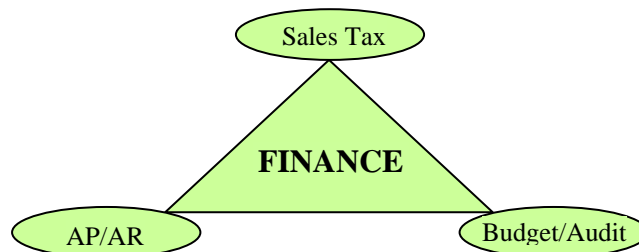


City of **Littleton**

Littleton, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Fiscal Year Ended
December 31, 2010*



Prepared by the Department of Finance

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2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

CITY OF LITTLETON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2010

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Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

Finance Department

2255 West Berry Avenue

Littleton, CO 80165

303-795-3765

303-795-3815 Fax

May 26, 2011

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

We are pleased to submit this comprehensive annual financial report of the City of Littleton, Colorado for the fiscal year ended December 31, 2010. The City is responsible for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

State statutes and the City Charter require an annual audit by independent certified public accountants. The accounting firm of Bondi & Company, LLC was selected to perform the audit. Their report on the government wide financial statements, combining and individual fund statements is included in the financial section of this report.

Governmental Accounting Standards Board's Statement Number 34 ("GASB 34") requires that management provide a narrative introduction, general overview and analysis to accompany the basic financial statements, in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately behind the independent auditor's report.

Profile of the Government. The City of Littleton was incorporated on March 8, 1890 with its present Home-Rule Charter adopted on July 28, 1959. The city is located on the southern edge of the Denver metropolitan area. The city functions under a council-manager form of government. The city council is comprised of seven members who are elected by the citizens of Littleton, three at-large and four from legislative districts. This seven member city council serves as the policy-making body of the city. The City provides a full range of services. These services include police and fire protection, emergency medical services, and wastewater and storm drainage utilities, the construction and maintenance of highways, streets, other infrastructure, library, and museum.

This report includes all financial activities for which the City Council is accountable to the citizens of the City. All applicable funds, departments, and a legally separate component unit are included in these financial statements as part of the Primary Government of the City. The City does not approve nor control revenues and expenditures or any activities of the Littleton Riverfront Authority. The debt of the Littleton Riverfront Authority is serviced only by incremental tax revenues collected within the boundaries of the Authority. The City has no obligation to fund this debt beyond its dedicated revenue source. Financial activities of the Littleton Colorado Municipal Building Authority and the Littleton Building Corporation are included in the report, but the board members are appointed by the board and not the City's governing body.

Management of the City is responsible for establishing and maintaining internal controls. Controls should be designed to ensure that the assets of the City are protected from loss, theft or misuse. They should ensure that adequate accounting data is compiled so that the financial statements can be prepared in conformity with generally accepted accounting principals. The internal controls are reviewed as a part of the City's annual audit. They are designed to provide reasonable, but not absolute assurance, that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all City funds except trust and agency funds are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level, while daily budgetary control is at the line item level.

Factors Affecting Financial Condition

Local economy. Littleton's revenues reflected an improved economy as opposed to 2009. General Fund revenues, excluding transfers in, were higher than 2009 by 5%. Sales and use taxes represented approximately 50% of total general fund revenue and was 4% higher than 2009. The city has budgeted flat sales and use tax revenues for 2011 while the economy continues to stabilize.

Long term financial planning. The city continues to amend and revise the five-year projection model for the General Fund. This will aide in long-term planning and serves as an ongoing budget tool. The City continued an active program of capital improvements related to infrastructure and open space. A significant purchase of open space is expected in the future and the city is holding funds in anticipation of this purchase.

Debt administration. In accordance with the City Charter, debt issuances are subject to a legal limitation based on 3.7% of total assessed value of real and personal property for non-water and/or sewer bonds. As of December 31, 2010, the City's net general obligation bonded debt was zero.

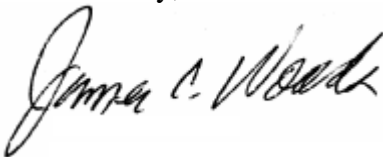
At December 31, 2010, the City had other debt issues outstanding. These issues included \$1.2 million in sewer general obligation loans, \$41.0 million in a sewer revenue loans, \$0.9 million of capitalized leases and certificates of participation in the amount of \$13.6 million.

The last rating from Standard & Poor's Corporation was an AA- in 2005. This rating was affirmed by Standard & Poor on March 30, 2011.

Awards. The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2009. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate. The GFOA has also awarded the City its Distinguished Budget Presentation Award for the fiscal year 2010. This is the third year for this award.

Acknowledgements. The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We also would like to thank the Mayor, City Council Members and the Audit Committee Members for their support in planning and conducting the financial operations of the city.

Sincerely,



James C. Woods
City Manager



Doug Farnen, CPA
Finance Director

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Littleton
Colorado

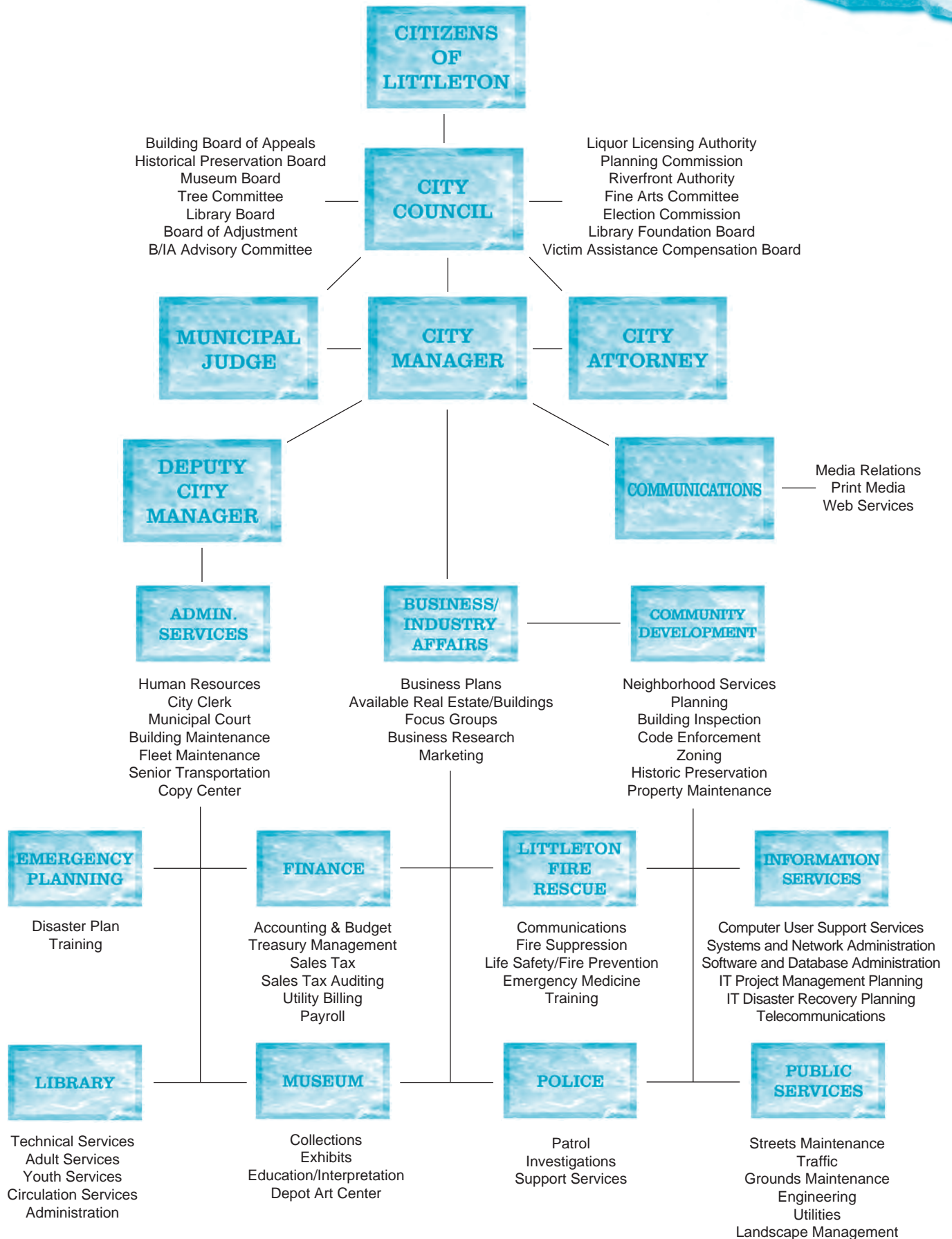
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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.



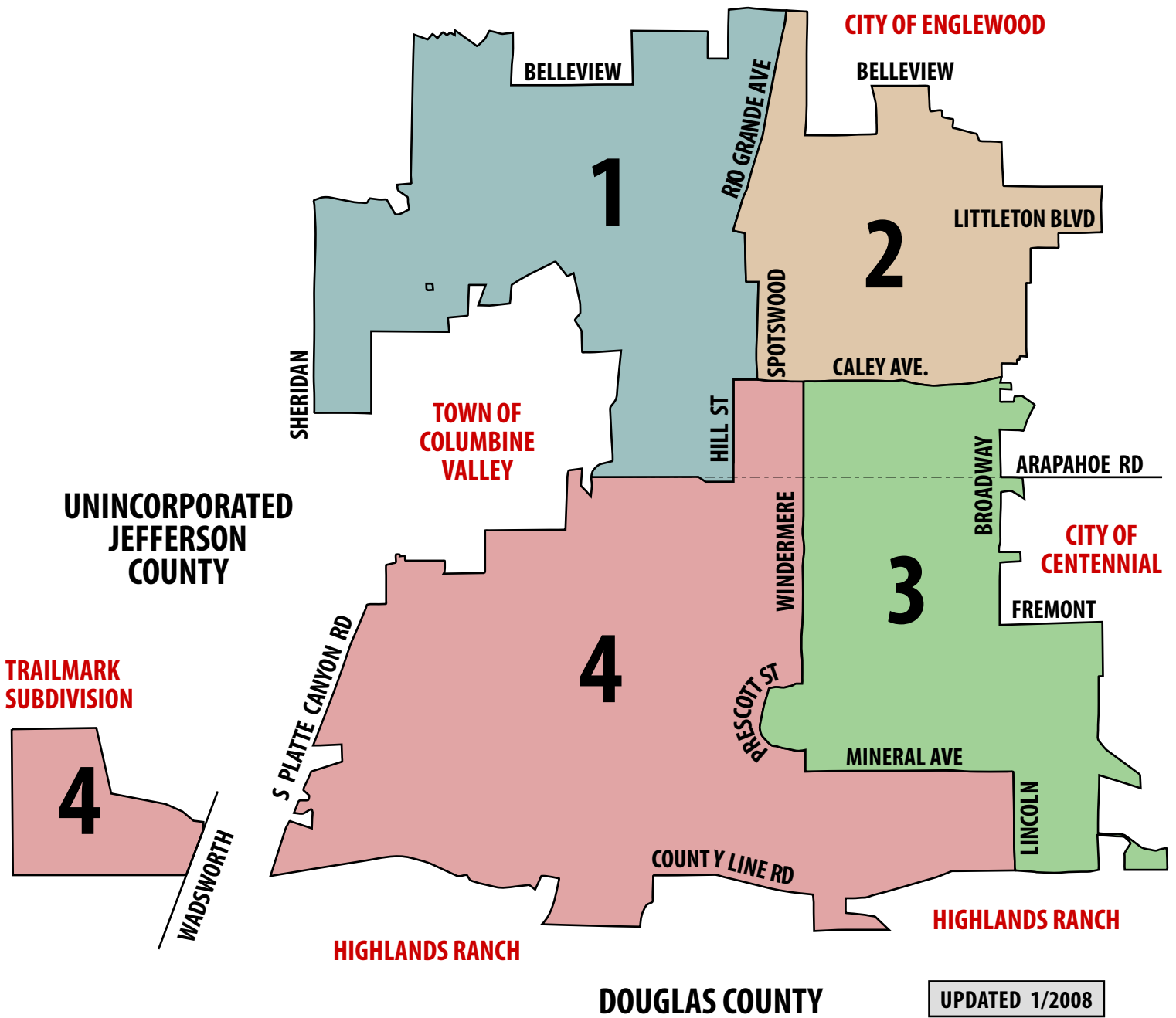
President

Executive Director



City of Littleton

CITY COUNCIL DISTRICTS



List of Principal Officials

December 31, 2010

MEMBERS OF 2010 CITY COUNCIL

		<i>Term Expires</i>
President – at large	Doug Clark	2011
President Pro-Tem District IV	Debbie Brinkman	2011
City Council Member District III	Phil Cernanec	2013
City Council Member at large	Peggy Cole	2011
City Council Member at large	Bruce Stahlman	2013
City Council Member District I	Jim Taylor	2013
City Council Member District II	Joe Trujillo	2011

CITY OFFICIALS

City Manager	James Woods
Deputy City Manager	Philip Cortese
City Attorney	Suzanne Staiert
Communications	Kelli Narde
Business/Industry Affairs	Chris Gibbons
Community Development	Dennis Swain
Human Resources	Erich Won Savage
Finance	Doug Farnen
Fire	John Mullin
Information Services	Kenneth Price
Library and Museum	Timothy Nimz
Police	Heather Coogan
Public Services	Charles Blosten

SEPARATE AUTHORITIES

Littleton Municipal Building Authority	Carle Zimmerman, President
Littleton Building Corporation	Carle Zimmerman, President
Littleton Riverfront Authority	James Taylor, Chairman



Debbie Brinkman
Mayor Pro Tem
District IV



Phil Cernanec
District III



Doug Clark
Mayor
At Large



Peggy Cole
At Large



Bruce Stahlman
At Large



Jim Taylor
District I



Joseph Trujillo
District II

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado



BONDI & Co. LLC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

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ENGLEWOOD, COLORADO 80112

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(303) 799-6926 FAX

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

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Littleton, Colorado (City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City'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 previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages c through j, the budgetary comparison schedules on pages 41 and 42, and the note to the required supplementary information on pages 43 through 44 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited

**Honorable Mayor and Members
of the City Council
City of Littleton**

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's basic financial statements. The combining and individual fund statements and schedules, the introductory section, the statistical tables and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and the Local Highway Finance Report have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables 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.

May 24, 2011


BONDI & Co. LLC

Management's Discussion and Analysis

As management of the City of Littleton, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

At the close of the year, the total net assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$161,433,336 (*net assets*). Of this amount, \$62,840,946 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors. Additionally, a 3% reserve, \$1,661,477, for emergencies required by Colorado Statute is restricted in the General Fund and \$4,002,699 is restricted for open space and parks.

- Total net assets of the City increased by \$1,045,369 or .6% compared to 2009. In the governmental activities, revenues exceeded expenses by \$1,349,255 and in the business-type activities, expenses exceeded revenues by \$303,886.
- As of December 31, 2010, the City's governmental funds reported combined ending fund balances of \$20,524,719.

Overview of the Financial Statements

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

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City included general government, public safety, public works, culture and recreation. The business-type activities of the City include the sewer utility, water utility, storm drainage, fire communications center, city owned housing, emergency medical transport, fire safety, and building funds.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate redevelopment authority and legally separate building authority and building corporation. Although legally separate, these entities function for all practical purposes as agencies of the City, and therefore have been included as integral parts of the primary government. These entities do not issue separate financial statements.

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

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

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

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the special projects fund, both of which are considered major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

Proprietary funds. The City maintains eleven proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer utility, storm drainage, fire communications center, city owned housing, emergency medical transport, fire safety, and building funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet maintenance, employee benefits and property and liability insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, storm drainage, fire communications center, city owned housing, emergency medical transport, fire safety, and building funds. The sewer utility, water utility and building corporation are considered major funds. Conversely, all three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

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

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

Government-wide Financial Analysis

Net 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 Littleton, assets exceeded liabilities by \$161,433,336 at the close of the most recent fiscal year. (See Table A-1.)

**Table A-1
City of Littleton's Net Assets**

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2009 - 2010
	2010	2009	2010	2009	2010	2009	
Current and other assets	\$ 34,124,692	\$ 37,591,163	\$ 89,179,161	\$ 91,730,031	\$ 123,303,853	\$ 129,321,194	-4.65%
Capital assets	77,694,724	72,297,300	29,681,176	30,628,433	107,375,900	102,925,733	4.32%
Total assets	111,819,416	109,888,463	118,860,337	122,358,464	230,679,753	232,246,927	-0.67%
Long-term liabilities	1,758,064	1,986,860	56,458,871	60,294,246	58,216,935	62,281,106	-6.53%
Other liabilities	8,513,924	7,703,430	2,515,558	1,874,424	11,029,482	9,577,854	15.16%
Total liabilities	10,271,988	9,690,290	58,974,429	62,168,670	69,246,417	71,858,960	-3.64%
Invested in capital assets, net of related debt	76,797,038	71,157,178	16,131,176	16,328,433	92,928,214	87,485,611	6.22%
Restricted	5,664,176	6,201,254	-	-	5,664,176	6,201,254	-8.66%
Unrestricted	19,086,214	22,839,741	43,754,732	43,861,361	62,840,946	66,701,102	-5.79%
Total net assets	\$ 101,547,428	\$ 100,198,173	\$ 59,885,908	\$ 60,189,794	\$ 161,433,336	\$ 160,387,967	0.65%

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

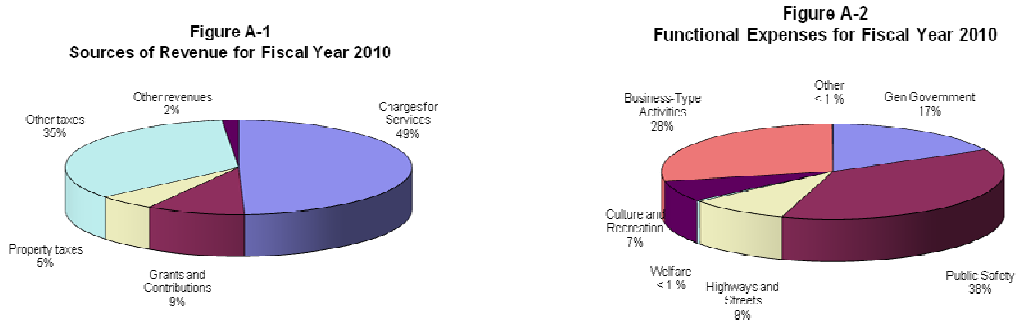
The largest portion of the City’s net assets is invested in Capital Assets that represent \$92,928,214 or 58% of total net assets.

