. The City has entered into an agreement to lease the courthouse from the LCMBA. The lease payments are equivalent to the amounts required to meet the interest and principal obligations on the certificates. Upon repayment of all lease obligations, title to the project will be transferred to the City.

Because the LCMBA is part of the City's reporting entity, the LCMBA's debt and assets have been included as part of the City's debt and assets for financial reporting purposes. The issuance of the certificates of participation for the renovation costs have been accounted for in the LCMBA fund.

In May 2011, LCMBA certificates of participation, Series 1999 outstanding in the amount of \$2,345,000, were refinanced by the 2011 Assignment Certificate issued by LCMBA and JPMorgan Chase Bank, N.A in the amount of \$2,390,000. The refinancing resulted in a net present value benefit to the LCMBA of \$214,100 and total debt service payment savings of \$318,683 through 2024.

The certificate bears an interest rate of 3.34%, payable semi-annually. Principal and interest on this certificate is due in annual installments through November 15, 2024.

Annual debt service requirements to maturity for the LCMBA's certificate of assignment are as follows:

Year Ending December-31	Business-type activities		
	Principal	Interest	Total
2020	\$ 185,000	\$ 33,066	\$ 218,066
2021	190,000	26,887	216,887
2022	200,000	20,541	220,541
2023	205,000	13,861	218,861
2024	210,000	7,014	217,014
Total	\$ 990,000	\$ 101,369	\$ 1,091,369

2004 Revenue Loans

On May 1, 2004, the City, acting by and through the City of Littleton, Colorado Sewer Utility Enterprise, borrowed money from the Colorado Water Resources & Power Development Authority (CWRPDA) for expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The borrowing consisted of two loans, \$19,695,000 in Water Resources Revenue Bonds payable through 2015 and \$29,677,780 in Clean Water Revenue Bonds payable through 2025, both underlying issues sold at a premium of \$1,308,177 and \$322,220, respectively. The state provided matching funds to the CWRPDA; therefore, the proceeds received by the City were \$21,000,000 and \$30,000,000 respectively.

Principal and interest are payable semi-annually through August 1, 2025, with an effective interest rate ranging from 3.70% to 3.82%. The City has the option to prepay the loan which is subject to prepayment penalty of certain administrative fees and a redemption premium as defined in the loan agreement.

NOTE VI – LONG-TERM DEBT (Continued)

Due to a re-financing by CWRPDA in January 2013, debt service payments were reduced. Annual debt service to maturity for these revenue loans are as follows:

Year Ending December-31	Business-type activities		
	Principal	Interest & Admin Fees	Total
2020	\$ 2,882,066	\$ 673,612	\$ 3,555,678
2021	2,967,778	585,922	3,553,700
2022	3,064,204	493,927	3,558,131
2023	3,155,273	397,382	3,552,655
2024	3,251,699	294,059	3,545,758
2025	2,967,778	(44,750)	2,923,028
Total	\$ 18,288,798	\$ 2,400,152	\$ 20,688,950

The 2004 revenue loans are payable solely from the net revenues of the wastewater utility system, after deduction of operating expenses.

Littleton Invests for Tomorrow Debt

In December 2014, the city authorized a loan of up to \$200,000 to LIFT. Interest accrues at a rate equal to the 2-year treasury rate at the time of the advance, but no less than 0.51% per annum. Repayments shall be made annually before December 31 of each year, or by mutual agreement, with final payment of loan balance is to be paid to the City on or before December 16, 2019. LIFT is in default on this debt as no payments have been made to the City as of December 31, 2019.

Advances of \$50,000 each were made December 2014, March 2015 and October 2015. Interest rates on these advances are 0.56%, 0.70%, and 0.65%, respectively. At December 31, 2019, total accrued interest was \$4,444 and the principal amount was \$150,000. This loan is further discussed in Note XIV – Subsequent Event.

Compensated Absences

Accrued compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund. Accrued compensated absences of the business-type activities are expected to be liquidated with revenues of the Sewer and Storm Drainage Enterprises.

Conduit Debt Obligations

From time to time, the City has participated in the issuance of industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon payment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The principal amount payable for the bonds issued prior to December 31, 1995 could not be determined. The City authorized tax-exempt bonds for the Colorado Mental Health Facilities Development in December 2013. The principal amount payable for these bonds as of December 31, 2019 was \$4,826,809.

NOTE VII – EMPLOYEE RETIREMENT PLANS

The City's employees are covered under or may participate in various retirement plans, depending on occupation and date of hire.

Money purchase pension plan – general employees

All full-time regular city employees (except police officers) are required to participate in a defined contribution money purchase plan created in accordance with Internal Revenue Code Section 401(a). Under this plan, 5% of the employee's regular salary is withheld and contributed to the plan. The City contributes 7%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. A Board of Trustees governs the plan and employees may choose from various investment options offered by ICMA, the plans administrator. The City Council has authority to change the contributions and other provisions. The employee's contributions to this plan for December 31, 2019 and December 31, 2018 were \$637,284 and \$596,302, with the City's pension expense being \$890,707 and \$833,333, respectively.

City contributions and interest forfeited by employees who leave employment before five years of service are used first for administrative charges and second to reduce the City's current period contribution requirement. During 2019, no forfeitures were used to offset pension expense.

Money purchase pension plans – police employees

The City provides pension benefits for sworn police officers hired before October 14, 2018 through defined contribution money purchase plans. Participants are fully vested after five years of continuous service at the rate of 20% per year. Both the City and the covered employees contribute an amount equal to 10% of the covered employee's base salary. A Board of Trustees governs the plan, but recordkeeping and asset management are performed by ICMA. The City has no liability for these plans beyond its current annual contributions. The City Council has authority to establish contribution requirements and other provisions. The employee and employer contributions to this plan for December 31, 2019 and December 31, 2018 were \$271,804 and \$595,835, respectively.

City contributions and interest forfeited by employees who leave employment before five years of service are used first for administrative charges and second to reduce the City's current period contribution requirement. During 2019, no forfeitures were used to offset pension expense.

Defined benefit pension plans – police employees

Sworn police officers hired before October 14, 2018 were given the option to remain in the City's defined contribution money purchase plan or to enter FPPA's retirement plans. Sworn police officers hired on or after October 14, 2018 are enrolled in the FPPA.

Police employees participate in two plans: the Statewide Defined Benefit Plan and the Statewide Hybrid Plan.

Statewide Defined Benefit Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple – employer defined benefit pension plan. The SWDB plan became effective January 1, 1980 and as of December 31, 2018 has 235 participating employer fire and police departments. The SWDB plan is administered by FPPA.

Employers once had the option to elect to withdraw from the SWDB plan, but a change in state statutes permitted no further withdrawals after January 1, 1988.

Colorado Revised Statutes, Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. FPPA issues a publicly available financial report that can be obtained at www.fppaco.org.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Benefits provided. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the SWDB Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the SWDB plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2018 was \$66,457,497. This amount was not included in the SWDB Plan net position.

Contributions. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 10 percent and 8 percent, respectively, of base salary for a total contribution rate of 18 percent in 2018. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22 percent of base salary in 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the reentry group also had their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The member contribution rate as of December 31, 2019 for members hired prior to October 2018 was 10.5% and the City's contribution rate was 12%. For members hired after October 2018, the member contribution rate as of December 31, 2019 was 10.5% and the City's contribution rate was 8%. Contributions to the SWDB plan from the City were \$472,304 for the year ended December 31, 2019.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2019, the City reported a liability of \$1,009,043 for its proportionate share of the SWDB net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was based upon the January 1, 2019 actuarial valuation. The actuarially determined contributions as of December 31, 2018 are based upon the January 1, 2018 actuarial valuation. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at January 1, 2019. At December 31, 2018, the City's proportion was 0.80 percent, which was an increase of 0.80 percent from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension credit of \$955,002. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,296,533	\$ 10,779
Net difference between projected and actual earnings on pension plan investments	793,767	
Changes in assumptions	977,225	
Changes in proportion		1,565,006
City contributions subsequent to the measurement date	472,304	
	\$ 3,539,829	\$ 1,575,785

The \$472,304 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2020	\$ 279,459
2021	279,459
2022	279,459
2023	279,459
2024	81,017
2025-2028	292,887
	\$ 1,491,740

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2018. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2019	January 1, 2018
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return *	7.0%	7.5%
Projected salary Increases	4.25% - 11.25%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015. For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Illiquid Alternatives	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board’s funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The following presents the City’s proportionate share of the net pension liability (asset), calculated using a discount rate of 7.00%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ 3,912,945	\$ 1,009,043	\$ (1,399,692)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued FPPA financial report.

Statewide Hybrid Plan

Plan description. The Statewide Hybrid Plan (SWH) is a cost-sharing multiple employer defined benefit pension plan covering full-time firefighters and police officers from departments that elect coverage. The SWH plan may also cover clerical staff, other fire district personnel whose services are auxiliary to fire protection, or chiefs who have opted out of the Statewide Defined Benefit Plan. The SWH plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, members have the option of choosing among various investment options offered by an outside investment manager. As of December 31, 2018, the SWH plan has 44 participating employer departments. Employers may not withdraw from the SWH plan once affiliated.

Colorado Revised Statutes, Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. FPPA issues a publicly available financial report that can be obtained at www.fppaco.org.

Benefits provided. The SWH plan document states that any member may retire from further service and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service.

The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member’s highest three years’ base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board’s discretion and can range from 0 to 3 percent.

A member is eligible for an early retirement within the Defined Benefit Component after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, a member may elect to have all contributions, along with 5 percent as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the SWH plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member’s highest three years’ base salary for each year of credited service. In addition, upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2018 was \$937,631. This amount was not included in the SWH Plan net position.

Contributions. The SWH plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. The members of the SWH plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the FPPA Board of Directors. Excess contributions fund the Money Purchase Component of the plan. The Defined Benefit Component contribution rate from July 1, 2018 through June 30, 2019 was 13.4 percent. The Defined Benefit Component contribution rate from July 1, 2017 through June 30, 2018 was 14.8 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the SWH plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

Unvested department contributions and earnings thereon are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. Any administrative expenses not covered by forfeitures are charged directly to member accounts.

A member may elect to make voluntary after-tax contributions to the Money Purchase Component of the SWH plan.

Contributions to the SWH plan from the City were \$36,297 for the year ended December 31, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the City reported an asset of \$305,216 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was based upon the January 1, 2019 actuarial valuation. The actuarially determined contributions as of December 31, 2018 are based upon the January 1, 2018 actuarial valuation. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at January 1, 2019. At December 31, 2018, the City's proportion was 2.21 percent, which was an increase of 2.21 from its proportion measured as of December 31, 2017.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

For the year ended December 31, 2019, the City recognized a pension credit of \$147,162. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 214,704	\$ -
Net difference between projected and actual earnings on pension plan investments	65,171	-
Change in assumptions	44,435	-
Changes in proportion	-	518,661
City contributions subsequent to the measurement date	36,297	-
	\$ 360,607	\$ 518,661

The \$36,297 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2020	\$ (28,040)
2021	(28,040)
2022	(28,040)
2023	(28,040)
2024	(44,331)
2025	(37,860)
	\$ (194,351)

Actuarial assumptions. The actuarial valuations for the SWH – Defined Benefit Component were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2018. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarially Determined Contribution
Actuarial Valuation Date	January 1, 2019	January 1, 2018
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return *	7.0%	7.5%
Projected salary Increases	4.25% - 11.25%	4.0% - 14.0%
Cost of Living Adjustment (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015. For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Illiquid Alternatives	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA's Board of Director's funding policy, which established the contractually required rates under Colorado statutes. Based on those assumptions, the SWH – Defined Benefit Component plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset), calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ (149,660)	\$ (305,216)	\$ (435,624)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

NOTE VII – EMPLOYEE RETIREMENT PLANS (Continued)**Statewide Money Purchase plan – police employees**

FPPA offers a statewide money purchase plan for fire and police employees. This plan is a defined contribution plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. Under this plan, 10% of the employee's regular salary was withheld and contributed to the plan. The City contributes 12%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. The employee's contributions to this plan for December 31, 2019 and December 31, 2018 were \$19,046 and \$3,418, with the City's contributions and pension expense being \$22,856 and \$4,102 respectively. Since fire department employees were transitioned to South Metro Fire Rescue effective January 1, 2019, contributions related to those employees are not included in this report.

City contributions forfeited by employees who leave employment before five years of service are reserved in a forfeiture account to pay the administrative expenses of the plan. Forfeitures may be carried forward from one plan year to the next for up to five years. After five years, forfeitures not used to pay the administrative expenses of the plan must be used to reduce the employers' required contributions.

FPPA issues a publicly available financial report that includes the statewide money purchase plan. The report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at 303-770-3772 or 1-800-332-3772.

Deferred compensation

A deferred compensation plan under Section 457 of the Internal Revenue Code is available for voluntary employee contributions. Under this plan, all employees may make voluntary contributions in accordance with Internal Revenue Service limitations. In July 2014, an amendment to the plan was made to allow for a city match of the employee's contribution, limited to 2% of the employee's regular salary. In accordance with the plan, distribution is not available to employees until termination, retirement, disability, death or unforeseen emergency. All assets are held for the exclusive benefit of the employees. This plan is administered by ICMA. The employee's contributions to this plan for December 31, 2019 and December 31, 2018 were \$835,059 and \$1,776,510, with the City's pension expense being \$266,526 and \$566,104, respectively. The City Council has authority to establish contribution requirements and other provisions.

Aggregate Pension Expenditures/Expenses

The City's aggregate pension credit associated with the net pension liabilities (assets) for all plans for the year ended December 31, 2019 are \$1,102,163.

NOTE VIII – JOINT VENTURE

The City participates with the City of Englewood in a joint venture for the construction and operation of a wastewater treatment facility. Control of the joint venture is vested in a four-member committee, with two members appointed by each city.

Oversight responsibilities are divided equally between the two cities and ownership is held 50 percent by each city. Variable operating expenses are shared based on actual plant usage. The City's investment in this joint venture is accounted for on the equity method in the Sewer Utility Fund.

The depreciation on joint venture assets is equal to the depreciation expense plus any loss on disposal of capital assets recorded on behalf of the joint venture. The joint venture, as of year-end, had no long-term obligations and the current liabilities, which are all related to operations, will be funded by the separate cities based on the actual usage of the plant. Complete audited financial statements are available at the City of Littleton's finance office.

NOTE IX – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; health costs of employees; and natural disasters. These risks are financed and funded through the Property and Liability Insurance Fund, the Employee Insurance Fund (Internal Service Funds) and through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

The Property and Liability Insurance Fund provides coverage for up to a maximum of \$50,000 for each general and auto liability claim and \$5,000 for each property damage claim. The City purchases insurance from CIRSA for claims in excess of coverage provided by the Property and Liability Insurance Fund and for all other risks of loss. All city funds participate in the insurance program. There have been no significant changes in insurance coverage in 2019 as compared to prior periods.

CIRSA is an independent, public entity risk pool whose general objectives are to provide member municipalities' defined property and liability and/or workers' compensation coverage through joint self insurance and excess insurance. It is financed by annual contributions and interest earnings on the contributions. The contributions are used, in part, to establish loss funds from which member claims and associated costs are paid. Excess reinsurance coverage is also purchased. Certain surplus funds are used to the benefit of members and may include reductions in future contributions. Although none have occurred to date, additional member contributions may be required if necessary. The City is unaware of any excess losses which may have been incurred by CIRSA, and there have been no settled claims which exceed insurance coverage in any of the last three years.

The Employee Insurance Fund includes Accidental Death and Dismemberment, Long-Term Disability and Life Insurance coverage provided by commercial carriers as well as self insurance plans for health, workers compensation and unemployment coverage. Outside administrators monitor individual employee claims and negotiate excess coverage insurance policies. Excess coverage health insurance policies are purchased to cover individual incident claims in excess of \$150,000. The City pays all unemployment insurance claims as a reimbursable employer with the State of Colorado. The city provides compensation for work-related injuries and disabilities as mandated by federal law through self-funded workers compensation coverage. The City is self-insured for Workers Compensation and has a stop loss limit of \$500,000. Settled benefit claims did not exceed the individual yearly claims limit for the last three years. Liabilities are reported when it is possible that a loss has occurred and the amount of the loss can be reasonably estimated. Changes in the balances of claims liabilities, as provided by outside administrators, during the year ended December 31, 2019 are as follows:

	<u>Employee Insurance Fund</u>		<u>Property and Liability Insurance Fund</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Unpaid claims and reserve for incurred but not reported claims-beginning of year	\$ 1,418,669	\$ 1,362,868	\$ 77,665	\$ 96,890
Incurred claims and reserve estimates	3,462,731	7,456,612	325,892	677,145
Claim payments	<u>(4,434,387)</u>	<u>(7,400,811)</u>	<u>(336,469)</u>	<u>(696,370)</u>
Unpaid claims and reserve for incurred but not reported claims-end of year	\$ <u>447,013</u>	\$ <u>1,418,669</u>	\$ <u>67,088</u>	\$ <u>77,665</u>

NOTE X – COMMITMENTS AND CONTINGENCIES*Littleton/Englewood Wastewater Treatment Plant Joint Venture/Lowry Landfill*

In an agreement reached in February 1994, Littleton paid the City and County of Denver, Waste Management of Colorado, Inc. and Chemical Waste Management of Colorado, Inc. in exchange for a release of claims against the City of Littleton and the City of Englewood and for holding the cities harmless of claims from other parties involved in the Lowry landfill.

