

## FINANCE MEMORANDUM

#10-17

DATE: June 11, 2010

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: Bill Simmons, City Manager *WMS*  
Shawn Cordsen, Finance Director *SC*

SUBJECT: Acceptance of the 2009 audit of the Comprehensive Annual Financial Report & Management Letter Response

### BACKGROUND:

An external audit is an essential element in the process of accountability and provides an important contribution to the stewardship of public resources. According to Section 8.4 of the City Charter, an independent audit shall be made of all City accounts at least annually. To that end, the City has obtained the services of Swanhorst & Company LLC, a licensed independent auditor, to evaluate and provide an opinion on the 2009 Comprehensive Annual Financial Report.

As part of the audit, the City's independent auditors are required to communicate all reportable conditions of the organization to the governing body. This communication takes the form of an Independent Auditors' Report, which is included in the financial statements themselves, as well as a separate management letter. The management letter is normally restricted to items considered immaterial for inclusion in the more formal report.

### UPDATE:

Staff is pleased to present the City's 2009 Comprehensive Annual Financial Report, which has received a clean opinion from Swanhorst & Company LLC. Such an opinion indicates that the City's financial statements fairly present, in all material aspects, the respective financial position of the organization.

Staff has provided copies of the 2009 Comprehensive Annual Financial Report for Council's review. At the time of this memorandum, the document has been submitted to an outside printing company for final publication.

In accordance with professional standards, and as part of the 2009 independent financial audit, Swanhorst & Company LLC has submitted the attached management letter. As part of an ongoing effort to consistently improve the financial reporting and internal controls of the organization, staff has reviewed the management letter in detail and offers the following responses:

- Under the sub-header "Significant Audit Adjustments" there were two issues addressed during the 2009 year-end process.
  - The first of which included \$3.5 million in capital assets which had been reported incorrectly in prior years. The restatement included the elimination of the buildings which had at one time occupied the land located at 120<sup>th</sup> Avenue and Community Center Drive. The restatement was identified and recommended by the City and supported by the independent auditors. In line with the recommendations of the independent auditors, staff has reorganized the capital asset records, implemented new controls, and is currently in the process of instituting new policies which will improve our ability to evaluate, control, and accurately record capital assets.

- The second item listed was that of deferring grant revenues which were not received within the availability period of sixty days after the end of the fiscal year. In this case the funds were associated with the CDBG Fund for which there have been delays at the County level. In those cases where grant funding is available, staff will submit grant related fund requests to ensure timely receipt of reimbursable grant revenues.
- Under the sub-header "Other Information" the independent auditor provided three additional comments.
  - The first item titled "Expenditures" discussed the auditor's findings regarding the inadequate approval of several expenditure items (e.g. purchase orders and accounts payable invoices). In staff's opinion the recent implementation of new financial software and the corresponding training of staff regarding proper expenditure authorization procedures will serve to correct the process.
  - The second item titled "Uncleared Checks" identifies the City's need to establish policies and procedures regarding unclaimed payments. Due to the absence of a bank reconciliation process in prior years, staff was unable to accurately determine or process unclaimed payments. Now that a bank reconciliation process has been implemented, staff will develop and implement an adequate procedure to address these items.
  - The third and final item titled "Grant Administration" discusses the administration and operation of the CDBG Fund, specifically issues regarding the expenditure of funds prior to a formal award agreement. Staff has implemented procedures, such as foregoing grant expenditures until after receiving an official grant award which will address the issue.

**STAFF REFERENCE:**

If Councilmembers have any comments or questions, please contact Shawn Cordsen at [scordsen@northglenn.org](mailto:scordsen@northglenn.org) or at 303-450-8719.

June 11, 2010

Honorable Mayor and Members of the City Council  
City of Northglenn  
Northglenn, Colorado

We have audited the financial statements of the City of Northglenn (the "City") as of and for the year ended December 31, 2009, and have issued our report thereon dated June 11, 2010. Professional standards require that we provide you with the following information related to our audit.

#### **Our Responsibility under Generally Accepted Auditing Standards**

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or regulations that do not have a direct and material effect on the financial statements.

In planning and performing our audit of the financial statements, we considered the City's internal control as a basis for designing our auditing procedures 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

#### **Significant Accounting Policies**

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. We noted no transactions entered into by the City during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

#### **Accounting Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments. We evaluated the key factors and assumptions used to develop the significant estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

## **Significant Audit Adjustments**

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. We provided management with a schedule of audit adjustments. An audit adjustment may or may not indicate matters that could have a significant effect on the City's financial reporting process (that is, cause future financial statements to be materially misstated). Management has determined that the effects of the uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In our judgment, none of the adjustments we proposed, either individually or in the aggregate, indicate matters that could have a significant effect on the City's financial reporting process.

During the year ended December 31, 2009, the City identified certain capital assets that were reported incorrectly in the accounting records. As a result, the City reported adjustments to prior period financial statements totaling \$3.5 million. We recommend that the City continue to improve its procedures to evaluate and record capital assets.

Similar to last year, we proposed an adjustment to the financial statements to defer grant revenues that were not received within the availability period of sixty days after the end of the fiscal year.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. No such disagreements arose during the course of our audit.

## **Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all of the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **Issues Discussed Prior to Retention of Independent Auditors**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and the responses were not a condition to our retention.

## **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties while performing our audit.

## **Other Information**

### Expenditures

We observed instances where purchase orders were created on or after the day a product or the related invoice were received. In addition, we found instances where supporting documentation for expenditures did not contain the required approvals. We recommend that the City evaluate the policies and procedures surrounding expenditures, especially in conjunction with the new accounting system. Internal controls should be revised and strengthened where possible.

### Uncleared Checks

The City has written several checks that have not cleared the bank account. These checks are reported as reconciling items on the bank reconciliation. We recommend that the City establish policies and procedures to periodically research these checks. If the vendor cannot be located, the City is required by State statutes to submit these amounts to the State of Colorado under the Great Colorado Payback program.

### Grant Administration

Similar to last year, the Community Development Block Grant (CDBG) Fund ended the year with a negative fund balance. This occurred because the City must spend money before grant reimbursements are received. However, the City spent this money before the CDBG grant agreement with Adams County was approved. As a result, the City could be at risk of funding the expenditures with other revenue sources. In the future, we recommend that no money be spent until the related grant agreement is approved by both parties.

In addition, the City should evaluate its grant administration for the City as a whole. In general, the procedures in place to administer federal grants may not be adequate to comply with all federal laws and regulations.

### **New Accounting Standards**

For the year ended December 31, 2011, the City will be required to adopt new accounting standards that require additional classifications of fund balance to be reported in the financial statements. These classifications include the City Council's future plans and commitments. In addition, reporting separate funds will not be allowed unless their revenues derive from a restricted or committed source. Management should begin planning for these new standards since the budget will require changes in advance of adopting the standards, and City policies may require revisions.

### **Conclusion**

We would like to thank Shawn Cordsen, Jason Loveland and all City staff for their considerable time and effort during the audit process.

This report is intended solely for the information and use of the City Council and management of the City of Northglenn and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Swanhorst & Company LLC

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-96  
Series of 2010

\_\_\_\_\_  
Series of 2010

A RESOLUTION ACCEPTING THE AUDIT OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE CITY OF NORTHGLENN FOR THE YEAR ENDED DECEMBER 31, 2009

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Comprehensive Annual Financial Report for the City of Northglenn for the year ended December 31, 2009 has been audited by the independent audit firm of Swanhorst & Company, LLC and is hereby accepted by the City Council of the City of Northglenn, Colorado as presented and in accordance with Colorado State Statute.

DATED at Northglenn, Colorado, this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
JOYCE DOWNING  
Mayor

ATTEST:

\_\_\_\_\_  
JOHANNA SMALL, CMC  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
COREY Y. HOFFMANN  
City Attorney



**CITY OF NORTHGLENN, COLORADO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended December 31, 2009**

**Prepared by:  
Finance Department**





# CITY OF NORTHGLENN, COLORADO

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# CITY OF NORTHGLENN, COLORADO

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*11701 Community Center Drive  
Northglenn, Colorado 80233-8061  
Phone (303) 451-8326  
Fax (303) 450-8708*

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June 15, 2010

To the Citizens, Mayor, Members of City Council  
City of Northglenn, Colorado

We are pleased to submit this Comprehensive Annual Financial Report of the City of Northglenn, Colorado (the City) for the fiscal year ended December 31, 2009 as required by local ordinance, City Charter and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report. This report was prepared by the City's Finance Department. Responsibility for the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief this financial information is reported in a manner designed to present fairly the financial position and results of operations of the various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principals (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Swanhorst & Company LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

### **Profile of the Government**

The City was incorporated in 1969 and became a home rule city in 1975 under the provisions of Article XX of the Constitution of the State of Colorado. Pursuant to charter, the City operates under the council-manager form of government. The City Manager, City Clerk and City Attorney are appointed by and responsible to the City Council. All other employees of the City are appointed by the City Manager.

The City is a suburban community made up of two geographically separated areas. The major portion of the City contains approximately 6.5 of the total 7.5 square miles in the City and is located 9 miles north of downtown Denver. Denver is the economic, cultural and governmental center of the adjacent mountain states. The City is bordered by the City of Thornton on the north, east, and south, and by the City of Westminster on the west. In 1990, the City annexed approximately one additional square mile of land, which is located 5.5 miles north of the former City border. The annexed land included the City's wastewater treatment facility and approximately one-half square mile of undeveloped land.

The City is dominated by single-family homes. 2008 housing unit estimates provided by the U.S. Census Bureau estimates that there are a total of 14,784 dwelling units in the city comprised of 8,372 single-family units, and an additional 6,412 multi-family units. A vacancy rate of 9.6% was estimated for all housing types. The average household size is estimated at 2.61

individuals. The most recently available estimated population of the City is 35,238 which is an increase of over 11.6% since the 2000 census total population number of 31,575.

The City has two discretely presented component units and one blended component unit included in its financial statements. The Northglenn Urban Renewal Authority, Church Ditch Water Authority, and Northglenn Capital Leasing Corporation are legally separate entities. These component units do not issue complete separate financial statements. Additional information on these three units is included in notes to financial statements and in miscellaneous schedules.

### **Local Economy**

As part of the Denver metropolitan area, the City's economy reflects and benefits from the general economy of the Denver area. In 2009, Colorado and the Denver Metropolitan Region continued to grow at a greater rate than a majority of the country. According to the U.S. Census Bureau, Colorado was ranked 4<sup>th</sup> in the nation in population growth in 2009, reporting a 1.81% increase, while the population of the nation as a whole grew at less than half that rate or 0.86%. Nearly at build out, the City is no longer participating in this trend. The City issued 742 building permits in 2009. Those permits included 4 new commercial establishments, while the remaining permits issued were requested for miscellaneous improvements or additions to previously existing structures.

The Consumer Price Index for the Denver metropolitan area decreased 0.65% comparable with the decrease in the national index of 0.4% for all urban consumers for the twelve months ending December 31, 2009. During the recent economic downturn, Adams County, Colorado reported an average unemployment rate of 9.0% for 2009 compared to 5.4% reported in 2008. Local area unemployment is just slightly below that of the nation as a whole, which reported an average unemployment rate of 9.3%.

According to the Office of State Planning and Budgeting, Colorado's economic base is comprised of the mining, construction, real estate, business services, communications, and recreational industries. These core industries link Colorado to the economies of the United States and the world. Thus global and national recessions will affect local economies in Colorado through ripple effects on local industries such as retail trade. The City's sales tax revenue as a whole decreased by 8.9% over 2008 receipts compared to Colorado's 8.3% decrease.

### **Long-Term Financial Planning**

Completely surrounded and nearing build out, the City must rely on urban renewal and redevelopment to ensure the continued vitality and prosperity of the local communities. The redevelopment of the Marketplace at Northglenn was completed in 2002. The Marketplace is a retail center anchored by a 131,000 square foot Lowe's Home Improvement Store, and has a total of forty one active businesses as of December 31, 2009. While the Marketplace has created a renaissance in its location, the City will remain active in the development of commerce in other sections of the City to ensure citywide economic health.

Reinvesting in public infrastructure remains a primary focus of the City. An adverse effect of the residential and commercial growth in surrounding cities has been an increase in traffic throughout Northglenn. In 2009, voters approved a 4.000 mill property tax extension to be used for the exclusive purposes of reconstructing streets and roadways. Within the City, the replacement and improvements of the overpass at 104<sup>th</sup> Avenue over Interstate 25 which began in 2009 is anticipated to aid in the flow of traffic between the east and west sides of the City. In late 2009 the City was awarded over \$5 million in via the American Recovery and Reinvestment Act (ARRA) to reconstruct Huron Street, which serves as a primary transportation conduit for individuals in and near the City.

The maintenance of the aging infrastructure associated with the delivery of the water and wastewater utility services is also a crucial component of the City's long-range plans. In 2009, the City increased the water and wastewater user rates to support the ongoing operations and maintenance of the City's water and wastewater plants and infrastructure.

The City also has two one-half percent sales taxes dedicated exclusively to the purchase of water rights and debt service respectively. The sales taxes raised a combined \$3.4 million in 2009. The one-half percent restricted for water rights is scheduled to expire at the end of 2010. In 2008, voters approved the continuation of the one-half percent sales tax dedicated to debt service, which was scheduled to expire on December 31, 2009, to December 31, 2015. Given that the water fund's general obligation debt retired at the end of 2009, the voters also approved a change in the use restriction of the tax to that of purchasing additional water rights.

*Debt Administration.* The City started the year with one outstanding debt issue in the amount of \$2,785,000. This debt was paid in full on December 1, 2009. As of December 31, 2009, the City has no general obligation bonded debt outstanding. Under state statute, general obligation bonded debt issuances are subject to a legal limitation based on 3 percent of total assessed value of real and personal property.

At December of 2009, the Northglenn Capital Leasing Corporation (NCLC), a blended component unit of the City, had Certificates of Participation (Certificates) outstanding in the amount of \$10,185,000. Underlying this issue is an annually renewable capital lease agreement between the City and NCLC, which will be funded by water and wastewater fund revenues. The Certificates are the long-term obligation of NCLC and do not constitute a general obligation or other indebtedness to the City. The certificates were used to fund construction costs related to the Standley Lake Dam Improvement Project.

Water and wastewater rates are set each year to cover the required lease payments and projected operating costs. The required annual lease payments are approximately \$1,140,000 per year through the end of 2022.

### Relevant Financial Policies

- It is the City of Northglenn's policy that unreserved fund balance within the General Fund must be at least 25% of the current year's General Fund operating expenditures. Accordingly, the City initiated significant cost cutting measures including the delay of capital purchases, reduction of staff, and the outsourcing of building, permitting, inspection, and other services during the recent economic downturn in order to maintain the 25% unreserved fund balance.

### Major Initiatives

Activities undertaken by the City of Northglenn during the year further confirmed the ongoing commitment to improve infrastructure via the continuation and initiation of various capital projects. As a built out community, the aging infrastructure is showing signs of deterioration. The year's activities as highlighted below demonstrate the City's response to the assessment and management of the infrastructures demands.

*Residential Street Overlay* – Designed as an annual capital improvement project allotment to maintain and improve the residential streets throughout the community at an average PCI rating of 70% or better. The project includes street overlay, chip seal, crack seal, and patching work. The five-year total for this project is anticipated at almost \$3 million.

*Street Reconstruction* – In November of 2009 voters approved the 10-year continuation of a 4.000 mill property tax for the exclusive purpose of rehabilitation and reconstruction of streets throughout the City. The program is expected to supplement the ongoing street maintenance program and improve the City's transportation network by targeting those roads where the full structural integrity is impaired. The average annual revenue is projected at \$900,000.

*Clearwell Construction* – In 2009, the City began the process of constructing a new clearwell at the water treatment facility to meet various water treatment regulations and allow for operational redundancy allowing for more flexibility. The estimated total cost of the project is \$2.2 million.

### Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2008 using Governmental Accounting Standards Board Statement 34 presentation of financial statements. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report was made possible by the dedicated services of the entire staff of the Finance Department. Each member of the Department has our sincere appreciation for the contributions made in the preparation of this report.

Sincerely,



William A. Simmons  
City Manager



Shawn G. Cordsen  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Northglenn  
Colorado

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers' Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink.

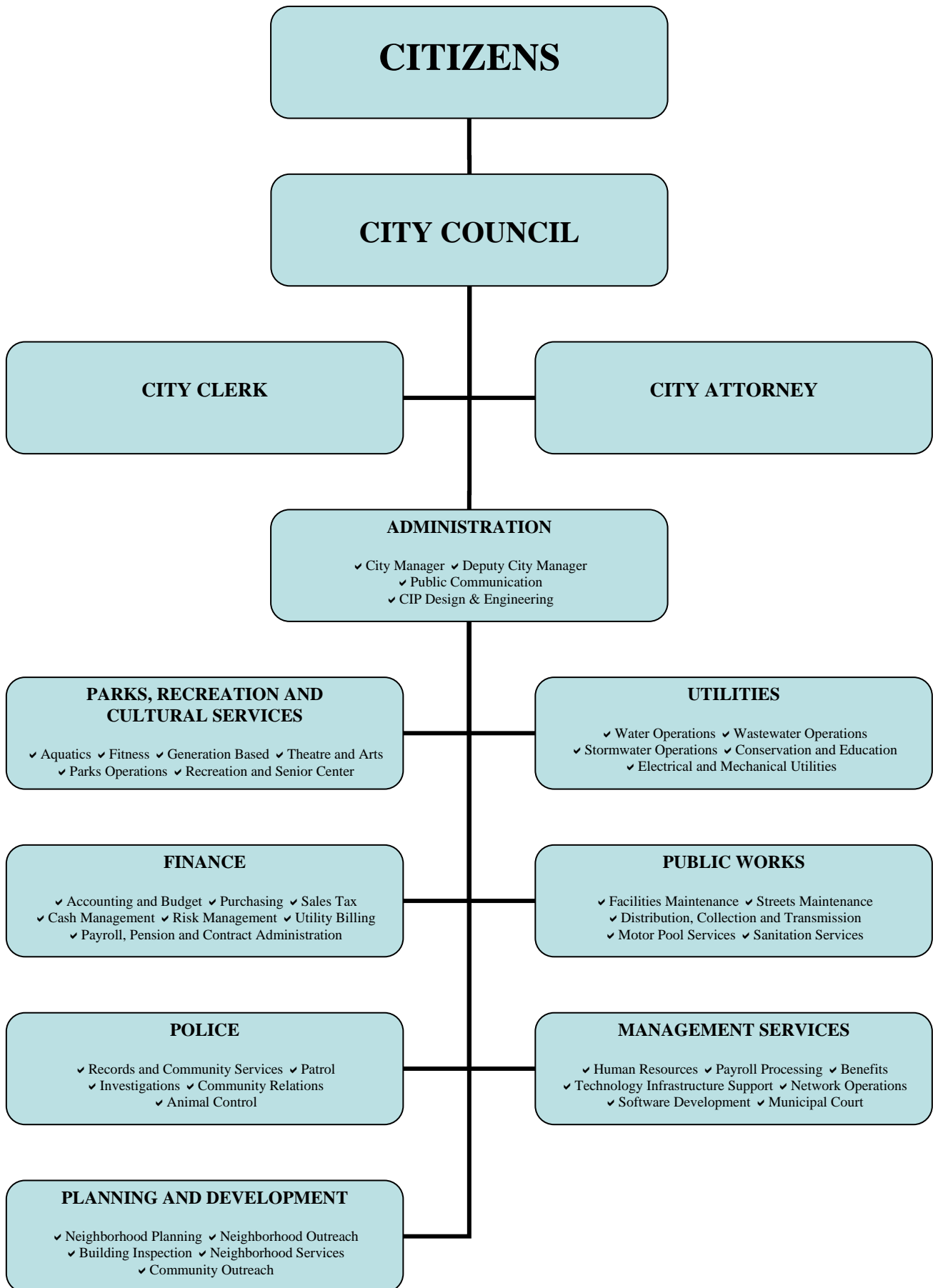
President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director



# CITY OF NORTHGLENN - ORGANIZATIONAL STRUCTURE





## **CITY OF NORTHGLENN, COLORADO**

### **CITY COUNCIL**

**Joyce Downing, Mayor**

**Susan Clyne, Mayor Pro-Tem, Ward Three**

**Ervin Baker, Ward Three**

**Sheri Paiz, Ward One**

**Carol Dodge, Ward One**

**Joe Brown, Ward Two**

**Leslie Carrico, Ward Two**

**Gene Wieneke, Ward Four**

**Kim Snetzinger, Ward Four**

### **ADMINISTRATIVE OFFICIALS**

**William A. Simmons, City Manager**

**Shawn Cordsen, Finance**

**Paula Jensen, Management Services**

**Amanda Peterson, Parks & Recreation**

**James Hayes, Planning and Development**

**Russ VanHouten, Police**

**David Willett, Public Works and Utilities**

Honorable Mayor and Members of the City Council  
City of Northglenn  
Northglenn, Colorado

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Northglenn as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the City of Northglenn, as listed in the table of contents. These financial statements are the responsibility of the City of Northglenn's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Northglenn as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Northglenn's basic financial statements. The combining and individual fund financial statements and schedules and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Swanhorst & Company LLC*

June 11, 2010



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# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2009

This section of the City of Northglenn's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2009. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

### Financial Highlights

- The assets of the City of Northglenn exceeded its liabilities at the close of the most recent fiscal year by \$213,548,998 (net assets). Of this amount, \$14,644,330 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$1,390,290 over the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$7,371,617, or 38% of total 2009 operating expenditures including capital outlay, which represents an increase of \$535,069 when compared to 2008. The City's comprehensive financial policy includes a requirement that the unreserved fund balance must be at least 25% of the current year's operating expenditures.
- The City's total bonded debt decreased by \$2,785,000 during the current fiscal year due to scheduled debt service payments in the Water and Wastewater Fund. As of December 31, 2009 the City is not carrying any bonded debt.
- The City reduced the principal amount of the 2002 Certificates of Participation in the amount of \$530,000.
- The City has determined that certain December 31, 2008 net asset amounts had been reported incorrectly in the previous year. The adjustments include overstatements of capital assets, construction in progress and of capital lease payables. The restatements are discussed in more detail in the notes section of this document.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Northglenn's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains other supplementary information which is intended to expand and enhance the reader's understanding of the financial condition of the City.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- The *governmental funds* statements tell how general governmental services like public safety were financed in the short term as well as what remains for future spending.
- *Proprietary fund* statements offer short and long term financial information about the activities the government operates like businesses, such as the water and wastewater system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds, which are added together and presented in a single column in the basic financial statements.

# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

Figure A-1 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Figure A-1**  
Major Features of the City of Northglenn's Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the city that are not proprietary or fiduciary, such as police, parks and recreation	Activities the City operates similar to private businesses such as water and wastewater, stormwater, and the trash removal operation
Required financial statements	Statement of Net Assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenses, and Changes in Net Assets, Statement of Cash Flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/ Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

### Government-wide Statements

The government-wide statements report information about the City as a whole, using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the government’s assets and liabilities. All of the current year’s revenues and expenses are reported for in the Statement of Activities (regardless of when cash is received or paid).

The two government-wide statements report the City’s *net assets* and how they have changed. Net assets - the difference between the City’s assets and liabilities – is one way to measure the City’s financial health, or *position*.

- Over time, increases or decreases in the City’s net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2009

- To assess the overall health of the City, it's necessary to consider additional non-financial factors (such as changes in the City's retail sales tax base and the condition of the City's roads).

The government-wide financial statements of the City are divided into three categories:

- *Governmental activities* – Most of the City's basic services are included, such as the police, public works and utilities, and parks and recreation departments and general administration. Property and sales taxes, charges for services, and state and federal grants finance most of these activities.
- *Business-type activities* – The City charges fees to customers to help cover the costs of certain services. The City's water and wastewater system, stormwater system, and the trash collection service are included here.
- *Component units* – The City includes three other entities in its report: The Northglenn Urban Renewal Authority and the Church Ditch Water Authority, which are discretely presented component units, and the Northglenn Capital Leasing Corporation. Although legally separate, these "component units" are important because the City is financially accountable for them.

### Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds (not the City as a whole). Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants (like the Community Development Block Grant and Conservation Trust funds).

The City has two kinds of funds:

- *Governmental funds* – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Financial statement for proprietary funds, like the government-wide statements provide both long and short-term financial information as well as additional information such as cash flows.

### Financial Analysis of the City

**Net Assets.** As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Northglenn, assets exceeded liabilities by \$213,548,998 at the close of the most recent fiscal year.

By far the largest portion of the City of Northglenn's net assets (89%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt to acquire those assets that is still outstanding. The City of Northglenn uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Northglenn's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be

# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

used to liquidate these liabilities. Restricted net assets are designed to reflect net assets that are subject to restriction beyond the City's control. Unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Northglenn is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same held true for the prior fiscal year.

The City's combined net assets (in thousands) were:

	Governmental		Business-type		Total	
	2008	2009	2008	2009	2008	2009
Current and Other Assets	\$ 13,188	\$ 13,415	\$ 21,121	\$ 16,602	\$ 34,309	\$ 30,017
Capital Assets	96,501	93,098	103,619	108,455	200,120	201,553
<b>Total Assets</b>	<b>109,689</b>	<b>106,513</b>	<b>124,740</b>	<b>125,057</b>	<b>234,429</b>	<b>231,570</b>
Long-term Debt	2,554	2,193	14,695	11,183	17,249	13,376
Other Liabilities	4,476	3,970	544	675	5,020	4,645
<b>Total Liabilities</b>	<b>7,030</b>	<b>6,163</b>	<b>15,239</b>	<b>11,858</b>	<b>22,269</b>	<b>18,021</b>
Invested in Capital Assets						
Net of Related Debt	95,546	92,633	89,704	97,836	185,250	190,469
Restricted	744	1,880	11,398	6,556	12,142	8,436
Unrestricted	6,369	5,837	8,399	8,807	14,768	14,644
<b>Total Net Assets</b>	<b>\$ 102,659</b>	<b>\$ 100,350</b>	<b>\$ 109,501</b>	<b>\$ 113,199</b>	<b>\$ 212,160</b>	<b>\$ 213,549</b>

### Changes in Net Assets

**Governmental Activities.** Governmental activities decreased the City of Northglenn's net assets by \$2,308,726. Key elements of this decrease are as follows:

- In 2009 the City experienced an 18% decrease in revenue when compared to the prior year. Of that the City's largest revenue source of revenues, taxes, decreased \$1,433,451 or 9%. The decreases were the direct result of the ongoing economic recession and the associated decline in consumer spending.
- In response to the economic downturn, the City minimized the purchase of capital assets within the General Fund therefore depreciation expense exceeded capital outlay by \$3,388,851 and resulted in a reduction of net assets associated with the governmental activities.

**Business-type Activities.** Business-type activities increased the City's net assets by \$3,699,016. Key elements of this increase are as follows:

- During 2009, the City paid off the bonded water and wastewater debt (\$2,785,000). The ongoing elimination of outstanding debt continues to increase the reportable net assets within the Enterprise Funds.
- Far less impacted by the economic downturn the City's enterprise funds were able to continue ongoing capital improvements and replacements of the aging water and wastewater infrastructure, which resulted in a net increase in capital assets of \$4,835,724.



# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

### Changes In Net Assets (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2008	2009	2008	2009	2008	2009
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 3,416	\$ 3,053	\$ 11,661	\$ 10,665	\$ 15,077	\$ 13,718
Operating Grants and Contributions	238	345	-	-	238	345
Capital Grants and Contributions	5,103	2,485	256	-	5,359	2,485
<b>General Revenues:</b>						
Property Taxes	3,174	3,084	-	-	3,174	3,084
Other Taxes	11,575	10,331	4,445	4,115	16,020	14,446
Franchise Fees	1,216	1,117	-	-	1,216	1,117
Restricted to Specific Programs	108	140	-	-	108	140
Investment Earnings	405	190	994	182	1,399	372
Other	349	297	181	271	530	568
Gain(Loss) on Sale of Assets	-	-	5	-	5	-
<b>Total Revenues</b>	<b>25,584</b>	<b>21,042</b>	<b>17,542</b>	<b>15,233</b>	<b>43,126</b>	<b>36,275</b>
<b>Expenses</b>						
General Government	9,519	6,383	-	-	9,519	6,383
Public Safety	9,924	9,113	-	-	9,924	9,113
Public Works	1,578	3,819	12,072	11,014	13,650	14,833
Recreation and Culture	5,512	3,741	-	-	5,512	3,741
Interest on Long-Term Debt	61	35	916	781	977	816
<b>Total Expenses</b>	<b>26,594</b>	<b>23,091</b>	<b>12,988</b>	<b>11,795</b>	<b>39,582</b>	<b>34,886</b>
Increase in Net Assets						
Before Transfers	(1,010)	(2,049)	4,554	3,438	3,544	1,389
Transfers	(260)	(260)	260	260	-	-
Increase (Decrease) in Net Assets	(1,270)	(2,309)	4,814	3,698	3,544	1,389
Net Assets 12/31/08	103,929	102,659	104,687	109,501	208,616	212,160
Net Assets 12/31/09	<u>\$102,659</u>	<u>\$100,350</u>	<u>\$109,501</u>	<u>\$113,199</u>	<u>\$212,160</u>	<u>\$213,549</u>

# CITY OF NORTHGLENN, COLORADO

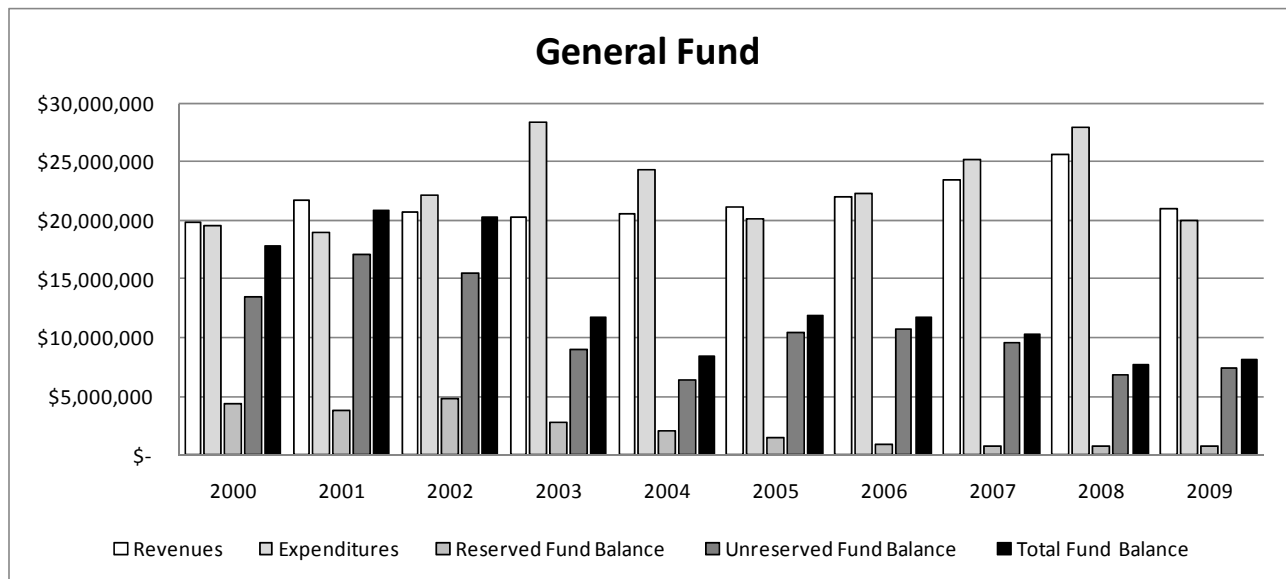
## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

### Financial Analysis of the City's Funds

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

**Governmental funds.** The focus of the City of Northglenn's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Northglenn's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the year, the City's governmental funds reported a combined fund balance of \$9,196,919. Of that fund balance, \$7,371,617 constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved, meaning it is not available for new spending because it has already been committed 1) for a state constitution mandated emergency reserve in the amount of \$604,526 and 2) inventories and prepaid items in the amount of \$200,642.

The general fund is the chief operating fund of the City of Northglenn. At the end of the current fiscal year, unreserved fund balance of the general fund was \$7,371,617 while total fund balance reached \$8,176,785. The fund balance represents an increase of 7% or \$534,254 when compared to the prior year. The increase in fund balance is attributable to a progressive cost cutting effort initiated by the City during the economic recession of the current year. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 38% of total 2009 general fund expenditures, which includes capital outlay, while total fund balance represents 42% of that same amount.



**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the water and wastewater fund and stormwater fund at the end of the year amounted to \$109,458,867, and \$1,630,790 respectively. Net assets for the sanitation fund amounted to \$2,109,189. Total change in net assets for all three funds was \$3,699,016. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's Business-type activities.

# CITY OF NORTHGLENN, COLORADO

## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

### General Fund Budgetary Highlights

During the year there was a decrease of \$287,504 from the 2009 original budget appropriation. Four supplemental appropriation ordinances and one reduction appropriation ordinance were necessary. Following are the main components of this decrease:

- Two grant projects totaling \$91,481. Both grants were received from the U.S. Department of Justice in the form of Justice Assistance grants in the amount of \$73,572 and 17,909 respectively. Expenditure of any grant awards and contributions received by the City must be approved via a supplemental appropriation.
- A supplemental appropriation ordinance in the amount of \$100,000 was approved to begin work on the Huron Street reconstruction project for which ARRA funds were awarded to complete the construction phase.
- The remaining \$464,471 incorporated the continuation of capital improvement projects from prior years.
- Given the economic downturn, the City of Northglenn implemented cost cutting measures and subsequently approved a reduction of appropriation in the amount of \$943,456.

### Capital Asset and Debt Administration

**Capital Assets.** The City of Northglenn’s investment in capital assets for its governmental and business type activities as of December 31, 2009 amounts to \$201,553,005 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in the City of Northglenn’s investment in capital assets for the current fiscal year was \$1,433,243.

Major capital asset events during the current fiscal year included the following:

- Water Rights purchases in the amount of \$5,965,584.
- \$1,136,002 for the expansion of the clearwell at the water treatment facility.
- Preservation of citywide residential streets with spending in the amount of \$830,928 for street overlays and patches.

### Capital Assets (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2008	2009	2008	2009	2008	2009
Water Rights	\$ -	\$ -	\$ 39,638	\$ 45,604	\$ 39,638	\$ 45,604
Land and Improvements	8,356	8,356	808	808	9,164	9,164
Construction in Progress	2,707	343	707	1,605	3,414	1,948
Infrastructure and Improvements	91,892	95,614	107,863	109,065	199,755	204,679
Buildings and Improvements	8,399	8,498	18,968	18,968	27,367	27,466
Machinery and Equipment	5,170	5,060	3,575	3,752	8,745	8,812
<b>Total Capital Assets</b>	<b>\$ 116,524</b>	<b>\$ 117,871</b>	<b>\$ 171,559</b>	<b>\$ 179,802</b>	<b>\$ 288,083</b>	<b>\$ 297,673</b>

Additional information on the City of Northglenn’s capital assets can be found in Note 3.C. of this report.

# CITY OF NORTHGLENN, COLORADO

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## MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2009

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**Long-Term Debt.** The City started the year with one outstanding General Obligation debt issue in the amount of \$2,785,000. This debt was paid in full on December 1, 2009. As of December 31, 2009, the City has no general obligation bonded debt outstanding.

The City of Northglenn's long-term obligations decreased by \$3,872,753. This decrease was primarily due to the scheduled payments paid on the outstanding principal balances due in the general fund for \$523,535 and the water and wastewater fund in the amount of \$3,648,157.

Under State Statute, general obligation bonded debt issuances, excluding water related debt, are subject to a legal limitation based on three percent of total assessed value of real and personal property. The City is in compliance with this statute.

Additional information on the City of Northglenn's long-term debt can be found in Note 3.F. of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The factors below were considered in preparing the City of Northglenn's budget for the 2010 fiscal year.

- The unemployment rate for Adams County as of December 31, 2009 was 9.0%. This compares to the State's unemployment rate of 7.7% and the national rate of 9.3%.
- In 2009, the fund balance in the general fund increase by \$534,254 to \$8,176,785.
- In April 2004, City Council formally adopted comprehensive financial policies which include a requirement that the City maintain a minimum unappropriated fund balance of at least 25% of the current year's General Fund operating appropriations.
- In November 2008, voters approved the extension of a one-half percent city sales tax, to be used for the exclusive purpose of purchasing water rights. The tax raised \$1.7 million in 2009.
- In November 2009, voter approved the extension of a 4.000 property tax mill levy for the exclusive purpose of reconstruction of street within the City. The tax raised \$940 thousand in 2009.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Northglenn's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Department, City of Northglenn, P.O. Box 330061, Northglenn, Colorado 80233-8061.

# CITY OF NORTHGLENN, COLORADO

## STATEMENT OF NET ASSETS DECEMBER 31, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Urban Renewal Authority	Church Ditch Water Authority
<b>ASSETS</b>					
Cash and Investments	\$ 8,299,562	\$ 7,122,569	\$ 15,422,131	\$ 5,707,177	\$ 845,516
Receivables, Net	4,915,024	1,611,667	6,526,691	1,477,753	-
Inventories	39,039	158,857	197,896	-	-
Deposits and Prepaids	161,603	-	161,603	-	-
Bond Issuance Costs	-	255,364	255,364	-	-
<b>Restricted assets:</b>					
Cash and Investments	-	7,454,037	7,454,037	-	-
Capital Assets, Non depreciable	8,698,322	48,016,625	56,714,947	912,404	554,315
Capital Assets, Net	84,399,882	60,438,176	144,838,058	222,433	1,573,764
Total Assets	<u>106,513,432</u>	<u>125,057,295</u>	<u>231,570,727</u>	<u>8,319,767</u>	<u>2,973,595</u>
<b>LIABILITIES</b>					
Accounts Payable	449,550	460,514	910,064	3,558	25,280
Retainages Payable	-	16,811	16,811	-	-
Accrued Liabilities	637,501	145,347	782,848	-	-
Unearned Revenue	2,868,299	-	2,868,299	1,445,268	83,565
Accrued Interest Payable	7,567	48,589	56,156	-	-
Deposits Payable	7,765	4,119	11,884	-	85,771
<b>Noncurrent Liabilities:</b>					
Due Within One Year	537,765	966,352	1,504,117	-	14,468
Due After One Year	1,654,833	10,216,717	11,871,550	-	44,136
Total Liabilities	<u>6,163,280</u>	<u>11,858,449</u>	<u>18,021,729</u>	<u>1,448,826</u>	<u>253,220</u>
<b>NET ASSETS</b>					
Invested In Capital Assets, Net Of Related Debt	92,633,050	97,836,240	190,469,289	1,134,837	2,069,475
<b>Restricted for:</b>					
Emergency-Tabor	604,526	278,087	882,613	-	-
Water Rights	-	1,911,264	1,911,264	-	-
Capital Outlay	-	1,993,231	1,993,231	-	-
Debt	-	2,372,943	2,372,943	-	-
Parks & Open Space	1,275,328	-	1,275,328	-	-
Minority Equity Interest	-	-	-	-	650,900
Unrestricted	5,837,248	8,807,081	14,644,330	5,736,104	-
Total Net Assets	<u>\$ 100,350,152</u>	<u>\$ 113,198,846</u>	<u>\$ 213,548,998</u>	<u>\$ 6,870,941</u>	<u>\$ 2,720,375</u>

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

# CITY OF NORTHGLENN, COLORADO

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities:				
General Government	\$ 6,381,839	\$ 69,913	\$ -	\$ -
Public Safety	9,112,846	2,044,943	234,826	255,194
Public Works	3,819,443	-	109,792	1,022,072
Recreation and Culture	3,740,748	937,978	-	1,208,178
Interest on Long-Term Debt	35,455	-	-	-
Total Governmental Activities:	<u>23,090,331</u>	<u>3,052,834</u>	<u>344,618</u>	<u>2,485,444</u>
Business-type Activities:				
Water and Wastewater	9,951,649	8,814,128	-	-
Stormwater	294,563	425,725	-	-
Sanitation	1,548,225	1,424,697	-	-
Total Business-Type Activities:	<u>11,794,437</u>	<u>10,664,550</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 34,884,768</u>	<u>\$ 13,717,384</u>	<u>\$ 344,618</u>	<u>\$ 2,485,444</u>
<b>Component Units:</b>				
Urban Renewal Authority	\$ 188,124	\$ -	\$ -	\$ -
Church Ditch Water Authority	303,502	401,866	-	-
<b>Total Component Units</b>	<u>\$ 491,626</u>	<u>\$ 401,866</u>	<u>\$ -</u>	<u>\$ -</u>

### General Revenues:

#### Taxes:

Property Taxes for General Purposes  
 Sales Taxes for General Purposes  
 Sales Taxes for Water Rights Purchase  
 Sales Taxes for Bond Retirement  
 Unrestricted Franchise Taxes