Of the City’s \$161,433,336 in net assets, \$5,664,176 is restricted for various purposes including the emergency reserves as required by the Colorado Constitution and open space and parks.

Changes in Net Assets. The City’s total revenues were higher than prior year by \$8,219,422, or 12%. Revenues in 2010 were \$75,897,891 as compared to \$67,678,469 in 2009. Operating and capital grants derived over \$5 million or 65% of this increase that were received toward parks and open space land. Sales and use taxes increased by \$949,909 or over 4% as the local economy rebounded from the 2009 national recession. About 40% of the City’s total revenues come from sales and other types of taxes. Almost half comes from fees charged for

services (including the fire department partner revenues) and the remaining comes from federal, state and local grants and miscellaneous revenues. (See Figure A-1.)

The total cost of all programs and services, \$74,852,522, increased by 7% from 2009. The City’s expenses cover a range of services, of which more than half is related to public safety and business-type activities. (See Figure A-2.)



Governmental Activities

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

Revenues. Total revenues for all governmental activities were \$55,345,053. This is an increase from 2009 of \$6,122,843 or 12%. The following depicts the major revenue sources for the governmental activities:

- The fire partners contributed \$10,894,710
- Additional charges for services were \$8,097,083 which includes fire partner administration fees, court costs, Littleton Public Schools officers, Littleton VALE, building permits, highway users tax, open space, county road and bridge, plans checking, lottery funds and other miscellaneous revenues
- Grants and contributions related to public safety, highways and streets, welfare and culture and recreation were \$4,999,634
- Tax related revenues were \$30,339,527
- The total for interest and miscellaneous revenues is \$1,014,099

Expenses. Efforts were made to limit expenses in 2010 with a small increase of \$1,572,426 or 3% above 2009. Most of this increase was due to higher professional/consulting and utility expenses as compared to 2009. While expenses in 2010 were higher than 2009, 2010 did result in a positive budget variance of 6%. Most of the budget savings was derived from unfilled positions and vehicle fuel costs.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2010	2009	2010	2009	2010	2009	2009 - 2010
Revenues:							
Program revenues:							
Charges for services	\$ 18,991,753	\$ 17,797,246	\$ 18,545,891	\$ 17,259,434	\$ 37,537,644	\$ 35,056,680	7.08%
Operating grants and contributions	2,426,853	340,406	-	-	2,426,853	340,406	612.93%
Capital grants and contributions	2,572,781	528,268	1,887,941	658,218	4,460,722	1,186,486	275.96%
General revenues:							
Property taxes	4,082,829	3,985,103	-	-	4,082,829	3,985,103	2.45%
Other taxes	26,256,698	25,988,458	-	-	26,256,698	25,988,458	1.03%
Other	1,014,139	582,729	119,006	538,607	1,133,145	1,121,336	1.05%
Total revenues	<u>55,345,053</u>	<u>49,222,210</u>	<u>20,552,838</u>	<u>18,456,259</u>	<u>75,897,891</u>	<u>67,678,469</u>	<u>12.14%</u>
Expenses:							
General government	12,996,864	12,655,778	-	-	12,996,864	12,655,778	2.70%
Public safety	27,945,448	27,005,362	-	-	27,945,448	27,005,362	3.48%
Highways and streets	6,958,753	6,732,039	-	-	6,958,753	6,732,039	3.37%
Welfare	309,346	307,783	-	-	309,346	307,783	0.51%
Culture and recreation	5,386,181	5,314,622	-	-	5,386,181	5,314,622	1.35%
Interest	42,276	50,858	-	-	42,276	50,858	-16.87%
Sewer Utility	-	-	15,298,747	12,279,515	15,298,747	12,279,515	24.59%
Water Utility	-	-	-	1,924	-	1,924	-100.00%
Building Corporation	-	-	844,033	861,537	844,033	861,537	-2.03%
Storm Drainage	-	-	736,667	722,265	736,667	722,265	1.99%
South Metro Comm Center	-	-	1,073,886	1,062,996	1,073,886	1,062,996	1.02%
Geneva Village	-	-	98,438	102,662	98,438	102,662	-4.11%
Emergency Medical Transportation	-	-	2,765,744	2,684,222	2,765,744	2,684,222	3.04%
Permit Plan Review	-	-	203,233	187,990	203,233	187,990	8.11%
Building Authority	-	-	192,906	208,917	192,906	208,917	-7.66%
Total expenses	<u>53,638,868</u>	<u>52,066,442</u>	<u>21,213,654</u>	<u>18,112,028</u>	<u>74,852,522</u>	<u>70,178,470</u>	<u>6.66%</u>
Increase (decrease) in net assets before transfers	1,706,185	(2,844,232)	(660,816)	344,231	1,045,369	(2,500,001)	-141.81%
Transfers	(356,930)	11,359,326	356,930	(11,359,326)	-	-	-
Increase (decrease) in net assets	<u>1,349,255</u>	<u>8,515,094</u>	<u>(303,886)</u>	<u>(11,015,095)</u>	<u>1,045,369</u>	<u>(2,500,001)</u>	<u>-141.81%</u>
Net assets - beginning	<u>100,198,173</u>	<u>91,683,079</u>	<u>60,189,794</u>	<u>71,204,889</u>	<u>160,387,967</u>	<u>162,887,968</u>	<u>-1.53%</u>
Net assets - ending	<u>\$ 101,547,428</u>	<u>\$ 100,198,173</u>	<u>\$ 59,885,908</u>	<u>\$ 60,189,794</u>	<u>\$ 161,433,336</u>	<u>\$ 160,387,967</u>	<u>0.65%</u>

Business-type Activities

Revenues of the City's business-type activities increased by \$2,096,579 or 11% and expenses (excluding transfers) increased by \$3,101,626 or 17%. (See Table A-2.) Factors contributing to these results include:

- Sewer utility rates increased by 9% in 2010; there was a large multi-family project that began development in 2010 that resulted in higher sewer tap fees (capital contributions). Operating costs were higher in 2010 as the city repaired a 66 inch sewer interceptor at a cost of \$1,055,000. Non-operating expenses were significantly higher as the wastewater treatment plant upgrade and expansion began reporting full depreciation expense in 2010.
- Emergency medical transport revenues were \$287,302 or 10% higher than 2009.
- Other business-type activity expenses were consistent as compared to the prior year.

The Sewer Utility Fund wastewater revenues have been increasing for several years. The wastewater treatment plant Littleton shares with the City of Englewood, Colorado, began construction to expand and upgrade the plant in 2004. The project was completed in December 2008 with a cost of approximately \$113 million with each city paying an equal amount. Loans were acquired to fund the project.

Fund Financial Analysis

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

At the end of 2010, the combined ending fund balances of the governmental funds were \$20,524,719. This is a decrease of \$4,417,625 from 2009. The unreserved fund balance was \$11,463,108 or 56% of the total fund balances. The remaining fund balance of \$9,061,611 is reserved as follows:

Encumbrances	\$	3,204,589
Prepays		155,230
Inventories		37,616
TABOR Emergency		1,661,477
Open Space and Parks		4,002,699
Total	\$	<u>9,061,611</u>

General Fund The general fund is the primary operating fund of the City and its ending fund balance at December 31, 2010 was \$6,661,035. Of this amount, \$2,176,602 was reserved for encumbrances, prepaid expenditures, inventories and TABOR emergencies; \$4,484,433 was unreserved. The fund balance decreased by \$140,368 from 2009 primarily due to higher utility and professional service costs.

As compared to 2009, total revenues increased by \$1,185,234 or 2.6% and expenditures decreased by \$150,738 or 0.3%. Key factors are as follows:

- An increase in sales and use tax revenues of \$949,909 or 4%; Property tax revenues had an overall increase of 2%; while other tax revenues had a decrease of 3%. Franchise fees were higher than 2009 by 11% as these fees are directly related to energy costs. Investment income was higher than 2009 as market interest rates increased during the fiscal year.
- A decrease in expenditures of \$150,738 or less than 1%. In 2010, the City tried to hold expenditures constant considering the decrease in revenues that occurred in the recession-stricken 2009.
- The general fund had an excess of revenues over expenditures of \$135,696 prior to other financing sources. After other financing sources and uses, the general fund netted to a deficiency of \$140,368. A transfer of \$379,930 was made to the South Metro Communications Fund to fund operations while a transfer from the special projects fund of \$103,866 was made.

Other Governmental Funds The special projects fund ending fund balance was \$9,308,347. The fund balance decreased by \$3,707,411 from 2009 primarily due to the police facility expansion project cost of \$3,369,927 in 2010; the project will be completed in April 2011. Revenues were higher than the prior year primarily due to intergovernmental revenues (grants) and investment earnings. Building use taxes were down sharply by \$870,633 or 69% due to the reduction in construction activity in 2010.

The ending fund balance in the public facilities fund remained relatively unchanged at \$94,942 in 2010. Revenues decreased by \$1,089 and expenditures decreased by \$79,244.

Grant revenues were substantially higher in 2010 due to the city receiving a large amount of grants for the purchase of open space. Due to equal assets and liabilities, the fund balance was zero in 2010.

The City purchased additional open space property in 2010, causing fund balance to be reduced by \$547,530. The City is continuing the retention of the open space monies for the future purchase of additional open space projects.

Proprietary Funds The sewer utility fund ending net assets were \$44,332,159. Operating revenues were \$1,028,922 higher than prior year due to a user rate increase while operating expenses were \$985,093 higher than 2009.

The storm drainage fund reported a decrease in net assets of \$124,994 which was similar to the decrease in 2009 of \$123,052. Operating expenses continue to be higher than revenues each year, due to depreciation expense.

The south metro communication center fund reported an increase in net assets of \$85,913 as compared to an increase of \$136,841 in 2009. Revenue and expense levels in 2010 were similar to the prior year.

The emergency medical transport fund reported a 77% increase in net assets of \$497,508; this change in net assets was \$205,781 above the 2009 change due to increased charges for services.

General Fund Budgetary Highlights

The general fund accounts for all of the general services provided by the City. At the end of 2010, differences between the original budgeted expenditures and the final amended budgeted expenditures were \$776,340 or 2% of the original budget. This difference was the result of encumbered purchase orders from fiscal year 2009 that were not fulfilled in that year and were carried forward into the fiscal year 2010; in addition, increases in the appropriation of \$400,000 was made for increased street lighting and medic overtime costs.

During the current fiscal year, fund balance in the general fund decreased by \$140,368. The original budgeted decrease for 2010 was \$1,879,110 and the final budgeted decrease for 2010 was \$2,655,450. Expenditures were lower during the year from the adopted budget as staff continued to contain costs. This contributed to a positive budget variance in total general fund expenditures of \$2,912,309.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of December 31, 2010, amounts to \$107,375,900 (net of accumulated depreciation, see page e). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, bridges, including construction work in progress. More detailed information about the City's capital assets is presented in Note IV to the financial statements.

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

- The police facility expansion began in 2010 and was 58% complete by the end of the year. The estimated completion date is April 2011.
- Several streets were overlaid or sealcoated during the year as well as improvements to curb, gutter, sidewalks and the highline canal bridge.
- A large piece of property was purchased with open space funds.
- Improvements were made to the Carson Nature Center as well as the paving of the South Platte Park entry road and parking lot.
- The fire department purchased cardiac monitors and replaced three vehicles. In addition, improvements were made to Fire Station 11.

Debt Administration

The City of Littleton's total debt outstanding for its governmental and business type activities as of December 31, 2010 was \$56,621,288 (See Table A-3). This consists of capital leases of \$897,686, general obligation loans of \$1,174,874, certificates of participation of \$13,550,000 and revenue loans of \$40,998,728. More detailed information about the City's debt is presented in Notes V and VI to the financial statements.

Table A-3
City of Littleton's Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2010	2009	2010	2009	2010	2009	2009 - 2010
Capital Leases	\$ 897,686	\$ 1,140,122	\$ -	\$ -	\$ 897,686	\$ 1,140,122	-21.26%
Certificates of Participation	-	-	13,550,000	14,300,000	13,550,000	14,300,000	-5.24%
General Obligation Loans	-	-	1,174,874	1,786,178	1,174,874	1,786,178	-34.22%
Revenue Bonds	-	-	40,998,728	43,338,530	40,998,728	43,338,530	-5.40%
	<u>\$ 897,686</u>	<u>\$ 1,140,122</u>	<u>\$ 55,723,602</u>	<u>\$ 59,424,708</u>	<u>\$ 56,621,288</u>	<u>\$ 60,564,830</u>	<u>-6.51%</u>

Economic Factors and Next Year's Budget and Rates

The City is continuing a conservative position regarding future economic growth in Littleton. There are few major developments expected to occur in 2011 and the national economic recession may defer these projects into the future. The City's sales and use tax revenues comprise over 50% of the 2010 general fund revenues. These taxes are estimated at \$23,107,840 in 2011 which is a decrease of .5% over the 2010 total of \$23,220,548. The City kept its property tax mill levy equal to the previous year's rate of 6.662 mills.

These issues were taken into account when adopting the 2011 budget. The 2011 appropriation in the general fund is \$46,412,870, a decrease of \$2,850,930, or 6% below the 2010 final budget of \$49,263,800. Council and staff agreed that the budget should be relatively balanced in 2011; this policy was adhered to as the 2011 general fund revenues were adopted at \$46,201,120 or within .5% of the appropriations.

If the estimates for the 2011 budget are realized, the City's budgetary fund balance is expected to be \$6,449,285.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Littleton, 2255 West Berry Avenue, Littleton, CO 80165, or to dfarmen@littletongov.org, or 303.795.3765.

City of Littleton, Colorado

Statement of Net Assets

December 31, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Riverfront Authority
ASSETS				
Cash and investments	\$ 25,822,355	\$ 9,338,258	\$ 35,160,613	\$ 145,103
Receivables (net of allowance for doubtful accounts of \$488,497)	7,702,179	1,811,100	9,513,279	-
Due from component unit	11,232	-	11,232	-
Due from other governments	88,423	-	88,423	-
Inventories	186,598	-	186,598	-
Prepays	160,433	13,000	173,433	-
Deferred charges	-	135,276	135,276	-
Restricted assets:				
Cash and investments	153,472	7,286,530	7,440,002	301,442
Investment in Bi-City joint venture	-	70,594,997	70,594,997	-
Capital assets (net of accumulated depreciation):				
Land	17,919,100	8,700,834	26,619,934	-
Buildings and building improvements	13,223,682	20,671,785	33,895,467	-
Machinery and equipment	5,823,676	292,082	6,115,758	-
Infrastructure	35,184,269	-	35,184,269	-
Construction in progress	5,543,997	16,475	5,560,472	-
Total assets	<u>111,819,416</u>	<u>118,860,337</u>	<u>230,679,753</u>	<u>446,545</u>
LIABILITIES				
Accounts payable and other current liabilities	4,133,245	1,724,166	5,857,411	435,313
Accrued interest payable	-	698,734	698,734	-
Due to primary government	-	-	-	11,232
Deposits and escrows	74,305	-	74,305	-
Unearned revenue	4,306,374	92,658	4,399,032	-
Noncurrent liabilities:				
Due within one year	300,979	3,872,740	4,173,719	-
Due in more than one year	1,457,085	52,586,131	54,043,216	-
Total liabilities	<u>10,271,988</u>	<u>58,974,429</u>	<u>69,246,417</u>	<u>446,545</u>
NET ASSETS				
Invested in capital assets, net of related debt	76,797,038	16,131,176	92,928,214	-
Restricted for:				
Emergencies	1,661,477	-	1,661,477	-
Open space and parks	4,002,699	-	4,002,699	-
Unrestricted	19,086,214	43,754,732	62,840,946	-
Total net assets	<u>\$ 101,547,428</u>	<u>\$ 59,885,908</u>	<u>\$ 161,433,336</u>	<u>\$ -</u>

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

City of Littleton, Colorado
Statement of Activities
For The Year Ended December 31, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Government activities:				
General government	\$ 12,996,864	\$ 4,144,441	\$ 46,473	\$ 122,112
Public safety	27,945,448	12,121,480	71,717	116,748
Highways and streets	6,957,074	1,372,091	74,712	1,557,200
Welfare	309,346	27,014	10,581	-
Culture and recreation	5,387,860	1,326,727	2,223,370	776,721
Interest on long-term debt	42,276	-	-	-
Total government activities	<u>53,638,868</u>	<u>18,991,753</u>	<u>2,426,853</u>	<u>2,572,781</u>
Business-type activities:				
Sewer Utility	15,298,747	12,138,999	-	1,846,229
Building Corporation	844,033	1,180,471	-	-
Storm Drainage	736,667	570,287	-	41,712
So. Metro Area Comm. Center	1,073,886	802,869	-	-
Geneva Village	98,438	127,680	-	-
Emergency Med. Trans	2,765,744	3,263,251	-	-
Permit Plan Review	203,233	224,184	-	-
Building Authority	192,906	238,150	-	-
Total business-type activities	<u>21,213,654</u>	<u>18,545,891</u>	<u>-</u>	<u>1,887,941</u>
Total primary government	<u>\$ 74,852,522</u>	<u>\$ 37,537,644</u>	<u>\$ 2,426,853</u>	<u>\$ 4,460,722</u>
Component unit:				
Riverfront Authority	\$ 649	\$ -	\$ -	\$ -
Total component unit	<u>\$ 649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Taxes:
 Property taxes
 Sales and building use taxes
 Other taxes
 Franchise
 Investment earnings
 Miscellaneous
Transfers
 Total general revenues and transfers
Changes in net assets
Net assets - beginning

Net assets - ending

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

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Primary Government		Component Unit
	Business-type Activities	Total	Riverfront Authority
\$ (8,683,838)	\$ -	\$ (8,683,838)	\$ -
(15,635,503)	-	(15,635,503)	-
(3,953,071)	-	(3,953,071)	-
(271,751)	-	(271,751)	-
(1,061,042)	-	(1,061,042)	-
(42,276)	-	(42,276)	-
<u>(29,647,481)</u>	<u>-</u>	<u>(29,647,481)</u>	<u>-</u>
-	(1,313,519)	(1,313,519)	-
-	336,438	336,438	-
-	(124,668)	(124,668)	-
-	(271,017)	(271,017)	-
-	29,242	29,242	-
-	497,507	497,507	-
-	20,951	20,951	-
-	45,244	45,244	-
-	<u>(779,822)</u>	<u>(779,822)</u>	<u>-</u>
<u>(29,647,481)</u>	<u>(779,822)</u>	<u>(30,427,303)</u>	<u>-</u>
-	-	-	(649)
-	-	-	<u>(649)</u>
4,082,829	-	4,082,829	-
23,612,739	-	23,612,739	-
469,971	-	469,971	-
2,173,988	-	2,173,988	-
377,532	119,006	496,538	649
636,607	-	636,607	-
(356,930)	356,930	-	-
<u>30,996,736</u>	<u>475,936</u>	<u>31,472,672</u>	<u>649</u>
1,349,255	(303,886)	1,045,369	-
<u>100,198,173</u>	<u>60,189,794</u>	<u>160,387,967</u>	<u>-</u>
<u>\$ 101,547,428</u>	<u>\$ 59,885,908</u>	<u>\$ 161,433,336</u>	<u>\$ -</u>