While it currently appears unlikely that future clean up costs will exceed the amount available, the City is unable to predict, with certainty, the extent and probability of its share of future clean up costs.

NOTE X – COMMITMENTS AND CONTINGENCIES (Continued)*Litigation*

Various suits and claims are pending against the City as of December 31, 2019. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists in situations where monetary damages are claimed and that the final settlements of these matters will not materially affect the financial statements of the City.

Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added Section 20 to Article X of the Colorado Constitution. TABOR contains tax spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The TABOR Emergency Reserve at December 31, 2019 was \$1,821,959. The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, the City's base for purposes of calculating fiscal year spending under TABOR. In order to collect, retain, and spend revenues in excess of the above-referenced limit in 1994, 2000, 2002, 2008 and 2016, the City submitted to its electors, and received voter approval, to retain and spend certain revenues received during 1994 and 1995, 1999 through 2001, 2002 through 2004, 2008, and 2016 respectively, for specific purposes as set forth in the approved election questions. There was no TABOR excess in 2019.

Encumbrances

Encumbrance commitments for the City at year-end total \$7,488,228. Encumbrances were formally adopted by the City Council as carryforward appropriations into the 2020 Budget in April 2020.

Fund	Total Encumbrances	Governmental Funds				Proprietary Funds	
		Gen Govt	Public Safety	Hwys & Streets	Culture & Rec	Sewer	Storm
General	\$ 1,527,486	\$ 1,008,998	\$ 19,959	\$ 414,515	\$ 84,014		
Capital Projects	2,500,312	361,049	575,608	1,563,655			
Non-major funds	2,908,380	1,600,000		114,750	1,193,630		
Sewer Utility	210,595					210,595	
Storm Drainage	341,455						341,455
Total	<u>\$ 7,488,228</u>	<u>\$ 2,970,047</u>	<u>\$ 595,567</u>	<u>\$ 2,092,920</u>	<u>\$ 1,277,644</u>	<u>\$ 210,595</u>	<u>\$ 341,455</u>

NOTE X – COMMITMENTS AND CONTINGENCIES (Continued)*Construction contracts*

The City has active construction projects as of December 31, 2019. All construction contracts are included in the encumbrances listed above. At year end, the City's construction commitments are as follows:

<u>Project</u>	<u>Fund</u>	<u>Expenditures- to-Date</u>	<u>Remaining Commitment</u>
Replacement of Street Lights	General	\$ -	\$ 285,000
Harlow Park	Open Space	-	250,000
Police RMS Upgrade	Capital Projects	163,731	229,242
Ridge Road Storm Drainage	Storm Drainage Enterprise	-	221,976
Radio Encryption	Capital Projects	-	217,738
2019 E Orchard Rd Street Rehab	Capital Projects	-	118,196
2019 Storm Drainage	Storm Drainage Enterprise	-	107,200
RTU for Library Cloud Room	Conservation Trust	-	87,422
Lighting for PD and Courthouse	Capital Projects	-	80,168
2019 Surface Sealing	Capital Projects	789,457	65,703
Totals		<u>\$ 953,188</u>	<u>\$ 1,662,645</u>

NOTE XI – PLEDGED REVENUES

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$18,288,798 in outstanding sewer system revenues bonds. Proceeds from the bonds provided financing for the expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The bonds are payable solely from the sewer customer net revenues and are payable through 2025. The total pledged revenue cannot be estimated in comparison to pledged debt in that revenues are uncertain as to future amounts. In the event that annual principal and interest payments on the bonds are expected to require more than available net revenues of which, cash reserve will be used. The total principal and interest remaining to be paid on the bonds at December 31, 2019 is \$20,688,950. Principal and interest paid for the current year (net of refunding credits) and total customer net revenues were \$3,518,000 and \$8,429,000, respectively.

NOTE XII – TAX ABATEMENTS*Economic Development Agreements*

The City has entered into certain agreements to attract and retain high quality development, to provide employment opportunities, and community service delivery.

Due to the confidential nature of tax information and pursuant the Littleton City Code, the aggregated amount of sales and use tax abatements during the fiscal year was \$41,156. The City has two active agreements as of December 31, 2019.

Grocery store chain - Abatement of sales tax of 50% over minimum annual amount for a period of the earlier of six years (beginning January 2015) or \$500,000, whichever occurs first.

Energy corporation - Abatement of use tax of 50%, provided certain employment criteria are met, beginning 2015 through 2022 upon request from company.

NOTE XII– TAX ABATEMENTS (Continued)*Littleton Invests for Tomorrow Urban Renewal Authority Agreement*

Littleton Invests for Tomorrow Urban Renewal Authority (LIFT) is authorized according to Colorado statutes to receive revenue from incremental sales and property taxes that are collected from a designated geographical area as defined in the urban renewal plan. Incremental sales taxes represent the increase in municipal sales taxes collected within the same area for each twelve-month period beginning on the date the urban renewal plan is approved. Incremental sales taxes are collected by the City and remitted to LIFT. Property tax revenue is earned from the same geographical area based upon the increase in assessed valuation of taxable property, attributable to redevelopment, within the area. Incremental property taxes are collected by Arapahoe County and remitted to LIFT. The incremental sales tax revenue remitted to LIFT by the City in fiscal year December 31, 2019 was \$102,957. This sales tax increment is further discussed in Note XIV – Subsequent Event.

NOTE XIII – DISPOSAL OF OPERATIONS**Primary Government**

In November 2017, the City received notice from the Littleton Fire Protection District and the Highlands Ranch Metro District (the Districts) of their intent to terminate the fire services agreement effective December 31, 2018. Voters in both Districts approved inclusion with South Metro Fire Rescue District effective January 1, 2019 at an election held May 8, 2018. On April 17, 2018 the Littleton City Council approved a pre-unification agreement between Littleton Fire Rescue and South Metro Fire Rescue (SMFR) for fire services beginning January 1, 2019. Littleton voters approved full inclusion of Littleton Fire Rescue with South Metro Fire Rescue at an election on November 6, 2018. As a result, the property tax mill levy assessed by the City will be reduced to 2.0 mills and SMFR's mill levy of 9.25 mills would be applied across the entire City effective for property taxes collected in 2020.

Effective on January 1, 2019, all Littleton Fire Rescue employees transitioned to employment with South Metro Fire Rescue resulting in a reduction of 178 FTEs to the city's workforce. Additionally, on January 1, 2019, the City transferred ownership of fire-related assets (building, apparatus and other equipment) to South Metro Fire Rescue for the purpose of enhancing emergency fire services. In early 2019, the City paid off fire-related long-term debt, resulting in a decrease of long-term debt principal in the amount of \$1,636,076. The city's 2019 expense related to its fire service operations totaled approximately \$8.7 million. 2019 revenues associated with the City's fire service operations, consisting of both program and general revenues, totaled approximately \$137,000. Expenditures of the fire services operations reported in the general fund were \$8.5 million with no revenues.

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Disposal of capital assets	\$ (7,750,696)	\$ (56,867)
Pension-related assets, deferred outflows, liabilities and deferred inflows	(7,059,934)	(1,396,276)
Bad debt expense	-	(375,611)
Total disposal of operations	<u>\$ (14,810,630)</u>	<u>\$ (1,828,754)</u>

NOTE XIV – SUBSEQUENT EVENTS**Primary Government**

The spread of the novel coronavirus and associated disease, COVID-19, and the efforts to contain the disease created an unanticipated negative financial impact on the City. Following other states in the nation, Colorado declared a state of emergency on March 11, 2020 and shortly thereafter issued a stay-at-home order for its citizens which was in effect through the month of April. Colorado transitioned to safer-at-home guidelines on April 27, 2020 easing some of the restrictions which had been in place for seven weeks. Near the end of May businesses started to slowly reopen, but many are operating at limited capacity. More than 16 percent of the state's workers have filed unemployment claims since mid-March and the risk of recession in 2020 is elevated. As a result, the city has reduced anticipated expenditures for 2020 by \$1.1 million including the elimination of the 2020 market increase for civilian positions, elimination of the 2% 457 retirement plan match for employees and implementation of short-term furloughs. Departments are developing additional plans for short-term reductions in anticipation of significant losses in sales tax revenue for 2020. As of May 2020, sales and use tax revenues are down 8% (\$1.2 million) from 2019 amounts and are approx. 10% down from the 2020 Budget (1.6 million).

Component Unit

On February 4, 2020 the Littleton City Council approved the repeal of the Columbine Square Urban Renewal Area (URA) and the abolishment of the Littleton Invests for Tomorrow (LIFT) Urban Renewal Authority. Since the Colorado Revised Statutes require a six-month period for dissolution of an urban renewal authority, LIFT will cease operations on August 13, 2020. During that six months, LIFT's assets will be used to repay its debt of \$154,444 to the City of Littleton, repay property tax increment to taxing districts of approximately \$2,000 and cover other costs related to dissolution. The remaining assets consist of sales tax increment which will be refunded to the City of Littleton.



Photo by Terry Wise



2019 CAFR



**Required Supplementary
Information
(RSI)**

City of Littleton, Colorado
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For The Year Ended December 31, 2019

	Budget Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Taxes:				
Property	\$ 5,735,510	\$ 5,735,510	\$ 5,594,305	\$ (141,205)
Sales and use	33,913,560	33,913,560	34,875,932	962,372
Specific ownership tax	401,490	401,490	454,188	52,698
Cigarette Tax	207,000	207,000	181,581	(25,419)
Franchise	2,249,130	2,249,130	2,230,948	(18,182)
Licenses and permits	1,445,870	1,445,870	1,393,597	(52,273)
Intergovernmental	936,620	936,620	1,001,277	64,657
Charges for services	1,716,150	1,716,150	1,201,876	(514,274)
Fines and forfeitures	737,000	737,000	749,590	12,590
Investment earnings	178,450	178,450	455,817	277,367
Miscellaneous	897,790	897,790	1,076,739	178,949
Total revenues	48,418,570	48,418,570	49,215,850	797,280
EXPENDITURES				
General Government:				
City council	268,590	270,360	229,003	41,357
City attorney	613,290	754,190	717,759	36,431
City manager	856,090	1,041,295	933,028	108,267
Communications and marketing	1,173,780	1,216,406	1,096,671	119,735
Economic development	616,500	698,400	557,565	140,835
Finance	1,225,610	1,241,535	1,176,837	64,698
Information technology	1,911,630	2,066,085	2,054,256	11,829
City clerk	1,188,160	1,210,210	1,174,803	35,407
Human resources	1,242,440	1,348,442	1,087,894	260,548
Public works	2,350,830	2,481,763	2,459,606	22,157
Community development	3,178,480	3,452,460	2,998,188	454,272
General operations	2,965,660	2,861,462	2,293,770	567,692
Public Safety:				
Police	13,862,770	13,824,285	13,534,907	289,378
Fire	8,534,800	8,573,500	8,471,590	101,910
Highways and Streets:				
Public works	5,535,200	5,607,723	4,749,608	858,115
Welfare:				
City clerk	242,290	250,690	240,590	10,100
Culture and Recreation:				
Public works	1,069,250	1,165,010	1,004,868	160,142
Library and museum	4,660,280	4,883,477	4,598,961	284,516
Total current expenditures	51,495,650	52,947,293	49,379,904	3,567,389
Capital outlay	-	161,386	95,574	65,812
Total expenditures	51,495,650	53,108,679	49,475,478	3,633,201
Excess (deficiency) of revenues over (under) expenditures	(3,077,080)	(4,690,109)	(259,628)	4,430,481
OTHER FINANCING USES				
Transfers out	-	-	(194,719)	(194,719)
Total other financing uses	-	-	(194,719)	(194,719)
Net change in fund balance	(3,077,080)	(4,690,109)	(454,347)	4,235,762
Fund balances - beginning	14,543,223	16,328,735	16,328,735	-
Fund balances - ending	\$ 11,466,143	\$ 11,638,626	\$ 15,874,388	\$ 4,235,762

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Statewide Defined Benefit Plan
Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>
City's proportion of the net pension liability (asset)	0.80%	N/A
City's proportionate share of the net pension liability (asset)	\$ 1,009,043	\$ -
City's covered payroll	\$ 4,066,284	\$ 713,174
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	24.81%	N/A
Plan fiduciary net position as a percentage of the total pension liability	95.20%	106.30%

* Information above is presented as of the measurement date (December 31 of the previous fiscal year.)

Note: Police employees became members of the FPPA pension group effective October 15, 2018.

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Required Supplementary Information
Schedule of City's Contributions
Statewide Defined Benefit Plan
Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 472,304	\$ 84,286
Contributions in relation to the statutorily required contribution	<u>(472,304)</u>	<u>(84,286)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 City's covered payroll	 \$ 4,066,284	 \$ 713,174
Contributions as a percentage of covered payroll	11.62%	11.82%

Information above is presented as of the City's fiscal year-end.

Note: Police employees became members of the FPPA pension group effective October 15, 2018.

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Statewide Hybrid Plan
Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>
City's proportion of the net pension liability (asset)	2.21%	N/A
City's proportionate share of the net pension liability (asset)	\$ (305,216)	\$ -
City's covered payroll	\$ 302,744	\$ 56,476
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	100.82%	N/A
Plan fiduciary net position as a percentage of the total pension liability	123.46%	138.86%

* Information above is presented as of the measurement date (December 31 of the previous fiscal year.)

Note: Police employees became members of the FPPA pension group effective October 15, 2018.

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Required Supplementary Information
Schedule of City's Contributions
Statewide Hybrid Plan
Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 36,297	\$ 6,777
Contributions in relation to the statutorily required contribution	<u>(36,297)</u>	<u>(6,777)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 City's covered payroll	 \$ 302,744	 \$ 56,476
Contributions as a percentage of covered payroll	12.00%	12.00%

Information above is presented as of the City's fiscal year-end.

Note: Police employees became members of the FPPA pension group effective October 15, 2018.

See the accompanying Independent Auditor's Report

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 – BUDGETARY INFORMATION

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to September 15, the city manager submits to the city council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them, except the Fiduciary Fund. The Littleton Colorado Municipal Building Authority approve their own budgets on a Non-GAAP basis, which is not adopted or approved by the city and are not presented in the financial statements.

Public hearings are conducted to obtain citizen comments.

Prior to December 1 of the preceding year, the budget is legally enacted through the adoption of an appropriations ordinance for all city funds. The budget is appropriated at the fund level, which is the legal level of control (the level at which expenditures may not legally exceed appropriations).

The city manager and finance director have authority to transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same department, office or agency, in accordance with the city charter; provided that such transfers over \$100,000 per transaction would require formal council consent. Per state statute, budgetary control is based on total appropriated expenditures at the fund level.

At the request of the city manager, the council may, by resolution and five affirmative council votes, transfer any unencumbered appropriation balance or portion thereof from one fund to another.

Appropriations which are in addition to those contained in the budget may be made to satisfy emergency situations or to appropriate unanticipated revenue by the city.

Any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall lapse and revert to the General Fund, or to a special fund, as council may direct, except that transfers from the sewer or utility funds are not authorized except by approval of four fifths of the council present.

Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Capital Project, Internal Service and Enterprise Funds.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities for either budgetary or financial statement reporting purposes and are therefore reappropriated in the ensuing year's budget.

Budgets for the General, Special Revenue, Capital Project and Internal Service Funds are adopted and presented on a basis consistent with generally accepted accounting principles (GAAP). The budgets for the enterprise funds are adopted on a basis consistent with GAAP except that bond proceeds are treated as other financing sources, capital outlay and debt service are treated as expenditures, and depreciation and capital contributions are not budgeted. This is in accordance with Colorado budget law.

The Geneva Village Fund was in excess of appropriated expenses in 2019. This may be in violation of state statutes and of the city ordinance.