Grants and Contributions Not Restricted to  
 Specific Programs

Investment Earnings

Miscellaneous

#### Transfers:

Total General Revenues and Transfers

Change in Net Assets

Net Assets-Beginning, Restated

Net Assets-Ending

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

**Net (Expenses) Revenue and  
Changes in Net Assets**

<b>Primary Government</b>			<b>Urban Renewal Authority</b>	<b>Church Ditch Water Authority</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>		
\$ (6,311,926)	\$ -	\$ (6,311,926)	\$ -	\$ -
(6,577,883)	-	(6,577,883)	-	-
(2,687,579)	-	(2,687,579)	-	-
(1,594,592)	-	(1,594,592)	-	-
(35,455)	-	(35,455)	-	-
<u>(17,207,435)</u>	<u>-</u>	<u>(17,207,435)</u>	<u>-</u>	<u>-</u>
-	(1,137,521)	(1,137,521)	-	-
-	131,162	131,162	-	-
-	(123,528)	(123,528)	-	-
<u>-</u>	<u>(1,129,887)</u>	<u>(1,129,887)</u>	<u>-</u>	<u>-</u>
<u>\$ (17,207,435)</u>	<u>\$ (1,129,887)</u>	<u>\$ (18,337,322)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (188,124)	\$ -
-	-	-	-	98,364
<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (188,124)</u>	<u>\$ 98,364</u>
3,083,895	-	3,083,895	1,998,438	-
10,330,693	-	10,330,693	-	-
-	1,712,611	1,712,611	-	-
-	2,402,719	2,402,719	-	-
1,117,418	-	1,117,418	-	-
139,838	-	139,838	-	-
189,939	182,373	372,312	39,765	1,795
296,926	271,200	568,126	107	119,292
<u>(260,000)</u>	<u>260,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>14,898,709</u>	<u>4,828,903</u>	<u>19,727,612</u>	<u>2,038,310</u>	<u>121,087</u>
<u>(2,308,726)</u>	<u>3,699,016</u>	<u>1,390,290</u>	<u>1,850,186</u>	<u>219,451</u>
<u>102,658,878</u>	<u>109,499,830</u>	<u>212,158,708</u>	<u>5,020,755</u>	<u>2,500,924</u>
<u>\$ 100,350,152</u>	<u>\$ 113,198,846</u>	<u>\$ 213,548,998</u>	<u>\$ 6,870,941</u>	<u>\$ 2,720,375</u>

# CITY OF NORTHGLENN, COLORADO

## BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2009

	General	Other Governmental Funds	Total
<b>ASSETS</b>			
Cash and Investments	\$ 7,010,888	\$ 1,288,674	\$ 8,299,562
Receivables	4,659,830	255,194	4,915,024
Inventories	39,039	-	39,039
Deposits and Prepaids	161,603	-	161,603
Due from Other Funds	255,194	-	255,194
Total Assets	<u>\$ 12,126,554</u>	<u>\$ 1,543,868</u>	<u>\$ 13,670,422</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 436,204	\$ 13,346	\$ 449,550
Accrued Liabilities	637,501	-	637,501
Due to Other Funds	-	255,194	255,194
Deposits	7,765	-	7,765
Deferred Revenue	2,868,299	255,194	3,123,493
Total Liabilities	<u>3,949,769</u>	<u>523,734</u>	<u>4,473,503</u>
<b>FUND BALANCES</b>			
Reserved for:			
Inventories	39,039	-	39,039
Deposits and Prepaids	161,603	-	161,603
Emergency	604,526	-	604,526
Parks & Open Space	-	1,275,328	1,275,328
Unreserved, reported in:			
General Fund	7,371,617	-	7,371,617
Special Revenue Funds	-	(255,194)	(255,194)
Total Fund Balances	<u>8,176,785</u>	<u>1,020,134</u>	<u>9,196,919</u>
Total Liabilities and Fund Balances	<u>\$ 12,126,554</u>	<u>\$ 1,543,868</u>	

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

Capital assets used in governmental activities are not financial resources therefore are not reported in the funds.	93,098,204
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	255,194
Long-term liabilities, including pension benefits, accrued leave, accrued interest payable, and notes are not due and payable in the current period and therefore are not reported in governmental funds.	(2,200,165)
Net assets of governmental activities	<u>\$ 100,350,152</u>

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



# CITY OF NORTHGLENN, COLORADO

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Other Governmental Funds	Total
<b>REVENUES</b>			
Taxes-Property and Sales	\$ 13,414,588	\$ -	\$ 13,414,588
Franchise Fees	1,117,418	-	1,117,418
Licenses and Permits	250,074	-	250,074
Intergovernmental	2,339,165	375,541	2,714,706
Charges for Services	995,364	-	995,364
Fines and Forfeitures	1,807,396	-	1,807,396
Investment Earnings	167,716	22,223	189,939
Miscellaneous	296,926	-	296,926
<b>Total Revenues</b>	<u>20,388,647</u>	<u>397,764</u>	<u>20,786,411</u>
<b>EXPENDITURES</b>			
Current:			
General Government	4,670,444	-	4,670,444
Public Safety	8,942,516	-	8,942,516
Public Works	1,325,612	-	1,325,612
Recreation and Culture	3,024,246	82,650	3,106,896
Capital Outlay	1,104,035	321,215	1,425,250
Debt Service:			
Principal Payments	488,582	-	488,582
Interest and Fiscal Charges	38,958	-	38,958
<b>Total Expenditures</b>	<u>19,594,393</u>	<u>403,865</u>	<u>19,998,258</u>
<b>Excess(Deficiency) of Revenues Over Expenditures</b>	<u>794,254</u>	<u>(6,101)</u>	<u>788,153</u>
<b>OTHER FINANCING SOURCES(USES)</b>			
Transfers Out	(260,000)	-	(260,000)
<b>Total Other Financing Sources and (Uses)</b>	<u>(260,000)</u>	<u>-</u>	<u>(260,000)</u>
Net Change in Fund Balance	534,254	(6,101)	528,153
Fund Balance-Beginning	7,642,531	1,026,235	8,668,766
Fund Balance-Ending	<u>\$ 8,176,785</u>	<u>\$ 1,020,134</u>	<u>\$ 9,196,919</u>
<b>Reconciliation to statement of activities, change in net assets:</b>			
Net Change in Fund Balance			528,153
Governmental funds report capital outlays as expenditures, while in the statement of activities, the cost of those assets is allocated over estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays.			(3,388,851)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.			255,194
The issuance of long-term debt, including capital leases, 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 net assets.			492,085
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.			(181,676)
Loss on disposal of capital assets which are not recorded in the governmental funds since they do not use current assets.			(13,631)
Change in Net Assets of Governmental Activities			<u>\$ (2,308,726)</u>

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

# CITY OF NORTHGLENN, COLORADO

## PROPRIETARY FUNDS STATEMENT OF NET ASSETS DECEMBER 31, 2009

	Business-Type Activities			Total
	Enterprise Funds			
	Water and Wastewater	Sanitation	Stormwater	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and Investments	\$ 4,704,925	\$ 1,753,686	\$ 663,958	\$ 7,122,569
Restricted Cash and Investments	7,454,037	-	-	7,454,037
Receivables, Net of Allowances				
Taxes	445,411	-	-	445,411
Accounts Receivable	914,823	217,183	34,250	1,166,256
Inventory	145,097	13,760	-	158,857
Total Current Assets	<u>13,664,293</u>	<u>1,984,629</u>	<u>698,208</u>	<u>16,347,130</u>
<b>Noncurrent Assets:</b>				
Bond Issuance Costs	255,364	-	-	255,364
<b>Capital Assets:</b>				
Water Rights	45,603,900	-	-	45,603,900
Land and Improvements	807,815	-	-	807,815
Construction In Progress	1,504,910	-	100,000	1,604,910
Infrastructure and Improvements	108,132,893	-	932,080	109,064,973
Buildings and Improvements	18,908,029	22,387	37,792	18,968,208
Machinery and Equipment	2,491,067	1,260,755	-	3,751,822
Less Accumulated Depreciation	(70,490,701)	(737,430)	(118,696)	(71,346,827)
Total Noncurrent Assets	<u>107,213,277</u>	<u>545,712</u>	<u>951,176</u>	<u>108,710,165</u>
Total Assets	<u>120,877,570</u>	<u>2,530,341</u>	<u>1,649,384</u>	<u>125,057,295</u>
<b>Current Liabilities:</b>				
Accounts Payable	446,042	14,419	53	460,514
Retainages Payable	16,811	-	-	16,811
Accrued Liabilities	112,910	24,035	8,402	145,347
Bonds, Notes, Leases and Compensated				
Absences Payable	774,432	188,920	3,000	966,352
Accrued Interest Payable	48,589	-	-	48,589
Deposits Payable	4,119	-	-	4,119
<b>Total Current Liabilities</b>	<u>1,402,903</u>	<u>227,374</u>	<u>11,455</u>	<u>1,641,732</u>
<b>Noncurrent Liabilities:</b>				
Bonds, Notes, Leases and Compensated				
Absences Payable	10,015,800	193,778	7,139	10,216,717
Total Noncurrent Liabilities	<u>10,015,800</u>	<u>193,778</u>	<u>7,139</u>	<u>10,216,717</u>
<b>Total Liabilities</b>	<u>11,418,703</u>	<u>421,152</u>	<u>18,594</u>	<u>11,858,449</u>
<b>NET ASSETS</b>				
Invested In Capital Assets,				
Net of Related Debt	96,602,937	282,127	951,176	97,836,240
Restricted for Emergency-Tabor	278,087	-	-	278,087
Restricted for Water Rights	1,911,264	-	-	1,911,264
Restricted for Capital Outlay	1,993,231	-	-	1,993,231
Restricted for Debt	2,372,943	-	-	2,372,943
Unrestricted	6,300,405	1,827,062	679,614	8,807,081
Total Net Assets	<u>\$ 109,458,867</u>	<u>\$ 2,109,189</u>	<u>\$ 1,630,790</u>	<u>\$ 113,198,846</u>

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

# CITY OF NORTHGLENN, COLORADO

## PROPRIETARY FUNDS

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities			
	Enterprise Funds			
	Water and Wastewater	Sanitation	Stormwater	Total
<b>Operating Revenues:</b>				
Charges for Services	\$ 8,814,128	\$ 1,424,697	\$ 425,725	\$ 10,664,550
Other Operating Revenue	62,692	208,508	-	271,200
<b>Total Operating Revenues</b>	<b>8,876,820</b>	<b>1,633,205</b>	<b>425,725</b>	<b>10,935,750</b>
<b>Operating Expenses:</b>				
Water and Wastewater Plant Operations	2,207,635	-	-	2,207,635
Collection, Transmission & Distribution	691,472	-	152,399	843,871
Community Resources	922,014	-	81,719	1,003,733
Electrical and Mechanical Services	531,060	-	-	531,060
Utility Engineering	130,211	-	-	130,211
Environmental Services/Public Education	56,770	-	-	56,770
Lab Services for Outside Agencies	259,087	-	-	259,087
Solid Waste Collections	-	1,284,657	-	1,284,657
General and Administrative	1,097,643	80,634	-	1,178,277
Depreciation	3,197,291	164,699	60,445	3,422,435
Amortization of Bond Costs	50,264	-	-	50,264
<b>Total Operating Expenses</b>	<b>9,143,447</b>	<b>1,529,990</b>	<b>294,563</b>	<b>10,968,000</b>
<b>Operating Income</b>	<b>(266,627)</b>	<b>103,215</b>	<b>131,162</b>	<b>(32,250)</b>
<b>Nonoperating Revenues(Expenses):</b>				
Investment Earnings	132,741	31,057	18,575	182,373
Taxes	4,115,330	-	-	4,115,330
Interest and Fiscal Charges	(808,202)	(18,235)	-	(826,437)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>3,439,869</b>	<b>12,822</b>	<b>18,575</b>	<b>3,471,266</b>
<b>Income Before Contributions and Transfers</b>	<b>3,173,242</b>	<b>116,037</b>	<b>149,737</b>	<b>3,439,016</b>
Transfers In	260,000	-	-	260,000
<b>Change In Net Assets</b>	<b>3,433,242</b>	<b>116,037</b>	<b>149,737</b>	<b>3,699,016</b>
Total Net Assets-Beginning	106,025,625	1,993,152	1,481,053	109,499,830
Total Net Assets-Ending	<u>\$ 109,458,867</u>	<u>\$ 2,109,189</u>	<u>\$ 1,630,790</u>	<u>\$ 113,198,846</u>

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

# CITY OF NORTHGLENN, COLORADO

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities			
	Enterprise Funds			
	Water and Wastewater	Sanitation	Stormwater	Total
<b>Cash Flows From Operating Activities</b>				
Cash Received From Customers	\$ 8,950,803	\$ 1,628,665	\$ 422,501	\$ 11,001,969
Cash Payments to Suppliers for Goods and Services	(2,406,856)	(456,805)	(35,285)	(2,898,946)
Cash Payments to Employees for Services	(3,285,050)	(811,235)	(193,220)	(4,289,505)
<b>Net Cash Provided by Operating Activities</b>	<b>3,258,897</b>	<b>360,625</b>	<b>193,996</b>	<b>3,813,518</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers-In From Other Funds	260,000	-	-	260,000
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>260,000</b>	<b>-</b>	<b>-</b>	<b>260,000</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Tax Receipts	4,115,783	-	-	4,115,783
Acquisition of Water Rights	(5,965,584)	-	-	(5,965,584)
Acquisition and Construction of Capital Assets	(1,999,093)	(193,482)	(100,000)	(2,292,575)
Capital Contributions for Utility Connections	-	-	-	-
Proceeds from Sales of Capital Assets	-	-	-	-
Principal Paid on Bond, Leases and Notes Payable Maturities	(3,448,552)	(199,605)	-	(3,648,157)
Interest Paid on Bonds, Leases and Notes Payable	(776,086)	(18,235)	-	(794,321)
<b>Net Cash (Used) Provided In Capital and Related Financing Activities</b>	<b>(8,073,532)</b>	<b>(411,322)</b>	<b>(100,000)</b>	<b>(8,584,854)</b>
<b>Cash Flows From Investing Activities</b>				
Earnings on Investments	132,741	31,057	18,575	182,373
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>132,741</b>	<b>31,057</b>	<b>18,575</b>	<b>182,373</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(4,421,894)</b>	<b>(19,640)</b>	<b>112,571</b>	<b>(4,328,963)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>16,580,856</b>	<b>1,773,326</b>	<b>551,387</b>	<b>18,905,569</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 12,158,962</b>	<b>\$ 1,753,686</b>	<b>\$ 663,958</b>	<b>\$ 14,576,606</b>

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

# CITY OF NORTHGLENN, COLORADO

## STATEMENT OF CASH FLOWS (Continued) PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities Enterprise Funds			
	Water and Wastewater	Sanitation	Stormwater	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (266,627)	\$ 103,215	\$ 131,162	\$ (32,250)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>				
Depreciation	3,197,291	164,699	60,445	3,422,435
Amortization	50,264	-	-	50,264
(Increase) Decrease in Accounts Receivable	73,983	(4,540)	(3,224)	66,219
(Increase) Decrease in Inventory	(3,002)	74,916	-	71,914
(Increase) Decrease in Prepaid Expense	-	-	-	-
Increase (Decrease) in Accounts Payable	132,369	1,078	(1,837)	131,610
Increase (Decrease) in Retainages Payable	(8,379)	-	-	(8,379)
Increase (Decrease) in Accrued Liabilities	22,158	(1,683)	4,524	24,999
Increase (Decrease) in Compensated Absences Payable	59,840	22,940	2,926	85,706
Increase(Decrease) in Deposits Payable	1,000	-	-	1,000
Total Adjustments	3,525,524	257,410	62,834	3,845,768
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 3,258,897</b>	<b>\$ 360,625</b>	<b>\$ 193,996</b>	<b>\$ 3,813,518</b>

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



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# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

The financial statements of the City of Northglenn have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Financial Reporting Entity

The City of Northglenn, Colorado (City) was incorporated April 19, 1969, and became a home rule city in 1975 under the provisions of Article XX of the Constitution of the State of Colorado. The City operates under a Council-Manager form of government and provides various municipal services. As required by generally accepted accounting principles, these financial statements present the City of Northglenn (the primary government) and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and accordingly, data from these units are combined with data of the City. Each discretely presented component unit is reported in a separate column in the financial statements to emphasize that it is legally separate from the City. All blended and discretely presented component units have a December 31 year-end.

#### Individual Component Unit Disclosures:

*Blended Component Unit.* This component unit does not issue complete separate financial statements.

**Northglenn Capital Leasing Corporation.** The Northglenn Capital Leasing Corporation (NCLC) was incorporated on July 26, 2002 for the purpose of issuing the 2002 Certificates of Participation. The corporation subsequently entered into a capital lease agreement with the City for the construction of Standley Lake Dam improvements. Because the board of directors, which consists of City officials and employees, is selected by City Council, and because NCLC provides services exclusively to the City, the City is financially accountable and integrated with NCLC. The debt is reported as a liability by the City, therefore NCLC has no activity.

*Discretely Presented Component Units.* The component units are reported in separate columns to emphasize that they are legally separate from the City. These component units do not issue complete separate financial statements.

**Northglenn Urban Renewal Authority.** The Northglenn Urban Renewal Authority (NURA) was organized under the Colorado Urban Renewal Law in March 1990. The commissioners of the Authority are appointed by the mayor and are subject to approval by the City Council. The Authority is charged by the City Council with the preparation, administration and implementation of the Northglenn Urban Renewal Plan pursuant to the Urban Renewal Law. The Authority is dependent upon the approval of an urban renewal project by the City. The Authority has one governmental fund type.

**Church Ditch Water Authority.** In 2004, the cities of Northglenn and Westminster created the Church Ditch Water Authority, formerly known as the Church Ditch Company. The authority was created under C.R.S § 29-1-204.2 and was established in order to effect the development of water resources, systems and facilities associated with the Church Ditch, located in Jefferson County, Colorado, for the benefit of the Cities and the contractual users. The authority shall be governed by a Board of Directors consisting of two Directors appointed by the City Manager of the City of Northglenn and one Director appointed by the City Manager of the City of Westminster. Because of its controlling interest and financial integration in the authority the City is financially accountable and presents the authority discretely. The Church Ditch Water Authority is presented as a proprietary fund. The City of Westminster is reporting the authority as a component unit of another government with joint venture characteristics, with an equity interest of \$650,900.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all 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 are charges for interfund services reasonably equivalent to the services provided. *Governmental activities*, which normally are 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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly 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 and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### C. 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 fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax collected and held by vendors at year-end on behalf of the City is recognized as revenue if collected within 30 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, sales taxes, franchise fees, licenses, and interest 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental fund:

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.

The City reports the following major proprietary funds:

The *water and wastewater fund* accounts for the activities of related accounts to the provision of water and wastewater services to Northglenn business, residents, schools, and churches. It operates the water treatment and wastewater treatment plants, water distribution systems, wastewater collection systems, and pump stations.

Management has designated the *sanitation fund* as a major fund due to its relevance to the community. The fund is responsible for the trash and recycling services provided through the City.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.



# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 Water and Wastewater Fund, Stormwater Fund and the Sanitation Fund are charges to customers for sales and services. Operating expenses for enterprise funds 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 nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

### **D. Assets, Liabilities and Net Assets or Equity**

#### **1. 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.

Investments are stated at fair value. Earnings on investments are recognized when earned and include realized and unrealized gains on investments. Investment earnings are allocated to the various funds based on their pooled and cash and investment balances.

#### **2. Receivables and Payables**

##### **Due to and Due from Other Funds**

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

##### **Advances to Other Funds**

Non-current portions of long-term interfund receivables and payables are reported as advances and are offset equally by a fund balance restricted account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

##### **Property Taxes Receivable**

Property taxes attach as an enforceable lien on property on January 1. Property taxes for the City are certified to Adams and Weld Counties for collection by December 15 of each year. Property taxes become due on January 1 of the succeeding year and are payable in full by April 30 or in two installments by February 28 and June 15.

#### **3. Inventories and Prepaid Items**

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### **4. Restricted Assets**

Certain proceeds from enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants. The revenue bond current debt service account is used to segregate resources accumulated for the next semi-annual debt service payment.

In 1989 and again in 1994, 1999 and 2004, the citizens of Northglenn approved an incremental levy of one-half percent (1/2%) general sales tax to be used for water acquisition. These amounts are classified as restricted assets on the statement of net assets of the water and wastewater fund because their use is restricted by election.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

### 5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 (not rounded) and an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

In 2009, the City reclassified its capital assets in an effort to align the categorization of assets with more widely accepted practices.

Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Infrastructure and Improvements	10-50 years
Buildings and Improvements	40-50 years
Machinery and Equipment	3-25 years

### 6. Compensated Absences

General leave for the City includes both vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon termination, employees are paid full value for any accrued general leave earned not to exceed the two-year entitlement as set forth by personnel policy, except in such cases where the employee was restricted in the use of general leave by departmental operating requirements. Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. This liability is reported only if it has matured, for example, as a result of employee resignations and retirements. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable available financial resources are maintained separately and represents a reconciling item between the fund and government-wide presentations. Vested or accumulated general leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

### 7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

### 8. Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. As required by the State Constitution amendment addressed in Note 4. I., the City is required to provide for Emergency Reserves.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

### 9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use or through external restriction imposed by creditors, grantors, laws or regulations of other governments.

A portion of the net assets in the Water and Wastewater Fund are restricted for water rights acquired with a half percent sales tax designated by the voters only for the purchase of water rights.