City of Littleton, Colorado

Balance Sheet

Governmental Funds

December 31, 2010

	General	Special Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 4,471,907	\$ 10,366,088	\$ 4,973,612	\$ 19,811,607
Receivables	7,362,651	100,508	232,712	7,695,871
Due from other governments	86,172	-	2,251	88,423
Due from component unit	11,232	-	-	11,232
Inventories	37,616	-	-	37,616
Prepays	145,329	9,901	-	155,230
Cash and investments - restricted	-	-	20,075	20,075
Total assets	<u>12,114,907</u>	<u>10,476,497</u>	<u>5,228,650</u>	<u>27,820,054</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	935,016	845,496	307,463	2,087,975
Retainage payable	-	322,654	-	322,654
Deposits and escrows	74,305	-	-	74,305
Deferred revenue	4,306,374	-	360,696	4,667,070
Other liabilities	138,177	-	5,154	143,331
Total liabilities	<u>5,453,872</u>	<u>1,168,150</u>	<u>673,313</u>	<u>7,295,335</u>
Fund balances:				
Reserved for:				
Encumbrances	332,180	2,821,269	51,140	3,204,589
Prepays	145,329	9,901	-	155,230
Inventories	37,616	-	-	37,616
Emergencies	1,661,477	-	-	1,661,477
Open space and parks	-	-	4,002,699	4,002,699
Unreserved, reported in:				
General fund	4,484,433	-	-	4,484,433
Special revenue funds	-	6,477,177	501,498	6,978,675
Total fund balances	<u>6,661,035</u>	<u>9,308,347</u>	<u>4,555,337</u>	<u>20,524,719</u>
Total liabilities and fund balances	<u>\$ 12,114,907</u>	<u>\$ 10,476,497</u>	<u>\$ 5,228,650</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 and, therefore, are not reported in the funds.	\$ 74,989,034
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	360,696
Internal service funds are used by management to charge the costs of fleet and various insurance funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	7,431,043
Long-term liabilities, including capital leases of \$897,686 and compensated absences of \$860,378 are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,758,064)</u>
Net assets of governmental activities	<u>\$ 101,547,428</u>

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

City of Littleton, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For The Year Ended December 31, 2010

	General	Special Projects	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 4,197,701	\$ -	\$ -	\$ 4,197,701
Sales and use	23,220,548	-	-	23,220,548
Building use	-	392,191	-	392,191
Specific ownership	274,058	-	-	274,058
Cigarette	195,913	-	-	195,913
Franchise	2,119,006	-	-	2,119,006
Licenses and permits	970,769	-	-	970,769
Intergovernmental	11,410,159	2,887,525	3,911,293	18,208,977
Charges for services	1,397,958	-	-	1,397,958
Fines and forfeitures	1,783,767	-	80,163	1,863,930
Investment earnings	71,025	139,819	79,845	290,689
Miscellaneous	466,353	20,000	71,227	557,580
Total revenues	<u>46,107,257</u>	<u>3,439,535</u>	<u>4,142,528</u>	<u>53,689,320</u>
EXPENDITURES				
Current:				
General government	10,490,573	1,334,012	184,679	12,009,264
Public safety	26,262,246	149,171	328,012	26,739,429
Highway and streets	4,149,534	42,676	-	4,192,210
Welfare	252,644	-	50,186	302,830
Culture and recreation	4,487,449	157,809	532,110	5,177,368
Debt service:				
Principal	-	242,436	-	242,436
Interest	-	42,276	-	42,276
Capital outlay	329,115	5,074,700	3,640,387	9,044,202
Total expenditures	<u>45,971,561</u>	<u>7,043,080</u>	<u>4,735,374</u>	<u>57,750,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>135,696</u>	<u>(3,603,545)</u>	<u>(592,846)</u>	<u>(4,060,695)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	103,866	-	23,000	126,866
Transfers out	(379,930)	(103,866)	-	(483,796)
Total other financing sources (uses)	<u>(276,064)</u>	<u>(103,866)</u>	<u>23,000</u>	<u>(356,930)</u>
Net change in fund balance	<u>(140,368)</u>	<u>(3,707,411)</u>	<u>(569,846)</u>	<u>(4,417,625)</u>
Fund balance - beginning	<u>6,801,403</u>	<u>13,015,758</u>	<u>5,125,183</u>	<u>24,942,344</u>
Fund balance - ending	<u>\$ 6,661,035</u>	<u>\$ 9,308,347</u>	<u>\$ 4,555,337</u>	<u>\$ 20,524,719</u>

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

City of Littleton, Colorado
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For The Year Ended December 31, 2010

Amounts reported for governmental activities in the statement of activities (page 2) are different because:

Net change in fund balances - total governmental funds (page 5)	\$ (4,417,625)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$9,044,202 exceeded depreciation \$4,404,788, disposals of \$10,264 and contributed capital of \$777,980 in the current period.	5,407,130
Under the accrual basis, an adjustment is needed to reflect the change in deferred revenues which is a change in revenues in the statement of activities.	327,439
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction, however, has no effect on the change in net assets.	242,436
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the increase in compensated absences of \$13,640.	(13,640)
Internal service funds are used by management to charge the costs of fleet and various insurance funds.	(196,485)
Change in net assets of governmental activities (page 3)	<u>\$ 1,349,255</u>

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

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado

Statement of Net Assets

Proprietary Funds

December 31, 2010

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Littleton Building Corporation	Other Proprietary Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,448,451	\$ -	\$ 1,889,807
Receivables (net of allowance for doubtful accounts of \$488,497)	708,065	-	1,103,035
Inventories	-	-	-
Prepays	5,510	-	7,490
Total current assets	<u>8,162,026</u>	<u>-</u>	<u>3,000,332</u>
Noncurrent assets:			
Deferred charges	1,720	133,556	-
Restricted assets:			
Cash and cash equivalents	6,100,000	1,186,527	3
Equity in Bi-City joint venture	70,594,997	-	-
Capital assets:			
Land	255,815	6,011,296	2,433,723
Buildings and systems	14,682,784	8,560,303	17,724,512
Improvements other than buildings	-	-	65,740
Machinery and equipment	201,559	-	1,125,310
Construction in progress	-	-	16,475
Less accumulated depreciation	(10,656,851)	(1,668,098)	(9,071,392)
Total capital assets (net of accumulated depreciation)	<u>4,483,307</u>	<u>12,903,501</u>	<u>12,294,368</u>
Total noncurrent assets	<u>81,180,024</u>	<u>14,223,584</u>	<u>12,294,371</u>
Total assets	<u>89,342,050</u>	<u>14,223,584</u>	<u>15,294,703</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	1,399,194	-	324,972
Deferred revenue	85,376	-	7,282
Principal payable	3,097,740	655,000	120,000
Accrued interest payable	616,450	72,513	9,771
Total current liabilities	<u>5,198,760</u>	<u>727,513</u>	<u>462,025</u>
Noncurrent liabilities:			
Principal payable	39,811,131	10,550,000	2,225,000
Total noncurrent liabilities	<u>39,811,131</u>	<u>10,550,000</u>	<u>2,225,000</u>
Total liabilities	<u>45,009,891</u>	<u>11,277,513</u>	<u>2,687,025</u>
NET ASSETS			
Invested in capital assets, net of related debt	4,483,307	1,698,501	9,949,368
Unrestricted	39,848,852	1,247,570	2,658,310
Total net assets	<u>\$ 44,332,159</u>	<u>\$ 2,946,071</u>	<u>\$ 12,607,678</u>

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

<u>Totals</u>	<u>Governmental Activities- Internal Service Funds</u>
\$ 9,338,258	\$ 6,010,748
1,811,100	6,308
-	148,982
13,000	5,203
<u>11,162,358</u>	<u>6,171,241</u>
135,276	-
7,286,530	133,397
70,594,997	-
8,700,834	-
40,967,599	76,211
65,740	-
1,326,869	7,549,733
16,475	-
<u>(21,396,341)</u>	<u>(4,920,254)</u>
<u>29,681,176</u>	<u>2,705,690</u>
<u>107,697,979</u>	<u>2,839,087</u>
<u>118,860,337</u>	<u>9,010,328</u>
1,724,166	1,579,285
92,658	-
3,872,740	-
698,734	-
<u>6,388,298</u>	<u>1,579,285</u>
52,586,131	-
<u>52,586,131</u>	<u>-</u>
<u>58,974,429</u>	<u>1,579,285</u>
16,131,176	2,705,690
43,754,732	4,725,353
<u>\$ 59,885,908</u>	<u>\$ 7,431,043</u>

City of Littleton, Colorado
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For The Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Littleton Building Corporation	Other Proprietary Funds
OPERATING REVENUES			
Charges for services (net of contractual adjustments of \$1,201,271)	\$ 11,860,040	\$ -	\$ 4,750,366
Employer/employee contributions	-	-	-
Rental payments	-	1,180,471	364,180
Miscellaneous	278,959	-	111,875
Total operating revenues	<u>12,138,999</u>	<u>1,180,471</u>	<u>5,226,421</u>
OPERATING EXPENSES			
Personnel services	325,541	-	2,643,592
Supplies	11,351	-	236,992
Bi-City operating costs	6,318,971	-	-
Contractual services	8,108	-	295,270
Services by General Fund	300,000	-	-
Benefits and claims	-	-	-
Insurance	-	-	-
Other services and charges	1,691,704	-	395,464
Bad debt expense	-	-	782,635
Amortization	3,885	10,274	-
Depreciation	616,573	286,182	593,592
Total operating expenses	<u>9,276,133</u>	<u>296,456</u>	<u>4,947,545</u>
Operating income (loss)	<u>2,862,866</u>	<u>884,015</u>	<u>278,876</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	113,010	5,302	694
Debt administration costs	-	(2,268)	(1,281)
Change in Bi-City joint venture equity	(4,533,021)	-	-
Insurance recovery	-	-	-
Gain (loss) on sale of assets	-	-	-
Interest charges	(1,489,593)	(545,310)	(122,047)
Total nonoperating revenues (expenses)	<u>(5,909,604)</u>	<u>(542,276)</u>	<u>(122,634)</u>
Income (loss) before capital contributions and transfers	<u>(3,046,738)</u>	<u>341,739</u>	<u>156,242</u>
Transfers in	-	-	356,930
Capital contributions	1,846,229	-	41,712
Change in net assets	(1,200,509)	341,739	554,884
Total net assets - beginning	<u>45,532,668</u>	<u>2,604,332</u>	<u>12,052,794</u>
Total net assets - ending	<u>\$ 44,332,159</u>	<u>\$ 2,946,071</u>	<u>\$ 12,607,678</u>

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

Totals	Governmental Activities- Internal Service Funds
\$ 16,610,406	\$ 2,985,522
-	6,262,962
1,544,651	-
390,834	137,052
<u>18,545,891</u>	<u>9,425,536</u>
2,969,133	559,878
248,343	687,551
6,318,971	-
303,378	-
300,000	-
-	5,790,870
-	1,315,278
2,087,168	896,652
782,635	-
14,159	-
1,496,347	614,771
<u>14,520,134</u>	<u>9,865,000</u>
<u>4,025,757</u>	<u>(439,464)</u>
119,006	86,843
(3,549)	-
(4,533,021)	-
-	90,190
-	65,946
(2,156,950)	-
<u>(6,574,514)</u>	<u>242,979</u>
<u>(2,548,757)</u>	<u>(196,485)</u>
356,930	-
<u>1,887,941</u>	<u>-</u>
(303,886)	(196,485)
<u>60,189,794</u>	<u>7,627,528</u>
<u>\$ 59,885,908</u>	<u>\$ 7,431,043</u>

City of Littleton, Colorado
Statement of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds		
	Sewer Utility Fund	Littleton Building Corporation	Other Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 12,084,831	\$ 1,180,471	\$ 4,988,604
Cash received from interfund services provided	-	-	-
Cash paid to suppliers	(7,589,794)	-	(1,519,321)
Cash paid to employees	(325,541)	-	(2,643,592)
Cash paid to other funds for services	(300,000)	-	-
Net cash provided by operating activities	<u>3,869,496</u>	<u>1,180,471</u>	<u>825,691</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments from (to) other funds	-	-	(50,845)
Transfers in	-	-	356,930
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>306,085</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Investment in Bi-City joint venture	(689,820)	-	-
Purchase of capital assets	(3,148)	-	(467,796)
Principal paid on debt	(2,951,106)	(635,000)	(115,000)
Interest paid on debt	(1,623,862)	(545,310)	(122,483)
Insurance proceeds	-	-	-
Proceeds from the sale of capital assets	-	-	-
Debt administration costs	-	(2,268)	(1,281)
Contributed capital	1,809,796	-	-
Net cash used by capital and related financing activities	<u>(3,458,140)</u>	<u>(1,182,578)</u>	<u>(706,560)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	113,010	1,349	694
Net cash provided by investing activities	<u>113,010</u>	<u>1,349</u>	<u>694</u>
Net increase (decrease) in cash and cash equivalents	524,366	(758)	425,910
Cash and cash equivalents - January 1	13,024,085	1,187,285	1,463,900
Cash and cash equivalents - December 31	<u>\$ 13,548,451</u>	<u>\$ 1,186,527</u>	<u>\$ 1,889,810</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 2,862,866	\$ 884,015	\$ 278,876
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	616,573	286,182	593,592
Provision for doubtful accounts	-	-	782,635
Amortization expense	3,885	10,274	-
(Increase) decrease in current assets:			
Receivables	(58,053)	-	(1,020,452)
Prepaid expenses	-	-	(4,746)
Inventories	-	-	-
Increase (decrease) in current liabilities:			
Accounts payable and other current liabilities	450,372	-	190,753
Wages payable	(637)	-	5,033
Claims and judgements payable	(5,510)	-	-
Total adjustments	<u>1,006,630</u>	<u>296,456</u>	<u>546,815</u>
Net cash provided by operating activities	<u>\$ 3,869,496</u>	<u>\$ 1,180,471</u>	<u>\$ 825,691</u>
Reconciliation of cash and cash equivalents			
Unrestricted	\$ 7,448,451	\$ -	\$ 1,889,807
Restricted	6,100,000	1,186,527	3
Total cash and cash equivalents	<u>\$ 13,548,451</u>	<u>\$ 1,186,527</u>	<u>\$ 1,889,810</u>
Noncash, investing, capital, and financing activities			
Contribution of capital assets	\$ 36,433	\$ -	\$ 41,712

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

Totals	Governmental Activities- Internal Service Funds
\$ 18,253,906	\$ 589,459
-	8,857,044
(9,109,115)	(8,680,198)
(2,969,133)	(559,878)
(300,000)	-
<u>5,875,658</u>	<u>206,427</u>
(50,845)	-
356,930	-
<u>306,085</u>	<u>-</u>
(689,820)	-
(470,944)	(605,065)
(3,701,106)	-
(2,291,655)	-
-	85,190
-	65,946
(3,549)	-
<u>1,809,796</u>	<u>-</u>
<u>(5,347,278)</u>	<u>(453,929)</u>
115,053	86,843
<u>115,053</u>	<u>86,843</u>
949,518	(160,659)
<u>15,675,270</u>	<u>6,304,804</u>
<u>\$ 16,624,788</u>	<u>\$ 6,144,145</u>
\$ 4,025,757	\$ (439,464)
1,496,347	614,771
782,635	-
14,159	-
(1,078,505)	26,561
(4,746)	(5,203)
-	(5,594)
-	-
641,125	76,393
4,396	1,562
(5,510)	(62,599)
<u>1,849,901</u>	<u>645,891</u>
<u>\$ 5,875,658</u>	<u>\$ 206,427</u>
\$ 9,338,258	\$ 6,010,748
<u>7,286,530</u>	<u>133,397</u>
<u>\$ 16,624,788</u>	<u>\$ 6,144,145</u>
\$ 78,145	\$ -

City of Littleton, Colorado
Statement of Fiduciary Net Assets
Fiduciary Fund
December 31, 2010

	Private - Purpose Trust Fund
ASSETS	
Equity in pooled cash and investments	\$ 56,907
Cash and investments with trustee, at fair value	<u>265,473</u>
Total assets	<u><u>322,380</u></u>
LIABILITIES	
Contract and accounts payable	<u>-</u>
Total liabilities	<u>-</u>
NET ASSETS	
Held in trust for specific purposes	<u><u>\$ 322,380</u></u>

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

City of Littleton, Colorado
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For The Year Ended December 31, 2010

	Private - Purpose Trust Fund
ADDITIONS	
Interest	\$ 1,050
Total additions	1,050
 DEDUCTIONS	
Culture and recreation	16,758
Total deductions	16,758
Change in net assets	(15,708)
Net assets - beginning	338,088
Net assets - ending	\$ 322,380

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governments. A summary of the City's significant accounting policies applied in the preparation of these financial statements follows.

Reporting Entity

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

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

Blended Component Units

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

The Littleton Building Corporation – The Littleton Building Corporation (LBC) is governed by a Board of Directors which was originally appointed by the City Council. Subsequent Board members have been and will be appointed by the Corporation. Created in 2003, the LBC constructs and acquires buildings solely for the City's use under lease agreements. The buildings will be deeded to the City once the debt is retired. Activities of the Corporation are reported as a Proprietary Fund type. The LBC does not prepare separate financial statements.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discrete Component Unit

The Littleton Riverfront Authority - The Littleton Riverfront Authority (LRA) was created in 1980 by the City Council to acquire land for a redevelopment project for the benefit of the City. The LRA is governed by a board of commissioners who are appointed by the City Council. The City Council also approved the LRA's overall redevelopment plan; the Authority's annual budget is approved only by the Authority.

The LRA's ability to generate revenue is dependent on the taxes generated within its boundaries. The LRA's tax increment expired in 2008; however, the tax increment district itself has not been finalized pending appeals for assessed valuations that have been filed with the county. The City has no obligation to repay LRA's debt. Please see Note VI for further discussion.

The activity of the LRA is discretely presented as a component unit in the City's financial statements because its tax increment financing indicates financial interdependency. This statement allows for separate presentation of this component unit which is legally separate from the primary government. The LRA does not prepare separate financial statements.

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

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

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB) requirements. The City has elected, for the enterprise funds only, not to apply statements issued by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) after November 30, 1989, unless adopted by GASB. GASB pronouncements on accounting and financial reporting for proprietary activities are being followed.