Photo by Terry Wise



2019 CAFR

**Combining and Individual
Fund Statements
and Schedules**

City of Littleton, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Open Space Fund
ASSETS				
Cash and investments	\$ 235,438	\$ 229,417	\$ 25,327	\$ 4,194,814
Receivables	-	12,621	20,836	366,748
Restricted cash and investments	-	21,513	-	5,000
Total assets	<u>\$ 235,438</u>	<u>\$ 263,551</u>	<u>\$ 46,163</u>	<u>\$ 4,566,562</u>
LIABILITIES				
Contracts and accounts payable	\$ 78,232	\$ 1,164	-	\$ 1,400,444
Unearned revenue	-	-	46,163	-
Total liabilities	<u>78,232</u>	<u>1,164</u>	<u>46,163</u>	<u>1,400,444</u>
FUND BALANCES				
Restricted	157,206	21,513	-	3,166,118
Assigned	-	240,874	-	-
Total fund balances	<u>157,206</u>	<u>262,387</u>	<u>-</u>	<u>3,166,118</u>
Total liabilities and fund balances	<u>\$ 235,438</u>	<u>\$ 263,551</u>	<u>\$ 46,163</u>	<u>\$ 4,566,562</u>

See the accompanying Independent Auditor's Report

Impact Fee Fund	Total Nonmajor Governmental Funds
\$ 3,924,689	\$ 8,609,685
-	400,205
-	26,513
<u>\$ 3,924,689</u>	<u>\$ 9,036,403</u>
\$ -	\$ 1,479,840
-	46,163
-	1,526,003
3,924,689	7,269,526
-	240,874
<u>3,924,689</u>	<u>7,510,400</u>
<u>\$ 3,924,689</u>	<u>\$ 9,036,403</u>

City of Littleton, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2019

	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Open Space Fund
REVENUES				
Taxes	\$ -	\$ 51,431	\$ -	\$ -
Intergovernmental	272,587	-	74,627	2,356,244
Charges for services	-	-	-	-
Fines and forfeitures	-	74,715	-	-
Investment earnings	9,438	7,383	-	125,360
Miscellaneous	-	2,747	5,000	7,563
Total revenues	<u>282,025</u>	<u>136,276</u>	<u>79,627</u>	<u>2,489,167</u>
EXPENDITURES				
General government	-	6,681	173	-
Public safety	-	69,738	47,878	-
Highways and streets	-	-	5,000	-
Culture and recreation	150,000	16	26,576	1,116,840
Capital outlay	<u>254,426</u>	<u>-</u>	<u>-</u>	<u>750,818</u>
Total expenditures	<u>404,426</u>	<u>76,435</u>	<u>79,627</u>	<u>1,867,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(122,401)</u>	<u>59,841</u>	<u>-</u>	<u>621,509</u>
OTHER FINANCING USES				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(122,401)	59,841	-	621,509
Fund balances - beginning	<u>279,607</u>	<u>202,546</u>	<u>-</u>	<u>2,544,609</u>
Fund balances - ending	<u>\$ 157,206</u>	<u>\$ 262,387</u>	<u>\$ -</u>	<u>\$ 3,166,118</u>

See the accompanying Independent Auditor's Report

Impact Fee Fund	Total Nonmajor Governmental Funds
\$ -	\$ 51,431
-	2,703,458
855,264	855,264
-	74,715
127,238	269,419
-	15,310
<u>982,502</u>	<u>3,969,597</u>
51,709	58,563
1,376	118,992
328,412	333,412
103,313	1,396,745
<u>16,250</u>	<u>1,021,494</u>
<u>501,060</u>	<u>2,929,206</u>
481,442	1,040,391
(39,176)	(39,176)
<u>(39,176)</u>	<u>(39,176)</u>
442,266	1,001,215
<u>3,482,423</u>	<u>6,509,185</u>
<u>\$ 3,924,689</u>	<u>\$ 7,510,400</u>

City of Littleton, Colorado
Budgetary Comparison Schedule
Capital Projects Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,647,204	\$ 147,204
Intergovernmental	2,777,990	3,224,390	1,744,924	(1,479,466)
Charges for services	-	-	45,678	45,678
Investment earnings	200,000	200,000	307,762	107,762
Total revenues	<u>4,477,990</u>	<u>4,924,390</u>	<u>3,745,568</u>	<u>(1,178,822)</u>
EXPENDITURES				
Current:				
General government	693,330	697,133	697,124	9
Public safety	154,380	354,880	354,870	10
Highways and streets	1,890,000	2,099,680	1,888,335	211,345
Culture and recreation	-	32,273	32,273	-
Debt Service:				
Principal	2,738,479	2,738,479	2,738,476	3
Interest	193,290	193,290	193,275	15
Capital outlay	3,047,504	4,904,771	2,268,404	2,636,367
Total expenditures	<u>8,716,983</u>	<u>11,020,506</u>	<u>8,172,757</u>	<u>2,847,749</u>
Deficiency of revenues under expenditures	<u>(4,238,993)</u>	<u>(6,096,116)</u>	<u>(4,427,189)</u>	<u>1,668,927</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	39,176	39,176
Proceeds from sale of capital assets	100,000	100,000	67,422	(32,578)
Total other financing sources	<u>100,000</u>	<u>100,000</u>	<u>106,598</u>	<u>6,598</u>
Net change in fund balance	(4,138,993)	(5,996,116)	(4,320,591)	1,675,525
Fund balances - beginning	<u>9,520,325</u>	<u>12,377,846</u>	<u>12,377,846</u>	<u>-</u>
Fund balances - ending	<u>\$ 5,381,332</u>	<u>\$ 6,381,730</u>	<u>\$ 8,057,255</u>	<u>\$ 1,675,525</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 272,587	\$ 22,587
Investment earnings	2,000	2,000	9,438	7,438
Total revenues	<u>252,000</u>	<u>252,000</u>	<u>282,025</u>	<u>30,025</u>
EXPENDITURES				
Culture and recreation	150,000	150,000	150,000	-
Capital outlay	<u>297,000</u>	<u>365,850</u>	<u>254,426</u>	<u>111,424</u>
Total expenditures	<u>447,000</u>	<u>515,850</u>	<u>404,426</u>	<u>111,424</u>
Net change in fund balance	(195,000)	(263,850)	(122,401)	141,449
Fund balances - beginning	<u>215,461</u>	<u>279,607</u>	<u>279,607</u>	<u>-</u>
Fund balances - ending	<u>\$ 20,461</u>	<u>\$ 15,757</u>	<u>\$ 157,206</u>	<u>\$ 141,449</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Consolidated Special Revenue Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 55,000	\$ 55,000	\$ 51,431	\$ (3,569)
Charges for services	200	200	-	(200)
Fines and forfeitures	63,700	63,700	74,715	11,015
Investment earnings	2,030	2,030	7,383	5,353
Miscellaneous	4,500	4,500	2,747	(1,753)
Total revenues	<u>125,430</u>	<u>125,430</u>	<u>136,276</u>	<u>10,846</u>
EXPENDITURES				
General government	20,800	20,800	6,681	14,119
Public safety	115,790	115,790	69,738	46,052
Culture and recreation	32,800	32,800	16	32,784
Capital outlay	40,000	40,000	-	40,000
Total expenditures	<u>209,390</u>	<u>209,390</u>	<u>76,435</u>	<u>132,955</u>
Net change in fund balance	(83,960)	(83,960)	59,841	143,801
Fund balances - beginning	<u>132,404</u>	<u>202,546</u>	<u>202,546</u>	<u>-</u>
Fund balances - ending	<u>\$ 48,444</u>	<u>\$ 118,586</u>	<u>\$ 262,387</u>	<u>\$ 143,801</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Grants Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 619,750	\$ 2,494,360	\$ 74,627	\$ (2,300,123)
Miscellaneous	-	-	5,000	5,000
Total revenues	<u>619,750</u>	<u>2,494,360</u>	<u>79,627</u>	<u>(2,295,123)</u>
EXPENDITURES				
General government	180	180	173	7
Public safety	77,820	77,820	47,878	29,942
Highways and streets	-	5,000	5,000	-
Culture and recreation	27,000	27,000	26,576	424
Capital outlay	514,750	2,384,360	-	2,384,360
Total expenditures	<u>619,750</u>	<u>2,494,360</u>	<u>79,627</u>	<u>2,414,733</u>
Net change in fund balance	-	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Open Space Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 2,637,000	\$ 2,935,034	\$ 2,356,244	\$ (578,790)
Investment earnings	30,000	30,000	125,360	95,360
Miscellaneous	7,500	7,500	7,563	63
Total revenues	<u>2,674,500</u>	<u>2,972,534</u>	<u>2,489,167</u>	<u>(483,367)</u>
EXPENDITURES				
Culture and recreation	703,000	1,358,984	1,116,840	242,144
Capital outlay	1,243,940	1,742,777	750,818	991,959
Total expenditures	<u>1,946,940</u>	<u>3,101,761</u>	<u>1,867,658</u>	<u>1,234,103</u>
Net change in fund balance	727,560	(129,227)	621,509	750,736
Fund balances - beginning	<u>1,968,880</u>	<u>2,544,609</u>	<u>2,544,609</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,696,440</u>	<u>\$ 2,415,382</u>	<u>\$ 3,166,118</u>	<u>\$ 750,736</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Impact Fees Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 696,500	\$ 696,500	\$ 855,264	\$ 158,764
Investment earnings	35,200	35,200	127,238	92,038
Total revenues	<u>731,700</u>	<u>731,700</u>	<u>982,502</u>	<u>250,802</u>
EXPENDITURES				
General government	-	51,710	51,709	1
Public safety	-	1,380	1,376	4
Highways and streets	-	328,418	328,412	6
Culture and recreation	-	103,320	103,313	7
Capital outlay	1,710,000	1,890,590	16,250	1,874,340
Total expenditures	<u>1,710,000</u>	<u>2,375,418</u>	<u>501,060</u>	<u>1,874,358</u>
Excess (deficiency) of revenues over (under) expenditures	(978,300)	(1,643,718)	481,442	2,125,160
OTHER FINANCING SOURCES				
Transfers out	-	-	(39,176)	(39,176)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(39,176)</u>	<u>(39,176)</u>
Net change in fund balance	(978,300)	(1,643,718)	442,266	2,085,983
Fund balances - beginning	<u>3,364,558</u>	<u>3,482,423</u>	<u>3,482,423</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,386,258</u>	<u>\$ 1,838,705</u>	<u>\$ 3,924,689</u>	<u>\$ 2,085,984</u>

See the accompanying Independent Auditor's Report



Photo by Jane Hooper

City of Littleton, Colorado
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2019

	Emergency Medical Transport Fund	Geneva Village Fund	Building Authority Fund	Totals
ASSETS				
Current assets:				
Cash and investments	\$ -	\$ 30,168	\$ -	\$ 30,168
Total current assets	-	30,168	-	30,168
Noncurrent assets:				
Restricted assets:				
Cash and investments	-	-	165	165
Capital assets:				
Land	-	70,408	380,663	451,071
Buildings and systems	-	429,318	2,965,288	3,394,606
Improvements other than buildings	-	-	65,740	65,740
Machinery and equipment	-	-	166,690	166,690
Less accumulated depreciation	-	(217,410)	(1,425,402)	(1,642,812)
Total capital assets (net of accumulated depreciation)	-	282,316	2,152,979	2,435,295
Total noncurrent assets	-	282,316	2,153,144	2,435,460
Total assets	\$ -	\$ 312,484	\$ 2,153,144	\$ 2,465,628
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	\$ -	\$ 14,344	\$ -	\$ 14,344
Accrued interest payable	-	-	4,133	4,133
Long-term debt payable - current	-	-	185,000	185,000
Total current liabilities	-	14,344	189,133	203,477
Noncurrent liabilities:				
Long-term debt payable	-	-	805,000	805,000
Total noncurrent liabilities	-	-	805,000	805,000
Total liabilities	-	14,344	994,133	1,008,477
NET POSITION				
Net investment in capital assets	-	282,316	1,162,979	1,445,295
Restricted for:				
Debt service	-	-	165	165
Unrestricted	-	15,824	(4,133)	11,691
Total net position	-	298,140	1,159,011	1,457,151
Total liabilities and net position	\$ -	\$ 312,484	\$ 2,153,144	\$ 2,465,628

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For The Year Ended December 31, 2019

	Emergency Medical Transport Fund	Geneva Village Fund	Building Authority Fund	Totals
OPERATING REVENUES				
Rental payments	\$ -	\$ 125,010	\$ 218,808	\$ 343,818
Miscellaneous	-	503	-	503
Total operating revenues	-	125,513	218,808	344,321
OPERATING EXPENSES				
Contractual services	-	31,480	-	31,480
Other services and charges	-	132,338	-	132,338
Depreciation	-	17,113	63,605	80,718
Total operating expenses	-	180,931	63,605	244,536
Operating income (loss)	-	(55,418)	155,203	99,785
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	1,374	216	1,590
Debt administration costs	-	-	(27)	(27)
Interest charges	-	-	(38,326)	(38,326)
Total nonoperating revenues (expenses)	-	1,374	(38,137)	(36,763)
Income (loss) before special item	-	(54,044)	117,066	63,022
OTHER FINANCING SOURCES				
Transfers in	194,719	-	-	194,719
Total other financing sources	194,719	-	-	194,719
SPECIAL ITEM				
Loss from disposal of business unit	(1,828,754)	-	-	(1,828,754)
Total special item	(1,828,754)	-	-	(1,828,754)
Change in net position	(1,634,035)	(54,044)	117,066	(1,571,013)
Total net position - beginning	1,634,035	352,184	1,041,945	3,028,164
Total net position - ending	\$ -	\$ 298,140	\$ 1,159,011	\$ 1,457,151

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2019

	Emergency Medical Transport Fund	Geneva Village Fund	Building Authority Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 886,937	\$ 135,453	\$ 218,808	\$ 1,241,198
Cash paid to suppliers	(187,860)	(180,580)	-	(368,440)
Net cash provided (used) by operating activities	699,077	(45,127)	218,808	872,758
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments to other funds	(893,796)	-	-	(893,796)
Transfers in	194,719	-	-	194,719
Net cash used by noncapital financing activities	(699,077)	-	-	(699,077)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on debt	-	-	(180,000)	(180,000)
Interest paid on debt	-	-	(39,078)	(39,078)
Debt administration costs	-	-	(27)	(27)
Net cash used by capital and related financing activities	-	-	(219,105)	(219,105)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	-	1,374	216	1,590
Net cash provided by investing activities	-	1,374	216	1,590
Net increase (decrease) in cash and cash equivalents	-	(43,753)	(81)	(43,834)
Cash and cash equivalents - January 1	-	73,921	246	74,167
Cash and cash equivalents - December 31	<u>\$ -</u>	<u>\$ 30,168</u>	<u>\$ 165</u>	<u>\$ 30,333</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
operating activities:				
Operating income (loss)	\$ -	\$ (55,418)	\$ 155,203	\$ 99,785
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	-	17,113	63,605	80,718
<i>Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources</i>				
Receivables	886,937	9,940	-	896,877
Accounts payable and other current liabilities	(187,860)	(16,762)	-	(204,622)
Total adjustments	699,077	10,291	63,605	772,973
Net cash provided (used) by operating activities	<u>\$ 699,077</u>	<u>\$ (45,127)</u>	<u>\$ 218,808</u>	<u>\$ 872,758</u>
Reconciliation of cash and cash equivalents				
Unrestricted	\$ -	\$ 30,168	\$ -	\$ 30,168
Restricted	-	-	165	165
Total cash and cash equivalents	<u>\$ -</u>	<u>\$ 30,168</u>	<u>\$ 165</u>	<u>\$ 30,333</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Sewer Utility Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 14,348,630	\$ 14,348,630	\$ 14,584,501	\$ 235,871
Investment earnings	202,710	202,710	931,286	728,576
Miscellaneous	143,000	143,000	182,048	39,048
Total revenues	<u>14,694,340</u>	<u>14,694,340</u>	<u>15,697,835</u>	<u>1,003,494</u>
EXPENDITURES				
Personnel services	527,710	527,660	475,251	52,409
Supplies	24,200	22,383	11,345	11,038
Bi-City operating costs	11,263,400	13,442,130	7,424,043	6,018,087
Contractual services	511,000	624,794	234,197	390,597
Services by General Fund	540,750	540,750	540,750	-
Other services and charges	1,069,270	1,373,601	1,312,535	61,066
Debt - Principal	2,796,360	2,796,360	2,796,354	6
Debt - Interest	509,520	509,520	441,461	68,059
Debt - Administration Costs	249,290	249,290	249,282	8
Capital outlay	400,000	360,000	1,149	358,851
Total expenditures	<u>17,891,500</u>	<u>20,446,488</u>	<u>13,486,367</u>	<u>6,960,120</u>
Excess (deficiency) of revenues over (under) expenditures	(3,197,160)	(5,752,148)	2,211,468	7,963,616
OTHER FINANCING SOURCES				
Capital contributions	1,452,510	1,452,510	2,704,224	1,251,714
Total other financing sources	<u>1,452,510</u>	<u>1,452,510</u>	<u>2,704,224</u>	<u>1,251,714</u>
Change in net position	<u>\$ (1,744,650)</u>	<u>\$ (4,299,638)</u>	4,915,692	<u>\$ 9,215,330</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			1,149	
Capital contributions			25,192	
Change in Bi-City joint venture equity			(3,326,348)	
Debt - Principal			2,796,354	
Amortization			(15,344)	
Depreciation			(454,198)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 3,942,497</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Storm Drainage Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 840,970	\$ 840,970	\$ 837,901	\$ (3,069)
Investment earnings	4,890	4,890	11,161	6,271
Miscellaneous	7,000	7,000	10,861	3,861
Total revenues	<u>852,860</u>	<u>852,860</u>	<u>859,923</u>	<u>7,063</u>
EXPENDITURES				
Personnel services	286,340	286,340	243,467	42,873
Supplies	6,200	6,200	3,354	2,846
Contractual services	100,000	30,630	22,811	7,819
Other services and charges	151,220	61,020	80,883	(19,863)
Capital outlay	742,500	970,359	602,158	368,201
Total expenditures	<u>1,286,260</u>	<u>1,354,549</u>	<u>952,673</u>	<u>401,876</u>
Excess (deficiency) of revenues over (under) expenditures	(433,400)	(501,689)	(92,750)	408,939
OTHER FINANCING SOURCES				
Capital contributions	<u>310,000</u>	<u>310,000</u>	<u>60,000</u>	<u>(250,000)</u>
Change in net position	<u>\$ (123,400)</u>	<u>\$ (191,689)</u>	<u>(32,750)</u>	<u>\$ 158,939</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			602,158	
Depreciation			<u>(608,486)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (39,078)</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Emergency Medical Transport Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Total revenues	-	-	-	-
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES				
Transfers in	-	-	194,719	194,719
Change in net position	<u>\$ -</u>	<u>\$ -</u>	194,719	<u>\$ 389,439</u>
ADJUSTMENTS TO GAAP BASIS				
Loss on disposal of business unit			(1,828,754)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (1,634,035)</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Geneva Village Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Rental payments	\$ 126,000	\$ 126,000	\$ 125,010	\$ (990)
Investment earnings	1,000	1,000	1,374	374
Miscellaneous	1,000	1,000	503	(497)
Total revenues	<u>128,000</u>	<u>128,000</u>	<u>126,887</u>	<u>(1,113)</u>
EXPENDITURES				
Contractual services	30,000	30,000	31,480	(1,480)
Other services and charges	104,600	130,600	132,338	(1,738)
Total expenditures	<u>134,600</u>	<u>160,600</u>	<u>163,818</u>	<u>(3,218)</u>
Change in net position	<u>\$ (6,600)</u>	<u>\$ (32,600)</u>	<u>(36,931)</u>	<u>\$ (4,331)</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation			(17,113)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ (54,044)</u>	