### 10. Statements of Cash Flows

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash and cash equivalents. Pooled cash and investments are considered as cash equivalents within the cash flow statements.

## NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. The principal element of that difference is the capital assets of \$117,871,295, less depreciation of \$24,773,091 for net adjustment of \$93,098,204, which are not reported in the funds. The funds also do not recognize a grant deferred revenue of \$255,194. The last element explains that long-term liabilities are not due and payable in current period and therefore are not reported in funds.

The details of this \$2,200,165 difference are as follows:

Compensated Absences (excludes amounts reported in the General Fund)	\$ 1,289,065
Other Post-Employment Benefits	389,610
Pension Benefits	48,769
Note Payable-Land Purchase	345,927
Accrued Interest on Note	7,567
Capital Lease Payable	<u>119,227</u>
Net Adjustment to Fund Balance	<u>\$ 2,200,165</u>

### B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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.” The details of this (\$3,388,851) difference are as follows:

Capitalized Asset Expenditures	\$ 1,489,375
Depreciation Expense	<u>( 4,878,226)</u>
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (3,388,851)</u>

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

Another element of that reconciliation states, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds." Therefore, the \$255,194 in grant deferred revenue appears as a reconciliation item.

Another element of that reconciliation states "The issuance of long-term debt, including capital leases, 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 net assets."

The details of this \$492,085 difference are as follows:

Principal Repayment on Long-term Debt	\$ 488,582
Reduction in Interest Payable on Long-term Debt	3,503
Net adjustment to increase net changes in fund balances – Total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 492,085</u>

Another element of that reconciliation states, "Repayments of long-term obligations are reported as expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net assets and do not affect the statement of activities."

The details of this \$181,676 difference are as follows:

Increase in Other Post-Employment Benefits Liability	\$ (40,343)
Increase in Compensated Absences	(142,518)
Reduction in Pension Benefits Payable	1,185
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (181,676)</u>

The final element of the reconciliation states, "Loss on disposal of capital assets which are not recorded in the governmental funds since they do not use current assets."

The details of this \$13,631 difference are as follows:

Disposal of Capital Assets	\$ 141,537
Removal of Accumulated Depreciation from Capital Asset Disposal	(127,906)
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (13,631)</u>

### Note 3. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

A reconciliation of deposits and investments to the financial statements by caption is as follows:

	<u>Primary Government</u>	<u>Component Units</u>
Cash on Hand	\$ 3,285	\$ 100
Cash Deposits	1,694,453	1,721,463
Investments	21,178,430	4,831,130
Total	<u>\$ 22,876,168</u>	<u>\$ 6,552,693</u>
Cash and Investments	\$ 15,422,131	\$ 6,552,693
Restricted Cash and Investments	7,454,037	-
Total	<u>\$ 22,876,168</u>	<u>\$ 6,552,693</u>

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

The primary government cash equivalents and investments were restricted for the following purposes:

	Cash Equivalents	Investments
Water Rights Acquisition	\$ 899,891	\$ 4,296,532
Debt Service	831,946	1,218,527
Standley Lake Dam Project	207,142	-
Total	<u>\$ 1,938,979</u>	<u>\$ 5,515,058</u>

**Deposits.** At year-end, the carrying amount of the City and component units reporting entities deposits were \$3,415,916.

*Custodial credit risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Of the bank balance, \$500,000 was covered by federal depository insurance. The remaining balance, \$3,139,958 was collateralized under the Colorado Public Deposit Protection Act (PDPA). PDPA requires that amounts at eligible public depositories on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all of the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

**Investments.** The City is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest. The table below identifies the investment types that are authorized along with the related interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Securities	5 Years	N/A	N/A
U.S. Agency Securities	5 Years	N/A	N/A
Municipal Bonds	3 Years	N/A	N/A
Local Government Investment Pools	N/A	N/A	N/A
Municipal COP or Leases	N/A	N/A	N/A
2a7 Money Market Funds	N/A	N/A	N/A
Commercial Paper	5 Years	50%	5%
Variable Rate Securities	1 Year	N/A	N/A
Repurchase Agreements	5 Years	N/A	N/A
Bankers Acceptances	3 Years	50%	5%
Corporate Bonds	3 Years	50%	5%
Guaranteed Investment Contracts	3 Years	N/A	N/A

*Local Government Investment Pool.* The City and component units invested \$5,689,229 and \$51,802, respectively, in the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). These are investment vehicles established by local government entities in Colorado to Pool surplus funds for investment purposes by state statute. They are overseen by the state Securities Commissioner. COLOTRUST and CSAFE operate similarly to money market funds and each share is equal in value to \$1.00. COLOTRUST and CSAFE are rated AAAM by Standard and Poor's. The designated custodial bank provides safekeeping and depository services to COLOTRUST and CSAFE in connection with the direct investment and withdrawal functions of COLOTRUST and CSAFE. All securities owned by government 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 pools. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. COLOTRUST also invests in high-grade commercial paper in addition to the previously mentioned government instruments.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

*Credit Risk.* Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State statutes limit U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSRO's). Debt securities of the U.S. government and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government are not considered to have credit risk.

Presented below are the minimum rating, actual rating, investment portfolio percentage and weighted average maturity for each investment type as required by the City's investment policy as of December 31, 2009.

Investment Type	Fair Value	Minimum Rating Required	Standard & Poor's Rating	Moody's Rating	Total Investment Portfolio Percentage	Weighted Average Maturity
Federal Farm Credit Banks (FFCB)	\$ 3,668,531	AAA	AAA	Aaa	17%	1.32
Federal Home Loan Banks (FHLB)	9,700,856	AAA	AAA	Aaa	46%	1.46
Federal Home Loan Mortgage Corporation (FHLMC)	1,076,563	AAA	AAA	Aaa	5%	2.36
Federal National Mortgage Association (FNMA)	1,000,000	AAA	AAA	Aaa	5%	0.01
COLOTRUST	5,430,940	N/A	AAAm	Aaa	26%	-
CSAFE	24,327	N/A	AAAm	N/A	0%	-
Wells Fargo Advantage Govt. Money Market	277,213	AAAm	AAAm	N/A	1%	-
	<u>\$ 21,178,430</u>				<u>100%</u>	<u>1.02</u>

Presented below are the minimum rating, actual rating, investment portfolio percentage and weighted average maturity for each investment type held by the City's component unit, Northglenn Urban Renewal Authority, as of December 31, 2009.

Investment Type	Fair Value	Minimum Rating Required	Standard & Poor's Rating	Moody's Rating	Total Investment Portfolio Percentage	Weighted Average Maturity
Federal Farm Credit Banks (FFCB)	\$ 1,020,305	AAA	AAA	Aaa	21%	1.45
Federal Home Loan Banks (FHLB)	1,513,182	AAA	AAA	Aaa	31%	2.79
Federal National Mortgage Association (FNMA)	2,006,233	AAA	AAA	Aaa	42%	0.55
COLOTRUST	258,289	N/A	AAAm	Aaa	5%	-
CSAFE	27,475	N/A	AAAm	N/A	1%	-
Wells Fargo Advantage Govt. Money Market	5,646	AAAm	AAAm	N/A	0%	-
	<u>\$ 4,831,130</u>				<u>100%</u>	<u>1.41</u>

*Interest Rate Risk.* Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates. As a means of limiting its exposure to interest rate risk, it is the City's policy to invest in a manner that securities can normally be held to maturity, or close to maturity, and to limit the types and maturities of permitted securities.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

*Concentration of Credit Risk.* State statutes do not limit the amount the City may invest in one issuer except for corporate and bank securities.

*Custodial Credit Risk.* For an investment, this is the risk that, in the event of the failure of the counterpart, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statute does not address custodial credit risk.

### B. Receivables

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate including the applicable allowances for uncollectible accounts are as follows:

	General	Other Govern- mental	Water & Wastewater	Stormwater	Sanitation	Urban Renewal Authority	Total
Receivables:							
Interest	\$ 120,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,970
Property Taxes	2,796,989	-	-	-	-	1,445,268	4,242,257
Sales and Use Taxes	1,179,886	-	445,411	-	-	-	1,625,297
Fees	226,837	-	-	-	-	-	226,837
Accounts	-	-	921,806	34,250	217,183	-	1,173,239
Other	58,696	-	-	-	-	32,485	91,181
Intergovernmental	276,452	255,194	-	-	-	-	531,646
Gross Receivables	4,659,830	255,194	1,367,217	34,250	217,183	1,477,753	8,011,427
Less: Allowance for Uncollectibles	-	-	(6,983)	-	-	-	(6,983)
Net total receivables	\$ 4,659,830	\$ 255,194	\$ 1,360,234	\$ 34,250	\$ 217,183	\$ 1,477,753	\$ 8,004,444

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

Property Taxes	\$ 2,781,307
Other Operating Revenue	<u>86,992</u>
Total deferred revenue for governmental funds	<u>\$ 2,868,299</u>

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

### C. Capital Assets

Certain beginning balances have been reclassified to conform to the current year presentation. Capital asset activity for the year ended December 31, 2009 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 8,355,578	\$ -	\$ -	\$ 8,355,578
Construction in Progress	2,706,985	1,457,161	3,821,402	342,744
Total Capital Assets Not Being Depreciated	<u>11,062,563</u>	<u>1,457,161</u>	<u>3,821,402</u>	<u>8,698,322</u>
Other Capital Assets:				
Infrastructure and Improvements	91,892,424	3,721,683	-	95,614,107
Buildings and Improvements	8,398,734	99,720	-	8,498,454
Machinery and Equipment	5,169,735	32,214	141,537	5,060,412
Total Other Capital Assets at Historical Cost	<u>105,460,893</u>	<u>3,853,617</u>	<u>141,537</u>	<u>109,172,973</u>
Less Accumulated Depreciation for:				
Infrastructure and Improvements	(12,363,551)	(4,062,758)	-	(16,426,309)
Buildings and Improvements	(3,632,886)	(182,145)	-	(3,815,031)
Machinery and Equipment	(4,026,334)	(633,323)	127,906	(4,531,751)
Total Accumulated Depreciation	<u>(20,022,771)</u>	<u>(4,878,226)</u>	<u>127,906</u>	<u>(24,773,091)</u>
Other Capital Assets, Net	<u>85,438,122</u>	<u>(1,024,609)</u>	<u>(13,631)</u>	<u>84,399,882</u>
Governmental Activities Capital Assets, Net	<u>\$ 96,500,685</u>	<u>\$ 432,552</u>	<u>\$ (3,835,033)</u>	<u>\$ 93,098,204</u>
<b>Business-type Activities:</b>				
Capital Assets Not Being Depreciated:				
Water Rights	\$ 39,638,316	\$ 5,965,584	\$ -	\$ 45,603,900
Land and Improvements	807,815	-	-	807,815
Construction in Progress	707,384	2,099,093	1,201,567	1,604,910
Total Capital Assets Not Being Depreciated	<u>41,153,515</u>	<u>8,064,677</u>	<u>1,201,567</u>	<u>48,016,625</u>
Other Capital Assets:				
Infrastructure and Improvements	107,863,406	1,201,567	-	109,064,973
Buildings and Improvements	18,968,208	-	-	18,968,208
Machinery and Equipment	3,574,561	193,482	16,221	3,751,822
Total Other Capital Assets at Historical Cost	<u>130,406,175</u>	<u>1,395,049</u>	<u>16,221</u>	<u>131,785,003</u>
Less Accumulated Depreciation for:				
Infrastructure and Improvements	(60,352,520)	(2,612,191)	-	(62,964,711)
Buildings and Improvements	(5,385,053)	(386,953)	-	(5,772,006)
Machinery and Equipment	(2,203,040)	(423,291)	16,221	(2,610,110)
Total Accumulated Depreciation	<u>(67,940,613)</u>	<u>(3,422,435)</u>	<u>16,221</u>	<u>(71,346,827)</u>
Other Capital Assets, Net	<u>62,465,562</u>	<u>(2,027,386)</u>	<u>-</u>	<u>60,438,176</u>
Business Activities Capital Assets, Net	<u>\$ 103,619,077</u>	<u>\$ 6,037,291</u>	<u>\$ (1,201,567)</u>	<u>\$ 108,454,801</u>



# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

	Discretely Presented Component Units			Ending Balance
	Beginning Balance	Increases	Decreases	
Discretely Presented Component Units:				
Capital Assets Not Being Depreciated:				
Water Rights	\$ 500,000	\$ -	\$ -	\$ 500,000
Land and Improvements	912,404	-	-	912,404
Construction in Progress	58,419	255,132	259,236	54,315
Total Capital Assets Not Being Depreciated	<u>1,470,823</u>	<u>255,132</u>	<u>259,236</u>	<u>1,466,719</u>
Other Capital Assets:				
Infrastructure and Improvements	1,490,372	259,236	-	1,749,608
Buildings and Improvements	200,547	-	-	200,547
Machinery and Equipment	189,409	-	6,065	183,344
Total Other Capital Assets at Historical Cost	<u>1,880,328</u>	<u>259,236</u>	<u>6,065</u>	<u>2,133,499</u>
Less Accumulated Depreciation for:				
Infrastructure and Improvements	(180,367)	(50,236)	-	(230,603)
Buildings and Improvements	(21,750)	(6,685)	-	(28,435)
Machinery and Equipment	(54,235)	(30,094)	6,065	(78,264)
Total Accumulated Depreciation	<u>(256,352)</u>	<u>(87,015)</u>	<u>6,065</u>	<u>(337,302)</u>
Other Capital Assets, Net	<u>1,623,976</u>	<u>172,221</u>	<u>-</u>	<u>1,796,197</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,094,799</u>	<u>\$ 427,353</u>	<u>\$ (259,236)</u>	<u>\$ 3,262,916</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	\$ 206,885
Public Safety	296,296
Public Works	3,695,263
Recreation & Culture	679,782
Total Governmental Activities Depreciation Expense	<u>\$ 4,878,226</u>
Business-type Activities:	
Water & Wastewater	\$ 3,197,291
Stormwater	60,445
Sanitation	164,699
Total Business-type Activities Depreciation Expense	<u>\$ 3,422,435</u>
Component Units:	
Urban Renewal Authority	\$ 8,721
Church Ditch Water Authority	78,294
Total Component Units Depreciation Expense	<u>\$ 87,015</u>

### D. Interfund Transactions

Due From/To Other funds consist of the following at December 31, 2009:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Community Development Block Grant	\$255,194

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

The City operates under a pooled cash and investments environment. At December 31, 2009, the negative cash balance of \$255,194 in the Community Development Block Grant fund was re-classified.

Transfers In/Out to Other Funds consists of the following:

	General Fund	Water & Wastewater Fund	Total
Transfers In (Out)	\$ (260,000)	\$ 260,000	\$ -
Total	<u>\$ (260,000)</u>	<u>\$ 260,000</u>	<u>\$ -</u>

The transfer of \$260,000 from the General Fund to the Water & Wastewater Fund was established by Council and represents the first \$260,000 of property tax received each year to pay for outstanding Bond obligations.

### E. Leases

#### *Operating Leases*

The City leases computer equipment under an operating lease. Total costs for such leases were \$89,205 for the year ended December 31, 2009. In December 2009, the City completed the operating lease for computer equipment and now purchases such equipment outright.

#### *Capital Leases*

The City has entered into a lease agreement as lessee for financing the acquisition of vehicles. This agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payment as of the inception date.

The assets acquired through the capital lease are as follows:

Asset:	Governmental Funds	Business-Type Funds
Machinery and Equipment	\$ 2,735,228	\$ 2,797,661
Less: Accumulated Depreciation	<u>(2,554,517)</u>	<u>(1,903,547)</u>
Total	<u>\$ 180,711</u>	<u>\$ 894,114</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2009, were as follows:

Year Ending December 31	Governmental Funds	Business-Type Funds
2010	\$ 121,212	\$ 319,580
2011	-	131,282
	<u>121,212</u>	<u>450,862</u>
Less Amount Representing Interest	<u>(1,985)</u>	<u>(17,301)</u>
Present Value of Minimum Lease Payments	<u>\$ 119,227</u>	<u>\$ 433,561</u>

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

### F. Long-term Debt

#### Primary Government

*General Obligation Bonds.* The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for proprietary activities. General obligation bonds are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The bonds are general obligations of the City ultimately secured by general ad valorem taxes. On December 1, 2009 the City made the final payment on the outstanding debt.

*Notes Payable.* In 2001 the City entered into an installment land contract for the acquisition of land to be paid from the General Fund. Note payable outstanding at December 31, 2009 is as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
2001 Land Purchase	5.25%	\$ 345,927

Note payable debt service requirements to maturity at December 31, 2009 are as follows:

<u>Year Ending</u> <u>31-Dec</u>	<u>Governmental Funds</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 168,538	\$ 18,161
2011	177,389	9,313
Total	<u>\$ 345,927</u>	<u>\$ 27,474</u>

*Certificates of Participation.* In 2002, the Northglenn Community Leasing Corporation issued Series 2002A Certificates of Participation (Certificates) in the amount of \$13,515,000 to be retired over a 20-year period at an average interest rate of 3.89%. Underlying the Certificates is an annually renewable lease subject to annual appropriation between the City and NCLC. As such, the Certificates have been reported in the financial statements as a capital lease of the City. A Debt Service Reserve Surety Bond in the amount of \$1,145,410 has been established to meet the reserve requirement of the Certificates. Principal payments are due annually and interest payments are due semiannually through December 1, 2022. These payments are payable from the Water and Wastewater Fund. Annual debt service requirements to maturity for certificates outstanding at December 31, 2009 are as follows:

<u>Year Ending</u> <u>31-Dec</u>	<u>Business-type Funds</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 560,000	\$ 583,074
2011	590,000	555,410
2012	615,000	526,264
2013	645,000	495,576
2014	680,000	463,390
2015-2019	4,045,000	1,659,860
2020-2022	3,050,000	370,414
Total	<u>\$ 10,185,000</u>	<u>\$ 4,653,988</u>

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

*Changes in Long-term Liabilities.* Long term liability activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Notes Payable	\$ 506,061	\$ -	\$ (160,134)	\$ 345,927	\$ 168,538
Capital Lease Payable	447,675	-	(328,448)	119,227	119,227
Pension Benefits Payable	49,954	-	(1,185)	48,769	-
Other Post Employment Benefits	349,267	40,343	-	389,610	-
Compensated Absences	1,199,749	219,061	(129,745)	1,289,065	250,000
Total Governmental Activities	2,552,706	259,404	(619,512)	2,192,598	537,765
<b>Business-Type activities:</b>					
Bonds Payable:					
General Obligation	2,785,000	-	(2,785,000)	-	-
Less Deferred Amounts					
For Premiums/Discounts	38,026	-	(38,026)	-	-
Loss on Refunding	(83,862)	-	83,862	-	-
Total Bonds Payable	2,739,164	-	(2,739,164)	-	-
2002A Certificates of Participation	10,715,000	-	(530,000)	10,185,000	560,000
Capital Lease Payable	766,718	-	(333,157)	433,561	305,352
Other Post Employment Benefits	53,733	3,971	-	57,704	-
Compensated Absences	421,099	102,283	(16,578)	506,804	101,000
Total Business-Type Activities	14,695,714	106,254	(3,618,899)	11,183,069	966,352
<b>Total Long-term Liabilities</b>	<b>\$ 17,248,420</b>	<b>\$ 365,658</b>	<b>\$ (4,238,411)</b>	<b>\$ 13,375,667</b>	<b>\$ 1,504,117</b>
<b>Component Unit:</b>					
Capital Lease Payable	\$ 72,300	\$ -	\$ (13,696)	\$ 58,604	\$ 14,468
Compensated Absences	12,442	-	(12,442)	-	-
Total Component Unit	\$ 84,742	\$ -	\$ (26,138)	\$ 58,604	\$ 14,468

For the governmental activities, compensated absences and pension benefits payable are liquidated by the General Fund.

### Note 4. OTHER INFORMATION

#### A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1982, the City joined the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool formed in 1982 to provide property and liability and workers' compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for the property and liability insurance coverage and risk management services. All Colorado municipalities, which are members of the Colorado Municipal League, are eligible to participate in CIRSA. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and workers' compensation coverage through joint self-insurance and excess insurance.

The City continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health insurance. Workers' Compensation insurance is purchased from Pinnacol Assurance. The workers' compensation premium is calculated on a retrospective rate. The City continued to qualify for the cost containment certificate from the State of Colorado, which reduces the City's workers' compensation premiums by 5% annually.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (FPPA) on behalf of the City of Northglenn. The state made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997. Death and disability insurance for police officers hired after December 1996 is

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

purchased from the FPPA. In 1996 the Colorado state legislature elected to cease providing state funding for disability insurance for police officers beginning with officers hired after December 31, 1996.