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 City's enterprise funds and internal service funds are charges to customers or other funds for sales and services. The City also recognizes tap fees as capital contribution revenue. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as 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, then unrestricted resources as they are needed.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

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

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

The City reports the following major proprietary funds:

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

Littleton Building Corporation was formed as a nonprofit corporation and is used to purchase, lease or acquire buildings and land and to construct or improve the buildings and land for the City's use under lease agreements. This fund is being utilized for the construction/renovation of the Littleton Historical Museum and payment of the related certificates of participation.

Additionally, the City reports the following fund types:

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

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity

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.

Cash and Cash Equivalents

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

Receivables

Receivables consist primarily of sales and use tax, charges for emergency medical transports, and other miscellaneous receivables and are reported net of an allowance for uncollectible accounts.

Interfund Receivables/Payables and Advances

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

Property Taxes Receivable

Property taxes are not due and payable until after the assessment year has ended. Property taxes are initially recorded as deferred revenue in the year they are earned and measurable. Property tax is recorded as revenue in the year it is collected.

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

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Inventories and Prepaid Items

Inventories are valued at cost, using the first-in/first-out (FIFO) method. Inventory in the general fund consists of items for the Littleton Historical Museum store and inventory in the fleet maintenance fund consists of vehicle parts and fuel. The costs of inventories are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, and equally offset by fund balance reserve in the governmental funds.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks, and similar items) purchased since 1980 are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds.

The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Property, plant, equipment and infrastructure purchased or acquired is recorded at historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received.

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

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

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

Deferred Revenues

Deferred revenues include grant funds that have been collected, but corresponding expenditures have not been incurred. Property taxes earned but collected for a subsequent year are also recorded as deferred revenues.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Compensated Absences

The City has a policy that allows employees to accumulate unused vacation and sick leave benefits up to certain maximum hours. Unpaid sick leave accrues to certain classes of employees. Upon termination of employment from the City an employee will be compensated for all accrued vacation at their current pay rate.

In the government-wide and proprietary fund financial statements, accumulated unpaid vacation and sick leave is accrued when earned. In the governmental funds, amounts expected to be paid from available resources is recorded as a liability of the individual fund. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

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

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

Net Assets/Fund Balance

In the government-wide financial statements, net assets are restricted when constraints placed on the net assets are externally imposed. 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.

NOTE II – CASH AND INVESTMENTS

Primary Government

Reconciliation of Cash and Investments to Financial Statements

Cash and investments	\$	35,160,613
Restricted cash and investments		7,440,002
Fiduciary Fund		322,380
Total Cash and Investments	\$	<u>42,922,995</u>
Petty cash	\$	1,895
Deposits		16,390,335
Cash and investments held by third party		1,235,500
Investments		25,295,265
Total Cash and Investments	\$	<u>42,922,995</u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE II – CASH AND INVESTMENTS (Continued)

Component Unit

At December 31, 2010, the component unit cash and investments restricted for debt service consisted of the following:

Cash and investments	\$	145,103
Restricted for debt service		301,442
Total Cash and Investments	\$	<u>446,545</u>
Cash	\$	3,370
Local government investment pool		141,733
Other money market funds		301,442
Total Cash and Investments	\$	<u>446,545</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2010, the City had bank deposits of \$13,729,094 collateralized with securities held by the pledging financial institutions' trust department or agent but not in the City's name. On October 3, 2008, as part of the Economic Stabilization Act, Congress temporarily increased FDIC insurance from \$100,000 to \$250,000 per depositor and was further extended through December 31, 2013. The City does not have a deposit policy.

Investments

Colorado statutes specify which instruments a local government may invest, which include:

- Obligations of the United States and certain U. S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U. S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The City's policy is to follow the Colorado State Statutes.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE II – CASH AND INVESTMENTS (Continued)

Investments (Continued)

At December 31, 2010, the City’s investments consisted of the following:

Investments	Fair Value	% to Total
FHLB discount notes	\$ 3,988,061	16%
FHLMC discount notes	991,516	4%
FFCB discount notes	7,914,975	31%
FNMA discount notes	8,655,654	34%
Investment agreement	1,186,159	5%
Subtotal Investments	<u>22,736,365</u>	<u>90%</u>
Other money market funds	371	<1%
Local government investment pool	2,558,529	10%
Total Investments	<u>\$ 25,295,265</u>	<u>100%</u>

As of December 31, 2010 the City had the following investments and maturities:

Investments	S & P Rating	Fair Value	Investment Maturities		
			Less than 1 yr	1-5 yrs	5+ yrs
FHLB discount notes	AAA	\$ 3,988,061	\$ -	\$ 3,988,061	\$ -
FHLMC discount notes	AAA	991,516	-	991,516	-
FFCB discount notes	AAA	7,914,975	-	7,914,975	-
FNMA discount notes	AAA	8,655,654	2,000,938	6,654,716	-
Investment agreement	AAA	1,186,159	-	-	1,186,159
Subtotal Investments		<u>\$ 22,736,365</u>	<u>\$ 2,000,938</u>	<u>\$ 19,549,268</u>	<u>\$ 1,186,159</u>

1 – Includes \$2,000,000 of bonds called in January 2011, original maturity in July 2013. These bonds were called; therefore, the City has included these investments in the less than one year maturity category.

2 – Reservation as required by debt covenant maturing when the debt is paid. If the debt fully amortizes, the debt will mature on 11/15/23.

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

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE II – CASH AND INVESTMENTS (Continued)

Investments (Continued)

Custodial Risk. At December 31, 2010, the City had deposits held by third parties. The City of Englewood holds \$1,100,000 as required by the operating agreement for the Littleton/Englewood Wastewater Treatment Plant Joint Venture. In addition, \$135,500 is held by the following third parties: United Healthcare Insurance Company and Cigna as required minimum balances for healthcare costs with \$500 being held by American Traffic Solutions for the red light camera program.

Local Government Investment Pools. At December 31, 2010, the City had \$2,558,529 and the Littleton Riverfront Authority had \$141,733 invested in Colorado Local Government Liquid Asset Trust (Colotrust) and C-Safe. In addition, the investment agreement of \$1,186,159 was invested in Colotrust. Colotrust and C-Safe are investment vehicles established by state statute for local government entities in Colorado to pool surplus funds for investment purposes and are registered with the State Securities Commissioner. Colotrust and C-Safe operate similarly to a money market fund and each share is equal in value to \$1.00. Colotrust is rated AAA by Standard and Poor’s. On February 27, 2009, Standard and Poor’s placed C-Safe on credit watch. On February 2, 2010, the pool was removed from credit watch when Standard and Poor’s affirmed its “AAAm” principal stability fund rating. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. The majority of securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by the participating governments. Investments of the pool are limited to those allowed by state statute. Information regarding Colotrust and C-safe’s financial statements are available at its website www.colotrust.com and www.csafe.org.

Restricted Cash and Investments

At December 31, 2010, the City’s restricted cash and investments consisted of the following:

Rate Stabilization	\$	5,000,000
Joint venture deposit		1,100,000
LBC reserve funds		1,186,527
Employee benefit funds		133,397
Other		20,078
		<hr/>
Total restricted cash and investments	\$	<u><u>7,440,002</u></u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE III – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following interfund transfers occurred during 2010 for the purposes stated below:

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
Special Projects Fund Purpose: Transfer of interest earned on Water Utility investments	General Fund	\$ 103,866
General Fund Purpose: Funding determined during budget process	Shopping Cart Fund	23,000
General Fund Purpose: City's portion of funding operations	South Metro Comm Center	356,930
		<u>\$ 483,796</u>

NOTE IV – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2010:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 14,194,789	\$ 3,724,311	\$ -	\$ 17,919,100
Construction in progress	2,395,021	4,290,524	(1,141,548)	5,543,997
Total capital assets, not being depreciated	<u>16,589,810</u>	<u>8,014,835</u>	<u>(1,141,548)</u>	<u>23,463,097</u>
Capital assets, being depreciated:				
Buildings	21,168,619	758,042	-	21,926,661
Machinery and equipment	15,780,696	897,378	(491,699)	16,186,375
Infrastructure	88,199,263	1,888,276	-	90,087,539
Total capital assets, being depreciated	<u>125,148,578</u>	<u>3,543,696</u>	<u>(491,699)</u>	<u>128,200,575</u>
Less accumulated depreciation for:				
Buildings	(8,123,030)	(579,949)	-	(8,702,979)
Machinery and equipment	(9,376,687)	(1,477,711)	491,699	(10,362,699)
Infrastructure	(51,941,371)	(2,961,899)	-	(54,903,270)
Total capital assets, being depreciated	<u>(69,441,088)</u>	<u>(5,019,559)</u>	<u>491,699</u>	<u>(73,968,948)</u>
Total capital assets, being depreciated, net	<u>55,707,490</u>	<u>(1,475,863)</u>	<u>-</u>	<u>54,231,627</u>
Governmental activities capital assets, net	<u>\$ 72,297,300</u>	<u>\$ 6,538,972</u>	<u>\$ (1,141,548)</u>	<u>\$ 77,694,724</u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IV – CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 8,411,099	\$ 289,735	\$ -	\$ 8,700,834
Construction in progress	16,475	-	-	16,475
Total capital assets, not being depreciated	<u>8,427,574</u>	<u>289,735</u>	<u>-</u>	<u>8,717,309</u>
Capital assets, being depreciated:				
Buildings and systems	41,062,757	126,850	(222,004)	40,967,603
Other improvements	65,740	-	-	65,740
Machinery and equipment	1,411,066	132,504	(216,702)	1,326,868
Total capital assets, being depreciated	<u>42,539,563</u>	<u>259,354</u>	<u>(438,706)</u>	<u>42,360,211</u>
Less accumulated depreciation for:				
Buildings and systems	(19,124,650)	(1,393,172)	222,004	(20,295,818)
Other improvements	(62,696)	(3,044)	-	(65,740)
Machinery and equipment	(1,151,358)	(100,130)	216,702	(1,034,786)
Total capital assets, being depreciated	<u>(20,338,704)</u>	<u>(1,496,346)</u>	<u>438,706</u>	<u>(21,396,344)</u>
Total capital assets, being depreciated, net	<u>22,200,859</u>	<u>(1,236,992)</u>	<u>-</u>	<u>20,963,867</u>
Business-type activities capital assets, net	<u>\$ 30,628,433</u>	<u>\$ (947,257)</u>	<u>\$ -</u>	<u>\$ 29,681,176</u>

Capitalized interest of \$827,254, net of accumulated depreciation of \$162,136, is included in the Littleton Colorado Municipal Building Authority Fund and the Littleton Building Corporation Fund.

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

Governmental activities:	
General government	\$ 669,298
Public safety	663,036
Highways and streets, including depreciation of general infrastructure assets	2,683,624
Culture and recreation	388,830
Fleet Maintenance	614,771
Total depreciation expense - governmental activities	<u>\$ 5,019,559</u>
Business-type activities:	
Sewer Utility Fund	\$ 616,572
Storm Drainage Fund	482,892
So. Metro. Area Comm. Center	39,882
Geneva Village	1,241
Building Authority Fund	69,577
Littleton Building Corporation	286,182
Total depreciation expense - business-type activities	<u>\$ 1,496,346</u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE V – CAPITAL LEASES

During 2005, 2006 and 2008, the City acquired capital assets using leases as an alternate method of financing for governmental activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the lower of the present value of the future minimum lease payments. Capital lease payments are funded by special projects fund revenues.

Community Development Billing Software – In 2005, the City entered into a lease agreement as lessee to finance the acquisition of a Community Development Billing Software (CRW software). The system is recorded in the City’s capital assets at \$289,006 with accumulated depreciation of \$34,983. Annual payments of \$67,346 (subject to appropriation by the City Council), including principal and interest accruing at 3.450%, are due in annual installments beginning in July 2006 through July 2010.

Littleton Fire Rescue Ladder Truck – In 2006, the City entered into a lease agreement as lessee to finance the acquisition of a Fire Rescue Ladder Truck. The Ladder Truck is recorded in the City’s capital assets at \$212,764 with accumulated depreciation of \$85,105; the City’s portion of ownership of the asset. The Littleton Fire Protection District and the Highlands Ranch Metropolitan District share in the cost of this annual lease equally as well as ownership. Annual payments of \$93,959 (subject to appropriation by the City Council), including principal and interest accruing at 4.10%, are due in annual installments beginning in May 2007 through May 2014.

700 MHz Police Radio System – In 2008, the City entered into a lease agreement as lessee to finance the acquisition of a 700 MHz police radio system. The system is recorded in the City’s capital assets at \$721,158 with accumulated depreciation of \$257,556. Annual payments of \$123,407 (subject to appropriation by the City Council), including principal and interest accruing at 3.485%, are due in annual installments beginning in March 2009 through March 2015.

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>
2011	\$ 217,366
2012	217,366
2013	217,366
2014	217,366
2015	<u>123,407</u>
	992,871
Total minimum lease payments	
Less: amount representing interest	<u>(95,185)</u>
Present value of minimum lease payments	<u>\$ 897,686</u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2010, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital leases payable					
CRW Software	\$ 65,099	\$ -	\$ (65,099)	\$ -	\$ -
Ladder Truck	417,118	-	(76,858)	340,260	80,009
Radio Lease	657,905	-	(100,479)	557,426	103,981
	<u>1,140,122</u>	<u>-</u>	<u>(242,436)</u>	<u>897,686</u>	<u>183,990</u>
Compensated absences	846,738	3,190,812	(3,177,172)	860,378	116,989
	<u>1,986,860</u>	<u>3,190,812</u>	<u>(3,419,608)</u>	<u>1,758,064</u>	<u>300,979</u>
Governmental activity Long-term liabilities	<u>\$ 1,986,860</u>	<u>\$ 3,190,812</u>	<u>\$ (3,419,608)</u>	<u>\$ 1,758,064</u>	<u>\$ 300,979</u>
Business-type Activities:					
General obligation loan payable	\$ 1,786,178	\$ -	\$ (611,304)	\$ 1,174,874	\$ 654,844
Revenue loan payable	1,152,535	-	(394,445)	758,090	422,539
Certificates of participation, 1999	2,460,000	-	(115,000)	2,345,000	120,000
Certificates of participation, 2003	11,840,000	-	(635,000)	11,205,000	655,000
Revenue loan payable, 2004	42,185,995	-	(1,945,357)	40,240,638	2,020,357
Revenue loan premium	869,538	-	(134,269)	735,269	-
	<u>60,294,246</u>	<u>-</u>	<u>(3,835,375)</u>	<u>56,458,871</u>	<u>3,872,740</u>
Business-type activity Long-term liabilities	<u>\$ 60,294,246</u>	<u>\$ -</u>	<u>\$ (3,835,375)</u>	<u>\$ 56,458,871</u>	<u>\$ 3,872,740</u>

General Obligation Debt

The City issues general obligation debt to provide funds for the acquisition and construction of major capital facilities.

General obligation debt is a direct obligation and pledges the full faith and credit of the City. The original amount of the Colorado Water Resources and Power Development Authority loan (CWRPDA), issued in 1991 with a general obligation pledge was \$7,750,000. This loan is due in quarterly installments of \$158,000 to \$176,000 through August 1, 2012, with an effective interest rate of 4.642%. The City has the option to prepay the loan, which is subject to prepayment penalties of certain administrative fees and a redemption premium as defined. This loan was refunded by the borrower in 1996 with the refunding credits being passed to the City. The total principal and interest refunding credits expected to maturity are \$269,476 and \$80,788, respectively. This loan payment is funded by sewer utility revenues.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT (Continued)

General Obligation Debt (Continued)

The annual debt service requirement to maturity for the CWRPDA loan is as follows:

Year Ending <u>December-31</u>	Business-type activities		
	Principal	Interest	Total
2011	\$ 654,844	\$ 63,782	\$ 718,626
2012	520,030	21,870	541,900
Total	\$ 1,174,874	\$ 85,652	\$ 1,260,526

1991 Revenue Loan

On January 31, 1991, the City borrowed money from the Colorado Water Resources & Power Development Authority's Revolving Fund Program in the amount of \$5,000,694 to finance the sewer plant expansion project.

The revenue loan is due in quarterly principal installments of \$103,000 to \$114,000 through August 1, 2012, with a net effective interest rate of 4.642%. The City has the option to prepay the loan which is subject to prepayment of certain administrative fees and a redemption premium. This loan was refunded by the borrower in 1996 with the refunding credits being passed to the City. The total principal and interest refunding credits expected to maturity are \$173,880 and \$52,129, respectively.

Annual debt service requirements to maturity for the revenue loan are as follows:

Year Ending <u>December-31</u>	Business-type activities		
	Principal	Interest	Total
2011	\$ 422,539	\$ 41,155	\$ 463,694
2012	335,551	14,111	349,662
Total	\$ 758,090	\$ 55,266	\$ 813,356

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT (Continued)

1999 Certificates of Participation

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

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

The certificates bear interest rates ranging from 3.50% to 5.00%, payable semi-annually. The certificates are due in annual installments of \$120,000 to \$225,000 through December 1, 2024.

Annual debt service requirements to maturity for the LCMBA’s certificates of participation are as follows:

Year Ending December-31	Business-type activities		
	Principal	Interest	Total
2011	\$ 120,000	\$ 117,250	\$ 237,250
2012	125,000	111,250	236,250
2013	130,000	105,000	235,000
2014	140,000	98,500	238,500
2015	145,000	91,500	236,500
2016-2020	845,000	340,500	1,185,500
2021-2024	840,000	107,500	947,500
Total	\$ 2,345,000	\$ 971,500	\$ 3,316,500

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT (Continued)

2003 Certificates of Participation

Certificates of participation are assignments of proportionate interests in the right to receive certain payments under an annually terminable Master Lease Purchase Agreement by and between the City of Littleton as lessee and the LBC as lessor. On December 1, 2003, the LBC issued certificates of participation in the amount of \$15,365,000 to finance the acquisition, construction and completion of certain capital improvement projects within the City (the 2003 Project) and to pay the costs of issuance of the 2003 certificates. Of the net proceeds of the 2003 Certificates, \$6,000,000 was used to purchase property from the City. The LBC holds title to the 2003 Project, and the City is not obligated for repayment of the certificates. The City has entered into an agreement to lease the “2003 Project” from the LBC. The lease payments are equivalent to the amounts required to meet the interest and principal obligations on the certificates. Upon repayment of all lease obligations, title to the 2003 Project will be transferred to the City.

Because the LBC is part of the City’s reporting entity, the LBC’s debt and assets have been included as part of the City’s debt and assets for financial reporting purposes. The issuance of the certificates of participation and 2003 Project costs incurred have been accounted for in the LBC fund.