See the accompanying Independent Auditor's Report



Photo by Laurie Denhalter

City of Littleton, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2019

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 4,126,359	\$ 565,640	\$ 4,691,999
Prepays	4,305	-	4,305
Total current assets	<u>4,130,664</u>	<u>565,640</u>	<u>4,696,304</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	126,866	-	126,866
Total noncurrent assets	<u>126,866</u>	<u>-</u>	<u>126,866</u>
Total assets	<u>\$ 4,257,530</u>	<u>\$ 565,640</u>	<u>\$ 4,823,170</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	\$ 99,995	\$ 25,427	\$ 125,422
Claims and judgments	447,013	67,088	514,101
Total liabilities	<u>547,008</u>	<u>92,515</u>	<u>639,523</u>
NET POSITION			
Restricted for:			
Employee benefits	126,866	-	126,866
Unrestricted	3,583,656	473,125	4,056,781
Total net position	<u>3,710,522</u>	<u>473,125</u>	<u>4,183,647</u>
Total liabilities and net position	<u>\$ 4,257,530</u>	<u>\$ 565,640</u>	<u>\$ 4,823,170</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For The Year Ended December 31, 2019

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
OPERATING REVENUES			
Charges for services	\$ 10,740	\$ 783,910	\$ 794,650
Employer/employee contributions	4,891,640	-	4,891,640
Miscellaneous	132,020	-	132,020
Total operating revenues	<u>5,034,400</u>	<u>783,910</u>	<u>5,818,310</u>
OPERATING EXPENSES			
Insurance	984,344	469,526	1,453,870
Benefits and claims	3,462,731	325,892	3,788,623
Other services and charges	218,330	1,218	219,548
Total operating expenses	<u>4,665,405</u>	<u>796,636</u>	<u>5,462,041</u>
Operating loss	<u>368,995</u>	<u>(12,726)</u>	<u>356,269</u>
NONOPERATING REVENUES			
Investment earnings	134,193	11,777	145,970
Insurance recovery	-	135,647	135,647
Total nonoperating revenues	<u>134,193</u>	<u>147,424</u>	<u>281,617</u>
Change in net position	503,188	134,698	637,886
Net position - beginning	<u>3,207,334</u>	<u>338,427</u>	<u>3,545,761</u>
Net position - ending	<u>\$ 3,710,522</u>	<u>\$ 473,125</u>	<u>\$ 4,183,647</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2019

	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 10,740	\$ 783,910	\$ 794,650
Cash received from other funds	4,891,640	-	4,891,640
Cash paid to suppliers	(5,490,253)	(798,360)	(6,288,613)
Net cash used by operating activities	<u>(587,873)</u>	<u>(14,450)</u>	<u>(602,323)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Insurance proceeds	-	135,647	135,647
Net cash provided by capital and related financing activities	<u>-</u>	<u>135,647</u>	<u>135,647</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	134,193	11,777	145,970
Net cash provided by investing activities	<u>134,193</u>	<u>11,777</u>	<u>145,970</u>
Net decrease in cash and cash equivalents	(453,680)	132,974	(320,706)
Cash and cash equivalents - January 1	4,706,905	432,666	5,139,571
Cash and cash equivalents - December 31	<u>\$ 4,253,225</u>	<u>\$ 565,640</u>	<u>\$ 4,818,865</u>
Reconciliation of operating loss to net cash used by operating activities			
Operating loss	\$ 368,995	\$ (12,726)	\$ 356,269
Adjustments to reconcile operating loss to net cash used by operating activities:			
<i>Changes in operating assets and liabilities</i>			
Prepaid items	(4,305)	9,990	5,685
Accounts payable and other current liabilities	19,093	(1,137)	17,956
Claims and judgments	(971,656)	(10,577)	(982,233)
Total adjustments	<u>(956,868)</u>	<u>(1,724)</u>	<u>(958,592)</u>
Net cash used by operating activities	<u>\$ (587,873)</u>	<u>\$ (14,450)</u>	<u>\$ (602,323)</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 4,126,359	\$ 565,640	\$ 4,691,999
Restricted	126,866	-	126,866
Total cash and cash equivalents	<u>\$ 4,253,225</u>	<u>\$ 565,640</u>	<u>\$ 4,818,865</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Employee Insurance Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 11,140	\$ 11,140	\$ 10,740	\$ (400)
Employer/employee contributions	5,198,640	5,198,640	4,891,640	(307,000)
Miscellaneous	11,000	11,000	132,020	121,020
Investment earnings	41,500	41,500	134,193	92,693
Total revenues	<u>5,262,280</u>	<u>5,262,280</u>	<u>5,168,593</u>	<u>(93,687)</u>
EXPENDITURES				
Insurance	1,014,120	1,048,120	984,344	63,776
Benefits and claims	4,370,050	4,581,050	4,434,387	146,663
Other services and charges	289,620	294,620	218,330	76,290
Total expenditures	<u>5,673,790</u>	<u>5,923,790</u>	<u>5,637,061</u>	<u>286,729</u>
Change in net position	<u>\$ (411,510)</u>	<u>\$ (661,510)</u>	<u>(468,468)</u>	<u>\$ 193,042</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			<u>971,656</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 503,188</u>	

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Property and Liability Insurance Fund
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 783,910	\$ 783,910	\$ 783,910	\$ -
Insurance recovery	50,000	50,000	135,647	85,647
Investment earnings	6,400	6,400	11,777	5,377
Total revenues	<u>840,310</u>	<u>840,310</u>	<u>931,334</u>	<u>91,024</u>
EXPENDITURES				
Insurance	351,250	466,230	469,526	(3,296)
Benefits and claims	488,150	463,287	336,469	126,818
Other services and charges	31,250	920	1,218	(298)
Total expenditures	<u>870,650</u>	<u>930,437</u>	<u>807,213</u>	<u>123,224</u>
Change in net position	<u>\$ (30,340)</u>	<u>\$ (90,127)</u>	124,121	<u>\$ 214,248</u>
ADJUSTMENTS TO GAAP BASIS				
Incurred but not reported claims			<u>10,577</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 134,698</u>	

See the accompanying Independent Auditor's Report

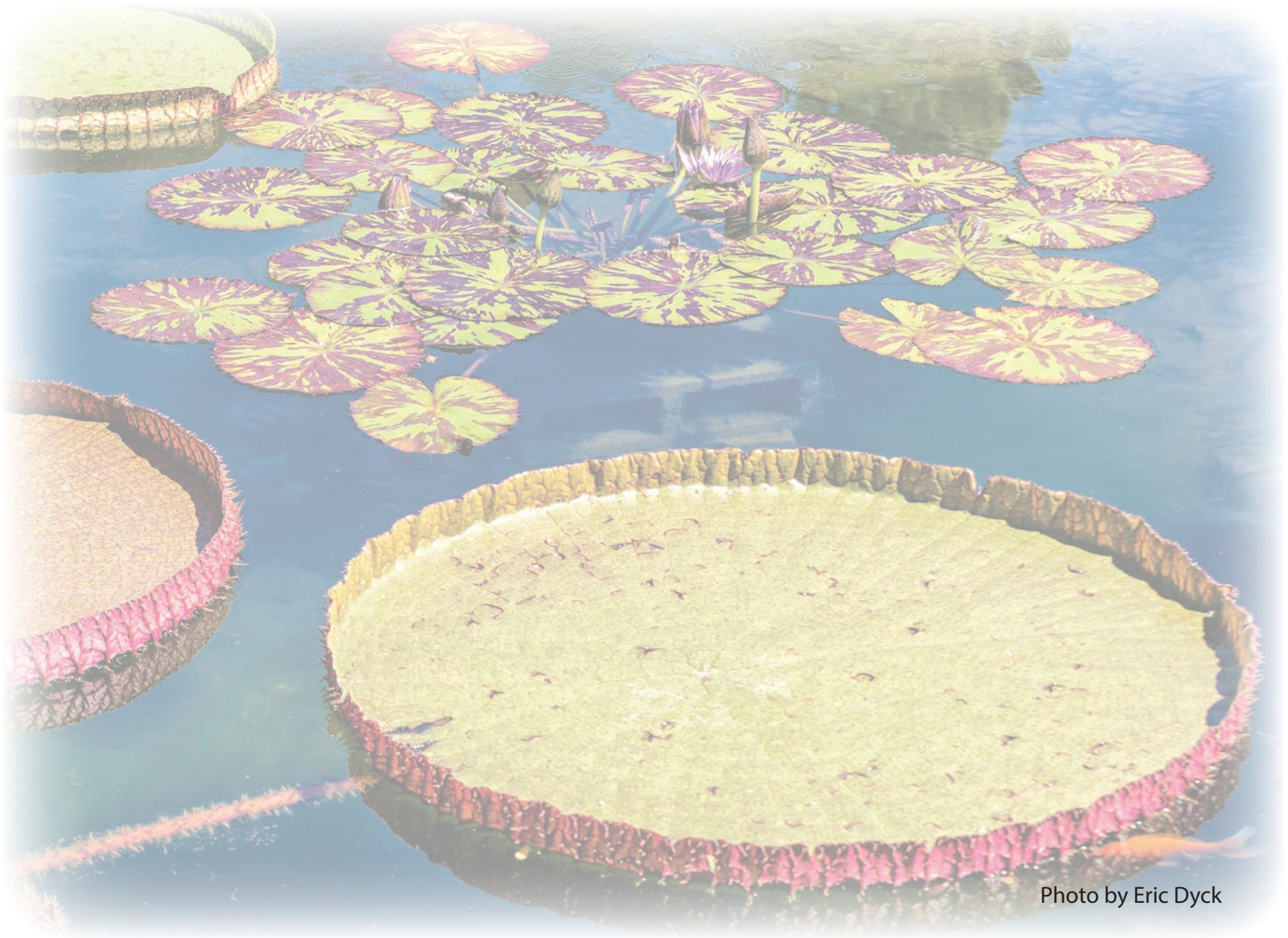


Photo by Eric Dyck

City of Littleton, Colorado
Balance Sheet
Littleton Invests for Tomorrow
December 31, 2019

ASSETS

Cash and cash equivalents	\$ 429,481
Receivables	<u>1,042</u>
Total assets	<u><u>\$ 430,523</u></u>

LIABILITIES

Due to primary government	\$ 154,444
Total liabilities	<u>154,444</u>

DEFERRED INFLOWS OF RESOURCES

Property tax	<u>1,042</u>
Total deferred inflows of resources	<u>1,042</u>

FUND BALANCE

Unassigned	<u>275,037</u>
Total fund balances	<u>275,037</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 430,523</u></u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Littleton Invests for Tomorrow
For The Year Ended December 31, 2019

REVENUES	
Incremental property tax	\$ 722
Incremental sales tax	102,957
Investment earnings	7,436
Total revenues	<u>111,115</u>
EXPENDITURES	
General government	<u>53</u>
Total expenditures	<u>53</u>
NON-OPERATING EXPENDITURES	
Interest charges	<u>(955)</u>
Total non-operating expenditures	<u>(955)</u>
Change in fund balance	110,107
Fund balance - beginning	<u>164,930</u>
Fund balance - ending	<u>\$ 275,037</u>

See the accompanying Independent Auditor's Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Littleton Invests for Tomorrow
For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Incremental property taxes	\$ 350	\$ 350	\$ 722	\$ 372
Incremental sales tax	78,000	78,000	102,957	24,957
Investment earnings	6,450	6,450	7,436	986
Total revenues	<u>84,800</u>	<u>84,800</u>	<u>111,115</u>	<u>26,315</u>
EXPENDITURES				
General government	27,305	162,303	53	162,250
Debt - Principal	-	75,000	-	75,000
Debt - Interest	-	4,444	-	4,444
Total expenditures	<u>27,305</u>	<u>241,747</u>	<u>53</u>	<u>241,694</u>
NON-OPERATING EXPENDITURES				
Interest charges	-	-	(955)	(955)
Total	<u>-</u>	<u>-</u>	<u>(955)</u>	<u>(955)</u>
Change in fund balance	57,495	(156,947)	110,107	267,054
Fund balance - beginning	<u>315,810</u>	<u>318,418</u>	<u>164,930</u>	<u>(153,488)</u>
Fund balance - ending	<u>\$ 373,305</u>	<u>\$ 161,471</u>	<u>\$ 275,037</u>	<u>\$ 113,566</u>

See the accompanying Independent Auditor's Report



Photo by Laura Salinas



2019 CAFR



Statistical Section

Statistical Section

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These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

Revenue Capacity..... 109

These schedules contain information to help the readers assess the factors affecting the city's ability to generate its property and sales tax.

Debt Capacity 115

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information 120

These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 123

These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

City of Littleton, Colorado
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 76,797,038	\$ 76,426,073	\$ 77,559,003	\$ 77,315,098
Restricted	5,664,176	6,071,441	5,576,128	5,673,866
Unrestricted	19,086,214	21,180,822	23,021,495	22,422,781
Total governmental activities net position	<u>101,547,428</u>	<u>103,678,336</u>	<u>106,156,626</u>	<u>105,411,745</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	16,131,176	15,927,389	13,674,427	13,611,233
Restricted*	-	-	-	4,060,005
Unrestricted	43,754,732	43,121,194	42,511,211	37,551,694
Total business-type activities net position	<u>59,885,908</u>	<u>59,048,583</u>	<u>56,185,638</u>	<u>55,222,932</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	92,928,214	92,353,462	91,233,430	90,926,331
Restricted	5,664,176	6,071,441	5,576,128	9,733,871
Unrestricted	62,840,946	64,302,016	65,532,706	59,974,475
Total primary government net position	<u>\$ 161,433,336</u>	<u>\$ 162,726,919</u>	<u>\$ 162,342,264</u>	<u>\$ 160,634,677</u>

* Years 2010-2012 not available.