Health insurance is purchased from an alliance, which provides a limited choice of health maintenance organizations for employees. The City and employees each contribute to premium costs. The City has no uninsured risk for employee health care. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

### **B. Joint Venture**

*Woman Creek Reservoir Authority.* The City participates as an equal partner with the Cities of Thornton and Westminster in the operation of the Woman Creek Reservoir Authority. It has no financial interest in the Authority. The Authority began operation in 1996 with funding from a grant by the federal government's Environmental Protection Agency. The grant's purpose was to supply sufficient funds to mitigate and/or clean up any hazardous effects to the water supply of the three cities from the previous production of nuclear weapons at the Rocky Flats facility located near the Woman Creek Reservoir. The initial grant of approximately \$8,000,000 has been invested, and the interest earned has been more than sufficient to cover the Authority's operating expenses. The Authority contracted with the Church Ditch Water Authority to supply maintenance and monitoring services for the reservoir. Copies of the Woman Creek Reservoir Authority's financial statements may be obtained from the Finance Department, City of Westminster, 4800 West 92<sup>nd</sup> Avenue, Westminster, Colorado 80031.

### **C. Cost Sharing Agreement**

The City entered into a cost sharing agreement with the City of Thornton in 1994 for the joint construction of a pipeline to convey water from Standley Lake to the respective cities. Each entity remits sufficient funds to cover costs each year to an escrow account. Major construction was completed in 2000. Each City contributes an equal share of the costs except Thornton is responsible for funding the additional cost of the larger pipe they require. Both cities must approve any expenditure from the escrow account and each is entitled to the return of their unspent contributions at the end of the project. The City's share of the escrow balance at December 31, 2009 was \$72,269. Contributions are an expense of the Water and Wastewater Enterprise Fund.

### **D. Enhanced Sales Tax Incentive Program Agreement**

In November 1998, voters approved an enhanced sales tax incentive program (ESTIP) as part of the redevelopment for the Marketplace of Northglenn. Subsequently, an agreement was made with the Marketplace owner in which the developer receives fifty percent of the general sales tax (excluding the one-half percent sales tax devoted to water acquisition) generated by the new marketplace but only after the City receives sales taxes of \$1,000,000 on an annualized basis. The reimbursement was not to exceed \$11,789,000 nor extend beyond December 31, 2009. This maximum was reached in 2008, and a final reimbursement was paid on February 13, 2009.

In October 2006, an agreement was made with the redeveloper of the former Mervyn's building in the Northglenn Marketplace in which the redeveloper receives fifty percent of the general sales tax (excluding the one-half percent sales tax devoted to water acquisition) generated by the new retail space. The reimbursement is scheduled to commence with sales tax generated on or after January 1, 2010. The reimbursement will not exceed \$2,905,098 nor extend beyond December 31, 2019.

In October 2006, an agreement was made with Best Buy Stores, L.P. in which the redeveloper receives seventy-five percent of the general sales tax (excluding the one-half percent sales tax devoted to water acquisition) generated by the new retail space to be located at 110 West 104<sup>th</sup> Avenue. The reimbursement commenced in November 2007 when the retail space opened for business. The reimbursement will not exceed \$1,750,000 nor extend beyond December 31, 2016. In 2009, the owner received \$592,974 and has received a total of \$1,203,689 since the agreement began.

### **E. Contingent Liabilities**

The City receives revenues from various federal and state grant programs, which are subject to audit and adjustment by the respective grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

The City is aware of numerous threats of litigation which may result in lawsuits. Although the outcome of these claims is not presently determinable, in the opinion of the City's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

### F. Other Post Employment Benefits

#### Retiree Health Program

**Program Description.** The Retiree Health Program (Program) is a single-employer defined benefit healthcare plan administered by the City of Northglenn. The Program provides medical insurance, including prescription drugs benefits to eligible retirees and their eligible dependents, until age 65 or upon becoming Medicare eligible. Benefits are provided for active employees and retirees under the same health care plans. The City pays 50% of the cost of the premium for single coverage on behalf of the retiree. The retiree is responsible for paying the remainder of the single premium, as well as 100% of the cost of continuing coverage for a spouse or family member.

The Program offers fully-insured medical plans, including prescription drugs, offered through Kaiser.

As of August 1, 2009, the Retiree Health Program changed; participants in the current plan will be grandfathered. New participants as of August 1, 2009 and thereafter, with at least 20 years of service (full-time employment), at least 55 years old, and no longer employed with the City of Northglenn will be provided a monthly stipend based on years of service, until they are eligible for Medicare benefits. The stipend amount will be \$200 for full-time employees with 20 years of service and will be increased by \$20 for each additional year to a maximum of \$400 for employees with 30 or more years of service.

**Funding Policy.** The Program provisions and requirements are established and may be amended by Council policy. The City funds OPEB expense on a pay-as-you-go-basis. Program members receiving benefits contributed \$61,307 in actual premiums equal to 50% of the equivalent single premium recognized for active employees, plus 100% of the premium for spouse or family member coverage. The City's pay-as-you-go program funding totaled \$42,686.

**Annual OPEB Cost and Net OPEB Obligation.** The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions (GASB 45).

The ARC (Annual Required Contribution) represents a level of funding that, if paid on an ongoing basis, is projected to cover current year costs plus amortization for a portion of the unfunded accrued actuarial liability for Program benefits. The City implemented GASB 45 prospectively on January 1, 2008, and reports the net OPEB obligation at transition as zero in accordance with the provisions of the statement. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the program, and changes in the City's net OPEB obligation:

Annual Required Contribution	\$ 84,000
Interest on Net OPEB Obligation	18,000
Adjustment to ARC	<u>(15,000)</u>
Annual OPEB Cost	87,000
Contributions made	<u>(42,686)</u>
Increase in net OPEB obligation	44,314
Net OPEB obligation – beginning of year	<u>403,000</u>
Net OPEB obligation – end of year	<u>\$447,314</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for 2009 was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2008	\$ 459,000	12.2%	\$403,000
12/31/2009	87,000	49.1%	447,314

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

**Funding Status and Funding Progress.** As of January 1, 2009, the most recent actuarial valuation date, the Program was not funded. The unfunded actuarial accrued liability (UAAL) was \$1,374,000. The covered payroll (annual payroll of active employees covered by the Program) was \$12,187,442. The ratio of the UAAL to covered payroll was 11.3 percent.

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on substantive program (the program as understood by the City and the Program members) to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long term perspective of the calculations.

In the January 1, 2009 valuation, the unit credit attribution method was used. The actuarial assumptions included a 4.5 percent discount rate to calculate the ARC on a pay-as-you-go basis, which is the rate expected on short-term liquid investments. The unfunded actuarial accrued liability is amortized over the maximum acceptable period of 30 years on an open basis. It is calculated assuming a level percentage of projected payroll. Payroll is assumed to increase at 3.5 percent per year. The annual trend rate for health care costs applied on a select and ultimate basis are 11% and 5%, respectively. Select trends are reduced 0.5% each year until reaching the ultimate trend.

The plan change from the January 1, 2008 valuation to the current plan resulted in a decrease in the accrued liability from \$3.5 million to \$1.4 million.

A separate financial report is not issued for the Retiree Medical Program.

### **G. Employee Retirement Plans**

The City maintains two single-employer, defined contribution pension plans; (1) The Police Money Purchase Pension Plan, that covers all commissioned police employees, and (2) The General Employees' Pension Plan, that covers all full-time employees other than police. The City has authorized the Pension Boards to establish and amend all plan provisions, unless such a change would have a material impact on the plan. Material amendments to a plan are required to go through City Council for ordinance approval. Under the Police Money Purchase Pension Plan, the amendment must also pass by 65% of total votes cast by the membership before it can go to Council for ordinance approval.

A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account and earnings or losses on investments of those contributions.

Investments are self-directed by employees. Charles Schwab Retirement Plan Services is the trustee of both of the pension funds. The trustee's address is 4150 Kinross Lakes Parkway, PO Box 5050 Richfield, OH 44286-5050. Strategic Capital Advisers Inc., a registered investment advisor, whose address is 600 Grant Street, Suite 850, Denver, Co. 80203, provides investment-consulting services to the Retirement Boards for both pension plans.

### **General Employees' Pension Plan (GEPP)**

The City made the required contribution of \$787,986. The employees' contribution to the Plan was \$1,051,205.

The City provides pension benefits for all of its full-time employees, excluding police officers that are covered by the City's Police Money Purchase Pension Plan, through the General Employees' Pension Plan. Eligible employees must participate from the date of full-time employment. Each participant is required to make a mandatory contribution of 12% of compensation. During 2009, the City's contribution level was 8%, then upon the completion of five years of eligible service 9%, and 10% upon the completion of ten years of eligible service.

# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

A participant's interest in the contributions made by the City, and the related investment earnings, become vested to the extent of percentages based on number of years of service as set forth in the GEPP. Participants are fully vested after six years of continuous service. In addition, if an employee reaches normal retirement age, dies or becomes totally and permanently disabled, his account becomes fully vested regardless of length of service. If an employee leaves covered employment before becoming fully vested, accumulated employee contributions, related investment earnings, and any vested City contributions and related investment earnings are refunded to the employee. Forfeitures by employees who leave employment before six years of service are used to pay Plan administrative expenses and may be used at the Board's discretion to reduce City contributions.

### **Police Money Purchase Pension Plan (PMPPP)**

The City made the required contribution of \$359,759. The covered employees made a contribution of \$472,134.

The City provides pension benefits for its commissioned police officers through the City's Police Money Purchase Pension Plan. Eligible employees must participate from the date of full-time employment. Each participant is required to make a mandatory contribution of 12% of compensation. During 2009 the city's contribution level was 8%, then upon the completion of five years of eligible service 9%, and was 10% upon completion of ten years of eligible service.

A participant's interest in the contributions made by the city, and related investment earnings, become vested to the extent of percentages based on number of years of service as set forth in the PMPPP. Participants are fully vested after seven years of continuous service. In addition, if an employee reaches normal retirement age, dies or becomes totally and permanently disabled his account becomes fully vested regardless of length of service. If an employee leaves covered employment before becoming fully vested, accumulated employee contributions, related investment earnings, and any vested City contributions and related investment earnings are refunded to the employee. Forfeitures by employees who leave before seven years of service will be used to pay the Plan's administrative expenses and may be used at the Board's discretion to reduce City contributions.

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

On November 3, 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20, commonly known as the Taxpayers Bill of Rights or TABOR. TABOR contains several limitations, including revenue rising, spending abilities, and other specific requirements of state and local governments. On November 8, 1994, Northglenn voters chose to waive the revenue limitations imposed by TABOR. The City believes it is in compliance with the other requirements of the Amendment. However, the City has made certain interpretations of the Amendment's language in order to determine its compliance. The Amendment is complex and subject to judicial interpretation.

The City has established an emergency reserve representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2009, the emergency reserve of \$882,613 was reported as a reservation of fund balance of \$604,526 in the General Fund, and as restricted net assets of \$278,087 in the Water and Wastewater Fund.

### **I. Negative Fund Balance**

At December 31, 2009 the Community Development Block Grant fund reported a fund balance of (\$255,194). The negative fund balance will be corrected when receivable are collected in 2010.



# CITY OF NORTHGLENN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2009

### J. Restatement of Prior Year Balances

The City has determined that certain December 31, 2008 net asset amounts had been reported incorrectly in the previous year. The adjustments include overstatements of capital assets, construction in progress and of capital lease payables. The restatements are shown below:

<u>Governmental Activities</u>	
Net assets, 12/31/08	\$ 104,621,216
Overstatement of Land	(1,997,291)
Overstatement of Capital Lease Payable	34,953
Net assets, 12/31/08, as restated	<u>\$ 102,658,878</u>
<u>Water and Wastewater Fund</u>	
Net assets, 12/31/08	\$ 106,165,826
Overstatement of Construction in Progress	(140,201)
Net assets, 12/31/08, as restated	<u>\$ 106,025,625</u>
<u>Stormwater Fund</u>	
Net assets, 12/31/08	\$ 1,522,766
Overstatement of Construction in Progress	(41,713)
Net assets, 12/31/08, as restated	<u>\$ 1,481,053</u>

The component units, Northglenn Urban Renewal Authority and Church Ditch Water Authority determined that certain December 31, 2008 net asset amounts had been reported incorrectly in the previous year. The adjustments are as follows:

<u>Northglenn Urban Renewal Authority</u>	
Net assets, 12/31/08	\$ 6,356,317
Overstatement of Land and Buildings	(1,327,049)
Overstatement of Construction in Progress	(8,513)
Net assets, 12/31/08, as restated	<u>\$ 5,020,755</u>
<u>Church Ditch Water Authority</u>	
Net assets, 12/31/08	\$ 2,546,809
Understatement of Depreciation Expense	(31,313)
Overstatement of Construction in Progress	(14,572)
Net assets, 12/31/08, as restated	<u>\$ 2,500,924</u>



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# CITY OF NORTHGLENN, COLORADO

## SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PROGRAM DECEMBER 31, 2009

(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability AAL Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2008 (a)	-0-	\$3,041,000	\$3,041,000	0.0%	\$15,557,187	19.5%
1/1/2009	-0-	\$1,374,000	\$1,374,000	0.0%	\$12,187,442	11.3%

(a) GASB 45 was implemented as of January 1, 2008; therefore, actuarial information on the Retiree Health Program is not available prior to that date.

# CITY OF NORTHGLENN, COLORADO

## GENERAL FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budget Basis	Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes-Property	\$ 3,209,594	\$ 3,113,317	\$ 3,083,895	\$ (29,422)
Taxes-Sales	11,499,556	10,115,061	10,330,693	215,632
Franchise Fees	1,219,300	1,219,300	1,117,418	(101,882)
Licenses and Permits	330,428	256,321	250,074	(6,247)
Intergovernmental	2,173,500	2,137,933	2,339,165	201,232
Charges for Services	1,303,122	1,288,122	995,364	(292,758)
Fines and Forfeitures	1,737,082	1,737,082	1,807,396	70,314
Investment Earnings	350,000	350,000	167,716	(182,284)
Miscellaneous	150,000	150,000	296,926	146,926
<b>Total Revenues</b>	<b>21,972,582</b>	<b>20,367,136</b>	<b>20,388,647</b>	<b>21,511</b>
<b>EXPENDITURES</b>				
Current:				
General Government :				
Council and Commissions	464,313	444,493	403,589	40,904
City Manager	561,274	523,797	448,161	75,636
City Clerk	272,425	245,685	208,269	37,416
Finance Department	479,627	464,899	422,065	42,834
Technology Group	529,859	523,859	498,726	25,133
Administration and Personnel Services	874,020	823,884	777,888	45,996
Non-Departmental	2,024,373	2,004,043	1,911,746	92,297
Public Safety	9,773,791	9,575,161	8,942,516	632,645
Public Works	1,809,403	1,482,874	1,325,612	157,262
Recreation and Culture	3,425,769	3,274,184	3,024,246	249,938
Capital Outlay	1,646,837	2,211,308	1,104,035	1,107,273
Debt Service:				
Principal Payments	488,582	488,582	488,582	-
Interest and Fiscal Charges	38,958	38,958	38,958	-
Contingency	200,000	200,000	-	200,000
<b>Total Expenditures</b>	<b>22,589,231</b>	<b>22,301,727</b>	<b>19,594,393</b>	<b>2,707,334</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	<b>(616,649)</b>	<b>(1,934,591)</b>	<b>794,254</b>	<b>2,728,845</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(260,000)	(260,000)	(260,000)	-
Total Other Financing Sources and (Uses)	(260,000)	(260,000)	(260,000)	-
Net Change In Fund Balance	(876,649)	(2,194,591)	534,254	2,728,845
Fund Balance-Beginning	6,039,145	7,642,531	7,642,531	-
Fund Balance-Ending	<b>\$ 5,162,496</b>	<b>\$ 5,447,940</b>	<b>\$ 8,176,785</b>	<b>\$ 2,728,845</b>

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

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## NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2009

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### NOTE 1. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### **Budgetary Information**

The City Council annually adopts the Budget Resolution for all operating funds of the City. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, with the exception of the enterprise funds, which are budgeted on a non-GAAP basis of accounting. All annual appropriations lapse at fiscal year-end.

No later than September 20, the City Manager submits to the Mayor and City Council a proposed budget for the calendar year commencing the following January 1. The budget is prepared by fund, department, program, and activity, and includes information on the past year, current year estimates and requested appropriations and estimated revenues for the next calendar year. The City Council holds public hearings and may add to, subtract from or change appropriations except for expenditures required by law, debt service expenditures or for estimated cash deficits. No change to the budget shall increase the authorized expenditures to any amount greater than the total amount of available funds, which includes unreserved fund balance.

The City Council shall adopt the budget by resolution pursuant to law. If it fails to adopt the budget by year-end, the amounts appropriated for current operations for the current calendar year shall be deemed adopted for the ensuing calendar year on a month-to-month basis, with all items prorated accordingly until such time as the City Council adopts the budget for the ensuing fiscal year. Once adopted, the City Council may at any time, by ordinance, amend the budget. The individual boards of the City's component units approve their respective annual budgets.

Expenditures may not legally exceed budgeted appropriations at the fund level. Funds are defined as the major operating units of the City. Those funds are the General Fund, Water and Wastewater Fund, Stormwater Fund, Sanitation Fund, Conservation Trust Fund, and the Community Development Block Grant Fund.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in all funds. Outstanding encumbrances at year-end will lapse. They do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.



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# CITY OF NORTHGLENN, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET DECEMBER 31, 2009

	Special Revenue Funds		
	Conservation	Community	Total
	Trust	Development	
Fund	Block	Grant	
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 508,603	\$ -	\$ 508,603
Investments	780,071	-	780,071
Intergovernmental Receivable	-	255,194	255,194
<b>Total Assets</b>	<b>1,288,674</b>	<b>255,194</b>	<b>1,543,868</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	13,346	-	13,346
Due to Other Funds	-	255,194	255,194
Deferred Revenue	-	255,194	255,194
<b>Total Liabilities</b>	<b>13,346</b>	<b>510,388</b>	<b>523,734</b>
<b>Fund Balances:</b>			
Reserved for:			
Parks & Open Space	1,275,328	-	1,275,328
Unreserved, reported in			
Special Revenue Funds	-	(255,194)	(255,194)
<b>Total Fund Balances</b>	<b>1,275,328</b>	<b>(255,194)</b>	<b>1,020,134</b>
Total Liabilities and Fund Balances	\$ 1,288,674	\$ 255,194	\$ 1,543,868

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue Funds		
	Conservation	Community	Total
	Trust Fund	Development Block Grant	
<b>Revenues</b>			
Intergovernmental	\$ 335,032	\$ 40,509	\$ 375,541
Investment Earnings	22,223	-	22,223
<b>Total Revenues</b>	<u>357,255</u>	<u>40,509</u>	<u>397,764</u>
<b>Expenditures</b>			
Recreation and Culture	31,911	50,739	82,650
Capital Outlay	86,215	235,000	321,215
<b>Total Expenditures</b>	<u>118,126</u>	<u>285,739</u>	<u>403,865</u>
<b>Net Change in Fund Balances</b>	239,129	(245,230)	(6,101)
Fund Balance-Beginning	1,036,199	(9,964)	1,026,235
Fund Balance-Ending	<u>\$ 1,275,328</u>	<u>\$ (255,194)</u>	<u>\$ 1,020,134</u>

See the accompanying Independent Auditors' Report



# CITY OF NORTHGLENN, COLORADO

## SPECIAL REVENUE FUND-CONSERVATION TRUST FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 273,000	\$ 273,000	\$ 335,032	\$ 62,032
Investment Earnings	25,000	25,000	22,223	(2,777)
<b>Total Revenues</b>	<b>298,000</b>	<b>298,000</b>	<b>357,255</b>	<b>59,255</b>
<b>EXPENDITURES</b>				
Recreation and Culture	-	35,703	31,911	3,792
Capital Outlay	474,025	482,981	86,215	396,766
<b>Total Expenditures</b>	<b>474,025</b>	<b>518,684</b>	<b>118,126</b>	<b>400,558</b>
Net Change in Fund Balance	(176,025)	(220,684)	239,129	459,813
Fund Balance-Beginning	869,418	1,036,199	1,036,199	-
Fund Balance-Ending	<b>\$ 693,393</b>	<b>\$ 815,515</b>	<b>\$ 1,275,328</b>	<b>\$ 459,813</b>

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## SPECIAL REVENUE FUND-COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 40,509	\$ (159,491)
<b>Total Revenues</b>	<u>200,000</u>	<u>200,000</u>	<u>40,509</u>	<u>(159,491)</u>
<b>EXPENDITURES</b>				
Recreation and Culture	-	-	50,739	(50,739)
Capital Outlay	385,000	385,000	235,000	150,000
<b>Total Expenditures</b>	<u>385,000</u>	<u>385,000</u>	<u>285,739</u>	<u>99,261</u>
Net Change in Fund Balance	(185,000)	(185,000)	(245,230)	(60,230)
Fund Balance-Beginning	185,000	185,000	(9,964)	(194,964)
Fund Balance-Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (255,194)</u>	<u>\$ (255,194)</u>