The certificates bear interest rates ranging from 1.250% to 5.125%, payable semi-annually. The certificates are due in annual installments of \$655,000 to \$1,125,000 through December 1, 2023.

Annual debt service requirements to maturity for the LBC’s certificates of participation are as follows:

Year Ending December-31	Business-type activities		
	Principal	Interest	Total
2011	\$ 655,000	\$ 525,466	\$ 1,180,466
2012	680,000	501,886	1,181,886
2013	710,000	476,046	1,186,046
2014	735,000	448,356	1,183,356
2015	765,000	418,956	1,183,956
2016-2020	4,435,000	1,468,782	5,903,782
2021-2023	3,225,000	319,313	3,544,313
Total	\$ 11,205,000	\$ 4,158,805	\$ 15,363,805

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT (Continued)

2004 Revenue Loans

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

Principal and interest are payable semi-annually with annual installments ranging from \$3,178,215 to \$3,686,807 through August 1, 2025, with an effective interest rate ranging from 3.70% to 3.82%. The City has the option to prepay the loan which is subject to prepayment penalty of certain administrative fees and a redemption premium as defined.

Annual debt service to maturity for these revenue loans are as follows:

Year Ending December-31	Business-type activities		
	Interest & Admin		Total
	Principal	Fees	
2011	\$ 2,020,357	\$ 1,661,721	\$ 3,682,078
2012	2,130,357	1,550,806	3,681,163
2013	2,250,357	1,433,815	3,684,172
2014	2,365,357	1,321,450	3,686,807
2015	2,444,627	1,203,334	3,647,961
2016-2020	13,622,851	4,798,816	18,421,667
2021-2025	15,406,732	2,502,729	17,909,461
Total	\$ 40,240,638	\$ 14,472,671	\$ 54,713,309

The 1991 general obligation debt, the 1991 revenue loan and the 2004 revenue loans are payable solely from the net revenues of the wastewater utility system, after deduction of operating expenses.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VI – LONG-TERM DEBT (Continued)

Littleton Riverfront Authority Debt

The LRA's tax increment expired in 2008; however, the tax increment district itself has not been finalized pending appeals for assessed valuations that have been filed with the County. The tax increment collections have substantially ended and as a result, the outstanding debt obligations will not be paid.

According to the bond documents, the debt was discharged on December 31, 2008, whether or not the debt service requirements of the bonds or amounts due on the City notes had been paid in full. Any amounts due and owing on the bonds and the City notes on December 31, 2008, were discharged and no longer due and owing and the bonds and City notes were deemed cancelled by the Trustee. At December 31, 2008, the total amount of debt that was discharged was \$11,225,144.

Remaining funds in the LRA will be distributed accordingly when the county appeals have been resolved. This was expected to occur in 2010; however, it is still pending and is likely to occur in 2011. The City has no obligation to repay LRA's debt.

Compensated Absences

Accrued compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund.

Conduit Debt Obligations

From time to time, the City has participated in the issuance of industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest.

The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon payment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The principal amount payable for the bonds issued prior to December 31, 1995 could not be determined. The City authorized a refunding and new issue of \$900,000 of industrial revenue bonds for the Rocky Mountain Center for the Blind in February 2008, the only bonds issued subsequent to December 31, 1995. The principal amount payable for these bonds as of December 31, 2010 was \$824,121.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE VII – FUND BALANCES/NET ASSETS

Reservations of fund balances indicate those portions which have been segregated for specific purposes. Unreserved fund balances indicate portions of fund balance for which the City has no specific plans or commitments beyond the current fiscal year. The plans and/or commitments are generally approved through the budget process.

Fund balance reservations for December 31, 2010 include the following:

Governmental Fund Types

Emergency (See Note IX)	\$ 1,661,477
Open space and parks	<u>4,002,699</u>
Total	\$ <u>5,664,176</u>

NOTE VIII – JOINT VENTURE

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

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

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

Complete audited financial statements are available at the City of Littleton's finance office.

NOTE IX – OTHER INFORMATION

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. These risks are financed and funded through the Property and Liability Insurance Fund, the Employee Insurance Fund (Internal Service Funds) and through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

The Property and Liability Insurance Fund provides coverage for up to a maximum of \$50,000 for each general liability claim and \$5,000 for each property damage claim. The City purchases insurance from CIRSA for claims in excess of coverage provided by the Property and Liability Insurance Fund and for all other risks of loss. All City funds participate in the insurance program. There have been no significant changes in insurance coverage in 2010 as compared to prior periods.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IX – OTHER INFORMATION (Continued)

Risk Management (Continued)

CIRSA is an independent, public entity risk pool whose general objectives are to provide member municipalities' defined property and liability and/or workers' compensation coverage through joint self insurance and excess insurance. It is financed by annual contributions and interest earnings on the contributions. The contributions are used, in part, to establish loss funds from which member claims and associated costs are paid. Excess reinsurance coverage is also purchased. Certain surplus funds are used to the benefit of members and may include reductions in future contributions. Although none have occurred to date, additional member contributions may be required if necessary. The City's contribution to CIRSA for insurance coverage during 2010 is reported in the Property and Liability Insurance Fund as an expenditure. The City is unaware of any excess losses which may have been incurred by CIRSA, and there have been no settled claims which exceed insurance coverage in any of the last three years.

The Employee Insurance Fund includes Accidental Death and Dismemberment, Long-Term Disability and Life Insurance coverage provided by commercial carriers as well as self insurance plans for health, workers compensation and unemployment coverage. Outside administrators monitor individual employee claims and negotiate excess coverage insurance policies. Excess coverage health insurance policies are purchased to cover individual incident claims in excess of \$125,000 and up to \$1,000,000 annual aggregate coverage for the City. The City pays all unemployment insurance claims as a reimbursable employer with the State of Colorado. Settled benefit claims did not exceed the individual yearly claims limit for the last three years. Liabilities are reported when it is possible that a loss has occurred and the amount of the loss can be reasonably estimated. Changes in the balances of claims liabilities, as provided by outside administrators, during the year ended December 31, 2010 are as follows:

	<u>Employee Insurance Fund</u>		<u>Property and Liability Insurance Fund</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Unpaid claims and reserve for incurred but not reported claims-beginning of year	\$ 1,354,948	\$ 1,129,072	\$ 65,313	\$ 79,931
Incurred claims and reserve estimates	5,529,700	5,673,743	261,170	183,636
Claim payments	<u>(5,581,744)</u>	<u>(5,447,867)</u>	<u>(196,744)</u>	<u>(198,254)</u>
Unpaid claims and reserve for incurred but not reported claims-end of year	<u>\$ 1,302,904</u>	<u>\$ 1,354,948</u>	<u>\$ 129,739</u>	<u>\$ 65,313</u>

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IX – OTHER INFORMATION (Continued)

Commitments and Contingencies

Littleton/Englewood Wastewater Treatment Plant Joint Venture/Lowry Landfill

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

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

Fire Protection Agreements

The City has agreements through which the City provides fire protection services outside of its boundaries to the Littleton Fire Protection District and the Highlands Ranch Metropolitan District (Districts). The agreements provide for the joint use of personnel, certain equipment and facilities. The City incurs normal operating expenditures for the fire protection operations such as salaries, fringe benefits and other operation/maintenance expenses. The City bills the Districts for their share of the actual costs based on a predetermined allocation formula combining fire calls made and assessed valuation on a five-year moving average. For 2010, the Littleton Fire Protection District's share was \$5,855,074 and the Highlands Ranch Metropolitan District's share was \$6,134,374. The agreements may be terminated with 16 months notice prior to the first of January of the terminating year.

Litigation

Various suits and claims are pending against the City as of December 31, 2010. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists in situations where monetary damages are claimed and that the final settlements of these matters will not materially affect the financial statements of the City.

Tax, Spending and Debt Limitations

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

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

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IX – OTHER INFORMATION (Continued)

Commitments and Contingencies (Continued)

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The TABOR Emergency Reserve at December 31, 2010 was \$1,661,477. The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, the City's base for purposes of calculating fiscal year spending under TABOR. In order to collect, retain, and spend revenues in excess of the above-referenced limit in 1994, 2000, 2002 and 2008, the City submitted to its electors, and received voter approval, to retain and spend certain revenues received during 1994 and 1995, 1999 through 2001, and 2002 through 2004, and 2008 respectively, for specific purposes as set forth in the approved election questions. There was no TABOR excess in 2010.

Construction contracts

The City has active construction projects as of December 31, 2010. The projects include renovations for fire station #12 the burn building for fire department training, Information Services projects, the completion of the police building expansion, installation of a traffic signal at County Line and Erickson and the completion of the street reconstruction of Rio Grande. At year end, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Expenditures- to-Date</u>	<u>Remaining Commitment</u>
Funded by TABOR Surplus:		
Fire Training Burn Building	\$ -	\$ 100,000
Server Virtualization	37,800	32,200
Police Building	3,534,632	2,293,506
Fire Station #12 Improvements	119,336	13,184
County Line/Erickson Traffic Signal	50,475	199,525
Rio Grande Reconstruction	780,061	143,221
Totals	<u>\$ 4,522,304</u>	<u>\$ 2,781,636</u>

In 2007, the City exceeded the TABOR limit by \$1,630,400. The voters approved the City to retain the 2007 TABOR excess to be used for specific projects. These monies were transferred to the Special Projects fund in 2008. The police building expansion, server virtualization and fire station #12 improvements are being funded by available funds. The County Line/Erickson traffic signal and Rio Grande reconstruction are being funded by local highway user taxes.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IX – OTHER INFORMATION (Continued)

Employee Retirement Systems and Pension Plans

The City's employees are covered under or may participate in various retirement plans. Contributions to the various plans are as follows:

	<u>General</u>		<u>Firefighters</u>		<u>Police</u>		<u>Totals</u>
	<u>Employees</u>						
Employee contributions Dollars *	\$ 426,557	\$	1,014,082	\$	510,208	\$	1,950,847
Percentage	4.0%		10.0%		10.0%		7.5%
Employee contributions Dollars **	\$ -	\$	24,625	\$	-	\$	24,625
Percentage	-		8.0%		-		8.0%
Employee contributions Dollars ***	\$ -	\$	41,191	\$	-	\$	41,191
Percentage	-		10.0%		-		10.0%
City contributions Dollars *	\$ 426,557	\$	1,014,082	\$	510,208	\$	1,950,847
Percentage	4.0%		10.0%		10.0%		7.5%
City contributions Dollars **	\$ -	\$	24,625	\$	-	\$	24,625
Percentage	-		8.0%		-		8.0%

* - Includes firefighters hired prior to April 1, 2009

** - Includes firefighters hired after April 1, 2009

*** - Includes firefighters participating in Deferred Retirement Option Plan

Money purchase pension plan – general employees

All full time regular City employees (except fire fighters and police officers) are required to participate in a defined contribution money purchase plan created in accordance with Internal Revenue Code Section 401(a). Under this plan, 4% of the employee's regular salary is withheld and contributed to the plan. The City matches these contributions. The employee is 100% vested in his or her contribution and earns a 100% vested right to the City contributions after five years of service at the rate of 20% per year. This plan is governed by a four member Board of Trustees, and employees may choose from various investment options offered by ICMA, the plans administrator. The City Council has authority to change the contributions.

Money purchase pension plans – police employees

The City provides pension benefits for paid police officers hired on and after April 8, 1978 and active duty police officers who were hired prior to April 8, 1978 through defined contribution money purchase plans. Commissioned police personnel are required to participate in the plans from the date of employment and are fully vested after five years of continuous service at the rate of 20% per year. Both the City and the covered employees contribute an amount equal to 10% of the covered employee's base salary. Trustees govern the plan, but record keeping and asset management are performed by ICMA for the Police Department. The City has no liability for these plans beyond its current annual contributions. The City Council has authority to establish contribution requirements and other provisions.

City contributions and interest forfeited by employees who leave employment before five years of service are used first for administrative charges and second to reduce the City's current period contribution requirement.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE IX – OTHER INFORMATION (Continued)

Employee Retirement Systems and Pension Plans (Continued)

Defined benefit pension plans – fire employees

In November 2008, voters approved the City to move the fire employees' money purchase pension plan to a defined benefit plan. Fire employees became members of the Colorado Fire and Police Pension Association (FPPA) pension group effective April 1, 2009. Prior to that date, fire employees were included in the money purchase pension plan along with police employees.

The City provides pension benefits for paid fire fighters and commissioned fire personnel by contributing to the statewide, cost-sharing, multiple-employer defined benefit pension plan administered by the FPPA. The statewide defined benefit plan provides retirement benefits for its members and beneficiaries. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available financial report that includes the statewide defined benefit plan. The report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 303-770-3772 or 1-800-332-3772.

Plan members are required to contribute at a rate set by statute. The contribution requirements of plan members and the City are established under Title 31, Article 30, part 10 of the CRS, as amended. For members hired after April 1, 2009, the contribution rate is 8% of covered salary for the member and also 8% for the City. For all members hired prior to April 1, 2009, the contribution rate is 10% of covered salary for the member and also 10% for the City. In addition, members who meet the specific criteria have the option of joining the Deferred Retirement Option Plan. The City did not participate in FPPA prior to April 1, 2009. The City's contributions to the statewide benefit plan for December 31, 2010 and December 31, 2009 were \$1,038,707 and \$1,046,156 respectively.

Deferred compensation

A deferred compensation plan under Section 457 of the Internal Revenue Code is available for voluntary employee contributions. Under this plan, all employees may make voluntary contributions in accordance with Internal Revenue Service limitations. The City does not contribute to this plan except in certain instances. In accordance with the plan, distribution is not available to employees until termination, retirement, disability, death or unforeseen emergency. All assets are held for the exclusive benefit of the employees. This plan is administered by ICMA. The employee's contributions to this plan for December 31, 2010 were \$1,240,482 with the City's contribution being \$25,583.

CITY OF LITTLETON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE X – PLEDGED REVENUES

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$42,173,602 in outstanding sewer system revenues bonds. Proceeds from the bonds provided financing for the expansion and upgrade to the wastewater treatment plant owned and operated with the City of Englewood. The bonds are payable solely from the water and sewer customer net revenues and are payable through 2025. The total pledged revenue cannot be estimated in comparison to pledged debt in that revenues are uncertain as to future amounts. In the event that annual principal and interest payments on the bonds are expected to require more than available net revenues of which, cash reserve will be used. The total principal and interest remaining to be paid on the bonds at December 31, 2010 is \$56,787,191. Principal and interest paid for the current year (net of refunding credits) and total customer net revenues were \$4,574,968 and \$5,438,678 respectively.

NOTE XI – SUBSEQUENT CERTIFICATES OF PARTICIPATION REFINANCING

In May 2011, the Littleton Colorado Municipal Building Authority Certificates of Participation, Series 1999 outstanding in the amount of \$2,345,000 were refinanced by the 2011 Assignment Certificate issued by Littleton Colorado Municipal Building Authority and JPMorgan Chase Bank, N.A. The purpose of the refinancing was to realize a general interest savings over the remaining term of the bonds. The refinancing will have an interest rate of 3.34% and a scheduled maturity of December 1, 2024. The refinancing resulted in a net present value benefit to the Littleton Colorado Municipal Building Authority of \$214,100.

NOTE XII – NEW APPLICABLE GASB STANDARDS

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. This statement becomes effective for periods beginning after June 15, 2010. Management is currently reviewing this statement and intends to review this statement with the appropriate levels of management in determining policies and procedures related to this pronouncement.

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Budgetary Comparison Schedule
General Fund
For The Year Ended December 31, 2010

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 4,205,000	\$ 4,205,000	\$ 4,197,701	\$ (7,299)
Sales and use	23,241,000	23,241,000	23,220,548	(20,452)
Specific ownership tax	300,000	300,000	274,058	(25,942)
Cigarette Tax	200,000	200,000	195,913	(4,087)
Franchise	1,967,000	1,967,000	2,119,006	152,006
Licenses and permits	771,050	771,050	970,769	199,719
Intergovernmental	11,587,830	11,587,830	11,410,159	(177,671)
Charges for services	1,290,420	1,290,420	1,397,958	107,538
Fines & forfeitures	2,253,500	2,253,500	1,783,767	(469,733)
Investment earnings	150,000	150,000	71,025	(78,975)
Miscellaneous	485,050	485,050	466,353	(18,697)
Total revenues	<u>46,450,850</u>	<u>46,450,850</u>	<u>46,107,257</u>	<u>(343,593)</u>
EXPENDITURES				
Current:				
General government	11,429,810	11,540,578	10,490,573	1,050,005
Public safety	26,760,730	27,133,821	26,262,246	871,575
Highway and streets	4,588,360	4,490,640	4,149,534	341,106
Welfare	254,780	254,780	252,644	2,136
Culture and recreation	4,798,350	4,875,124	4,487,449	387,675
Capital outlay	175,500	513,927	329,115	184,812
Contingencies	100,000	75,000	-	75,000
Total expenditures	<u>48,107,530</u>	<u>48,883,870</u>	<u>45,971,561</u>	<u>2,912,309</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,656,680)</u>	<u>(2,433,020)</u>	<u>135,696</u>	<u>2,568,716</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	157,500	157,500	103,866	(53,634)
Transfers out	(379,930)	(379,930)	(379,930)	-
Total other financing sources (uses)	<u>(222,430)</u>	<u>(222,430)</u>	<u>(276,064)</u>	<u>(53,634)</u>
Net change in fund balance	(1,879,110)	(2,655,450)	(140,368)	2,515,082
Fund balances - beginning	<u>7,236,040</u>	<u>8,277,743</u>	<u>6,801,403</u>	<u>(1,476,340)</u>
Fund balances - ending	<u>\$ 5,356,930</u>	<u>\$ 5,622,293</u>	<u>\$ 6,661,035</u>	<u>\$ 1,038,742</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Special Projects Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 750,000	\$ 750,000	\$ 392,191	\$ (357,809)
Intergovernmental	1,764,690	1,764,690	2,887,525	1,122,835
Investment earnings	232,500	232,500	139,819	(92,681)
Miscellaneous	198,400	198,400	20,000	(178,400)
Total revenues	<u>2,945,590</u>	<u>2,945,590</u>	<u>3,439,535</u>	<u>493,945</u>
EXPENDITURES				
Current:				
General government	1,235,000	1,312,450	1,334,012	(21,563)
Public safety	-	9,720	149,171	(139,451)
Highways and streets	-	42,680	42,676	4
Culture and recreation	-	-	157,809	(157,809)
Debt Service:				
Principal	243,070	242,420	242,436	(16)
Interest	42,300	42,300	42,276	24
Capital outlay	5,642,500	8,954,421	5,074,700	3,879,721
Total expenditures	<u>7,162,870</u>	<u>10,603,991</u>	<u>7,043,080</u>	<u>3,560,911</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,217,280)</u>	<u>(7,658,401)</u>	<u>(3,603,545)</u>	<u>4,054,856</u>
OTHER FINANCING SOURCES				
Transfers out	<u>(157,500)</u>	<u>(157,500)</u>	<u>(103,866)</u>	<u>53,634</u>
Net change in fund balance	<u>(4,374,780)</u>	<u>(7,815,901)</u>	<u>(3,707,411)</u>	<u>4,108,491</u>
Fund balances - beginning	<u>1,541,630</u>	<u>4,182,416</u>	<u>13,015,758</u>	<u>8,833,342</u>
Fund balances - ending	<u>\$ (2,833,150)</u>	<u>\$ (3,633,485)</u>	<u>\$ 9,308,347</u>	<u>\$ 12,941,832</u>

See the accompanying Independent Auditors' Report

CITY OF LITTLETON, COLORADO
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2010

NOTE I – BUDGETARY INFORMATION

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

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

Public hearings are conducted to obtain citizen comments.