Table 1

2014	2015	2016	2017	2018	2019
\$ 78,701,746	\$ 78,368,195	\$ 85,040,318	\$ 88,309,978	\$ 88,419,571	\$ 81,612,998
5,815,783	8,115,272	9,011,472	9,507,638	15,613,336	10,320,515
25,144,246	28,130,360	26,826,951	30,882,450	29,207,794	25,462,013
109,661,775	114,613,827	120,878,741	128,700,066	133,240,701	117,395,526
14,037,853	13,980,616	15,793,855	20,542,656	20,261,005	19,860,986
4,130,004	4,843,904	5,027,661	5,044,290	5,656,522	4,430,165
40,622,895	42,052,800	48,466,254	49,427,676	49,260,683	53,219,465
58,790,752	60,877,320	69,287,770	75,014,622	75,178,210	77,510,616
92,739,599	92,348,811	100,834,173	108,852,634	108,680,576	101,473,984
9,945,787	12,959,176	14,039,132	14,551,928	21,269,858	14,750,680
65,767,141	70,183,160	75,273,205	80,310,126	78,468,477	78,681,478
\$ 168,452,527	\$ 175,491,147	\$ 190,146,510	\$ 203,714,688	\$ 208,418,911	\$ 194,906,142

City of Littleton, Colorado
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
EXPENSES				
Governmental activities:				
General government	\$ 12,996,864	\$ 13,620,922	\$ 11,842,233	\$ 12,116,159
Public safety	27,945,448	26,308,116	29,457,065	30,456,576
Highways and streets	6,957,074	6,944,326	7,559,532	7,796,145
Welfare	309,346	290,764	317,281	321,001
Culture and recreation	5,387,860	5,227,921	5,499,602	6,111,665
Interest on long term debt	42,276	51,238	50,642	271,213
Total governmental activities expenses	<u>53,638,868</u>	<u>52,443,287</u>	<u>54,726,355</u>	<u>57,072,759</u>
Business-type activities:				
Sewer Utility	15,298,747	13,770,635	13,008,924	13,623,040
Building Corporation	844,033	822,422	499,281	-
Storm Drainage	736,667	747,416	770,380	714,510
So. Metro Area Comm. Center	1,073,886	1,034,265	1,107,756	1,040,198
Geneva Village	98,438	92,161	91,265	99,751
Emergency Med. Trans	2,765,744	2,816,098	2,717,362	4,436,423
Permit Plan Review	203,233	518,343	-	-
Building Authority	192,906	162,905	140,953	135,899
Total business-type activities expenses	<u>21,213,654</u>	<u>19,964,245</u>	<u>18,335,921</u>	<u>20,049,821</u>
Total primary government expenses	<u>\$ 74,852,522</u>	<u>\$ 72,407,532</u>	<u>\$ 73,062,276</u>	<u>\$ 77,122,580</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 4,144,441	\$ 3,248,308	\$ 4,313,031	\$ 3,692,044
Public safety	12,121,480	12,435,914	13,353,261	13,309,756
Highways and streets	1,372,091	1,426,410	1,431,227	1,402,203
Welfare	27,014	27,013	27,013	27,822
Culture and recreation	1,326,727	1,428,209	1,125,891	1,629,188
Operating grants and contributions	2,426,853	254,674	183,347	246,554
Capital grants and contributions	2,572,781	3,424,995	2,644,401	1,064,785
Total governmental activities program revenues	<u>23,991,387</u>	<u>22,245,523</u>	<u>23,078,171</u>	<u>21,372,352</u>
Business-type activities:				
Charges for services:				
Sewer Utility	12,138,999	12,090,440	12,363,863	12,581,195
Building Corporation	1,180,471	1,181,940	251,855	-
Storm Drainage	570,287	571,770	575,037	713,505
Emergency Med. Trans	3,263,251	3,475,562	3,216,497	4,274,507
So. Metro Area Comm. Center	802,869	782,048	824,591	788,277
Geneva Village	127,680	127,056	126,644	125,561
Permit Plan Review	224,184	203,158	-	-
Building Authority	238,150	215,522	215,812	217,879
Capital grants and contributions	1,887,941	247,646	954,580	360,211
Total business-type activities program revenues	<u>20,433,832</u>	<u>18,895,142</u>	<u>18,528,879</u>	<u>19,061,135</u>
Total primary government program revenues	<u>44,425,219</u>	<u>41,140,665</u>	<u>41,607,050</u>	<u>40,433,487</u>
NET REVENUE (EXPENSE)				
Government activities	(29,647,481)	(30,197,764)	(31,648,184)	(35,700,407)
Business-type activities	(779,822)	(1,069,103)	192,958	(988,686)
Total primary government net expense	<u>\$ (30,427,303)</u>	<u>\$ (31,266,867)</u>	<u>\$ (31,455,226)</u>	<u>\$ (36,689,093)</u>

Table 2

2014	2015	2016	2017	2018	2019
\$ 13,267,301	\$ 14,285,728	\$ 15,642,308	\$ 15,549,725	\$ 16,835,027	\$ 18,193,507
31,327,241	32,488,949	34,709,839	37,100,415	34,940,029	22,035,266
7,750,455	7,232,289	8,112,334	8,958,729	9,776,105	10,064,723
286,597	208,169	445,663	375,201	369,510	258,347
6,065,902	8,520,522	6,659,154	6,961,335	7,052,136	8,226,041
247,407	225,132	239,314	226,893	193,433	160,270
58,944,903	62,960,789	65,808,612	69,172,298	69,166,240	58,938,154
14,112,456	13,417,130	12,856,629	13,506,699	15,605,506	14,484,754
-	-	-	-	-	-
772,222	901,218	808,619	837,033	1,144,794	959,001
1,051,481	1,204,948	1,225,387	1,314,496	-	-
105,069	132,198	148,263	190,090	146,250	180,931
4,496,732	5,160,483	4,482,429	5,514,890	5,307,959	-
-	-	-	-	-	-
129,263	124,088	122,842	115,125	109,581	101,958
20,667,223	20,940,065	19,644,169	21,478,333	22,314,090	15,726,644
\$ 79,612,126	\$ 83,900,854	\$ 85,452,781	\$ 90,650,631	\$ 91,480,330	\$ 74,664,798
\$ 5,207,221	\$ 4,985,565	\$ 6,022,513	\$ 4,390,875	\$ 4,508,532	\$ 4,535,940
15,320,774	15,614,747	17,345,257	19,268,570	19,251,770	932,436
1,876,543	1,448,608	1,755,078	1,813,495	2,061,467	2,183,729
26,142	29,304	30,182	37,868	35,075	38,078
700,780	1,422,974	2,255,929	1,645,647	1,668,068	1,809,605
203,068	385,936	451,102	373,617	289,455	252,925
1,440,851	1,285,703	4,291,367	5,098,256	2,010,586	1,822,880
24,775,379	25,172,837	32,151,428	32,628,328	29,824,953	11,575,593
12,906,994	13,277,694	13,388,538	13,810,641	14,132,941	14,766,549
-	-	-	-	-	-
717,957	726,994	773,283	787,950	803,536	848,762
4,560,243	5,237,415	4,591,670	4,371,462	5,296,847	-
789,106	920,521	954,780	1,218,206	-	-
126,720	127,408	125,961	121,473	125,099	125,513
-	-	-	-	-	-
221,293	216,117	224,895	217,124	221,588	218,808
4,555,148	2,233,287	6,577,884	6,239,561	1,744,491	2,789,416
23,877,461	22,739,436	26,637,011	26,766,417	22,324,502	18,749,048
48,652,840	47,912,273	58,788,439	59,394,745	52,149,455	30,324,641
(34,169,524)	(37,787,952)	(33,657,184)	(36,543,970)	(39,341,287)	(47,362,561)
3,210,238	1,799,371	6,992,842	5,288,084	10,412	3,022,404
\$ (30,959,286)	\$ (35,988,581)	\$ (26,664,342)	\$ (31,255,886)	\$ (39,330,875)	\$ (44,340,157)

City of Littleton, Colorado
Changes in Net Position (continued)
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	\$ 4,082,829	\$ 4,035,291	\$ 3,903,353	\$ 3,899,646
Sales and building use	23,612,739	25,303,662	26,778,043	27,781,755
Franchise	2,173,988	2,155,114	2,145,188	2,239,171
Other	469,971	457,585	470,852	490,924
Investment earnings	377,532	470,821	226,151	228,913
Miscellaneous	636,607	869,257	464,062	587,286
Gain on sale of capital assets	-	(1,085,418)	44,285	-
TABOR revenue refund	-	-	-	-
Special Item	-	-	-	-
Transfers	(356,930)	122,360	94,540	(32,627)
	<u>30,996,736</u>	<u>32,328,672</u>	<u>34,126,474</u>	<u>35,195,068</u>
Business activities:				
Investment earnings	119,006	339,138	94,000	32,181
Miscellaneous	-	1,300	-	-
Gain on extinguishment of debt	-	-	430,281	-
Gain/loss on sale of capital asset	-	13,700	(3,485,644)	-
Transfers	356,930	(122,360)	(94,540)	32,627
Total business activities	<u>475,936</u>	<u>231,778</u>	<u>(3,055,903)</u>	<u>64,808</u>
Total primary government	<u>31,472,672</u>	<u>32,560,450</u>	<u>31,070,571</u>	<u>35,259,876</u>
CHANGES IN NET POSITION				
Governmental activities	1,349,255	2,130,908	2,478,290	(505,339)
Business-type activities	(303,886)	(837,325)	(2,862,945)	(923,878)
Total primary government	<u>\$ 1,045,369</u>	<u>\$ 1,293,583</u>	<u>\$ (384,655)</u>	<u>\$ (1,429,217)</u>

Table 2

2014	2015	2016	2017	2018	2019
\$ 3,952,851	\$ 3,980,867	\$ 4,602,678	\$ 4,712,762	\$ 5,507,401	\$ 5,594,305
30,150,752	32,289,132	33,972,607	34,365,867	34,239,121	36,523,136
2,454,564	2,250,414	2,247,202	2,281,822	2,289,993	2,282,379
501,609	517,886	577,608	605,036	612,406	635,769
229,210	244,799	273,309	357,797	614,134	1,178,968
1,345,692	738,631	336,163	452,432	326,814	308,178
-	-	194,600	-	-	-
-	-	(1,937,904)	1,937,904	-	-
-	-	-	-	-	(14,810,630)
(215,124)	(301,634)	(344,166)	(348,324)	292,053	(194,719)
38,419,554	39,720,095	39,922,097	44,365,296	43,881,922	31,517,386
142,458	204,342	159,982	260,624	445,229	944,037
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(150,180)	-	(1,828,754)
215,124	301,634	344,166	348,324	(292,053)	194,719
357,582	505,976	504,148	458,768	153,176	(689,998)
38,777,136	40,226,071	40,426,245	44,824,064	44,035,098	30,827,388
4,250,030	1,932,143	6,264,913	7,821,326	4,540,635	(15,845,175)
3,567,820	2,305,347	7,496,990	5,746,852	163,588	2,332,406
\$ 7,817,850	\$ 4,237,490	\$ 13,761,903	\$ 13,568,178	\$ 4,704,223	\$ (13,512,769)

City of Littleton, Colorado
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
GENERAL FUND				
Nonspendable	\$ -	\$ 65,901	\$ 70,303	\$ 96,675
Restricted	-	1,556,306	1,695,854	1,723,475
Committed	-	-	-	-
Assigned	-	270,607	211,946	279,578
Unassigned	-	7,034,253	6,972,032	6,761,300
Total general fund	-	8,927,067	8,950,135	8,861,028
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ 2,272	\$ -
Restricted	-	4,515,135	3,880,274	3,693,068
Assigned	-	8,534,180	11,489,851	12,234,617
Total all other governmental funds	\$ -	\$ 13,049,315	\$ 15,372,397	\$ 15,927,685
GENERAL FUND				
Reserved	\$ 2,176,602	\$ -	\$ -	\$ -
Unreserved	4,484,433	-	-	-
Total general fund	6,661,035	-	-	-
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	6,875,108	-	-	-
Unreserved, reported in:				
Special revenue funds	6,988,576	-	-	-
Total all other governmental funds	\$ 13,863,684	\$ -	\$ -	\$ -

In 2011, the GFOA instituted a new classification system for Fund Balances for governmental funds. Those changes are reflected starting in 2011.

Table 3

2014	2015	2016	2017	2018	2019
\$ 524,489	\$ 426,503	\$ 312,448	\$ 340,654	\$ 340,454	\$ 274,283
1,840,195	1,997,419	2,212,002	2,155,723	2,084,165	1,821,959
-	-	-	-	-	-
396,190	786,877	1,149,471	564,847	4,094,409	4,037,856
6,743,067	6,618,771	5,476,452	9,997,666	9,809,707	9,740,290
<u>9,503,941</u>	<u>9,829,570</u>	<u>9,150,373</u>	<u>13,058,890</u>	<u>16,328,735</u>	<u>15,874,388</u>
\$ -	\$ -	\$ 255,902	\$ 255,902	\$ 794,631	\$ 271,349
3,729,150	2,055,263	2,165,079	2,603,576	6,306,029	7,269,526
15,371,517	18,816,370	17,827,957	17,261,412	11,786,371	8,026,780
<u>\$ 19,100,667</u>	<u>\$ 20,871,633</u>	<u>\$ 20,248,938</u>	<u>\$ 20,120,890</u>	<u>\$ 18,887,031</u>	<u>\$ 15,567,655</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Littleton
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
REVENUES				
Taxes	\$ 28,280,411	\$ 29,911,779	\$ 31,261,877	\$ 32,275,301
Franchise	2,119,006	2,101,696	2,088,897	2,190,084
Licenses and permits	970,769	684,187	933,808	764,213
Intergovernmental	18,208,977	16,711,026	16,529,618	15,608,226
Charges for services	1,397,958	1,233,613	1,802,150	1,778,433
Fines and forfeitures	1,863,930	1,597,266	1,892,067	1,737,866
Investment earnings	290,689	394,801	186,490	162,750
Miscellaneous	557,580	1,175,226	942,456	687,686
TABOR revenue refund	-	-	-	-
Total governmental activities revenues	<u>53,689,320</u>	<u>53,809,594</u>	<u>55,637,363</u>	<u>55,204,559</u>
EXPENDITURES				
General government	12,009,264	11,941,573	11,082,834	11,146,138
Public safety	26,739,429	26,377,106	27,747,617	28,458,072
Highways and streets	4,192,210	4,445,325	4,512,866	4,697,958
Welfare	302,830	290,849	307,531	306,996
Culture and recreation	5,177,368	4,808,319	4,879,812	5,324,362
Debt service:				
Principal	242,436	183,990	630,893	920,238
Interest	42,276	33,376	26,473	280,282
Capital Outlay	<u>9,044,202</u>	<u>4,399,753</u>	<u>14,218,117</u>	<u>3,571,705</u>
Total expenditures	<u>57,750,015</u>	<u>52,480,291</u>	<u>63,406,143</u>	<u>54,705,751</u>
Excess of revenues over (under) expenditures	(4,060,695)	1,329,303	(7,768,780)	498,808
OTHER FINANCING SOURCES (USES)				
Transfers in	126,866	365,922	2,712,743	2,970,488
Transfers out	(483,796)	(243,562)	(2,615,203)	(3,003,115)
Interest charges	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Proceeds from capital lease	-	-	10,020,930	-
Total other financing sources (uses)	<u>(356,930)</u>	<u>122,360</u>	<u>10,118,470</u>	<u>(32,627)</u>
Net change in fund balance	<u>\$ (4,417,625)</u>	<u>\$ 1,451,663</u>	<u>\$ 2,349,690</u>	<u>\$ 466,181</u>
Debt service as a percentage of noncapital expenditures	0.6%	0.5%	1.3%	2.3%

Table 4

2014	2015	2016	2017	2018	2019
\$ 34,605,212	\$ 36,787,885	\$ 39,152,893	\$ 39,683,665	\$ 40,358,928	\$ 42,753,210
2,454,564	2,250,414	2,247,202	2,281,822	2,289,993	2,282,379
1,414,909	1,556,099	1,896,766	1,400,381	1,317,797	1,393,597
18,150,342	18,683,333	19,861,078	22,062,066	21,519,523	5,449,659
2,106,442	2,872,470	6,117,195	3,652,237	3,519,026	2,102,818
1,350,540	1,232,811	826,438	775,722	747,226	824,305
120,646	188,027	240,527	316,499	540,733	1,032,998
2,163,221	1,226,837	1,054,878	1,049,903	1,109,818	1,092,049
-	-	(1,937,904)	1,937,904	-	-
<u>62,365,876</u>	<u>64,797,876</u>	<u>69,459,073</u>	<u>73,160,199</u>	<u>71,403,044</u>	<u>56,931,015</u>
12,386,345	13,575,230	15,129,512	15,064,734	16,159,556	17,535,067
29,881,588	31,493,354	34,101,160	35,743,424	35,945,554	22,480,359
4,688,740	3,924,775	4,819,952	5,658,689	6,475,241	6,971,355
279,222	363,014	405,259	350,236	325,533	240,590
5,363,323	5,907,257	5,883,424	5,984,113	5,850,157	7,032,847
1,019,532	1,000,181	932,852	1,287,089	1,330,382	2,738,476
255,393	231,684	202,506	212,240	202,547	193,275
5,156,557	6,026,710	11,024,231	6,234,291	3,477,322	3,385,472
<u>59,030,700</u>	<u>62,522,205</u>	<u>72,498,896</u>	<u>70,534,816</u>	<u>69,766,292</u>	<u>60,577,441</u>
3,335,176	2,275,671	(3,039,823)	2,625,383	1,636,752	(3,646,426)
3,520,177	4,358,806	1,400,000	1,937,904	292,053	39,176
(3,039,458)	(4,660,440)	(1,744,166)	(2,286,228)	-	(233,895)
-	-	(7,390)	-	-	-
-	122,558	194,600	103,410	107,181	67,422
-	-	1,894,887	1,400,000	-	-
<u>480,719</u>	<u>(179,076)</u>	<u>1,737,931</u>	<u>1,155,086</u>	<u>399,234</u>	<u>(127,297)</u>
<u>\$ 3,815,895</u>	<u>\$ 2,096,595</u>	<u>\$ (1,301,892)</u>	<u>\$ 3,780,469</u>	<u>\$ 2,035,986</u>	<u>\$ (3,773,723)</u>
2.4%	2.2%	1.8%	2.3%	2.3%	5.1%

City of Littleton, Colorado
Governmental Expenditures by Function
Last Ten Fiscal Years

Table 5

Fiscal Year	General Government	Public Safety	Highways and Streets	Welfare	Culture and Recreation	Debt Service	Capital Outlay	Total
2010	\$ 12,009,000	\$ 26,740,000	\$ 4,192,000	\$ 303,000	\$ 5,178,000	\$ 284,000	\$ 9,044,000	\$ 57,750,000
2011	11,942,000	26,377,000	4,445,000	291,000	4,808,000	217,000	4,400,000	52,480,000
2012	11,083,000	27,748,000	4,513,000	307,000	4,880,000	657,000	14,218,000	63,406,000
2013	11,146,000	28,458,000	4,698,000	307,000	5,324,000	1,201,000	3,572,000	54,706,000
2014	12,386,000	29,882,000	4,689,000	279,000	5,363,000	1,275,000	5,157,000	59,031,000
2015	13,575,000	31,493,000	3,925,000	363,000	5,907,000	1,232,000	6,027,000	62,522,000
2016	15,130,000	34,101,000	4,820,000	405,000	5,884,000	1,135,000	11,024,000	72,499,000
2017	15,065,000	35,744,000	5,659,000	350,000	5,984,000	1,499,000	6,234,000	70,535,000
2018	16,160,000	35,946,000	6,475,000	325,000	5,850,000	1,533,000	3,477,000	69,766,000
2019	\$ 17,535,000	\$ 22,480,000	\$ 6,971,000	\$ 241,000	\$ 7,033,000	\$ 2,932,000	\$ 3,385,000	\$ 60,577,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.