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## WATER AND WASTEWATER FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales Taxes	\$ 4,535,000	\$ 4,156,346	\$ 4,115,330	\$ (41,016)
Charges for Services	9,595,364	9,595,364	8,814,128	(781,236)
Miscellaneous	100,000	100,000	62,692	(37,308)
Investment Earnings	525,000	525,000	132,741	(392,259)
Transfers In	260,000	260,000	260,000	-
<b>Total Revenues</b>	<b>15,015,364</b>	<b>14,636,710</b>	<b>13,384,891</b>	<b>(1,251,819)</b>
<b>EXPENDITURES</b>				
Water and Wastewater Plant Operations	2,360,686	2,337,101	2,207,635	129,466
Collection, Transmission & Distribution	817,484	744,305	691,472	52,833
Community Resources	1,288,826	1,264,197	922,014	342,183
Electrical and Mechanical Services	659,638	659,638	531,060	128,578
Utility Engineering	270,781	190,311	130,211	60,100
Environmental Services/Public Education	88,313	88,313	56,770	31,543
Lab Services for Outside Agencies	350,510	305,019	259,087	45,932
General and Administrative	1,246,052	1,160,694	1,097,643	63,051
Capital Outlay	2,597,500	3,928,526	1,999,093	1,929,433
Acquisition of Water Rights	9,100,000	8,931,047	5,965,584	2,965,463
Debt Service:				
Principal Payments	3,500,002	3,500,002	3,448,552	51,450
Interest and Fiscal Charges	778,642	778,642	762,367	16,275
<b>Total Expenditures</b>	<b>23,058,434</b>	<b>23,887,795</b>	<b>18,071,488</b>	<b>5,816,307</b>
Net Change	\$ (8,043,070)	\$ (9,251,085)	(4,686,597)	\$ 4,564,488

### Adjustments to reconcile budgetary basis to GAAP basis Adjustment for

Principal Paid on Bonds and Notes Payable	3,448,552
Capitalization of Capital Assets	7,964,677
Amortization	(96,099)
Depreciation	(3,197,291)
Total Adjustments to Basis	<u>8,119,839</u>
<b>Change in Net Assets</b>	<b>3,433,242</b>
Total Net Assets-Beginning	<u>106,025,625</u>
Total Net Assets-Ending	<u>\$ 109,458,867</u>

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## SANITATION FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 1,508,800	\$ 1,508,800	\$ 1,424,697	\$ (84,103)
Recycling Revenues	25,000	25,000	208,508	183,508
Investment Earnings	55,000	55,000	31,057	(23,943)
<b>Total Revenues</b>	<b>1,588,800</b>	<b>1,588,800</b>	<b>1,664,262</b>	<b>75,462</b>
<b>EXPENDITURES</b>				
Solid Waste Collections	1,642,250	1,567,586	1,284,657	282,929
General And Administrative	140,688	140,688	80,634	60,054
Capital Outlay	-	580,446	193,482	386,964
Debt Service:				
Principal Payments	199,993	199,993	199,605	388
Interest and Fiscal Charges	18,276	18,276	18,235	41
<b>Total Expenditures</b>	<b>2,001,207</b>	<b>2,506,989</b>	<b>1,776,613</b>	<b>730,376</b>
<b>Net Change</b>	<b>\$ (412,407)</b>	<b>\$ (918,189)</b>	<b>(112,351)</b>	<b>\$ 805,838</b>
<b>Adjustments to Reconcile Budgetary Basis to GAAP Basis Adjustment for</b>				
Principal Paid on Capital Leases Payable			199,605	
Capitalization of Capital Assets			193,482	
Depreciation			(164,699)	
Total Adjustments to Basis			<u>228,388</u>	
<b>Change in Net Assets</b>			116,037	
Total Net Assets-Beginning			1,993,152	
Total Net Assets-Ending			<u>\$ 2,109,189</u>	

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## STORMWATER FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 430,000	\$ 430,000	\$ 425,725	\$ (4,275)
Investment Earnings	25,000	25,000	18,575	(6,425)
<b>Total Revenues</b>	<b>455,000</b>	<b>455,000</b>	<b>444,300</b>	<b>(10,700)</b>
<b>EXPENDITURES</b>				
Water and Wastewater Plant Operations	155,025	152,025	152,399	(374)
Community Resources	114,263	114,263	81,719	32,544
Capital Outlay	100,000	108,287	100,000	8,287
<b>Total Expenditures</b>	<b>369,288</b>	<b>374,575</b>	<b>334,118</b>	<b>40,457</b>
<b>Net Change</b>	<b>\$ 85,712</b>	<b>\$ 80,425</b>	<b>110,182</b>	<b>\$ 29,757</b>
<b>Adjustments to Reconcile Budgetary Basis to GAAP Basis Adjustment for</b>				
Capitalization of Capital Assets			100,000	
Depreciation			(60,445)	
Total Adjustments to Basis			39,555	
<b>Change in Net Assets</b>			149,737	
Total Net Assets-Beginning			1,481,053	
Total Net Assets-Ending			<b>\$ 1,630,790</b>	

See the accompanying Independent Auditors' Report



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# CITY OF NORTHGLENN, COLORADO

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## NORTHGLENN URBAN RENEWAL AUTHORITY BALANCE SHEET DECEMBER 31, 2009

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### ASSETS

Cash and Cash Equivalents	\$	1,167,457
Investments		4,539,720
Receivables		<u>1,477,753</u>
<b>Total Assets</b>	\$	<u><u>7,184,930</u></u>

### LIABILITIES AND FUND BALANCE

#### Liabilities:

Accounts Payable	\$	3,558
Deferred Revenue		<u>1,445,268</u>
<b>Total Liabilities</b>		<u>1,448,826</u>

#### Fund Balance:

Fund Balance-Unreserved		<u>5,736,104</u>
<b>Total Fund Balance</b>		5,736,104

Amounts reported for the urban renewal authority in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reporting in the governmental funds		1,134,837
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Net Assets of Governmental Activities	\$	<u><u>6,870,941</u></u>
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See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## NORTHGLENN URBAN RENEWAL AUTHORITY BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,750,000	\$ 1,750,000	\$ 1,998,438	\$ 248,438
Investment Earnings	100,000	100,000	39,765	(60,235)
Miscellaneous	-	-	107	107
<b>Total Revenues</b>	<u>1,850,000</u>	<u>1,850,000</u>	<u>2,038,310</u>	<u>188,310</u>
<b>EXPENDITURES</b>				
General Government	894,350	894,350	179,403	714,947
Capital Outlay	2,010,000	2,010,000	-	2,010,000
<b>Total Expenditures</b>	<u>2,904,350</u>	<u>2,904,350</u>	<u>179,403</u>	<u>2,724,947</u>
Net Change in Fund Balance	(1,054,350)	(1,054,350)	1,858,907	2,913,257
Fund Balance-Beginning of Year	3,877,197	3,877,197	3,877,197	-
Fund Balance-End of Year	<u>\$ 2,822,847</u>	<u>\$ 2,822,847</u>	<u>\$ 5,736,104</u>	<u>\$ 2,913,257</u>

Amount reported for the urban renewal authority in the statement of activities is different because:

Net change in fund balance

1,858,907

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

(8,721)

Change in Net Assets

\$ 1,850,186

See the accompanying Independent Auditors' Report



# CITY OF NORTHGLENN, COLORADO

## CHURCH DITCH WATER AUTHORITY BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 399,770	\$ 399,770	\$ 401,866	\$ 2,096
Other Operating Revenue	126,222	126,222	119,292	(6,930)
<b>Total Operating Revenues</b>	<b>525,992</b>	<b>525,992</b>	<b>521,158</b>	<b>(4,834)</b>
<b>EXPENDITURES</b>				
Cost of Sales and Services:				
Personnel Services	121,000	121,000	97,271	23,729
Outside Services	90,090	90,090	104,418	(14,328)
Supplies	6,000	6,000	4,577	1,423
Other	19,000	19,000	15,307	3,693
Capital Outlay	317,265	317,265	255,132	62,133
Debt Service:				
Principal Payments	13,696	13,696	13,696	-
Interest and Fiscal Charges	3,635	3,635	3,635	-
<b>Total Operating Expenses</b>	<b>570,686</b>	<b>570,686</b>	<b>494,036</b>	<b>76,650</b>
Operating Income	(44,694)	(44,694)	27,122	71,816
<b>Nonoperating Revenues</b>				
Investment Earnings	1,600	1,600	1,795	195
<b>Total Nonoperating Revenues</b>	<b>1,600</b>	<b>1,600</b>	<b>1,795</b>	<b>195</b>
<b>Net Change</b>	<b>\$ (43,094)</b>	<b>\$ (43,094)</b>	<b>28,917</b>	<b>\$ 72,011</b>
<b>Adjustments to Reconcile Budgetary</b>				
<b>Basis to GAAP Basis Adjustment for:</b>				
Principal Paid on Bonds and Notes Payable			13,696	
Capitalization of Assets			255,132	
Depreciation			(78,294)	
<b>Change in Net Assets</b>			<b>219,451</b>	
Total Net Assets-Beginning			2,500,924	
Total Net Assets-Ending			<b>\$ 2,720,375</b>	

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

## CHURCH DITCH WATER AUTHORITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2009

<b>Cash Flows From Operating Activities</b>	
Cash Received From Customers, including cash deposits	\$ 436,687
Cash Payments to Suppliers for Goods and Services	(132,301)
Cash Payments to Employees for Services	(112,556)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>191,830</u>
<b>Cash Flows From Capital and Related Financing Activities</b>	
Acquisition of Capital Assets	(255,132)
Principal Paid on Bond, Leases and Notes Payable Maturities	(13,696)
Interest Paid on Bonds, Leases and Notes Payable	(3,635)
<b>Net Cash (Used) in Capital Financing Activities</b>	<u>(272,463)</u>
<b>Cash Flows From Investing Activities</b>	
Earnings on Investments	1,795
<b>Net Cash Provided by Investing Activities</b>	<u>1,795</u>
<b>Net Increase in Cash and Cash Equivalents</b>	(78,838)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>924,354</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 845,516</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	<u>\$ 221,291</u>
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>	
Depreciation	78,294
Change in Assets and Liabilities:	
Increase (Decrease) in Accounts Payable	(7,999)
Increase (Decrease) in Deferred Revenue	(24,732)
Increase (Decrease) in Customer Deposits Payable	(59,739)
Increase (Decrease) in Accrued Liabilities	(2,843)
Increase (Decrease) in Compensated Absences	(12,442)
<b>Total Adjustments</b>	<u>(29,461)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 191,830</u>

See the accompanying Independent Auditors' Report

# CITY OF NORTHGLENN, COLORADO

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## STATISTICAL SECTION FOR THE YEAR ENDED DECEMBER 31, 2009

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This section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information. This section includes data for the City (i.e. the primary government) only and does not include the City's discretely presented component units. This information has not been audited by the independent auditor.

<u>Schedule Number</u>		<u>Page Number</u>
	<b>Financial Trends Information</b> - These schedules contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	
1	Net assets by component	64
2	Changes in net assets	66
3	Fund Balances, governmental funds	68
4	Changes in funds balances, governmental funds	70
5	Changes in net assets, water and wastewater fund	72
6	Tax revenues by source, governmental funds	74
	<b>Revenue Capacity Information</b> - These schedules contain information that may assist the reader in assessing the City's two most significant local revenue sources, property tax and sales tax.	
7	Assessed value and estimated actual value of taxable property	76
8	Direct and overlapping property tax rates	78
9	Principal property tax payers	79
10	Property tax levies and collections	80
11	Sales tax collections by category	82
12	Direct and overlapping sales tax rates	84
	<b>Debt Capacity Information</b> - These schedules contain information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
13	Ratios of outstanding debt by type	86
14	Ratios of general bonded debt outstanding and legal debt margin	88
15	Direct and overlapping governmental activities debt	90
	<b>Demographic and Economic Information</b> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
16	Demographic and economic statistics	91
	Note for Schedule of Principal Employers: The City of Northglenn does not rely on one or a few employers for revenue and does not track this information.	
	<b>Operating Information</b> - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and activities it performs.	
17	Full-time employees by function/program	93
18	Operating indicators by function/program	94
19	Capital asset statistics by function/program	96

# CITY OF NORTHGLENN, COLORADO

## NET ASSETS BY COMPONENT LAST NINE YEARS (Accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 76,305,568	\$ 79,053,838	\$ 81,780,452	\$ 90,294,725
Restricted	4,375,368	3,732,467	1,674,371	600,544
Unrestricted	15,080,092	18,935,460	17,786,743	10,245,430
<b>Total governmental activities net assets</b>	<u>\$ 95,761,028</u>	<u>\$ 101,721,765</u>	<u>\$ 101,241,566</u>	<u>\$ 101,140,699</u>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 32,768,374	\$ 37,277,149	\$ 40,775,167	\$ 45,160,266
Restricted	18,634,837	31,781,654	29,984,055	16,759,979
Unrestricted	7,567,695	1,405,449	7,206,879	21,939,434
<b>Total business-type activities net assets</b>	<u>\$ 58,970,906</u>	<u>\$ 70,464,252</u>	<u>\$ 77,966,101</u>	<u>\$ 83,859,679</u>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 109,073,942	\$ 116,330,987	\$ 122,555,619	\$ 135,454,991
Restricted	23,010,205	35,514,121	31,658,426	17,360,523
Unrestricted	22,647,787	20,340,909	24,993,622	32,184,864
<b>Total primary government net assets</b>	<u>\$ 154,731,934</u>	<u>\$ 172,186,017</u>	<u>\$ 179,207,667</u>	<u>\$ 185,000,378</u>

**Schedule 1**

<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$ 94,510,194	\$ 94,888,925	\$ 96,808,664	\$ 95,962,175	\$ 95,546,950	\$ 92,633,050
616,440	604,711	638,129	644,411	744,414	1,879,854
7,125,828	10,799,566	10,720,619	9,284,600	6,367,514	5,837,248
<u>\$ 102,252,462</u>	<u>\$ 106,293,202</u>	<u>\$ 108,167,412</u>	<u>\$ 105,891,186</u>	<u>\$ 102,658,878</u>	<u>\$ 100,350,152</u>
\$ 52,000,619	\$ 70,224,641	\$ 76,061,058	\$ 83,476,547	\$ 89,703,824	\$ 97,836,240
17,967,625	12,197,256	14,953,367	12,929,847	11,397,939	6,555,525
18,600,428	11,243,207	9,624,028	8,461,079	8,398,067	8,807,081
<u>\$ 88,568,672</u>	<u>\$ 93,665,104</u>	<u>\$ 100,638,453</u>	<u>\$ 104,867,473</u>	<u>\$ 109,499,830</u>	<u>\$ 113,198,846</u>
\$ 146,510,813	\$ 165,113,566	\$ 172,869,722	\$ 179,438,722	\$ 185,250,774	\$ 190,469,289
18,584,065	12,801,967	15,591,496	13,574,258	12,142,353	8,435,379
25,726,256	22,042,773	20,344,647	17,745,679	14,765,581	14,644,330
<u>\$ 190,821,134</u>	<u>\$ 199,958,306</u>	<u>\$ 208,805,865</u>	<u>\$ 210,758,659</u>	<u>\$ 212,158,708</u>	<u>\$ 213,548,998</u>

# CITY OF NORTHGLENN, COLORADO

## CHANGES IN NET ASSETS LAST NINE YEARS (Accrual basis of accounting)

	2000	2001	2002	2003
<b>Expenses</b>				
Governmental activities:				
General government	\$ 4,797,620	\$ 5,521,240	\$ 4,797,620	\$ 5,521,240
Public safety	6,620,822	7,242,650	6,620,822	7,242,650
Public Works	2,920,510	2,721,746	2,920,510	2,721,746
Recreation and Culture	3,869,196	4,103,759	3,869,196	4,103,759
Interest on Long-Term Debt	95,813	102,061	95,813	102,061
Total governmental activities expenses	<u>18,303,961</u>	<u>19,691,456</u>	<u>18,303,961</u>	<u>19,691,456</u>
Business-type activities:				
Water and Wastewater	9,681,457	10,292,730	9,681,457	10,292,730
Stormwater (1)	-	-	-	-
Sanitation	1,331,025	1,345,186	1,331,025	1,345,186
Total business-type activities expenses	<u>11,012,482</u>	<u>11,637,916</u>	<u>11,012,482</u>	<u>11,637,916</u>
Total primary government expenses	<u>\$ 29,316,443</u>	<u>\$ 31,329,372</u>	<u>\$ 29,316,443</u>	<u>\$ 31,329,372</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 318,267	\$ 41,964	\$ 318,267	\$ 41,964
Public safety	651,312	743,714	651,312	743,714
Recreation and Culture	661,564	875,568	661,564	875,568
Operating grants and contributions	215,174	164,519	215,174	164,519
Capital grants and contributions	3,571,863	3,974,951	3,571,863	3,974,951
Total governmental activities program revenues	<u>5,418,180</u>	<u>5,800,716</u>	<u>5,418,180</u>	<u>5,800,716</u>
Business-type activities:				
Charges for services:				
Water and Wastewater	9,139,238	9,283,037	9,139,238	9,283,037
Stormwater (1)	-	-	-	-
Sanitation	1,173,189	1,339,371	1,173,189	1,339,371
Capital grants and contributions	1,024,850	381,615	1,024,850	381,615
Total business-type activities program revenues	<u>11,337,277</u>	<u>11,004,023</u>	<u>11,337,277</u>	<u>11,004,023</u>
Total primary government program revenues	<u>\$ 16,755,457</u>	<u>\$ 16,804,739</u>	<u>\$ 16,755,457</u>	<u>\$ 16,804,739</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (12,885,781)	\$ (13,890,740)	\$ (12,885,781)	\$ (13,890,740)
Business-type activities	324,795	(633,893)	324,795	(633,893)
Total primary government net expense	<u>\$ (12,560,986)</u>	<u>\$ (14,524,633)</u>	<u>\$ (12,560,986)</u>	<u>\$ (14,524,633)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 2,818,962	\$ 2,877,055	\$ 2,818,962	\$ 2,877,055
Sales Taxes	10,757,205	10,103,884	10,757,205	10,103,884
Franchise Fees	861,764	957,828	861,764	957,828
Unrestricted grants and contributions	54,300	101,684	54,300	101,684
Investment earnings	617,731	286,936	617,731	286,936
Miscellaneous	77,090	153,553	77,090	153,553
Gain (loss) on sale of assets	(6,899)	4,537	(6,899)	4,537
Special Item - Forgiveness of Advance	-	(437,078)	-	(437,078)
Transfers	(260,000)	(258,526)	(260,000)	(258,526)
Total governmental activities	<u>14,920,153</u>	<u>13,789,873</u>	<u>14,920,153</u>	<u>13,789,873</u>
Business-type activities:				
Sales Taxes	5,570,533	5,479,787	5,570,533	5,479,787
Investment earnings	1,187,964	657,759	1,187,964	657,759
Miscellaneous	114,328	113,003	114,328	113,003
Gain (loss) on sale of assets	44,229	18,396	44,229	18,396
Transfers	260,000	258,526	260,000	258,526
Total business-type activities	<u>7,177,054</u>	<u>6,527,471</u>	<u>7,177,054</u>	<u>6,527,471</u>
Total primary government	<u>\$ 22,097,207</u>	<u>\$ 20,317,344</u>	<u>\$ 22,097,207</u>	<u>\$ 20,317,344</u>
<b>Change in Net Assets</b>				
Governmental activities	\$ 2,034,372	\$ (100,867)	\$ 2,034,372	\$ (100,867)
Business-type activities	7,501,849	5,893,578	7,501,849	5,893,578
Total primary government net expense	<u>\$ 9,536,221</u>	<u>\$ 5,792,711</u>	<u>\$ 9,536,221</u>	<u>\$ 5,792,711</u>