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

The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof from one classification of expenditure to another within the same fund, but not between funds.

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

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

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

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

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

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

CITY OF LITTLETON, COLORADO
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2010

NOTE I – BUDGETARY INFORMATION *(Continued)*

The emergency medical transport fund was in excess of its appropriation. This may be in violation of city ordinance.

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Special Revenue				
	Public Facilities Fund	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Shopping Cart Fund
ASSETS					
Cash and investments	\$ 94,942	\$ 854,284	\$ 349,644	\$ 208,224	\$ 20,158
Accounts receivable	-	-	23,933	196,315	-
Due from other governments	-	-	-	-	2,251
Restricted cash and investments	-	-	20,075	-	-
Total assets	<u>94,942</u>	<u>854,284</u>	<u>393,652</u>	<u>404,539</u>	<u>22,409</u>
LIABILITIES					
Contracts and accounts payable	-	30,000	192	42,586	416
Other liabilities	-	-	2,016	1,257	1,881
Deferred revenue	-	-	-	360,696	-
Total liabilities	<u>-</u>	<u>30,000</u>	<u>2,208</u>	<u>404,539</u>	<u>2,297</u>
FUND BALANCES					
Reserved:					
For encumbrances	-	20,000	5,000	-	-
For open space and parks	-	804,284	-	-	-
Unreserved, reported in:					
Special Revenue Funds	<u>94,942</u>	<u>-</u>	<u>386,444</u>	<u>-</u>	<u>20,112</u>
Total fund balances	<u>94,942</u>	<u>824,284</u>	<u>391,444</u>	<u>-</u>	<u>20,112</u>
Total liabilities and fund balances	<u>\$ 94,942</u>	<u>\$ 854,284</u>	<u>\$ 393,652</u>	<u>\$ 404,539</u>	<u>\$ 22,409</u>

See the accompanying Independent Auditors' Report

Open Space Fund	Total Nonmajor Governmental Funds
\$ 3,446,360	\$ 4,973,612
12,464	232,712
-	2,251
-	20,075
<u>3,458,824</u>	<u>5,228,650</u>
234,269	307,463
-	5,154
-	360,696
<u>234,269</u>	<u>673,313</u>
26,140	51,140
3,198,415	4,002,699
-	501,498
<u>3,224,555</u>	<u>4,555,337</u>
<u>\$ 3,458,824</u>	<u>\$ 5,228,650</u>

City of Littleton, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2010

	Special Revenue				
	Public Facilities Fund	Conservation Trust Fund	Consolidated Special Revenue Fund	Grants Fund	Shopping Cart Fund
REVENUES					
Intergovernmental	\$ -	\$ 180,352	\$ 69,497	\$ 2,851,239	\$ 27,013
Fines and forfeitures	-	-	80,163	-	-
Investment earnings	289	17,189	1,316	-	110
Miscellaneous	-	-	61,141	-	4,290
Total revenues	<u>289</u>	<u>197,541</u>	<u>212,117</u>	<u>2,851,239</u>	<u>31,413</u>
EXPENDITURES					
General government	-	-	24,031	160,648	-
Public safety	-	-	167,720	160,292	-
Welfare	-	-	-	-	50,186
Culture and recreation	-	123,846	1,342	-	-
Capital outlay	2,192	117,359	-	2,530,299	-
Total expenditures	<u>2,192</u>	<u>241,205</u>	<u>193,093</u>	<u>2,851,239</u>	<u>50,186</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,903)</u>	<u>(43,664)</u>	<u>19,024</u>	<u>-</u>	<u>(18,773)</u>
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	23,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,000</u>
Net change in fund balance	(1,903)	(43,664)	19,024	-	4,227
Fund balances - beginning	<u>96,845</u>	<u>867,948</u>	<u>372,420</u>	<u>-</u>	<u>15,885</u>
Fund balances - ending	<u>\$ 94,942</u>	<u>\$ 824,284</u>	<u>\$ 391,444</u>	<u>\$ -</u>	<u>\$ 20,112</u>

See the accompanying Independent Auditors' Report

<u>Open Space Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 783,192	\$ 3,911,293
-	80,163
60,941	79,845
5,796	71,227
<u>849,929</u>	<u>4,142,528</u>
-	184,679
-	328,012
-	50,186
406,922	532,110
990,537	3,640,387
<u>1,397,459</u>	<u>4,735,374</u>
<u>(547,530)</u>	<u>(592,846)</u>
-	<u>23,000</u>
-	<u>23,000</u>
(547,530)	(569,846)
<u>3,772,085</u>	<u>5,125,183</u>
<u>\$ 3,224,555</u>	<u>\$ 4,555,337</u>

City of Littleton, Colorado
Budgetary Comparison Schedule
Public Facilities Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Investment earnings	\$ 4,500	\$ 4,500	\$ 289	\$ (4,211)
Miscellaneous	100,000	100,000	-	(100,000)
Total revenues	<u>104,500</u>	<u>104,500</u>	<u>289</u>	<u>(104,211)</u>
EXPENDITURES				
Capital outlay	100,000	108,483	2,192	106,291
Total expenditures	<u>100,000</u>	<u>108,483</u>	<u>2,192</u>	<u>106,291</u>
Net change in fund balance	\$ 4,500	\$ (3,983)	\$ (1,903)	\$ 2,080
Fund balances - beginning	<u>266,710</u>	<u>176,903</u>	<u>96,845</u>	<u>(80,058)</u>
Fund balances - ending	<u>\$ 271,210</u>	<u>\$ 172,920</u>	<u>\$ 94,942</u>	<u>\$ (77,978)</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 190,000	\$ 190,000	\$ 180,352	\$ (9,648)
Investment earnings	8,000	8,000	17,189	9,189
Total revenues	<u>198,000</u>	<u>198,000</u>	<u>197,541</u>	<u>(459)</u>
EXPENDITURES				
Culture and recreation	30,000	80,000	123,846	(43,846)
Capital outlay	925,000	893,534	117,359	776,175
Total expenditures	<u>955,000</u>	<u>973,534</u>	<u>241,205</u>	<u>732,329</u>
Net change in fund balance	\$ (757,000)	\$ (775,534)	\$ (43,664)	\$ 731,870
Fund balances - beginning	<u>709,450</u>	<u>846,098</u>	<u>867,948</u>	<u>21,850</u>
Fund balances - ending	<u>\$ (47,550)</u>	<u>\$ 70,564</u>	<u>\$ 824,284</u>	<u>\$ 753,720</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Consolidated Special Revenue Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 69,497	\$ (30,503)
Fines and forfeitures	110,000	110,000	80,163	(29,837)
Investment earnings	4,650	4,650	1,316	(3,334)
Miscellaneous	57,600	57,600	61,141	3,541
Total revenues	<u>272,250</u>	<u>272,250</u>	<u>212,117</u>	<u>(60,133)</u>
EXPENDITURES				
General government	55,000	55,000	24,031	30,969
Public safety	219,870	219,870	167,720	52,150
Culture and recreation	3,730	3,730	1,342	2,388
Total expenditures	<u>278,600</u>	<u>278,600</u>	<u>193,093</u>	<u>85,507</u>
Net change in fund balance	\$ (6,350)	\$ (6,350)	\$ 19,024	\$ 25,374
Fund balances - beginning	<u>535,360</u>	<u>578,668</u>	<u>372,420</u>	<u>(206,248)</u>
Fund balances - ending	<u>\$ 529,010</u>	<u>\$ 572,318</u>	<u>\$ 391,444</u>	<u>\$ (180,874)</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Grants Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 250,500	\$ 2,828,040	\$ 2,851,239	\$ 23,199
Miscellaneous	100,000	100,000	-	(100,000)
Total revenues	<u>350,500</u>	<u>2,928,040</u>	<u>2,851,239</u>	<u>(76,801)</u>
EXPENDITURES				
General government	182,500	310,610	160,648	149,962
Public safety	18,000	180,380	160,292	20,088
Capital outlay	150,000	2,633,206	2,530,299	102,907
Total expenditures	<u>350,500</u>	<u>3,124,196</u>	<u>2,851,239</u>	<u>272,957</u>
Net change in fund balance	\$ -	\$ (196,156)	\$ -	\$ 196,156
Fund balances - beginning	<u>(10,150)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ (10,150)</u>	<u>\$ (196,156)</u>	<u>\$ -</u>	<u>\$ 196,156</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Shopping Cart Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 26,230	\$ 26,230	\$ 27,013	\$ 783
Investment earnings	100	100	110	10
Miscellaneous	4,500	4,500	4,290	(210)
Total revenues	<u>30,830</u>	<u>30,830</u>	<u>31,413</u>	<u>583</u>
EXPENDITURES				
Welfare	65,590	63,300	50,186	13,114
Total expenditures	<u>65,590</u>	<u>63,300</u>	<u>50,186</u>	<u>13,114</u>
Excess (deficiency) of revenues over (under) expenditures	(34,760)	(32,470)	(18,773)	13,697
OTHER FINANCING SOURCES				
Transfers in	23,000	23,000	23,000	-
Net change in fund balance	\$ (11,760)	\$ (9,470)	\$ 4,227	\$ 13,697
Fund balances - beginning	27,800	30,693	15,885	(14,808)
Fund balances - ending	<u>\$ 16,040</u>	<u>\$ 21,223</u>	<u>\$ 20,112</u>	<u>\$ (1,111)</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Open Space Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 860,000	\$ 860,000	\$ 783,192	\$ (76,808)
Investment earnings	53,000	53,000	60,941	7,941
Miscellaneous	-	-	5,796	5,796
Total revenues	<u>913,000</u>	<u>913,000</u>	<u>849,929</u>	<u>(63,071)</u>
EXPENDITURES				
Culture and recreation	-	404,890	406,922	(2,032)
Capital outlay	2,405,000	2,000,110	990,537	1,009,573
Total expenditures	<u>2,405,000</u>	<u>2,405,000</u>	<u>1,397,459</u>	<u>1,007,541</u>
Net change in fund balance	\$ (1,492,000)	\$ (1,492,000)	\$ (547,530)	\$ 944,470
Fund balances - beginning	<u>2,351,700</u>	<u>3,416,236</u>	<u>3,772,085</u>	<u>355,849</u>
Fund balances - ending	<u>\$ 859,700</u>	<u>\$ 1,924,236</u>	<u>\$ 3,224,555</u>	<u>\$ 1,300,319</u>

See the accompanying Independent Auditors' Report

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2010

	Storm Drainage Fund	So. Metro Area Comm. Center Fund	Geneva Village Fund	Emergency Medical Transport Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 460,591	\$ 551,526	\$ 186,320	\$ 189,463
Receivables (net of allowance for doubtful accounts of \$488,497)	509	75,000	-	1,026,776
Prepays	-	1,000	-	-
Total current assets	<u>461,100</u>	<u>627,526</u>	<u>186,320</u>	<u>1,216,239</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Capital assets:				
Land	1,982,652	-	70,408	-
Buildings and systems	14,521,209	-	238,015	-
Improvements other than buildings	-	-	-	-
Machinery and equipment	3,148	905,278	-	-
Construction in progress	-	16,475	-	-
Less accumulated depreciation	(7,269,958)	(737,681)	(160,607)	-
Total capital assets (net of accumulated depreciation)	<u>9,237,051</u>	<u>184,072</u>	<u>147,816</u>	<u>-</u>
Total noncurrent assets	<u>9,237,051</u>	<u>184,072</u>	<u>147,816</u>	<u>-</u>
Total assets	<u>9,698,151</u>	<u>811,598</u>	<u>334,136</u>	<u>1,216,239</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	2,055	222,558	18,333	75,484
Deferred revenue	7,282	-	-	-
Principal payable	-	-	-	-
Accrued interest payable	-	-	-	-
Total current liabilities	<u>9,337</u>	<u>222,558</u>	<u>18,333</u>	<u>75,484</u>
Noncurrent liabilities:				
Principal payable	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>9,337</u>	<u>222,558</u>	<u>18,333</u>	<u>75,484</u>
NET ASSETS				
Invested in capital assets, net of related debt	9,237,051	184,072	147,816	-
Unrestricted	451,763	404,968	167,987	1,140,755
Total net assets	<u>\$ 9,688,814</u>	<u>\$ 589,040</u>	<u>\$ 315,803</u>	<u>\$ 1,140,755</u>

See the accompanying Independent Auditors' Report

Permit Plan Review Fund	Building Authority Fund	Totals
\$ 501,907	\$ -	\$ 1,889,807
750	-	1,103,035
6,490	-	7,490
<u>509,147</u>	<u>-</u>	<u>3,000,332</u>
-	3	3
-	380,663	2,433,723
-	2,965,288	17,724,512
-	65,740	65,740
-	216,884	1,125,310
-	-	16,475
-	(903,146)	(9,071,392)
-	2,725,429	12,294,368
-	2,725,432	12,294,371
<u>509,147</u>	<u>2,725,432</u>	<u>15,294,703</u>
6,542	-	324,972
-	-	7,282
-	120,000	120,000
-	9,771	9,771
<u>6,542</u>	<u>129,771</u>	<u>462,025</u>
-	2,225,000	2,225,000
-	2,225,000	2,225,000
<u>6,542</u>	<u>2,354,771</u>	<u>2,687,025</u>
-	380,429	9,949,368
502,605	(9,768)	2,658,310
<u>\$ 502,605</u>	<u>\$ 370,661</u>	<u>\$ 12,607,678</u>

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For The Year Ended December 31, 2010

	Storm Drainage Fund	So. Metro Area Comm. Center Fund	Geneva Village Fund	Emergency Medical Transport Fund
OPERATING REVENUES				
Charges for services (net of contractual adjustments of \$1,199,787)	\$ 557,112	\$ 802,869	\$ -	\$ 3,166,201
Rental payments	-	-	126,030	-
Miscellaneous	13,175	-	1,650	97,050
Total operating revenues	<u>570,287</u>	<u>802,869</u>	<u>127,680</u>	<u>3,263,251</u>
OPERATING EXPENSES				
Personnel services	206,344	872,877	-	1,452,425
Supplies	1,443	15,320	-	198,460
Contractual services	4,273	108,967	30,000	152,030
Other services and charges	41,715	36,840	67,197	180,193
Bad debt expense	-	-	-	782,635
Depreciation	482,892	39,882	1,241	-
Total operating expenses	<u>736,667</u>	<u>1,073,886</u>	<u>98,438</u>	<u>2,765,743</u>
Operating income (loss)	<u>(166,380)</u>	<u>(271,017)</u>	<u>29,242</u>	<u>497,508</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	(326)	-	1,019	-
Debt administration costs	-	-	-	-
Interest charges	-	-	-	-
Total nonoperating revenues (expenses)	<u>(326)</u>	<u>-</u>	<u>1,019</u>	<u>-</u>
Income (loss) before transfers and capital contributions	(166,706)	(271,017)	30,261	497,508
Transfers in	-	356,930	-	-
Capital contributions	41,712	-	-	-
Change in net assets	(124,994)	85,913	30,261	497,508
Total net assets - beginning	<u>9,813,808</u>	<u>503,127</u>	<u>285,542</u>	<u>643,247</u>
Total net assets - ending	<u>\$ 9,688,814</u>	<u>\$ 589,040</u>	<u>\$ 315,803</u>	<u>\$ 1,140,755</u>

See the accompanying Independent Auditors' Report

Permit Plan Review Fund	Building Authority Fund	Totals
\$ 224,184	\$ -	\$ 4,750,366
-	238,150	364,180
-	-	111,875
<u>224,184</u>	<u>238,150</u>	<u>5,226,421</u>
111,946	-	2,643,592
21,769	-	236,992
-	-	295,270
69,518	1	395,464
-	-	782,635
-	69,577	593,592
<u>203,233</u>	<u>69,578</u>	<u>4,947,545</u>
<u>20,951</u>	<u>168,572</u>	<u>278,876</u>
-	1	694
-	(1,281)	(1,281)
-	(122,047)	(122,047)
<u>-</u>	<u>(123,327)</u>	<u>(122,634)</u>
20,951	45,245	156,242
-	-	356,930
<u>-</u>	<u>-</u>	<u>41,712</u>
20,951	45,245	554,884
<u>481,654</u>	<u>325,416</u>	<u>12,052,794</u>
<u>\$ 502,605</u>	<u>\$ 370,661</u>	<u>\$ 12,607,678</u>

City of Littleton, Colorado
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2010

	Storm Drainage Fund	So. Metro. Area Comm. Center Fund	Geneva Village Fund	Emergency Medical Transport Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 576,331	\$ 804,344	\$ 127,680	\$ 3,016,415
Cash paid to suppliers	(41,132)	36,529	(95,170)	(1,323,682)
Cash paid to employees	(206,344)	(872,877)	-	(1,452,425)
Net cash provided (used) by operating activities	<u>328,855</u>	<u>(32,004)</u>	<u>32,510</u>	<u>240,308</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments to other funds	-	-	-	(50,845)
Transfers in	-	356,930	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>356,930</u>	<u>-</u>	<u>(50,845)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(292,883)	(126,208)	(48,705)	-
Principal paid on debt	-	-	-	-
Interest paid on debt	-	-	-	-
Debt administration costs	-	-	-	-
Net cash used by capital and related financing activities	<u>(292,883)</u>	<u>(126,208)</u>	<u>(48,705)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	(326)	-	1,019	-
Net cash provided (used) by investing activities	<u>(326)</u>	<u>-</u>	<u>1,019</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	35,646	198,718	(15,176)	189,463
Cash and cash equivalents - January 1	424,945	352,808	201,496	-
Cash and cash equivalents - December 31	<u>\$ 460,591</u>	<u>\$ 551,526</u>	<u>\$ 186,320</u>	<u>\$ 189,463</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (166,380)	\$ (271,017)	\$ 29,242	\$ 497,508
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	482,892	39,882	1,241	-
Provision for doubtful accounts	-	-	-	782,635
(Increase) decrease in current assets				
Accounts receivable	6,044	1,475	-	(1,029,471)
Prepaid expenses	-	1,744	-	-
Increase (decrease) in current liabilities				
Accounts payable and other current liabilities	6,511	199,078	2,027	(18,557)
Accrued wages	(212)	(3,166)	-	8,193
Total adjustments	<u>495,235</u>	<u>239,013</u>	<u>3,268</u>	<u>(257,200)</u>
Net cash provided (used) by operating activities	<u>\$ 328,855</u>	<u>\$ (32,004)</u>	<u>\$ 32,510</u>	<u>\$ 240,308</u>
Noncash, investing, capital, and financing activities				
Contribution of capital assets	41,712	-	-	-