Annual Percentage Change								
2010	0%	2%	1%	-2%	6%	0%	100%	10%
2011	-1%	-1%	6%	-4%	-7%	-24%	-51%	-9%
2012	-7%	5%	2%	5%	1%	203%	223%	21%
2013	1%	3%	4%	0%	9%	83%	-75%	-14%
2014	11%	5%	0%	-9%	1%	6%	44%	8%
2015	10%	5%	-16%	30%	10%	-3%	17%	6%
2016	11%	8%	23%	12%	0%	-8%	83%	16%
2017	0%	5%	17%	-14%	2%	32%	-43%	-3%
2018	7%	1%	14%	-7%	-2%	2%	-44%	-1%
2019	9%	-37%	8%	-26%	20%	91%	-3%	-13%

City of Littleton, Colorado
Governmental Revenues By Source
Last Ten Fiscal Years

Table 6

Fiscal Year	Taxes	Licenses and Permits	Inter-Governmental Revenue	Charges for Services	Fines and Forfeitures	Other	Total
2010	\$ 30,399,000	\$ 971,000	\$ 18,209,000	\$ 1,398,000	\$ 1,864,000	\$ 848,000	\$ 53,689,000
2011	32,014,000	684,000	16,711,000	1,234,000	1,597,000	1,570,000	53,810,000
2012	33,351,000	934,000	16,530,000	1,802,000	1,892,000	1,128,000	55,637,000
2013	34,466,000	764,000	15,608,000	1,778,000	1,738,000	851,000	55,205,000
2014	37,060,000	1,415,000	18,150,000	2,107,000	1,351,000	2,283,000	62,366,000
2015	39,038,000	1,556,000	18,683,000	2,873,000	1,233,000	1,415,000	64,798,000
2016	41,400,000	1,897,000	19,861,000	6,117,000	826,000	1,296,000	71,397,000
2017	41,966,000	1,400,000	22,062,000	3,652,000	776,000	1,364,000	71,220,000
2018	42,649,000	1,318,000	21,519,000	3,519,000	747,000	1,651,000	71,403,000
2019	\$ 45,035,000	\$ 1,394,000	\$ 5,450,000	\$ 2,103,000	\$ 824,000	\$ 2,125,000	\$ 56,931,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.

Annual Percentage Change							
2010	1%	13%	26%	2%	68%	26%	11%
2011	5%	-30%	-8%	-12%	-14%	85%	0%
2012	4%	37%	-1%	46%	18%	-28%	3%
2013	3%	-18%	-6%	-1%	-8%	-25%	-1%
2014	8%	85%	16%	19%	-22%	168%	13%
2015	5%	10%	3%	36%	-9%	-38%	4%
2016	6%	22%	6%	113%	-33%	-8%	10%
2017	1%	-26%	11%	-40%	-6%	5%	0%
2018	2%	-6%	-2%	-4%	-4%	21%	0%
2019	6%	6%	-75%	-40%	10%	29%	-20%

**City of Littleton, Colorado
Tax Revenue By Source
Last Ten Fiscal Years**

Table 7

Fiscal Year	Property Taxes	Sales and Use Taxes ⁽¹⁾	Specific Ownership ⁽¹⁾	Cigarette Taxes	Franchise Fees	Total
2010	\$ 4,198,000	\$ 23,612,000	\$ 274,000	\$ 196,000	\$ 2,119,000	\$ 30,399,000
2011	4,151,000	25,304,000	255,000	202,000	2,102,000	32,014,000
2012	4,013,000	26,778,000	264,000	207,000	2,089,000	33,351,000
2013	4,003,000	27,782,000	281,000	210,000	2,190,000	34,466,000
2014	3,953,000	30,151,000	296,000	205,000	2,455,000	37,060,000
2015	3,981,000	32,289,000	311,000	207,000	2,250,000	39,038,000
2016	4,603,000	33,973,000	366,000	211,000	2,247,000	41,400,000
2017	4,713,000	34,366,000	417,000	188,000	2,282,000	41,966,000
2018	5,507,000	34,239,000	419,000	194,000	2,290,000	42,649,000
2019	\$ 5,594,000	\$ 36,523,000	\$ 454,000	\$ 182,000	\$ 2,282,000	\$ 45,035,000

SOURCE:
Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTES:
Amounts include General, Capital Projects and Special Revenue Funds, rounded to \$1,000.
(1) Excludes Special Assessment collection and tax increment amounts.

	Annual Percentage Change					
2010	2%	0%	-3%	-2%	11%	1%
2011	-1%	7%	-7%	3%	-1%	5%
2012	-3%	6%	4%	2%	-1%	4%
2013	0%	4%	6%	1%	5%	3%
2014	-1%	9%	5%	-2%	12%	8%
2015	1%	7%	5%	1%	-8%	5%
2016	16%	5%	18%	2%	0%	6%
2017	2%	1%	14%	-11%	2%	1%
2018	17%	0%	0%	3%	0%	2%
2019	2%	7%	8%	-6%	0%	6%

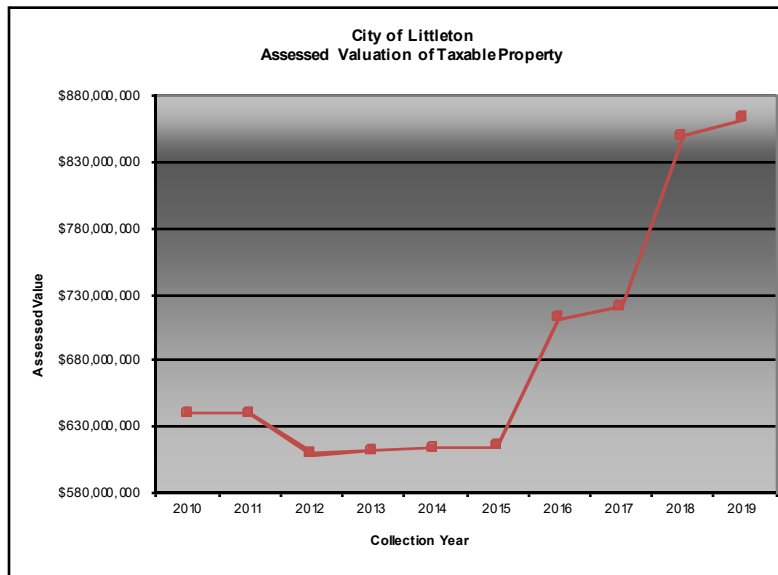
City of Littleton, Colorado
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 8

Collection Year	Levy Year	Assessed Valuation	Estimated Actual Value ⁽¹⁾	Ratio of Assessed to Estimated Actual Value (%)	Direct Rate
2010	2009	\$ 640,017,100	\$ 5,170,663,630	12	6.662
2011	2010	640,240,690	5,192,642,037	12	6.662
2012	2011	609,303,973	4,988,048,510	12	6.662
2013	2012	611,580,060	4,991,773,920	12	6.662
2014	2013	614,372,812	4,963,761,773	12	6.662
2015	2014	614,978,721	4,934,986,576	12	6.662
2016	2015	711,277,920	5,988,052,949	12	6.662
2017	2016	720,282,711	6,046,242,387	12	6.662
2018	2017	848,758,867	7,612,277,155	11	6.662
2019	2018	\$ 862,075,999	\$ 7,706,545,065	11	6.662

SOURCE:
Arapahoe, Douglas, and Jefferson County Assessor's Offices.

NOTE:
(1) Excludes Tax Increment Financing (TIF) District in Arapahoe County

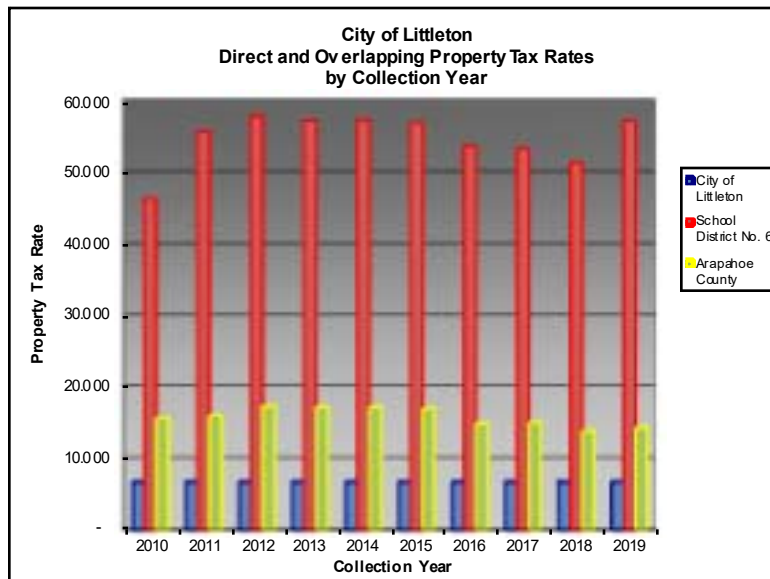


City of Littleton, Colorado
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Table 9

Collection Year	City of Littleton	School District No. 6	Arapahoe County	Total Tax Rate
2010	6.662	46.081	15.672	68.415
2011	6.662	55.389	15.949	78.000
2012	6.662	57.530	17.316	81.508
2013	6.662	56.935	17.150	80.747
2014	6.662	56.985	17.130	80.777
2015	6.662	56.601	16.950	80.213
2016	6.662	53.424	14.856	74.942
2017	6.662	53.030	15.039	74.731
2018	6.662	51.166	13.817	71.645
2019	6.662	56.945	14.301	77.908

Collection Year	City of Littleton (Arapahoe County only)	School District No. 6	Arapahoe County	Total
2010	\$ 4,059,109	\$ 61,673,457	\$ 124,062,713	\$ 189,795,279
2011	4,055,040	75,489,815	126,407,310	205,952,165
2012	3,861,894	74,585,160	127,903,059	206,350,113
2013	3,877,128	74,709,969	127,106,787	205,693,884
2014	3,918,154	75,997,166	130,520,965	210,436,285
2015	3,902,538	74,846,890	128,307,842	207,057,270
2016	4,519,508	82,909,759	134,054,143	221,483,410
2017	4,582,771	82,661,695	136,521,887	223,766,353
2018	5,343,155	88,668,766	144,102,565	238,114,486
2019	\$ 5,416,564	\$ 100,143,860	\$ 150,969,659	\$ 256,530,083



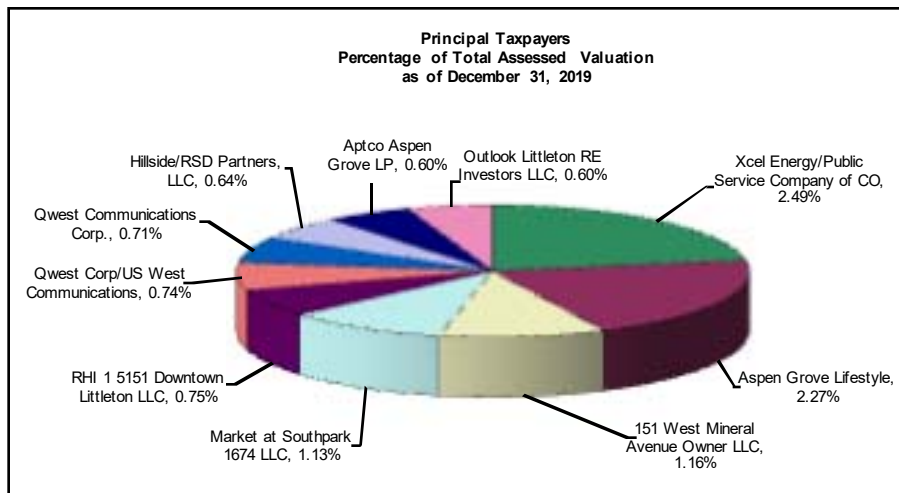
City of Littleton, Colorado
Principal Property Taxpayers
December 31, 2019
Current Year and Nine Years Ago

Table 10

Taxpayer	2010 Assessed Valuation	Percentage of Total Assessed Valuation	2019 Assessed Valuation	Percentage of Total Assessed Valuation
Xcel Energy/Public Service Company of	\$ 6,387,380	1.00%	\$ 21,448,600	2.49%
Aspen Grove Lifestyle	5,631,800	0.88%	19,594,140	2.27%
151 West Mineral Avenue Owner LLC	-	-	10,032,307	1.16%
Market at Southpark 1674 LLC	-	-	9,740,230	1.13%
RHI 1 5151 Downtown Littleton LLC	-	-	6,506,500	0.75%
Qwest Corp/US West Communications	9,939,100	1.55%	6,411,800	0.74%
Qwest Communications Corp.	-	-	6,081,720	0.71%
Hillside/RSD Partners, LLC	-	-	5,547,410	0.64%
Aptco Aspen Grove LP	-	-	5,205,200	0.60%
Outlook Littleton RE Investors LLC	-	-	5,165,875	0.60%
Renco Properties VIII	4,579,100	0.72%	-	-
LMC Properties Inc.	4,352,770	0.68%	-	-
WPC South West LLC	4,092,480	0.64%	-	-
Riverside Downs LLC	4,083,210	0.64%	-	-
Koll/Per Kellogg LLC	3,915,000	0.61%	-	-
Ecostar Real Estate	3,881,370	0.61%	-	-
Republic National Distributing	3,770,000	0.59%	-	-
Total Assessed Value - Principal Taxpa	\$ 50,632,210	7.91%	\$ 95,733,782	11.11%
All Other Taxpayers	589,384,890		766,342,217	
Total Assessed Value	\$640,017,100		\$862,075,999	

SOURCE:

Arapahoe, Douglas and Jefferson County Assessor's Office



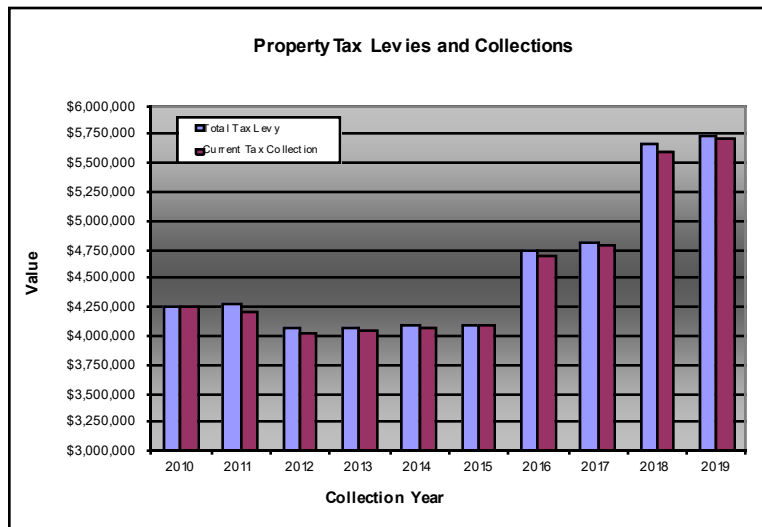
City of Littleton, Colorado
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 11

Levy Year	Collection Year	Total Tax Levy ⁽¹⁾	Current Tax Collection ⁽²⁾	Percent of Current Taxes Collected	Percent of Tax Levy Outstanding
2009	2010	\$ 4,263,796	\$ 4,243,108	99.51%	0.49%
2010	2011	4,265,284	4,207,938	98.66	1.34
2011	2012	4,059,183	4,026,617	99.20	0.80
2012	2013	4,074,347	4,034,668	99.03	0.97
2013	2014	4,092,952	4,058,351	99.15	0.85
2014	2015	4,096,988	4,090,905	99.85	0.15
2015	2016	4,738,534	4,686,136	98.89	1.11
2016	2017	4,798,523	4,788,838	99.80	0.20
2017	2018	5,654,432	5,605,657	99.14	0.86
2018	2019	\$ 5,743,150	\$ 5,709,605	99.42%	0.58%

NOTES:

- (1) Net of tax credits and tax abatements.
(2) Does not include penalties on delinquent taxes.