NOTE: (1) Stormwater segregated from Water and Wastewater Fund activity

**Schedule Z**

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$	5,419,842	\$ 5,744,206	\$ 6,797,290	\$ 8,484,782	\$ 9,519,448	\$ 6,381,839
	7,182,380	6,881,768	7,484,713	9,885,311	9,924,420	9,112,846
	2,611,358	2,336,420	2,033,028	1,566,489	1,577,983	3,819,443
	4,069,185	6,248,169	4,234,278	5,559,531	5,511,520	3,740,748
	85,998	90,385	81,385	78,258	61,012	35,455
	<u>19,368,763</u>	<u>21,300,948</u>	<u>20,630,694</u>	<u>25,574,371</u>	<u>26,594,383</u>	<u>23,090,331</u>
	11,055,378	10,143,023	10,056,903	11,407,951	11,318,303	9,951,649
	-	-	-	-	274,753	294,563
	1,288,095	1,174,431	1,276,903	1,385,656	1,394,633	1,548,225
	<u>12,343,473</u>	<u>11,317,454</u>	<u>11,333,806</u>	<u>12,793,607</u>	<u>12,987,689</u>	<u>11,794,437</u>
\$	<u>31,712,236</u>	<u>32,618,402</u>	<u>31,964,500</u>	<u>38,367,978</u>	<u>39,582,072</u>	<u>34,884,768</u>
\$	96,529	\$ 152,427	\$ 110,676	\$ 72,712	\$ 69,427	\$ 69,913
	1,071,363	1,038,294	1,904,840	1,950,385	2,017,337	2,044,943
	898,641	987,856	1,128,563	1,175,180	1,329,069	937,978
	244,922	3,089,589	929,773	382,268	237,848	344,618
	3,523,908	3,822,988	3,306,819	3,368,952	5,103,022	2,485,444
	<u>5,835,363</u>	<u>9,091,154</u>	<u>7,380,671</u>	<u>6,949,497</u>	<u>8,756,703</u>	<u>5,882,896</u>
	8,970,075	9,731,245	10,235,479	9,218,274	9,737,184	8,814,128
	-	-	-	-	442,150	425,725
	1,449,269	1,442,526	1,453,213	1,256,360	1,481,979	1,424,697
	249,780	301,074	558,350	193,496	255,503	-
	<u>10,669,124</u>	<u>11,474,845</u>	<u>12,247,042</u>	<u>10,668,130</u>	<u>11,916,816</u>	<u>10,664,550</u>
\$	<u>16,504,487</u>	<u>20,565,999</u>	<u>19,627,713</u>	<u>17,617,627</u>	<u>20,673,519</u>	<u>16,547,446</u>
\$	(13,533,400)	\$ (12,209,794)	\$ (13,250,023)	\$ (18,624,874)	\$ (17,837,680)	\$ (17,207,435)
	(1,674,349)	157,391	913,236	(2,125,477)	(1,070,873)	(1,129,887)
\$	<u>(15,207,749)</u>	<u>(12,052,403)</u>	<u>(12,336,787)</u>	<u>(20,750,351)</u>	<u>(18,908,553)</u>	<u>(18,337,322)</u>
\$	3,097,285	\$ 3,079,794	\$ 3,187,855	\$ 3,134,763	\$ 3,173,653	\$ 3,083,895
	9,921,438	10,301,196	10,024,167	11,363,745	11,575,412	10,330,693
	978,972	1,075,047	1,152,465	1,110,479	1,216,392	1,117,418
	118,182	91,789	101,316	89,916	108,292	139,838
	222,363	205,438	657,590	766,187	405,355	189,939
	429,150	176,751	260,840	142,925	348,606	296,926
	137,773	(51,002)	-	6,756	-	-
	-	-	-	-	-	-
	(260,000)	(260,000)	(260,000)	(260,000)	(260,000)	(260,000)
	<u>14,645,163</u>	<u>14,619,013</u>	<u>15,124,233</u>	<u>16,354,771</u>	<u>16,567,710</u>	<u>14,898,709</u>
	5,389,083	4,615,349	4,429,152	4,487,829	4,445,068	4,115,330
	587,568	943,187	1,107,058	1,360,501	994,051	182,373
	135,023	221,621	213,243	142,255	181,496	271,200
	11,668	21,391	50,660	103,912	4,529	-
	260,000	260,000	260,000	260,000	260,000	260,000
	<u>6,383,342</u>	<u>6,061,548</u>	<u>6,060,113</u>	<u>6,354,497</u>	<u>5,885,144</u>	<u>4,828,903</u>
\$	<u>21,028,505</u>	<u>20,680,561</u>	<u>21,184,346</u>	<u>22,709,268</u>	<u>22,452,854</u>	<u>19,727,612</u>
\$	1,111,763	\$ 2,409,219	\$ 1,874,210	\$ (2,270,103)	\$ (1,269,970)	\$ (2,308,726)
	4,708,993	6,218,939	6,973,349	4,229,020	4,814,271	3,699,016
\$	<u>5,820,756</u>	<u>8,628,158</u>	<u>8,847,559</u>	<u>1,958,917</u>	<u>3,544,301</u>	<u>1,390,290</u>

# CITY OF NORTHGLENN, COLORADO

## FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS (Modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>General Fund</b>				
Reserved	\$ 4,375,368	\$ 3,732,467	\$ 4,718,637	\$ 2,694,576
Unreserved	13,399,410	17,102,797	15,503,468	9,025,132
<b>Total general fund</b>	<u>\$ 17,774,778</u>	<u>\$ 20,835,264</u>	<u>\$ 20,222,105</u>	<u>\$ 11,719,708</u>
<b>All Other Governmental Funds</b>				
Reserved for:				
Parks & Open Space	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	335,297	51,073	189,280	223,165
<b>Total all other governmental funds</b>	<u>\$ 335,297</u>	<u>\$ 51,073</u>	<u>\$ 189,280</u>	<u>\$ 223,165</u>



<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 2,106,330	\$ 1,495,297	\$ 923,423	\$ 716,559	\$ 805,983	\$ 805,168
6,315,506	10,408,445	10,773,490	9,555,776	6,836,548	7,371,617
<u>\$ 8,421,836</u>	<u>\$ 11,903,742</u>	<u>\$ 11,696,913</u>	<u>\$ 10,272,335</u>	<u>\$ 7,642,531</u>	<u>\$ 8,176,785</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,275,328
514,730	694,514	966,022	951,488	1,026,235	(255,194)
<u>\$ 514,730</u>	<u>\$ 694,514</u>	<u>\$ 966,022</u>	<u>\$ 951,488</u>	<u>\$ 1,026,235</u>	<u>\$ 1,020,134</u>

# CITY OF NORTHGLENN, COLORADO

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS (Modified accrual basis of accounting)

	2000	2001	2002	2003
<b>Revenues</b>				
Taxes	\$ 14,012,432	\$ 15,750,026	\$ 14,437,931	\$ 13,938,767
Licenses and permits	910,237	892,301	315,651	236,156
Intergovernmental	1,894,020	2,235,635	3,925,890	4,241,155
Charges for services	729,593	733,113	838,466	841,094
Fines and forfeitures	509,173	466,408	484,491	583,995
Investment earnings	1,177,300	1,114,673	617,731	286,936
Miscellaneous	608,371	502,989	77,090	151,459
Total revenues	<u>19,841,126</u>	<u>21,695,145</u>	<u>20,697,250</u>	<u>20,279,562</u>
<b>Expenditures</b>				
Current:				
General government	\$ 2,902,148	\$ 3,276,146	\$ 4,271,723	\$ 5,151,097
Public Safety	5,146,117	5,786,595	6,501,296	6,750,451
Public Works	1,972,231	1,938,105	2,587,416	2,432,764
Recreation and Culture	3,495,461	4,077,156	3,572,729	3,900,708
Capital outlay	4,112,498	3,866,176	4,897,722	9,645,556
Debt service				
Principal	1,719,880	-	235,041	353,985
Interest and fiscal charges	136,794	3,093	95,813	102,061
Total expenditures	<u>19,485,129</u>	<u>18,947,271</u>	<u>22,161,740</u>	<u>28,336,622</u>
Excess of revenues over (under) expenditures	355,997	2,747,874	(1,464,490)	(8,057,060)
<b>Other Finances Sources (Uses)</b>				
Transfers In	133,000	-	-	-
Transfers Out	(260,000)	(260,000)	(260,000)	(310,000)
Proceeds from land contract	-	-	-	-
Retirement of capital lease	-	-	-	(1,016,581)
Capital Lease	-	-	1,224,594	1,306,479
Proceeds from sale of asset	1,669,792	288,388	24,944	45,728
Total other financing sources (uses)	<u>1,542,792</u>	<u>28,388</u>	<u>989,538</u>	<u>25,626</u>
Forgiveness of NURA Advance	-	-	-	(437,078)
Net change in fund balances	<u>\$ 1,898,789</u>	<u>\$ 2,776,262</u>	<u>\$ (474,952)</u>	<u>\$ (8,468,512)</u>
Debt service as a percentage of noncapital expenditures	12.1%	0.0%	1.9%	2.4%

**Schedule 4**

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$	14,054,695	\$ 14,513,037	\$ 14,364,487	\$ 15,608,987	\$ 15,965,457	\$ 14,532,006
	231,430	297,046	320,673	254,446	325,921	250,074
	3,887,012	4,169,093	3,624,208	3,750,934	5,449,162	2,714,706
	884,547	960,215	1,092,287	1,191,608	1,303,732	995,364
	893,556	864,317	1,731,119	1,752,222	1,786,180	1,807,396
	222,363	205,438	657,590	766,187	405,355	189,939
	429,150	176,751	260,841	142,924	348,606	296,926
	<u>20,602,753</u>	<u>21,185,897</u>	<u>22,051,205</u>	<u>23,467,308</u>	<u>25,584,413</u>	<u>20,786,411</u>
\$	5,550,450	\$ 5,356,593	\$ 5,482,481	\$ 6,936,518	\$ 7,653,688	\$ 4,670,444
	6,643,311	6,539,630	7,317,781	8,036,625	7,894,939	8,942,516
	2,361,217	2,011,172	2,066,972	1,235,912	1,159,977	1,325,612
	3,898,606	3,284,923	3,324,044	4,432,778	4,311,732	3,106,896
	5,197,415	2,062,577	3,310,082	3,865,989	6,230,246	1,425,250
	560,424	760,770	706,344	593,949	592,031	488,582
	93,733	93,240	84,389	81,425	64,340	38,958
	<u>24,305,156</u>	<u>20,108,905</u>	<u>22,292,093</u>	<u>25,183,196</u>	<u>27,906,953</u>	<u>19,998,258</u>
	(3,702,403)	1,076,992	(240,888)	(1,715,888)	(2,322,540)	788,153
	-	-	-	-	-	-
	(260,000)	(260,000)	(260,000)	(260,000)	(260,000)	(260,000)
	-	769,566	-	-	-	-
	-	-	-	-	-	-
	755,135	123,950	523,922	449,410	-	-
	200,961	319,661	41,645	93,489	27,483	-
	<u>696,096</u>	<u>953,177</u>	<u>305,567</u>	<u>282,899</u>	<u>(232,517)</u>	<u>(260,000)</u>
	-	-	-	-	-	-
\$	<u>(3,006,307)</u>	<u>\$ 2,030,169</u>	<u>\$ 64,679</u>	<u>\$ (1,432,989)</u>	<u>\$ (2,555,057)</u>	<u>\$ 528,153</u>
	3.4%	4.7%	4.2%	3.2%	3.0%	2.8%

# CITY OF NORTHGLENN, COLORADO

## CHANGES IN NET ASSETS, WATER AND WASTEWATER FUND LAST NINE YEARS (Accrual basis of accounting)

	2001	2002	2003	2004
<b>Operating Revenues</b>				
Charges for services	\$ 9,962,433	\$ 9,139,238	\$ 9,283,037	\$ 8,970,075
Other Operating Revenues	130,155	93,801	84,519	41,032
Total Operating Revenues	<u>10,092,588</u>	<u>9,233,039</u>	<u>9,367,556</u>	<u>9,011,107</u>
<b>Operating Expenses</b>				
Water and Wastewater Plant Operations	1,105,490	1,157,777	1,132,704	1,099,352
Collection, Transmission & Distribution	765,704	1,059,598	621,356	750,869
Community Resources	525,742	590,426	984,078	952,641
Electrical and Mechanical Services	457,024	465,179	468,673	469,691
Utility Engineering	292,696	307,052	334,828	371,580
Environmental Services/Public Education	96,619	112,828	104,494	113,625
Lab Services for Outside Agencies	199,483	237,989	256,795	259,981
General and Administrative	765,582	839,691	917,513	1,318,536
Depreciation	2,571,391	2,553,613	2,656,401	2,822,933
Amortization of Bond Costs	-	-	-	-
Total Operating Expenses	<u>6,779,731</u>	<u>7,324,153</u>	<u>7,476,842</u>	<u>8,159,208</u>
<b>Net Operating Income</b>	3,312,857	1,908,886	1,890,714	851,899
Nonoperating Revenues (Expenses)	<u>2,846,917</u>	<u>4,397,112</u>	<u>3,336,741</u>	<u>3,585,680</u>
<b>Income Before Contributions and Transfers</b>	6,159,774	6,305,998	5,227,455	4,437,579
Capital Contributions/Transfers	<u>5,414,398</u>	<u>1,284,850</u>	<u>664,622</u>	<u>9,780</u>
<b>Change in Net Assets</b>	11,574,172	7,599,657	5,892,077	4,447,359
Total Net Assets-Beginning	58,274,942	69,849,114	77,448,771	83,340,848
Prior Period Adjustment	-	-	-	-
Change in Accounting Principal	-	-	-	-
Total Net Assets-Ending	<u>\$ 69,849,114</u>	<u>\$ 77,448,771</u>	<u>\$ 83,340,848</u>	<u>\$ 87,788,207</u>

**Note:** This statement is provided pursuant to the continuing Debt Disclosure Undertaking requirements

**Schedule 5**

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$ 9,731,245	\$ 10,235,479	\$ 9,218,274	\$ 9,737,184	\$ 8,814,128
144,400	123,466	53,311	119,953	62,692
<u>9,875,645</u>	<u>10,358,945</u>	<u>9,271,585</u>	<u>9,857,137</u>	<u>8,876,820</u>
1,353,865	1,651,910	1,982,621	1,989,114	2,207,635
822,438	892,963	960,456	864,115	691,472
923,949	580,212	927,695	683,220	922,014
542,955	578,302	748,446	803,666	531,060
365,295	352,186	485,995	248,072	130,211
104,329	105,718	104,226	132,133	56,770
258,012	270,920	349,458	340,836	259,087
1,098,290	1,396,356	1,311,722	1,461,930	1,097,643
2,843,607	2,852,455	3,342,629	3,763,046	3,197,291
-	97,360	75,974	63,674	50,264
<u>8,312,740</u>	<u>8,778,382</u>	<u>10,289,222</u>	<u>10,349,806</u>	<u>9,143,447</u>
1,562,905	1,580,563	(1,017,637)	(492,669)	(266,627)
<u>3,728,502</u>	<u>4,204,853</u>	<u>4,638,918</u>	<u>4,367,484</u>	<u>3,439,869</u>
5,291,407	5,785,416	3,621,281	3,874,815	3,173,242
<u>561,074</u>	<u>818,350</u>	<u>453,496</u>	<u>515,503</u>	<u>260,000</u>
5,852,481	6,603,766	4,074,777	4,390,318	3,433,242
87,788,207	92,431,524	99,035,290	103,110,067	106,165,826
(1,631,521)	-	-	(1,334,559)	(140,201)
422,357	-	-	-	-
<u>\$ 92,431,524</u>	<u>\$ 99,035,290</u>	<u>\$ 103,110,067</u>	<u>\$ 106,165,826</u>	<u>\$ 109,458,867</u>

**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (1)  
LAST TEN YEARS**

Year	Property Tax		Sales and Use Taxes (2)	Occupational Tax	Total
	General	Specific Ownership			
2000	\$ 2,026,065	\$ 292,954	\$ 11,022,404	\$ 734,607	\$ 14,076,030
2001	3,216,941	299,879	12,568,087	869,883	16,954,790
2002	3,807,235	326,269	11,262,673 (3)	861,764	16,257,941 (3)
2003	4,194,918	318,926	10,683,857 (3)	957,828	16,155,529 (3)
2004	4,467,760	319,885	10,467,519 (3)	1,035,972	16,291,136 (3)
2005	4,548,945	301,550	10,301,196	1,132,047	16,283,738
2006	4,644,945	305,195	10,024,167	1,152,465	16,126,772
2007	4,615,634	282,463	10,193,891	1,110,479	16,202,467
2008	4,714,461	261,658	11,575,412 (4)	1,216,392	17,767,923 (4)
2009	4,857,245	225,088	10,330,693	1,117,418	16,530,444

**Source:** City of Northglenn Finance Department

- (1) Includes general funds and Northglenn Urban Renewal Authority, a discretely presented component unit.
- (2) Sales taxes on food and a 1/2% sales tax for purchases of water rights are recorded directly in the Water and Waste Water Enterprise Fund.
- (3) Reflects prior period adjustment for 2002-2004 sales tax reallocation distribution.
- (4) Beginning in 2008, economic development incentive payments are recorded as expenses and are no longer recorded as contra revenues.



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# CITY OF NORTHGLENN, COLORADO

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Year	Commercial	Residential	Vacant Land	Industrial	Agriculture	Other Natural Resources	Oil & Gas
2000	\$ 36,297,310	\$ 112,850,350	\$ 4,120,680	\$ 2,781,340	\$ 61,110	\$ 150	\$ 102,380
2001	45,217,250	141,804,970	6,027,360	2,608,500	59,140	150	276,450
2002	45,306,840	151,195,300	3,476,430	3,614,790	42,330	150	264,190
2003	50,347,710	164,709,130	2,300,370	3,803,630	64,020	150	141,440
2004	49,811,680	165,299,690	2,276,650	3,803,630	64,020	150	248,950
2005	52,794,320	170,838,150	2,265,270	3,877,680	57,850	150	631,630
2006	52,996,120	169,907,940	2,184,380	3,877,650	57,850	150	624,830
2007	56,838,320	171,308,830	2,181,270	3,975,130	22,500	150	467,230
2008	56,836,630	170,640,120	2,138,700	3,975,130	61,870	150	356,890
2009	60,748,030	157,618,030	1,848,950	4,036,580	24,820	150	754,310

Source: Adams and Weld County Assessors

**Note:** Property in Colorado is reassessed every two years. Tax rates are per \$1,000 of assessed value. The assessed value of taxable property is determined by multiplying the "actual" value times an assessment ratio. The assessment ratio for residential property changes every two years based on a constitutionally mandated requirement to keep the ratio of assessed value of commercial property to residential property at the same level as it was in the property tax year commencing January 1, 1985 (the "Gallagher Amendment"). The Gallagher Amendment requires that statewide residential assessed values must be approximately 45% of the total assessed value in the State with commercial and other assessed values making up the other 55% of the assessed values in the State. In order to maintain this 45% / 55% ratio, the commercial assessment rate is established at 29% of the actual value of commercial property and the residential assessment rate fluctuates. The assessment rate of residential property by collection year was:

Year	Residential Rate
2000	9.74%
2001	9.15%
2002	9.15%
2003	7.96%
2004	7.96%
2005	7.96%
2006	7.96%
2007	7.96%
2008	7.96%
2009	7.96%



<b>State Assessed</b>	<b>Personal Property</b>	<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Value</b>	<b>Assessed Value as a % of Estimated Actual Value</b>
\$ 403,470	\$ 19,060,150	\$ 175,676,940	11.597	\$ 1,375,035,208	12.78%
405,730	20,429,930	216,829,480	11.597	1,807,848,967	11.99%
414,500	20,310,300	224,624,830	11.597	1,905,003,858	11.79%
427,430	20,697,720	242,491,600	11.597	2,337,099,511	10.38%
370,000	19,047,150	240,921,920	11.597	2,336,821,648	10.31%
369,540	20,174,610	251,009,200	11.597	2,421,203,639	10.37%
374,280	18,789,720	248,812,920	11.597	2,405,167,502	10.34%
292,010	18,211,590	253,297,030	11.597	2,434,177,198	10.41%
416,940	16,313,690	250,740,120	11.597	2,419,107,645	10.36%
261,360	14,537,680	239,829,910	11.597	2,299,232,194	10.43%

# CITY OF NORTHGLENN, COLORADO

Schedule 8

## DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN YEARS

Year	City Basic Rate	Overlapping Rates (1)					Total
		Adams County School District	Adams County	Rangeview Library District	North Metro Fire District	Urban Drainage Flood Control District	
2000	11.597	67.694	25.681	1.296	8.552	0.667	115.487
2001	11.597	64.429	23.541	1.388	8.227	0.590	109.772
2002	11.597	63.786	26.370	1.391	8.409	0.531	112.084
2003	11.597	62.040	26.779	1.387	8.455	0.533	110.791
2004	11.597	68.763	26.903	1.394	8.430	0.538	117.625
2005	11.597	67.060	26.804	1.388	8.635	0.532	116.016
2006	11.597	67.044	26.974	3.659	11.679	0.542	121.495
2007	11.597	64.595	26.899	3.504	11.801	0.507	118.903
2008	11.597	69.671	26.809	3.659	13.168	0.528	125.432
2009	11.597	70.179	26.824	3.659	13.207	0.508	125.974

**Source:** Adams County abstract of assessments and tax levies

**Note:** The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Overlapping rates are those of local and county governments that apply to property owners with the City of

# CITY OF NORTHGLENN, COLORADO

Schedule 9

## PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
ELPF Northglenn LLC	\$ 10,120,060	1	4.22%	\$ -	-	0.00%
North Claude Apartments LLC	4,829,450	2	2.01%	-	-	0.00%
Public Service Company	3,204,620	3	1.34%	3,835,550	2	2.18%
Capri W Stone Mountain LLC	2,565,860	4	1.07%	-	-	0.00%
Rosemont APTS LLC	2,460,070	5	1.03%	-	-	0.00%
Eagle Hardware & Garden Inc	2,237,700	6	0.93%	2,000,440	4	1.14%
North Express LLC	1,987,260	7	0.83%	-	-	0.00%
Shamrock Properties LLC	1,957,690	8	0.82%	-	-	0.00%
Northglenn Business Park LLC	1,902,980	9	0.79%	-	-	0.00%
Washington Point Lennane 04 LLC	1,885,450	10	0.79%	-	-	0.00%
JP Northglenn LLC	-	-	-	5,986,940	1	3.41%
John Q. Hammons	-	-	-	2,349,000	3	1.34%
American Precision Plastics	-	-	-	1,775,140	5	1.01%
Metro North Ltd	-	-	-	1,656,700	6	0.94%
Northglenn Industrial LLC	-	-	-	1,479,940	7	0.84%
Glen Arms Apartments Ltd	-	-	-	1,436,000	8	0.82%
Epstein Warren G Irrevocable Trust	-	-	-	1,305,000	9	0.74%
Northglenn Lease Venture	-	-	-	1,227,340	10	0.70%
Total	<u>\$ 33,151,140</u>		<u>13.82%</u>	<u>\$ 23,052,050</u>		<u>13.12%</u>

Source: Adams and Weld County Assessors

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN YEARS

<u>Collection Year</u>	<u>Taxes Levied for the Year (1)</u>	<u>Collections (2)</u>	<u>Percentage of Levy (3)</u>
2000	\$ 1,992,245	\$ 1,962,467	98.51%
2001	2,037,325	2,012,177	98.77%
2002	2,514,571	2,492,693	99.13%
2003	2,604,974	2,558,129	98.20%
2004	2,812,175	2,777,401	98.76%
2005	2,793,971	2,778,244	99.44%
2006	2,910,954	2,882,659	99.03%
2007	2,885,484	2,852,300	98.85%
2008	2,938,883	2,911,999	99.09%
2009	2,908,957	2,858,807	98.28%

Source: Adams and Weld County Assessors

- (1) Taxes are levied on November 1 of the prior year based on the prior year's assessed valuation at January 1.
- (2) Includes general funds.
- (3) Information on outstanding delinquent taxes is not readily available.