See the accompanying Independent Auditors' Report

Permit Plan Review Fund	Building Authority Fund	Totals
\$ 225,684	\$ 238,150	\$ 4,988,604
(95,865)	(1)	(1,519,321)
<u>(111,946)</u>	<u>-</u>	<u>(2,643,592)</u>
17,873	238,149	825,691
-	-	(50,845)
<u>-</u>	<u>-</u>	<u>356,930</u>
-	-	306,085
-	-	(467,796)
-	(115,000)	(115,000)
-	(122,483)	(122,483)
<u>-</u>	<u>(1,281)</u>	<u>(1,281)</u>
-	(238,764)	(706,560)
-	1	694
<u>-</u>	<u>1</u>	<u>694</u>
17,873	(614)	425,910
<u>484,034</u>	<u>617</u>	<u>1,463,900</u>
<u>\$ 501,907</u>	<u>\$ 3</u>	<u>\$ 1,889,810</u>
<u>\$ 20,951</u>	<u>\$ 168,572</u>	<u>\$ 278,876</u>
-	69,577	593,592
-	-	782,635
1,500	-	(1,020,452)
(6,490)	-	(4,746)
1,694	-	190,753
<u>218</u>	<u>-</u>	<u>5,033</u>
(3,078)	69,577	546,815
<u>\$ 17,873</u>	<u>\$ 238,149</u>	<u>\$ 825,691</u>
-	-	41,712

City of Littleton, Colorado
Budgetary Comparison Schedule
Sewer Utility Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 11,420,380	\$ 11,420,380	\$ 11,860,040	\$ 439,660
Investment earnings	192,500	192,500	113,010	(79,490)
Other misc revenues	265,000	265,000	278,959	13,959
Total revenues	<u>11,877,880</u>	<u>11,877,880</u>	<u>12,252,009</u>	<u>374,129</u>
EXPENDITURES				
Personnel services	324,970	324,970	325,541	(571)
Supplies	18,750	17,420	11,351	6,069
Bi-City operating costs	8,494,710	8,399,370	6,318,971	2,080,399
Contractual services	19,000	16,400	8,108	8,292
Services by General Fund	300,000	300,000	300,000	-
Other services and charges	1,082,940	1,814,515	1,691,704	122,811
Debt - Principal	2,951,120	2,951,120	2,951,106	14
Debt - Interest	1,667,240	1,667,240	1,489,593	177,647
Capital Outlay	210,000	210,000	3,148	206,852
Contingency	50,000	50,000	-	50,000
Total expenditures	<u>15,118,730</u>	<u>15,751,035</u>	<u>13,099,522</u>	<u>2,651,513</u>
Excess (deficiency) of revenues over (under) expenditures	(3,240,850)	(3,873,155)	(847,513)	3,025,642
OTHER FINANCING SOURCES				
Capital contributions	600,000	600,000	1,809,796	1,209,796
Total other financing sources	<u>600,000</u>	<u>600,000</u>	<u>1,809,796</u>	<u>1,209,796</u>
Change in net assets	<u>\$ (2,640,850)</u>	<u>\$ (3,273,155)</u>	962,283	<u>\$ 4,235,438</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			3,148	
Capital contributions			36,433	
Change in Bi-City joint venture equity			(4,533,021)	
Debt - Principal			2,951,106	
Amortization			(3,885)	
Depreciation			(616,573)	
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ (1,200,509)</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Storm Drainage Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 570,000	\$ 570,000	\$ 557,112	\$ (12,888)
Investment earnings	10,000	10,000	(326)	(10,326)
Other misc revenues	-	-	13,175	13,175
Total revenues	<u>580,000</u>	<u>580,000</u>	<u>569,961</u>	<u>(10,039)</u>
EXPENDITURES				
Personnel services	214,430	214,430	206,344	8,086
Supplies	6,570	6,440	1,443	4,997
Contractual services	19,000	17,770	4,273	13,497
Other services and charges	44,670	49,090	41,715	7,375
Capital outlay	301,000	297,940	292,883	5,057
Total expenditures	<u>585,670</u>	<u>585,670</u>	<u>546,658</u>	<u>39,012</u>
Change in net assets	<u>\$ (5,670)</u>	<u>\$ (5,670)</u>	23,303	<u>\$ 28,973</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			292,883	
Capital contributions			41,712	
Depreciation			<u>(482,892)</u>	
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ (124,994)</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
South Metro Area Communication Center Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 998,120	\$ 998,120	\$ 802,869	\$ (195,251)
Total revenues	<u>998,120</u>	<u>998,120</u>	<u>802,869</u>	<u>(195,251)</u>
EXPENDITURES				
Personnel services	923,000	923,000	872,877	50,123
Supplies	16,660	17,090	15,320	1,770
Contractual services	120,460	120,310	108,967	11,343
Other services and charges	91,360	90,930	36,840	54,090
Capital outlay	158,500	165,650	126,208	39,442
Total expenditures	<u>1,309,980</u>	<u>1,316,980</u>	<u>1,160,212</u>	<u>156,768</u>
Deficiency of revenues under expenditures	(311,860)	(318,860)	(357,343)	(38,483)
OTHER FINANCING SOURCES				
Transfers in	<u>356,930</u>	<u>356,930</u>	<u>356,930</u>	<u>-</u>
Change in net assets	<u>\$ 45,070</u>	<u>\$ 38,070</u>	(413)	<u>\$ (38,483)</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			126,208	
Depreciation			<u>(39,882)</u>	
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ 85,913</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Geneva Village Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Rental payments	\$ 126,000	\$ 126,000	\$ 126,030	\$ 30
Investment earnings	4,000	4,000	1,019	(2,981)
Other misc revenues	500	500	1,650	1,150
Total revenues	<u>130,500</u>	<u>130,500</u>	<u>128,699</u>	<u>(1,801)</u>
EXPENDITURES				
Supplies	15,500	14,780	-	14,780
Contractual services	38,000	32,000	30,000	2,000
Other services and charges	45,100	68,270	67,197	1,073
Capital outlay	80,000	63,550	48,705	14,845
Total expenditures	<u>178,600</u>	<u>178,600</u>	<u>145,902</u>	<u>32,698</u>
Change in net assets	<u>\$ (48,100)</u>	<u>\$ (48,100)</u>	(17,203)	<u>\$ 30,897</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			48,705	
Depreciation			<u>(1,241)</u>	
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ 30,261</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Emergency Medical Transport Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services (net of contractual adjustments of \$1,199,787)	\$ 1,950,000	\$ 1,950,000	\$ 3,166,201	\$ 1,216,201
Other misc revenues	85,000	85,000	97,050	12,050
Total revenues	<u>2,035,000</u>	<u>2,035,000</u>	<u>3,263,251</u>	<u>1,228,251</u>
EXPENDITURES				
Personnel services	1,344,990	1,344,990	1,452,425	(107,435)
Supplies	190,000	209,470	198,460	11,010
Contractual services	172,000	158,400	152,030	6,370
Other services and charges	85,720	195,950	180,193	15,757
Total expenditures	<u>1,792,710</u>	<u>1,908,810</u>	<u>1,983,108</u>	<u>(74,298)</u>
Change in net assets	<u>\$ 242,290</u>	<u>\$ 126,190</u>	1,280,143	<u>\$ 1,153,953</u>
ADJUSTMENTS TO GAAP BASIS				
Bad debt			<u>(782,635)</u>	
CHANGE IN NET ASSETS, GAAP BASIS				
			<u>\$ 497,508</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Permit Plan Review Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for services	\$ 300,000	\$ 300,000	\$ 224,184	\$ (75,816)
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>224,184</u>	<u>(75,816)</u>
EXPENDITURES				
Personnel services	122,830	122,830	111,946	10,884
Supplies	28,000	24,830	21,769	3,061
Other services and charges	79,830	83,000	69,518	13,482
Total expenditures	<u>230,660</u>	<u>230,660</u>	<u>203,233</u>	<u>27,427</u>
Change in net assets	<u>\$ 69,340</u>	<u>\$ 69,340</u>	20,951	<u>\$ (48,389)</u>
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ 20,951</u>	

See the accompanying Independent Auditors' Report

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

City of Littleton, Colorado
Combining Statement of Net Assets
Internal Service Funds
December 31, 2010

	Fleet Maintenance Fund	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
ASSETS				
Current assets:				
Cash and Investments	\$ 1,586,431	\$ 3,660,812	\$ 763,505	\$ 6,010,748
Receivables	1,308	-	5,000	6,308
Inventories	148,982	-	-	148,982
Prepays	5,203	-	-	5,203
Total current assets	<u>1,741,924</u>	<u>3,660,812</u>	<u>768,505</u>	<u>6,171,241</u>
Noncurrent assets:				
Restricted assets				
Cash and cash equivalents	-	133,397	-	133,397
Capital assets:				
Buildings and systems	76,211	-	-	76,211
Machinery and equipment	7,549,733	-	-	7,549,733
Less accumulated depreciation	(4,920,254)	-	-	(4,920,254)
Total capital assets (net of accumulated depreciation)	<u>2,705,690</u>	<u>-</u>	<u>-</u>	<u>2,705,690</u>
Total noncurrent assets	<u>2,705,690</u>	<u>133,397</u>	<u>-</u>	<u>2,839,087</u>
Total assets	<u>4,447,614</u>	<u>3,794,209</u>	<u>768,505</u>	<u>9,010,328</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	65,547	1,358,267	155,471	1,579,285
Total liabilities	<u>65,547</u>	<u>1,358,267</u>	<u>155,471</u>	<u>1,579,285</u>
NET ASSETS				
Investment in capital assets, net of related debt	2,705,690	-	-	2,705,690
Unrestricted	1,676,377	2,435,942	613,034	4,725,353
Total net assets	<u>\$ 4,382,067</u>	<u>\$ 2,435,942</u>	<u>\$ 613,034</u>	<u>\$ 7,431,043</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For The Year Ended December 31, 2010

	Fleet Maintenance Fund	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
OPERATING REVENUES				
Intergovernmental	\$ 40,000	\$ -	\$ -	\$ 40,000
Charges for services	2,421,442	280,071	284,009	2,985,522
Employer/employee contributions	-	6,262,962	-	6,262,962
Miscellaneous	81,955	55,097	-	137,052
Total operating revenues	<u>2,543,397</u>	<u>6,598,130</u>	<u>284,009</u>	<u>9,425,536</u>
OPERATING EXPENSES				
Personnel services	559,878	-	-	559,878
Supplies	687,151	-	400	687,551
Benefits and claims	-	5,529,700	261,170	5,790,870
Insurance	87,730	895,678	331,870	1,315,278
Other services and charges	354,652	542,000	-	896,652
Depreciation	614,771	-	-	614,771
Total operating expenses	<u>2,304,182</u>	<u>6,967,378</u>	<u>593,440</u>	<u>9,865,000</u>
Operating income (loss)	<u>239,215</u>	<u>(369,248)</u>	<u>(309,431)</u>	<u>(439,464)</u>
NONOPERATING REVENUES				
Investment earnings	20,461	55,397	10,985	86,843
Insurance recovery	-	-	90,190	90,190
Gain on sale of assets	65,946	-	-	65,946
Total nonoperating revenues	<u>86,407</u>	<u>55,397</u>	<u>101,175</u>	<u>242,979</u>
Change in net assets	325,622	(313,851)	(208,256)	(196,485)
Net assets - beginning	<u>4,056,445</u>	<u>2,749,793</u>	<u>821,290</u>	<u>7,627,528</u>
Net assets - ending	<u>\$ 4,382,067</u>	<u>\$ 2,435,942</u>	<u>\$ 613,034</u>	<u>\$ 7,431,043</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2010

	Fleet Maintenance Fund	Employee Insurance Fund	Property & Liability Insurance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 6,774	\$ 298,676	\$ 284,009	\$ 589,459
Cash received from other funds	2,530,030	6,327,014	-	8,857,044
Cash paid to suppliers	(1,126,695)	(7,013,935)	(539,568)	(8,680,198)
Cash paid to employees	(559,878)	-	-	(559,878)
Net cash provided (used) by operating activities	<u>850,231</u>	<u>(388,245)</u>	<u>(255,559)</u>	<u>206,427</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(605,065)	-	-	(605,065)
Insurance proceeds	-	-	85,190	85,190
Proceeds from sale of capital assets	65,946	-	-	65,946
Net cash provided (used) by capital and related financing activities	<u>(539,119)</u>	<u>-</u>	<u>85,190</u>	<u>(453,929)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	20,461	55,397	10,985	86,843
Net cash provided by investing activities	<u>20,461</u>	<u>55,397</u>	<u>10,985</u>	<u>86,843</u>
Net increase (decrease) in cash and cash equivalents	331,573	(332,848)	(159,384)	(160,659)
Cash and cash equivalents - January 1	<u>1,254,858</u>	<u>4,127,057</u>	<u>922,889</u>	<u>6,304,804</u>
Cash and cash equivalents - December 31	<u>\$ 1,586,431</u>	<u>\$ 3,794,209</u>	<u>\$ 763,505</u>	<u>\$ 6,144,145</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	<u>\$ 239,215</u>	<u>\$ (369,248)</u>	<u>\$ (309,431)</u>	<u>\$ (439,464)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	614,771	-	-	614,771
(Increase) decrease in current assets:				
Accounts receivable	(999)	27,560	-	26,561
Prepays	(5,203)	-	-	(5,203)
Inventories	(5,594)	-	-	(5,594)
Increase (decrease) in current liabilities:				
Accounts payable and other current liabilities	6,479	5,487	64,427	76,393
Accrued wages	1,562	-	-	1,562
Deferred revenues	-	-	-	-
Claims and judgments	-	(52,044)	(10,555)	(62,599)
Total adjustments	<u>611,016</u>	<u>(18,997)</u>	<u>53,872</u>	<u>645,891</u>
Net cash provided (used) by operating activities	<u>\$ 850,231</u>	<u>\$ (388,245)</u>	<u>\$ (255,559)</u>	<u>\$ 206,427</u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Fleet Maintenance Fund
For The Year Ended December 31, 2010

	Original Budget	Amended Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 2,586,880	\$ 2,586,880	\$ 2,421,442	\$ (165,438)
Intergovernmental	-	-	40,000	40,000
Investment earnings	30,000	30,000	20,461	(9,539)
Gain (loss) on sale of assets	75,000	75,000	65,946	(9,054)
Miscellaneous	-	-	81,955	81,955
Total revenues	<u>2,691,880</u>	<u>2,691,880</u>	<u>2,629,804</u>	<u>(62,076)</u>
EXPENDITURES				
Personnel services	558,950	558,950	559,878	(928)
Supplies	828,800	864,770	687,151	177,619
Insurance	87,730	87,730	87,730	-
Other services and charges	333,020	368,020	354,652	13,368
Capital outlay	640,000	642,875	605,065	37,810
Total expenditures	<u>2,448,500</u>	<u>2,522,345</u>	<u>2,294,476</u>	<u>227,869</u>
Change in net assets	<u>\$ 243,380</u>	<u>\$ 169,535</u>	335,328	<u>\$ 165,793</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			605,065	
Depreciation			<u>(614,771)</u>	
CHANGE IN NET ASSETS, GAAP BASIS			<u>\$ 325,622</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Employee Insurance Fund
For The Year Ended December 31, 2010

	Original Budget	Amended Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 211,360	\$ 211,360	\$ 280,071	\$ 68,711
Employer/employee contributions	7,104,870	7,104,870	6,262,962	(841,908)
Miscellaneous	76,000	76,000	55,097	(20,903)
Investment earnings	62,330	62,330	55,397	(6,933)
Total revenues	<u>7,454,560</u>	<u>7,454,560</u>	<u>6,653,527</u>	<u>(801,033)</u>
EXPENDITURES				
Benefits and claims	6,033,950	6,033,950	5,303,824	730,126
Insurance	937,000	937,000	895,678	41,322
Other services and charges	529,080	529,080	542,000	(12,920)
Total expenditures	<u>7,500,030</u>	<u>7,500,030</u>	<u>6,741,502</u>	<u>758,528</u>
Change in net assets	<u>\$ (45,470)</u>	<u>\$ (45,470)</u>	(87,975)	<u>\$ (42,505)</u>
ADJUSTMENTS TO GAAP				
IBNR			<u>(225,876)</u>	
CHANGE IN NET ASSETS, GAAP BASIS				
			<u>\$ (313,851)</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Property and Liability Insurance Fund
For The Year Ended December 31, 2010

	Original Budget	Amended Budget	Actual	Variance with Final Budget
REVENUES				
Charges to other funds	\$ 284,000	\$ 284,000	\$ 284,009	\$ 9
Investment earnings	15,000	15,000	10,985	(4,015)
Insurance recovery	20,000	20,000	90,190	70,190
Total revenues	<u>319,000</u>	<u>319,000</u>	<u>385,184</u>	<u>66,184</u>
EXPENDITURES				
Supplies	400	400	400	-
Insurance	324,000	331,870	331,870	-
Benefits and claims	250,000	262,620	196,743	65,877
Other services and charges	-	-	-	-
Total expenditures	<u>574,400</u>	<u>594,890</u>	<u>529,013</u>	<u>65,877</u>
Change in net assets	<u>\$ (255,400)</u>	<u>\$ (275,890)</u>	(143,829)	<u>\$ 132,061</u>
ADJUSTMENTS TO GAAP BASIS				
IBNR			<u>(64,427)</u>	
CHANGE IN NET ASSETS, GAAP BASIS				
			<u>\$ (208,256)</u>	

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Balance Sheet
Riverfront Authority Fund
December 31, 2010