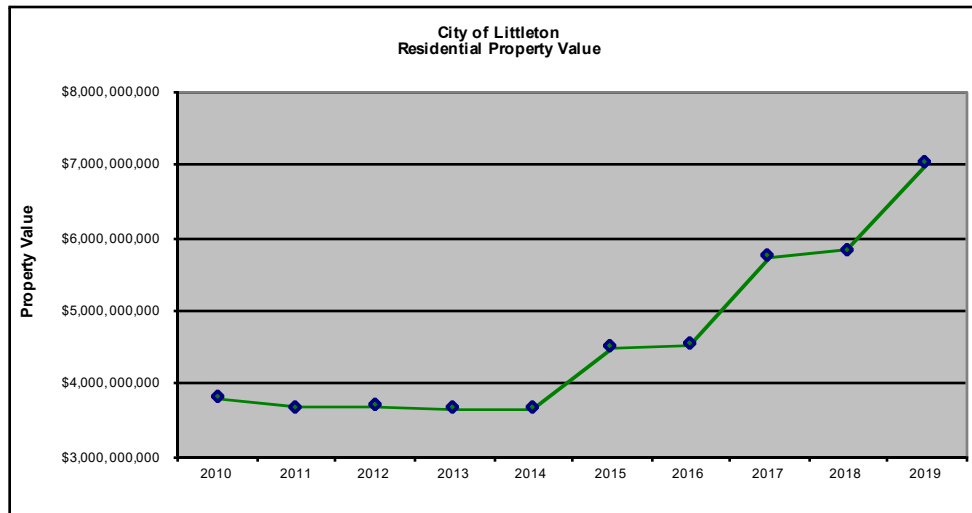
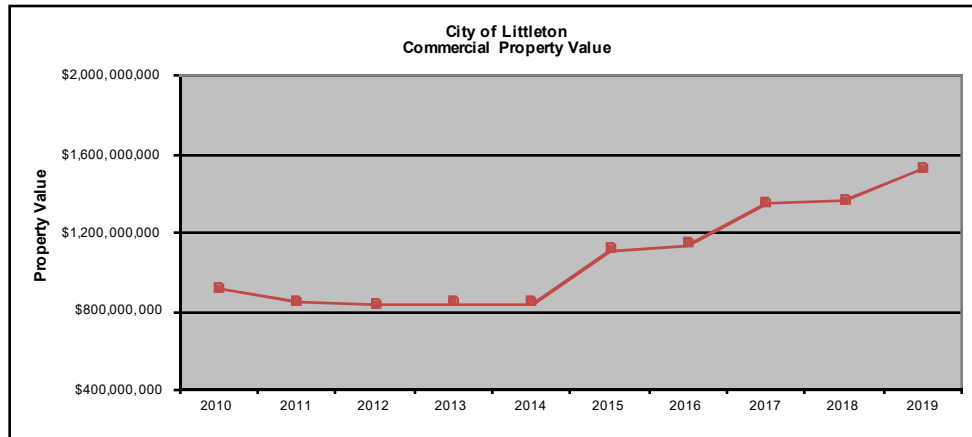
City of Littleton, Colorado
Property Value and Construction
Last Ten Fiscal Years

Table 12

Fiscal Year	New Commercial Construction Value	New Residential Construction		Property Value ⁽¹⁾	
		Number of Units	Value	Commercial	Residential
2010	\$ 40,569,446	2	\$ 1,150,000	\$ 913,085,036	\$ 3,815,538,394
2011	3,872,304	3	2,028,909	847,005,261	3,679,181,632
2012	28,196,376	7	2,676,167	831,746,406	3,701,657,400
2013	13,239,492	4	2,123,598	840,440,798	3,664,746,040
2014	30,526,127	38	52,047,662	837,494,334	3,667,056,307
2015	32,043,314	94	44,049,388	1,111,979,855	4,505,360,088
2016	53,353,782	203	79,105,642	1,135,453,003	4,536,465,955
2017	15,952,498	85	29,128,327	1,346,397,991	5,755,032,873
2018	13,828,330	65	28,137,221	1,362,042,024	5,844,269,336
2019	\$ 55,956,046	90	\$ 19,294,313	\$ 1,524,614,912	\$ 7,019,881,194

SOURCE:
City of Littleton - Building Department

NOTE:
(1) Arapahoe County Assessor as converted by City of Littleton



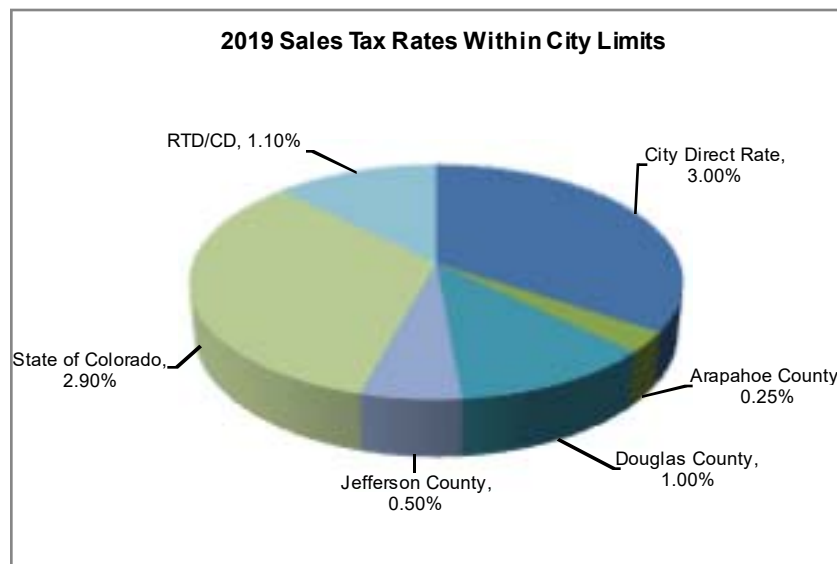
City of Littleton, Colorado
Sales Tax Rates Direct and Overlapping
Last Ten Fiscal Years

Table 13

Fiscal Year	City Direct Rate	Arapahoe County	Douglas County	Jefferson County	State of Colorado	RTD/CD/FD ⁽¹⁾
2010	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2011	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2012	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2013	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2014	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2015	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2016	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2017	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2018	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%
2019	3.00%	0.25%	1.00%	0.50%	2.90%	1.10%

SOURCE:
Colorado Department of Revenue

NOTES:
(1) Regional Transportation District (RTD), Cultural District (CD), Football Stadium District (FD) until 2012

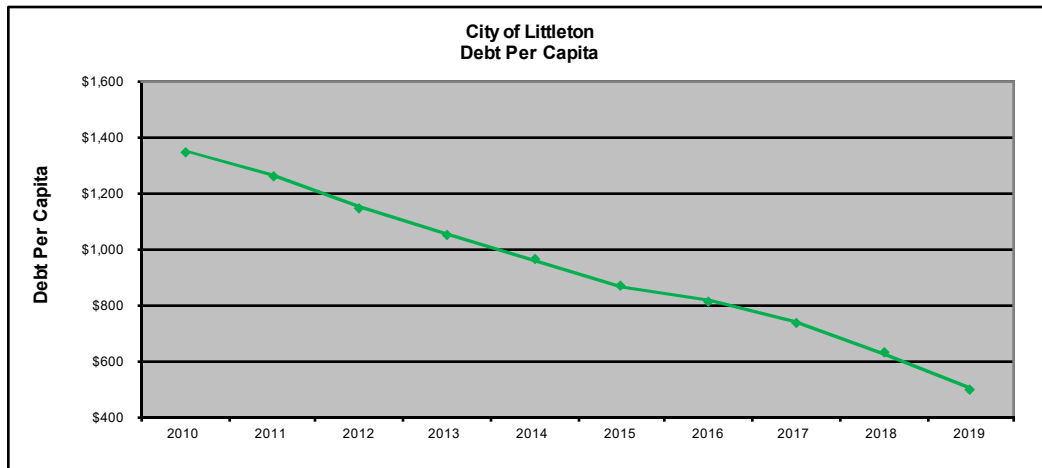
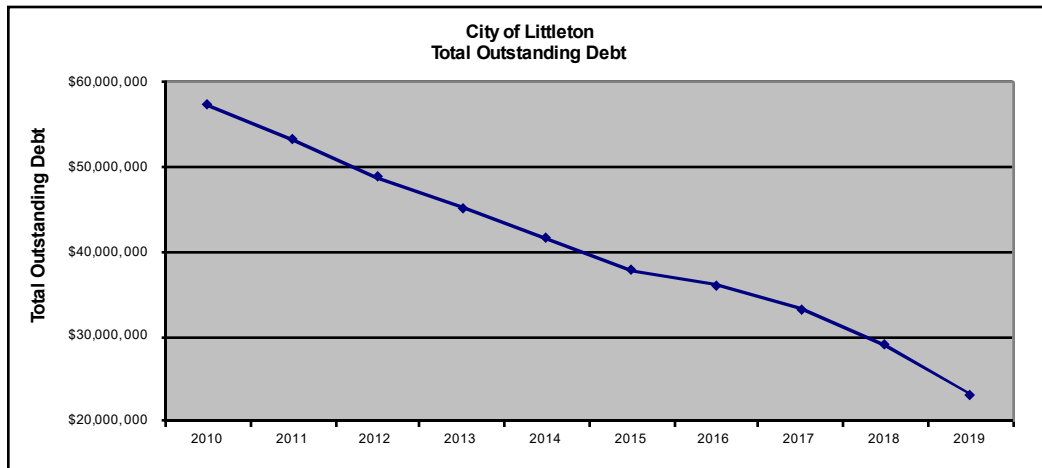


City of Littleton, Colorado
Ratio Of Outstanding Debt by Type
Last Ten Fiscal Years

Table 14

Collection Year	Governmental Activities		Business-type Activities				Total Outstanding Debt	Debt Per Capita	Percentage of Personal Income
	Net Bonded G.O. Debt	Capital Leases	G.O. Loans/ Bonds	Revenue Loans	Certificate of Participation	Assignment Certificates			
2010	\$ -	\$ 897,686	\$ 1,174,874	\$ 41,733,997	\$ 13,550,000	\$ -	\$ 57,356,557	\$ 1,349	3.61%
2011	-	713,696	520,030	39,156,832	10,550,000	2,270,000	53,210,558	1,266	3.78%
2012	-	10,103,193	-	36,556,656	-	2,130,000	48,789,849	1,148	3.57%
2013	-	9,146,416	-	34,172,030	-	1,985,000	45,303,446	1,055	2.98%
2014	-	8,090,345	-	31,672,404	-	1,830,000	41,592,749	965	2.69%
2015	-	7,053,625	-	29,172,792	-	1,675,000	37,901,417	867	2.37%
2016	-	7,979,121	-	26,570,017	-	1,510,000	36,059,138	817	2.15%
2017	-	8,055,493	-	23,908,315	-	1,345,000	33,308,808	739	1.82%
2018	-	6,688,572	-	21,182,329	-	1,170,000	29,040,901	628	1.50%
2019	\$ -	\$ 3,913,557	\$ -	\$ 18,370,632	\$ -	\$ 990,000	\$ 23,274,189	\$ 502	1.09%

NOTES: (1) See Table 19 for personal income and population data.



City of Littleton, Colorado
Ratio Of Annual Debt Service For General
Bonded Debt To Total General Expenditures
Last Ten Fiscal Years

Table 15

Fiscal Year	Principal	⁽¹⁾	Interest	⁽¹⁾	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
2010	\$	-	\$	-	\$	57,750,000	0.00
2011		-		-		52,480,000	0.00
2012		-		-		63,406,000	0.00
2013		-		-		54,706,000	0.00
2014		-		-		59,031,000	0.00
2015		-		-		62,522,000	0.00
2016		-		-		72,499,000	0.00
2017		-		-		70,535,000	0.00
2018		-		-		69,766,000	0.00
2019	\$	-	\$	-	\$	60,577,000	0.00

NOTES:

Amounts include Government Funds

(1) Excludes interest and principal on Littleton Building Authority

City of Littleton, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2019

Table 16

Government Entity	Debt Outstanding	Estimated Percentage ⁽¹⁾ Applicable	Amount Applicable to Primary Govt.
School District #6 Arapahoe County	\$ 490,693,458	45.22	\$ 221,891,582
Littleton Village Metro District #2	16,460,000	100.00	16,460,000
Centennial Downs Metropolitan District	5,705,000	100.00	5,705,000
Aspen Grove Business Improvement District	4,855,000	100.00	4,855,000
Highline Business Improvement District	1,814,135	100.00	1,814,135
Englewood School District #1	160,610,495	0.91	1,461,556
South Suburban Park and Recreation District	40,285,000	33.19	13,370,592
Polo Reserve Metropolitan District	350,000	100.00	350,000
Sheridan School District #2	18,110,520	2.65	479,929
Subtotal, overlapping debt			\$ 266,387,792
City of Littleton, direct debt ⁽²⁾	\$ 3,913,557		3,913,557
Total direct and overlapping debt			\$ 270,301,349

NOTES:

(1) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.

(2) Excludes debt funded through Enterprise Funds.

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 the residents and businesses of the City of Littleton. 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.

DISCLAIMER:

Overlapping debt for Douglas and Jefferson Counties are not included because the assessed valuation of that portion of the City which is located in Douglas and Jefferson Counties is less than 1/2 of 1% of the total assessed valuation.

City of Littleton, Colorado
Computation of Legal Debt Margin
December 31, 2019

Table 17

Other than water and sewer

Assessed value ⁽¹⁾	<u>\$ 862,075,999</u>
Debt limit 3.7% of assessed va ⁽²⁾	31,896,812
Amount of debt applicable to debt limit	<u>-</u>
Legal debt margin other than water and sewer	<u><u>\$ 31,896,812</u></u>

Water and sewer

Assessed value ⁽¹⁾	<u>\$ 862,075,999</u>
Debt limit 5% of assessed valu. ⁽³⁾	43,103,800
Amount of debt applicable to legal limit	<u>-</u>
Legal debt margin for water and sewer	<u><u>\$ 43,103,800</u></u>

NOTES:

- (1) Arapahoe, Douglas, and Jefferson Counties
- (2) City charter and subsequent bond election limitations
- (3) City charter limitation

City of Littleton, Colorado
Revenue Bond Coverage (Sewer Utility Fund)
Last Ten Fiscal Years

Table 18

Coverage Ratio Test for Debt Service							
Fiscal Year	Calculated Revenues	Revenue Transfers (to) from Rate Stabilization Account	Total Revenues	Operating Expenses	Net Revenue for Debt Service	Total Debt Service Principal and Interest	Coverage
2010	\$ 14,098,000	\$ -	\$ 14,098,000	\$ 8,660,000	\$ 5,438,000	\$ 4,575,000	1.19
2011	12,665,000	100,000	12,765,000	7,745,000	5,020,000	4,570,000	1.10
2012	13,171,000	-	13,171,000	7,294,000	5,877,000	4,300,000	1.37
2013	12,897,000	-	12,897,000	7,815,000	5,082,000	3,627,000	1.40
2014	17,046,000	-	17,046,000	8,871,000	8,175,000	3,578,000	2.28
2015	15,533,000	-	15,533,000	8,843,000	6,690,000	3,479,000	1.92
2016	18,301,000	-	18,301,000	8,326,000	9,975,000	3,532,000	2.82
2017	19,345,000	-	19,345,000	8,880,000	10,465,000	3,525,000	2.97
2018	16,075,000	-	16,075,000	10,936,000	5,139,000	3,516,000	1.46
2019	\$ 18,427,000	\$ -	\$ 18,427,000	\$ 9,998,000	\$ 8,429,000	\$ 3,518,000	2.40

Restricted Cash - Rate Stabilization Account				
Fiscal Year	Beginning Rate Stabilization Account Balance	Transfers (to) from Revenues	Transfers (to) from Unrestricted cash	Ending rate Stabilization Account Balance
2010	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
2011	5,000,000	(100,000)	100,000	5,000,000
2012	5,000,000	-	-	5,000,000
2013	5,000,000	-	(2,000,000) ⁽¹⁾	3,000,000
2014	3,000,000	-	-	3,000,000
2015	3,000,000	-	-	3,000,000
2016	3,000,000	-	-	3,000,000
2017	3,000,000	-	-	3,000,000
2018	3,000,000	-	-	3,000,000
2019	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000

NOTES:

(1) Amendment made to loan documents to reduce Rate Stabilization Account amount.