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# CITY OF NORTHGLENN, COLORADO

## SALES TAX COLLECTIONS BY CATEGORY (1) LAST TEN YEARS

Category	2000	2001	2002	2003
Automotive Dealers/Service/Supplies	\$ 1,003,279	\$ 1,044,150	\$ 1,205,735	\$ 1,238,858
Finance/Insurance/Real Estate	379,345	362,595	379,391	338,435
Food Stores (2)	1,478,458	1,413,013	1,269,154	1,239,036
Retail Stores	2,594,805	2,909,560	3,501,752	3,256,230
Clothing Stores	696,745	815,669	1,191,886	1,155,767
Eating and Drinking Establishments	60,369	1,851,493	2,168,934	2,152,897
Utilities	1,401,097	1,559,796	1,674,389	1,813,942
Home Improvement/Building/Hardware	1,314,435	1,457,997	1,712,362	1,779,481
Contractors/Service Providers	525,908	647,996	786,809	767,751
Lodging (3)	304,423	277,345	239,084	191,776
Entertainment	158,206	243,540	197,063	183,419
Miscellaneous	126,367	80,854	130,658	68,991
<b>Total</b>	<b>\$ 10,043,438</b>	<b>\$ 12,664,007</b>	<b>\$ 14,457,216</b>	<b>\$ 14,186,582</b>
City Direct Sales Tax Rate	3.50%	3.50%	4.00%	4.00%

**Source:** City of Northglenn Finance Department

(1) Excludes use tax, penalties & interest, and audit recoveries.

(2) Food for home consumption is taxed at 3.5%.

(3) Lodging is taxed at 5.0%.

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$	1,168,693	\$ 1,164,989	\$ 1,159,937	\$ 1,279,531	\$ 1,217,108	\$ 1,096,383
	285,044	230,393	215,338	242,977	209,800	164,374
	1,197,537	1,046,484	984,274	847,498	672,527	770,243
	3,313,991	3,344,315	2,791,678	3,312,507	3,722,548	3,391,576
	1,153,250	1,156,569	1,178,449	1,189,154	1,188,448	1,169,581
	2,201,766	2,166,061	2,090,345	2,133,276	2,026,016	1,854,498
	1,889,101	2,010,558	2,072,251	2,103,475	2,245,886	2,056,792
	1,969,704	1,810,181	1,516,932	1,341,385	1,217,351	1,122,500
	736,355	787,766	839,371	686,547	702,750	635,662
	155,633	130,601	132,538	134,271	155,556	114,075
	127,288	183,979	187,568	233,038	212,596	176,543
	63,857	104,688	74,840	113,830	107,750	123,981
<b>\$</b>	<b>14,262,219</b>	<b>\$ 14,136,585</b>	<b>\$ 13,243,520</b>	<b>\$ 13,617,487</b>	<b>\$ 13,678,335</b>	<b>\$ 12,676,208</b>
	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

## DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN YEARS

<u>Year</u>	<u>City Direct Rate (1)</u>	<u>State of Colorado</u>	<u>Adams County</u>	<u>RTD/ SCFD/ FD (2)</u>	<u>Total Sales Tax Rate</u>
2000	3.50%	3.00%	0.70%	0.80%	8.00%
2001	3.50%	2.90%	0.70%	0.80%	7.90%
2002	4.00%	2.90%	0.70%	0.80%	8.40%
2003	4.00%	2.90%	0.70%	0.80%	8.40%
2004	4.00%	2.90%	0.70%	0.80%	8.40%
2005	4.00%	2.90%	0.70%	1.20%	8.80%
2006	4.00%	2.90%	0.70%	1.20%	8.80%
2007	4.00%	2.90%	0.75%	1.20%	8.85%
2008	4.00%	2.90%	0.75%	1.20%	8.85%
2009	4.00%	2.90%	0.75%	1.20%	8.85%

**Source:** City of Northglenn Finance Department

(1) Sales tax rates for years 2002 and beyond reflect rate of sales tax on everything except food for home consumption. Food for home consumption is taxed at a rate of 3.50% by the City and is not taxed by any other overlapping jurisdiction.

(2) Includes special districts Regional Transportation District (RTD), Science/Cultural Facility District (SCFD), and Football District (FD).





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# CITY OF NORTHGLENN, COLORADO

## RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

Year	Governmental Activities		Business-Type Activities			Total Primary Government
	Notes Payable	Capital Lease	General Obligation Bonds	Certificates Of Participation	Capital Lease	
2000	-	-	36,675,000	-	-	36,675,000
2001	1,424,320	-	32,670,000	-	-	34,094,320
2002	1,312,395	1,101,478	28,520,000	13,515,000	162,959	44,611,832
2003	1,194,594	1,155,194	24,170,000	13,095,000	425,564	40,040,352
2004	1,070,608	1,473,891	19,630,000	12,645,000	812,767	35,632,266
2005	1,709,678	967,567	14,670,000	12,185,000	612,387	30,144,632
2006	802,763	922,495	9,820,000	11,715,000	1,297,182	24,557,440
2007	658,206	922,513	6,105,000	11,225,000	922,384	19,833,103
2008	506,061	482,628	2,785,000	10,715,000	766,718	15,255,407
2009	345,927	119,227	-	10,185,000	433,561	11,083,715

**Note:** Details of the City's outstanding debt can be found in the notes to the financial statements.

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**Schedule 13**

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<u>Percentage Of Personal Income</u>	<u>Population</u>	<u>Debt Per Capita</u>
4.623%	31,575	1,162
3.360%	35,357	964
4.138%	37,040	1,204
3.668%	37,527	1,067
3.233%	37,176	958
2.699%	36,854	818
2.135%	36,889	666
1.725%	35,827	554
1.328%	35,238	433
0.965%	35,238	315

# CITY OF NORTHGLENN, COLORADO

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN YEARS

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Debt Applicable to Limitation:				
General Obligation Bonds	\$ 36,675,000	\$ 32,670,000	\$ 28,520,000	\$ 24,170,000
Less: Debt payable from Enterprise Fund revenues				
2004 Utility Refunding	-	-	-	-
1996 Utility Refunding	(19,635,000)	(15,745,000)	(11,710,000)	(8,315,000)
1994 Utility Refunding	(17,040,000)	(16,925,000)	(16,810,000)	(15,855,000)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage to estimated actual property value (1)	0.00%	0.00%	0.00%	0.00%
Per capita (2)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net debt applicable to limit	-	-	-	-
Legal debt limit (3)	<u>41,251,056</u>	<u>54,235,469</u>	<u>57,150,116</u>	<u>70,112,985</u>
Legal debt margin	<u>\$ 41,251,056</u>	<u>\$ 54,235,469</u>	<u>\$ 57,150,116</u>	<u>\$ 70,112,985</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements

(1) Property value data can be found in Schedule 7: Taxable assessed value and estimated actual value of taxable property

(2) Population data can be found in Schedule 16

(3) Colorado Revised Statutes 31-15-302 (II) - 3% of Actual Value

**Schedule 14**

<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$ 19,630,000	\$ 14,670,000	\$ 9,820,000	\$ 6,105,000	\$ 2,785,000	\$ -
(14,830,000)	(13,660,000)	(9,820,000)	(6,105,000)	(2,785,000)	-
(4,800,000)	(1,010,000)	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	-
-	-	-	-	-	-
70,104,649	72,636,109	72,155,025	73,025,316	72,573,229	68,976,966
<u>\$ 70,104,649</u>	<u>\$ 72,636,109</u>	<u>\$ 72,155,025</u>	<u>\$ 73,025,316</u>	<u>\$ 72,573,229</u>	<u>\$ 68,976,966</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

# CITY OF NORTHGLENN, COLORADO

Schedule 15

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2009

<u>Name of Governmental Entity</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Northglenn	\$ -	100%	\$ -
Overlapping:			
Adams County School District No. 12	369,524,845	0.94%	3,483,003
North Metro Fire Rescue Authority	24,630,000	22.84%	<u>5,624,272</u>
	<u>\$ 394,154,845</u>		<u>\$ 9,107,275</u>

**Sources:** North Metro Fire Rescue Authority, Adams County School District #12

(1) Excluding self-supporting general obligation bonds reported in the Enterprise Funds.

# CITY OF NORTHGLENN, COLORADO

Schedule 16

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

Year	(1) Population	Personal Income	(2) Adams County Per Capita Income	(1) Adams County Median Age	(3) Adams County School Enrollment	(4) Unemployment Rate	(4) Denver Boulder Consumer Price Index
2000	31,575	\$ 793,290,300	\$ 25,124	35.4	60,663	2.0%	173.2
2001	35,357	1,014,816,614	28,702	31.4	63,340	4.0%	181.3
2002	37,040	1,078,123,280	29,107	32.0	65,990	5.7%	184.8
2003	37,527	1,091,472,795	29,085	33.2	67,903	6.1%	186.8
2004	37,176	1,102,045,344	29,644	33.2	70,694	5.6%	187.0
2005	36,854	1,116,823,616	30,304	32.5	73,348	5.2%	190.9
2006	36,889	1,150,457,243	31,187	32.7	74,157	4.3%	197.7
2007	35,827	1,149,795,911	32,093	32.1	75,780	3.8%	202.0
2008	35,238	1,148,335,944	32,588	32.1	79,253	5.4%	209.9
2009	35,238	1,148,335,944	32,588	32.1	81,645	9.0%	208.6

**Sources:**

(1) US Census Bureau - Current figures for 2009 were unavailable at the time of this report.

(2) Bureau of Economic Analysis - Current figures for 2009 were unavailable at the time of this report.

(3) Colorado Department of Education

(4) Bureau of Labor Statistics

Note: The City of Northglenn does not rely on one or a few employers for revenue and does not track principal employer information.



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# CITY OF NORTHGLENN, COLORADO

Schedule 17

## FULL-TIME EMPLOYEES BY FUNCTION/PROGRAM LAST SEVEN YEARS

Function / Program	2003	2004	2005	2006	2007	2008	2009
<b>General Government</b>							
City Manager	5	8	7	1	1	2	2
City Clerk	3	2	2	3	3	2	3
Finance	20	17	14	14	14	14	13
Human Resources	5	6	5	6	6	6	5
Municipal Court	3	3	3	6	6	4	4
Public Communication	2	2	2	2	2	2	2
Community Engagement	-	2	2	2	2	2	2
Planning & Development	3	3	3	6	6	14	11
Information Technology	9	5	7	7	7	6	6
<b>Public Safety</b>							
Patrol	58	60	66	50	50	49	52
Animal Control Officers	4	7	8	10	10	2	2
Administration/Support	22	13	9	27	27	23	23
<b>Maintenance and Operations</b>							
Administration	1	-	2	2	2	1	2
Utilities	9	6	6	10	10	9	8
Sanitation	14	11	12	12	12	13	13
Facilities Maintenance	4	3	4	4	4	4	4
Street Maintenance	8	2	2	2	2	7	8
Fleet Maintenance	6	6	4	4	4	4	4
<b>Community Services</b>							
Logistics, Design & Engineering	10	11	9	13	13	6	6
Building Inspections & Permits	7	4	3	-	-	6	-
Cultural & Recreational	19	15	11	12	12	10	8
Parks	14	11	11	14	14	15	15
<b>Water and Environmental Services</b>							
Water	27	22	21	25	25	21	19
Wastewater	4	3	6	5	5	5	6
Storm Drainage	1	1	1	1	1	1	1
<b>Total</b>	<u>258</u>	<u>223</u>	<u>220</u>	<u>238</u>	<u>238</u>	<u>228</u>	<u>219</u>

Source: City of Northglenn Human Resources Department

Note: Includes regular full-time employees as of December 31st.  
Information by department not maintained prior to 2003.

# CITY OF NORTHGLENN, COLORADO

## OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN YEARS

	2000	2001	2002	2003
<b>Police</b>				
Physical Arrests	2,770	2,513	2,122	2,356
Traffic Violations	802	6,125	5,353	5,361
Parking Violations	1,799	1,403	1,251	1,192
<b>Fire (1)</b>				
Number of Fire Personnel & Officers	23	23	23	24
<b>Building Division</b>				
Building Permits Value	70,867,420	62,186,056	18,021,473	10,257,251
Building Permits Issued	2,680	2,623	1,966	1,716
<b>Refuse Collection</b>				
Refuse collected (average tons )	40,930	21,371	22,769	23,216
Recyclables collected (average tons)				
Commingled	94	111	101	100
Newspaper	778	542	539	420
Steel	205	207	209	191
<b>Other Public Works</b>				
Minor Street Repair Materials (tons)	n/a	n/a	762	1,590
Street Sweeping (Miles)	n/a	n/a	1,731	1,831
<b>Parks and Recreation</b>				
Athletic Field Rentals	n/a	n/a	n/a	n/a
Recreation Center Memberships	n/a	n/a	n/a	n/a
Theatre Admissions	n/a	n/a	n/a	n/a
Park Shelter Rentals	n/a	n/a	n/a	n/a
<b>Water</b>				
Number of Service Connections	10,374	10,413	10,448	10,448
Water main breaks	9	10	13	7
Average daily consumption (millions of gallons)	5.170	5.080	5.350	4.633
Peak daily consumption (millions of gallons)	11.115	12.120	11.500	11.070
<b>Wastewater</b>				
Average daily treatment (millions of gallons)	3.840	4.010	3.787	3.753

**Sources:** Various city departments, unless otherwise noted

(1) North Metro Fire Rescue Authority

**Notes:** Indicators are not available for the general government function.

n/a : Data unavailable

**Schedule 18**

<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
2,643	3,384	3,601	3,380	3,323	2,830
5,944	4,370	11,019	10,140	10,654	10,695
846	618	768	1,022	801	933
24	24	24	24	24	24
9,795,726	9,458,689	7,966,318	8,518,629	8,975,113	6,657,248
1,579	1,368	459	479	453	247
21,792	24,193	15,773	15,978	15,807	15,336
103	104	104	108	147	168
399	375	353	273	294	236
114	120	113	87	58	39
637	343	485	583	916	1,319
1,237	1,346	1,456	2,022	2,513	3,199
n/a	104	160	132	103	105
n/a	1,656	2,345	2,738	3,635	4,417
n/a	7,416	6,879	6,957	4,960	6,314
n/a	512	498	538	506	512
10,203	10,220	10,226	10,321	10,328	10,331
2	8	10	26	10	6
4.335	4.988	5.262	4.630	4.601	4.074
10.580	12.280	11.340	11.030	10.958	9.432
3.604	3.809	3.548	3.810	3.810	3.834

# CITY OF NORTHGLENN, COLORADO

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN YEARS

	2000	2001	2002	2003
<b>Police</b>				
Stations	1	1	1	1
Patrol Units	16	24	26	25
<b>Fire Stations (1)</b>	2	2	2	2
<b>Refuse Collection</b>				
Collection Trucks (Trash & Roll Off)	9	10	8	7
Recycling Collection Stations	2	2	2	2
<b>Other Public Works</b>				
Streets (miles) (2)	105.07	105.07	105.07	105.71
Street Lights	1,826	1,879	1,917	2,004
<b>Parks and Recreation</b>				
Community Centers	1	1	1	1
Parks	24	25	25	25
Developed Acreage	165	182	182	182
Undeveloped Acreage	325	308	308	308
Swimming Pools	2	2	2	2
Tennis Courts	11	11	11	11
<b>Water</b>				
Water Mains (miles)	119.60	120.40	120.00	120.00
Fire Hydrants	760	955	955	965
Storage Capacity (millions of gallons)	4,750,000	4,750,000	4,750,000	7,750,000
Daily Plant Capacity (millions of gallons)	14.00	14.00	16.00	16.00
<b>Wastewater</b>				
Treatment Plants	1	1	1	1
Sanitary Sewer (miles)	111.20	112.00	112.00	112.00
Storm Sewer (miles)	12.20	12.20	12.20	12.35
Treatment Capacity (millions of gallons)	6.50	6.50	6.50	6.50

**Sources:** Various city departments, unless otherwise noted

(1) North Metro Fire Rescue Authority

(2) CDOT Annual Certification Report

**Notes:** No capital asset indicators are available for the general government function.

n/a - data unavailable

\*The City has not added new storm pipe, however, a more accurate mapping and reporting method are being used.  
Thus the change in number of miles

**Schedule 19**

<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
1	1	1	1	1	1
23	24	28	22	22	23
2	2	2	2	2	2
8	8	11	8	8	9
2	2	2	2	2	2
105.71	105.71	105.71	104.92	104.92	104.92
2,004	2,004	2,004	2,004	2,011	2,012
1	1	1	1	1	1
25	25	25	25	25	25
182	182	182	182	182	182
308	312	312	312	312	312
2	2	2	2	2	2
9	5	5	5	5	5
120.43	120.43	120.43	120.43	120.43	120.43
973	973	973	973	1,000	1,000
7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
16.00	16.00	16.00	16.00	16.00	16.00
1	1	1	1	1	1
112.00	112.00	112.00	112.00	112.00	112.00
12.48	12.48	12.48	12.48	23.00	23.00
6.50	6.50	6.50	6.50	6.50	6.50



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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: CITY OF NORTHLENN
		YEAR ENDING : December 2009
This Information From The Records Of (example - City of _ or County of ) CITY OF NORTHGLENN	Prepared By: Phone:	Jason Loveland 303.450.8784

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,214,401
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	398,454
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	12,415
2. General fund appropriations	95,983	b. Snow and ice removal	85,725
3. Other local imposts (from page 2)	761,445	c. Other	
4. Miscellaneous local receipts (from page 2)	1,337,303	d. Total (a. through c.)	98,140
5. Transfers from toll facilities		4. General administration & miscellaneous	58,778
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,386,479
a. Bonds - Original Issues		6. Total (1 through 5)	3,156,251
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	2,194,731	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	961,520	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	3,156,251	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	3,156,251

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		3,156,251	3,156,251		0

**Notes and Comments:**

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2009	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	1,329,605
1. Sales Taxes	598,799	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	7,698
5. Specific Ownership &/or Other	162,646	g. Other Misc. Receipts	0
6. Total (1. through 5.)	761,445	h. Other	
c. Total (a. + b.)	761,445	i. Total (a. through h.)	1,337,303
	(Carry forward to page 1)		(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	851,728	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	109,792	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	109,792	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	961,520	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs		271,506	271,506
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		46,330	46,330
(4). System Enhancement & Operation		896,565	896,565
(5). Total Construction (1) + (2) + (3) + (4)	0	942,895	942,895
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,214,401	1,214,401
			(Carry forward to page 1)
<b>Notes and Comments:</b>			