**City of Littleton, Colorado
Demographic Statistics
Last Ten Fiscal Years**

Table 19

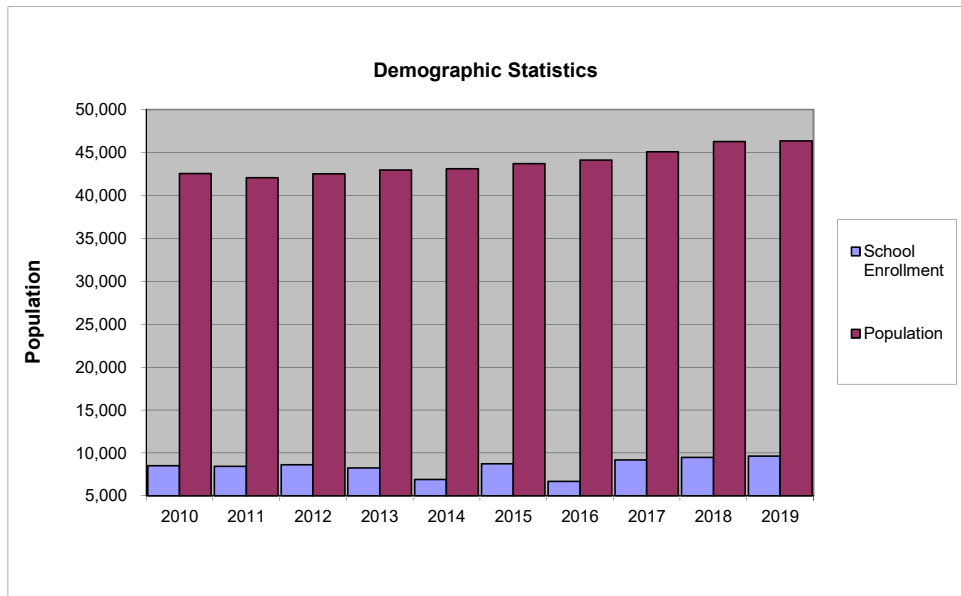
Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2010	42,529	\$ 37,352	42.0	8,496	7.2%
2011	42,044	33,530	41.8	8,423	7.6
2012	42,514	32,189	42.0	8,623	7.0
2013	42,960	35,459	42.3	8,253	5.2
2014	43,092	35,814	42.7	6,899	3.5
2015	43,710	36,577	42.8	8,723	3.1
2016	44,118	38,047	43.0	6,679	2.9
2017	45,068	40,574	43.3	9,185	2.8
2018	46,268	41,946	43.0	9,462	3.4
2019	46,352	\$ 46,251	43.2	9,640	2.3%

SOURCE:

(1) ESRI.com

(2) Littleton Public Schools within Littleton City limits

(3) BLS.gov



City of Littleton, Colorado
Principal Employers
Last Ten Fiscal Years

	2010		2011		2012		2013	
	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
Century Link (Formerly Qwest)	3	1,663	1	1,663	1	1,663	1	1,800
Dish Network (EchoStar)	2	1,667	2	1,543	2	1,543	2	1,543
Littleton Adventist Hospital	4	967	3	967	3	1,035	3	1,242
Littleton School District	1	1,686	4	830	4	830	4	830
Arapahoe Community College	5	632	5	632	5	632	5	632
Republic National Distributing	-	-	-	-	7	425	7	425
Arapahoe County	6	522	6	522	6	522	6	522
McDonald Automotive Group	-	-	-	-	9	320	9	360
Center Point	-	-	-	-	-	-	-	-
City of Littleton	7	403	7	396	8	417	7	404
Globus	-	-	-	-	-	-	10	320
Arapahoe/Douglas Mental Health	-	-	-	-	9	320	-	-
Lockheed Martin Space Systems	9	300	8	300	-	-	-	-
Life Care Center of Littleton	10	280	9	280	-	-	-	-
Norgen	8	325	10	268	-	-	-	-

SOURCE:

City of Littleton Economic Development - Information as reported by companies

Table 20

2014		2015		2016		2017		2018		2019	
Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
1	1,663	1	1,663	1	1,663	1	1,663	1	2,100	1	2,100
2	1,543	2	1,543	2	1,500	2	1,543	2	1,543	2	1,543
3	1,243	3	1,243	4	759	3	1,242	3	1,242	3	1,242
4	830	4	830	3	830	4	830	4	830	4	830
5	632	5	632	-	-	5	706	5	706	5	706
7	425	7	481	7	425	8	425	7	425	6	540
6	522	6	522	5	522	6	522	6	522	7	522
9	360	9	396	8	360	9	360	8	360	8	360
10	320	10	320	9	320	10	320	10	320	9	320
7	406	8	412	6	437	7	462	9	461	10	277
-	-	-	-	10	299	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-

City of Littleton, Colorado
City Government Employees by Program
(Full-time Equivalent)
Last Ten Fiscal Years

	2010		2011		2012		2013		2014	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government										
Admin Services*	30	12	29	8	30	8	-	-	-	-
Attorney	5	-	4	-	4	-	3	-	3	-
City Clerk	-	-	-	-	-	-	25	8	10	7
City Council	-	7	-	7	-	7	-	7	-	7
City Manager**	5	-	6	-	6	-	6	-	2	1
Communications	-	-	-	-	-	-	-	-	5	-
Community Development	15	7	15	7	13	3	13	4	16	3
Economic Development	4	1	4	1	5	-	5	-	4	-
Finance	9	-	9	-	9	-	9	-	9	-
Human Resources	-	-	-	-	-	-	6	-	6	-
Information Technology	10	-	9.5	-	11	-	11	-	11	-
Fire										
ER/Paramedics	130	-	129	-	144	-	141	-	138	-
Support	25	3	24	2.5	15	-	23	-	22	5
Library										
	16	19	16	20	14	20	14	21	17	20
Museum										
	14	7	13	7	13	7	12	7	13	7
Police										
Officers	70	-	71	-	72	-	70	-	73	-
Support	26	-	24	1	38	1	25	-	22	-
Public Works										
Engineering	6	-	6	-	6	-	6	-	6	-
Sewer/Storm Drain	7	2	7	2	7	-	7	-	7	2
Support	31	23	29	23	30	-	28	-	42	26
Total	403	81	395.5	78.5	417	46	404	47	406	78

* Beginning in 2013, Admin Services was separated into two departments (Human Resources and City Clerk.)

** Beginning in 2014, 5 FTEs were removed from the City Manager's Office to create a new department Communications.

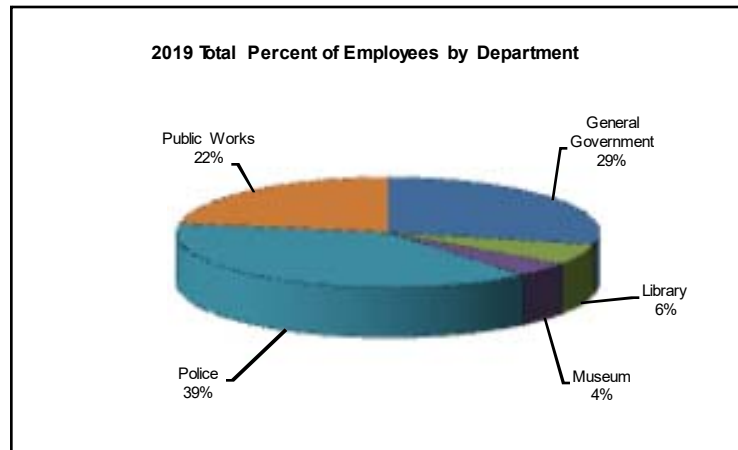


Table 21

2015		2016		2017		2018		2019	
Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
-	-	-	-	-	-	-	-	-	-
3	1	3	1	4	-	4	-	3	1
10	7	10	7	10	8	10	8	11	8
-	7	-	7	-	7	-	7	-	7
2	1	2	1	8	1	2	-	3	-
6	-	7	-	7	-	6	1	6	-
17	2	20	3	20	-	20	3	22	2
4	-	4	-	4	-	4	-	4	-
10	-	10	-	10	-	10	-	11	-
6	21	7	21	7	14	7	21	7	21
11	-	13	-	13	-	13	-	12	-
135	-	150	-	162	-	162	-	-	-
26	5	26	5	28	3	28	8	-	-
16	32	16	32	17	34	17	43	17	43
13	7	13	9	13	9	12	8	12	10
71	1	71	1	76	1	83	1	83	1
26	1	26	2	24	2	23	2	24	1
6	-	6	-	6	-	6	-	8	-
7	-	7	2	7	2	8	2	8	2
43	22	46	20	46	20	46	20	46	20
412	107	437	111	462	101	461	124	277	116

City of Littleton, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2010	2011	2012	2013	2014
General Government					
Incoming calls	36,449	35,391	36,340	32,654	32,520
Littleton Center Visitors	5,905	5,341	6,207	5,286	5,328
Building permits processed	2,591	2,066	2,360	2,264	2,855
Building inspections conducted	8,447	7,359	7,685	7,894	9,495
Passports issued	1,211	1,151	266	728	995
New businesses (licensed/registered)	448	543	417	440	455
Fire					
Emergency responses	12,560	12,884	13,762	13,104	14,163
Fires extinguished	218	212	348	155	199
Inspections	2,335	1,263	1,377	1,307	3,700
Library					
Total circulation	523,451	545,187	538,678	549,600	524,228
Visitors	300,656	296,641	299,106	303,255	321,255
Registered borrowers	30,938	30,422	23,097	27,724	31,248
Programs	806	825	882	882	856
Program attendance	32,023	35,638	37,638	33,900	35,144
Volunteer hours	4,233	4,120	3,430	3,640	2,998
Museum					
Number of visitors	144,757	132,577	135,767	143,488	140,095
Gross sales for museum store	\$48,956	\$41,449	\$36,907	\$37,641	\$36,955
Events	53	49	26	32	46
Total volunteer hours	6,079	5,291	6,867	8,057	8,344
Police					
Number of crimes	1,501	2,660	1,613	4,313	3,560
Number of service request calls	52,139	56,213	59,294	57,989	58,336
Traffic citations	11,827	7,156	13,157	12,863	7,671
Traffic accidents	850	1,113	908	974	980
Public Works					
Lane miles reconstructed	1	<1	<1	1	0
Lane miles overlaid	6	7	11	12	10
Lane miles sealcoated	0	0	2	0	0
Transit					
Number of vehicles	4	4	4	5	5
Passengers	17,750	18,819	19,715	27,010	25,299
Utility					
New residential taps issued	74	26	42	32	62
New commercial taps issued	9	6	4	5	22
Average daily sewage treatment (millions of gallon	10.9	11.0	9.3	11.0	11.0

Table 22

2015	2016	2017	2018	2019
23,253	28,576	32,596	27,462	25,441
4,932	4,487	5,405	4,509	4,330
2,989	2,287	2,738	3,537	2,743
12,270	17,757	17,685	12,808	12,556
0	0	0	0	0
453	444	464	495	765
14,246	15,705	16,103	17,592	0
193	205	194	479	0
3,877	6,130	6,418	6,665	0
487,975	533,112	447,287	542,589	578,820
309,926	283,284	297,653	279,759	307,956
31,127	24,331	31,706	23,922	30,810
824	861	1,021	1,500	1,511
37,683	39,377	38,407	43,340	43,056
2,578	2,554	2,946	2,476	2,252
139,561	155,616	166,476	162,339	153,729
\$40,432	\$40,362	\$41,759	\$41,847	\$37,167
57	38	42	45	52
6,713	6,285	6,364	6,125	5,228
3,652	3,891	3,955	4,673	4,166
97,606	77,297	74,393	69,804	71,915
4,412	7,042	6,690	8,160	7,567
1,107	1,119	1,134	1,139	1,128
<1	>1	0	<1	0
10	7	5	3	2
0	0	3	16	10
4	5	5	5	5
22,454	20,517	18,270	19,333	11,355
164	289	148	115	64
10	19	14	6	10
11.0	9.6	8.9	8.9	8.3

City of Littleton, Colorado
Capital Asset Statistics by Program
Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Fire					
Stations ⁽¹⁾	8	8	8	8	8
Licensed Vehicles ⁽¹⁾	54	56	55	55	55
Fleet					
Licensed Vehicles ⁽²⁾	125	118	122	123	130
Library	1	1	1	1	1
Museum	1	1	1	1	1
Parks					
Developed (acres)	442	443	443	443	443
Undeveloped (acres)	836	831	825	920	920
Playgrounds	18	17	18	17	17
Baseball diamonds	22	22	22	22	22
Police					
Stations	1	1	1	1	1
Licensed Vehicles ⁽²⁾	50	63	63	61	67
Public Works					
Streets (lane miles) ⁽⁴⁾	350	350	352	351	351
Street lights	3,630	3,590	3,609	3,637	3,637
Traffic signals ⁽³⁾	111	111	60	60	60
Sanitary sewers (miles)	128.3	128	128	128	128
Storm sewers (miles)	30.9	30.9	31.2	31	31
Treatment capacity (millions of galls	25	25	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾
Transit					
Buses	4	4	4	5	5

NOTES:

(1) Fire services and assets transitioned to South Metro Fire Rescue effective January 1, 2019.

(2) Fleet varies due to timing of transfer of titles.

(3) Includes pedestrian signals, fire station signals and school flashers.

(4) A calculation error by the Highway Users Tax Fund was corrected in 2010.

(5) Includes City of Englewood. City of Littleton share is 25.

(6) Number reported will now be "Licensed Rolling Stock".

Table 23

2015	2016	2017	2018	2019
8	9	9	9	0
57	65	60	62	0
130	249 ⁽⁶⁾	254	257	151
1	1	1	1	1
1	1	1	1	1
443	443	443	443	443
920	920	920	920	920
17	17	17	17	17
22	22	22	22	22
1	1	1	1	1
63	63	64	65	79
352	352	353	353	358
3,750	3,765	3,637	3,637	3,663
60	60	60	60	60
128	128	129.1	129.1	128
31	31	32.6	32.6	52
50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾	50 ⁽⁵⁾
4	5	5	5	4

City of Littleton, Colorado
Miscellaneous Statistics
December 31, 2019

Table 24

Date of incorporation	1890
Date charter adopted	July 28, 1959
Form of government	Council-Manager
Elevation	5,389 Feet
Area	13.85 square miles
Police protection:	
Number of stations	1
Number of sworn officers	81
Education - School District No. 6:	
Number of students	15,161 ⁽¹⁾
Type and total number of schools:	
Early Childhood	7 (2 in City limits)
Elementary	3 (4 in City limits)
Middle School	4 (3 in City limits)
Senior High	3 (2 in City limits)
Charter	2 (2 in City limits)
Student to teacher ratio	19:1
Sanitary sewers	128.8 miles
Storm sewers	54.5 miles
Building permits issued:	
Number	2,743
Value	\$94,532,674
Miles of streets	
Lane miles (10' wide)	353.44
Centerline miles	163.64
Recreation and culture:	
Libraries	1
Museums	1
Parks: ⁽²⁾	
Area	405 acres
Swimming pools	9 (2 indoor)
Tennis courts	28
Ball fields	22
Shelters	14
Trail ways	98.6 miles
Greenbelt and open space	918.7 acres

SOURCE:
City of Littleton

NOTES:
(1) Littleton Public Schools
(2) Within City Limits



Photo by John Shable

Compliance Section



2019 CAFR



Compliance Section



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of City Council
City of Littleton
Littleton, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Littleton's basic financial statements, and have issued our report thereon dated July 17, 2020. Our report includes reference to other auditors who audited the financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture, a joint venture of the City, as described in our report on the City's financial statements. The financial statements of the Littleton/Englewood Wastewater Treatment Plant Joint Venture were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Littleton's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Littleton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Littleton's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and Members of City Council
City of Littleton

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Littleton's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
July 17, 2020

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		City of Littleton
		YEAR ENDING :
This Information From The Records Of (example - City of _ or County of		Prepared By:
City of Littleton, Colorado		Phone:
		Earlene D Rich
		303-795-3775

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	5,727,611
3. Other local imposts (from page 2)	1,067,404
4. Miscellaneous local receipts (from page 2)	136,818
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	6,931,833
B. Private Contributions	0
C. Receipts from State government (from page 2)	1,904,452
D. Receipts from Federal Government (from page 2)	
E. Total receipts (A.7 + B + C + D)	8,836,285

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	1,490,016
2. Maintenance:	2,917,768
3. Road and street services:	
a. Traffic control operations	1,891,379
b. Snow and ice removal	552,213
c. Other	
d. Total (a. through c.)	2,443,592
4. General administration & miscellaneous	631,418
5. Highway law enforcement and safety	1,353,491
6. Total (1 through 5)	8,836,285
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	8,836,285

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		8,836,285	8,836,285		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	328,412	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	136,818
5. Specific Ownership &/or Other	738,992	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,067,404	h. Other (Local Grant)	
c. Total (a. + b.)	1,067,404	i. Total (a. through h.)	136,818
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,690,531	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	163,681	d. Federal Transit Admin	
d. Other (Specify) - CDOT Agreement	45,240	e. U.S. Corps of Engineers	
e. Other (Specify) - Dominos	5,000	f. Other Federal	
f. Total (a. through e.)	213,921	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,904,452	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		1,110,602	1,110,602
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		379,414	379,414
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	379,414	379,414
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,490,016	1,490,016
			(Carry forward to page 1)

Notes and Comments:

 II.A.3.b.5 - Include Specific Ownership Tax of \$454,188 and County Road & Bridge Tax of \$284,804