ASSETS	
Cash and cash equivalents	\$ 145,103
Cash - restricted	<u>301,442</u>
Total assets	<u><u>446,545</u></u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and other current liabilities	435,313
Due to primary government	<u>11,232</u>
Total liabilities	<u>446,545</u>
Fund balances:	
Unreserved	-
Total fund balances	<u>\$ -</u>
Total liabilities and fund balances	<u><u>\$ 446,545</u></u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Riverfront Authority Fund
For The Year Ended December 31, 2010

REVENUES	
Investment earnings	\$ 649
Total revenues	<u>649</u>
EXPENDITURES	
General government	649
Total expenditures	<u>649</u>
Change in fund balance	-
Fund balance - beginning	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>

See the accompanying Independent Auditors' Report

City of Littleton, Colorado
Budgetary Comparison Schedule
Riverfront Authority Fund
For The Year Ended December 31, 2010

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Investment earnings	-	-	649	649
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>649</u>	<u>(19,351)</u>
EXPENDITURES				
General government	15,000	15,000	649	14,351
Interest	502,000	502,000	-	502,000
Total expenditures	<u>517,000</u>	<u>517,000</u>	<u>649</u>	<u>516,351</u>
Change in fund balance	<u>\$ (497,000)</u>	<u>\$ (497,000)</u>	-	<u>\$ 497,000</u>
Fund balance - beginning			-	
Fund balance - ending			<u>\$ -</u>	

See the accompanying Independent Auditors' Report

2010
Comprehensive Annual Financial Report

City of Littleton
Littleton, Colorado

Statistical Section

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	84
These schedules contain information to help the readers assess the factors affecting the City's ability to generate its property and sales tax.	
Debt Capacity	90
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	95
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	97
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	

**City of Littleton, Colorado
Net Assets by Component
Last Eight Fiscal Years**

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES								
Invested in capital assets, net of related debt	\$ 54,324,000	\$ 58,967,443	\$ 60,017,015	\$ 59,083,776	\$ 70,902,453	\$ 70,466,299	\$ 71,157,178	\$ 76,797,038
Restricted	1,304,000	2,199,186	3,334,335	3,855,096	4,966,554	5,941,403	6,201,254	5,664,176
Unrestricted	21,394,000	14,191,775	13,462,623	16,916,817	16,504,096	15,275,377	22,839,741	19,086,214
Total governmental activities net assets	<u>77,022,000</u>	<u>75,358,404</u>	<u>76,813,973</u>	<u>79,855,689</u>	<u>92,373,103</u>	<u>91,683,079</u>	<u>100,198,173</u>	<u>101,547,428</u>
BUSINESS-TYPE ACTIVITIES								
Invested in capital assets, net of related debt	27,301,000	36,060,152	29,945,027	10,771,901	16,452,172	16,528,736	16,328,433	16,131,176
Unrestricted	25,827,000	19,468,571	24,426,134	44,264,507	52,587,058	54,676,153	43,861,361	43,754,732
Total business-type activities net assets	<u>53,128,000</u>	<u>55,528,723</u>	<u>54,371,161</u>	<u>55,036,408</u>	<u>69,039,230</u>	<u>71,204,889</u>	<u>60,189,794</u>	<u>59,885,908</u>
PRIMARY GOVERNMENT								
Invested in capital assets, net of related debt	81,625,000	95,027,595	89,962,042	69,855,677	87,354,625	86,995,035	87,485,611	92,928,214
Restricted	1,304,000	2,199,186	3,334,335	3,855,096	4,966,554	5,941,403	6,201,254	5,664,176
Unrestricted	47,221,000	33,660,346	37,888,757	61,181,324	69,091,154	69,951,530	66,701,102	62,840,946
Total primary government net assets	<u>\$ 130,150,000</u>	<u>\$ 130,887,127</u>	<u>\$ 131,185,134</u>	<u>\$ 134,892,097</u>	<u>\$ 161,412,333</u>	<u>\$ 162,887,968</u>	<u>\$ 160,387,967</u>	<u>\$ 161,433,336</u>

Note: Information presented since inception of GASB 34

Note: Infrastructure assets acquired, donated or constructed before 1/1/2003 were added to financial statements in 2007

City of Littleton, Colorado
Changes in Net Assets
Last Eight Fiscal Years

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
EXPENSES								
Governmental activities:								
General government	\$ 8,808,000	\$ 11,683,170	\$ 11,759,564	\$ 12,139,521	\$ 13,063,537	\$ 12,632,366	\$ 12,655,778	\$ 12,996,864
Public safety	21,814,000	21,916,026	22,741,331	24,502,973	25,430,954	27,313,322	27,005,362	27,945,448
Highways and streets	5,919,000	5,164,681	5,487,976	5,435,196	7,390,736	6,964,756	6,732,039	6,957,074
Welfare	262,000	279,690	286,658	292,901	298,599	304,738	307,783	309,346
Culture and recreation	6,651,000	5,001,786	4,824,194	4,823,026	5,026,480	5,199,576	5,314,622	5,387,860
Interest on long term debt	-	38,496	146,615	10,505	34,374	29,552	50,858	42,276
Total governmental activities expenses	43,454,000	44,083,849	45,246,338	47,204,122	51,244,680	52,444,310	52,066,442	53,638,868
Business-type activities:								
Sewer Utility	7,794,000	6,468,967	8,961,510	9,532,089	9,965,486	10,086,201	12,279,515	15,298,747
Water Utility	134,000	62,350	62,350	62,350	63,100	157,263	1,924	-
Building Corporation	2,000	31,133	902,701	918,904	892,013	878,645	861,537	844,033
Storm Drainage	490,000	440,956	453,522	391,260	694,809	775,519	722,265	736,667
So. Metro Area Comm. Center	931,000	975,474	1,015,741	1,026,852	1,095,218	1,104,498	1,062,996	1,073,886
Geneva Village	51,000	54,092	142,959	56,263	93,108	123,525	102,662	98,438
Emergency Med. Trans	1,444,000	1,544,795	1,944,654	2,249,447	2,038,317	2,443,482	2,684,222	2,765,744
Permit Plan Review	179,000	205,794	193,953	165,728	178,803	188,052	187,990	203,233
Building Authority	239,000	234,322	230,565	223,305	218,756	215,249	208,917	192,906
Total business-type activities expenses	11,263,000	10,017,883	13,907,955	14,626,198	15,239,610	15,972,434	18,112,028	21,213,654
Total primary government expenses	54,717,000	54,101,733	59,154,293	61,830,320	66,484,290	68,416,744	70,178,470	74,852,522
PROGRAM REVENUES								
Governmental activities:								
Charges for services:								
General government	2,094,000	2,645,124	3,408,547	3,319,608	3,296,395	2,938,179	3,349,187	4,144,441
Public safety	9,401,000	9,460,912	10,282,233	11,237,816	11,312,144	12,190,752	11,895,379	12,121,480
Highways and streets	15,000	1,269,895	1,124,094	1,278,139	1,244,735	1,197,554	1,285,967	1,372,091
Welfare	34,000	33,288	27,846	24,000	24,720	25,461	26,226	27,014
Culture and recreation	87,000	837,451	658,606	1,183,164	1,185,156	1,282,286	1,240,487	1,326,727
Operating grants and contributions	281,000	85,925	116,875	164,898	162,918	184,071	340,406	2,426,853
Capital grants and contributions	155,000	1,276,183	574,860	773,084	103,478	761,359	528,268	2,572,781
Total governmental activities program revenues	12,068,000	15,608,778	16,193,061	17,980,709	17,329,546	18,579,662	18,665,920	23,991,387
Business-type activities:								
Charges for services:								
Sewer Utility	5,345,000	6,097,496	7,320,287	7,995,845	8,897,698	10,315,215	11,110,077	12,138,999
Water Utility	276,000	-	-	-	-	-	-	-
Building Corporation	-	1,111,528	1,138,125	1,126,907	937,951	1,127,899	1,137,669	1,180,471
Storm Drainage	530,000	550,277	513,187	547,110	571,152	577,350	580,441	570,287
So. Metro Area Comm. Center	666,000	678,243	737,490	622,366	664,233	764,876	826,147	802,869
Geneva Village	87,000	77,560	117,753	123,401	127,781	123,049	126,104	127,680
Emergency Med. Trans	1,444,000	1,544,626	1,825,448	2,119,056	2,159,138	2,914,418	2,975,949	3,263,251
Permit Plan Review	178,000	240,735	193,953	265,646	323,425	313,909	264,306	224,184
Building Authority	238,000	239,062	241,201	240,955	236,724	238,626	238,741	238,150
Capital grants and contributions	611,000	1,137,197	806,670	973,207	6,119,233	1,920,400	658,218	1,887,941
Total business-type activities program revenues	9,375,000	11,676,724	12,894,112	14,014,493	20,037,335	18,295,742	17,917,652	20,433,832
Total primary government program revenues	21,443,000	27,285,502	29,087,173	31,995,202	37,366,881	36,875,404	36,583,572	44,425,219
NET REVENUE (EXPENSE)								
Government activities	(31,386,000)	(28,475,071)	(29,053,276)	(29,223,413)	(33,915,134)	(33,864,648)	(33,400,522)	(29,647,481)
Business-type activities	(1,888,000)	1,658,841	(653,843)	(611,705)	4,797,725	2,323,308	(194,376)	(779,822)
Total primary government net expense	\$ (33,274,000)	\$ (26,816,229)	\$ (29,707,119)	\$ (29,835,118)	\$ (29,117,409)	\$ (31,541,340)	\$ (33,594,898)	\$ (30,427,303)

City of Littleton, Colorado
Changes in Net Assets (continued)
Last Seven Fiscal Years

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
GENERAL REVENUES AND OTHER								
CHANGES IN NET ASSETS								
Governmental activities:								
Taxes								
Property taxes	\$ 3,335,000	\$ 3,356,733	\$ 3,390,831	\$ 3,563,788	\$ 3,480,831	\$ 3,948,218	\$ 3,985,103	\$ 4,082,829
Sales taxes	23,018,000	23,297,642	22,992,749	23,153,121	24,820,133	24,745,896	23,533,463	23,612,739
Cigarette taxes	269,000	307,705	249,987	573,491	559,541	531,214	483,015	469,971
Franchise fees not restricted to specific program	1,537,000	1,668,535	1,708,654	2,102,072	1,777,359	2,159,979	1,971,980	2,173,988
License and permits	114,000	-	-	-	-	-	-	-
Unrestricted grants and contributions	-	-	64,154	-	-	-	-	-
Intergovernmental	2,125,000	-	-	-	-	-	-	-
Investment earnings	306,000	208,753	383,843	904,559	1,205,103	879,246	(1,864)	377,532
Miscellaneous	6,160,000	277,413	109,848	461,907	679,798	672,528	584,593	636,607
Transfers	(92,000)	(232,953)	(169,122)	1,193,420	(45,000)	745,985	11,359,326	(356,930)
Sale of capital assets	-	-	1,417,903	312,771	-	-	-	-
	<u>36,772,000</u>	<u>28,883,828</u>	<u>30,148,847</u>	<u>32,265,129</u>	<u>32,477,765</u>	<u>33,683,066</u>	<u>41,915,616</u>	<u>30,996,736</u>
Business activities:								
Investment earnings	575,000	508,981	1,585,697	1,640,478	1,681,190	1,529,687	538,607	119,006
Transfers	92,000	232,953	169,122	(1,193,420)	45,000	(745,985)	(11,359,326)	356,930
Gain/loss on sale of capital asset	(37,000)	-	-	829,894	-	-	-	-
Total business activities	<u>630,000</u>	<u>741,934</u>	<u>1,754,819</u>	<u>1,276,952</u>	<u>1,726,190</u>	<u>783,702</u>	<u>(10,820,719)</u>	<u>475,936</u>
Total primary government	<u><u>37,402,000</u></u>	<u><u>29,625,762</u></u>	<u><u>31,903,666</u></u>	<u><u>33,542,081</u></u>	<u><u>34,203,955</u></u>	<u><u>34,466,768</u></u>	<u><u>31,094,897</u></u>	<u><u>31,472,672</u></u>
CHANGES IN NET ASSETS								
Governmental activities:	(898,000)	2,400,775	1,455,570	3,041,716	(1,437,369)	(181,582)	8,515,094	1,349,255
Business-type activities	5,746,000	768,758	740,976	665,247	6,523,915	3,107,010	(11,015,095)	(303,886)
Total primary government	<u>\$ 4,848,000</u>	<u>\$ 3,169,533</u>	<u>\$ 2,196,546</u>	<u>\$ 3,706,963</u>	<u>\$ 5,086,546</u>	<u>\$ 2,925,428</u>	<u>\$ (2,500,001)</u>	<u>\$ 1,045,369</u>

Note: Information presented since inception of GASB 34

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

Table 3

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
GENERAL FUND								
Reserved	\$ 2,202,000	\$ 3,197,794	\$ 2,289,039	\$ 2,149,147	\$ 2,250,783	\$ 2,133,570	\$ 2,064,021	\$ 2,176,602
Unreserved	<u>6,671,000</u>	<u>4,948,048</u>	<u>7,519,798</u>	<u>9,189,684</u>	<u>8,478,752</u>	<u>6,144,173</u>	<u>4,737,385</u>	<u>4,484,433</u>
Total general fund	<u><u>8,873,000</u></u>	<u><u>8,145,842</u></u>	<u><u>9,808,837</u></u>	<u><u>11,338,831</u></u>	<u><u>10,729,535</u></u>	<u><u>8,277,743</u></u>	<u><u>6,801,406</u></u>	<u><u>6,661,035</u></u>
ALL OTHER GOVERNMENTAL FUNDS								
Reserved	4,485,000	3,649,086	2,382,542	3,164,805	4,612,353	6,542,776	5,289,637	6,875,108
Unreserved, reported in:								
Special revenue funds	6,931,000	1,803,908	2,972,467	3,986,482	2,597,600	2,688,238	12,851,304	6,988,576
Debt service funds	<u>208,000</u>	<u>207,948</u>	-	-	-	-	-	-
Total all other governmental funds	<u><u>\$ 11,624,000</u></u>	<u><u>\$ 5,660,942</u></u>	<u><u>\$ 5,355,009</u></u>	<u><u>\$ 7,151,287</u></u>	<u><u>\$ 7,209,953</u></u>	<u><u>\$ 9,231,014</u></u>	<u><u>\$ 18,140,941</u></u>	<u><u>\$ 13,863,684</u></u>

Note: Information presented since inception of GASB 34

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

Table 4

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
REVENUES								
Taxes	\$ 26,622,000	\$ 26,962,081	\$ 26,633,568	\$ 27,290,400	\$ 28,860,505	\$ 29,225,328	\$ 28,123,190	\$ 28,280,411
Franchise	1,537,000	1,615,694	1,653,801	2,046,243	1,736,166	2,093,583	1,916,623	2,119,006
Licenses, fees, permits	604,000	646,744	706,058	782,894	811,656	757,601	860,878	970,769
Intergovernmental	11,329,000	11,601,736	12,993,883	14,162,042	13,484,908	14,722,289	14,446,832	18,208,977
Charges for services	1,120,000	1,103,128	1,146,040	1,269,038	1,301,006	1,225,745	1,377,102	1,397,958
Fines	1,127,000	1,109,043	1,144,763	1,191,842	1,049,966	1,045,174	1,197,276	1,863,930
Investment earnings	306,000	208,753	383,843	753,654	975,882	677,056	(63,317)	290,689
Miscellaneous	6,750,000	887,717	1,919,003	1,070,949	1,033,551	941,610	656,388	557,580
Total governmental activities revenues	<u>49,395,000</u>	<u>44,134,896</u>	<u>46,580,959</u>	<u>48,567,062</u>	<u>49,253,640</u>	<u>50,688,386</u>	<u>48,514,972</u>	<u>53,689,320</u>
EXPENDITURES								
General government	11,662,000	13,656,645	12,393,282	11,782,439	12,942,782	11,986,163	11,970,948	12,009,264
Public safety	24,046,000	22,578,015	22,448,564	24,905,030	25,479,239	26,592,463	26,324,351	26,739,429
Highways and streets	7,456,000	8,629,507	5,717,551	5,772,075	5,615,713	4,125,318	4,137,483	4,192,210
Welfare	271,000	279,690	286,493	292,056	298,825	304,518	307,808	302,830
Culture and recreation	7,429,000	5,385,551	5,118,507	4,491,454	4,861,406	4,777,724	4,881,268	5,177,368
Debt service:								
Principal	273,000	287,821	498,220	56,840	126,931	131,753	233,854	242,436
Interest	53,000	38,496	146,615	10,505	34,374	29,552	50,858	42,276
Capital Outlay	-	-	-	-	-	4,422,611	4,514,141	9,044,202
Total expenditures	<u>51,190,000</u>	<u>50,855,725</u>	<u>46,609,233</u>	<u>47,310,399</u>	<u>49,359,270</u>	<u>52,370,102</u>	<u>52,420,711</u>	<u>57,750,015</u>
Excess of revenues over (under) expenditure	(1,795,000)	(6,720,829)	(28,277)	1,256,663	(105,630)	(1,681,716)	(3,905,739)	(4,060,695)
OTHER FINANCING SOURCES (USES)								
Transfers in	3,277,000	2,552,772	1,502,528	1,321,079	808,367	4,634,914	11,967,734	126,866
Transfers out	(3,369,000)	(2,525,724)	(1,919,650)	(127,659)	(1,253,367)	(4,138,929)	(628,408)	(483,796)
Capital lease proceeds	-	-	304,500	630,000	-	755,000	-	-
Sale of capital assets	-	-	1,497,961	246,189	-	-	-	-
Total other financing sources (uses)	<u>(92,000)</u>	<u>27,048</u>	<u>1,385,339</u>	<u>2,069,609</u>	<u>(445,000)</u>	<u>1,250,985</u>	<u>11,339,326</u>	<u>(356,930)</u>
Net change in fund balance	<u>\$ (1,887,000)</u>	<u>\$ (6,693,781)</u>	<u>\$ 1,357,062</u>	<u>\$ 3,326,272</u>	<u>\$ (550,630)</u>	<u>\$ (430,731)</u>	<u>\$ 7,433,587</u>	<u>\$ (4,417,625)</u>
Debt service as a percentage of noncapital expenditure	0.8%	0.8%	1.5%	0.2%	0.3%	0.3%	0.6%	0.6%

Note: Information presented since inception of GASB 34

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

Table 5

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Welfare</u>	<u>Culture and Recreation</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
2001	\$ 8,270,000	\$ 18,777,000	\$ 10,140,000	\$ 283,000	\$ 4,544,000	\$ 747,000	-	\$ 42,761,000
2002	7,926,000	19,933,000	4,007,000	185,000	4,263,000	-	-	36,314,000
2003	11,662,000	24,046,000	7,456,000	271,000	7,429,000	326,000	-	51,190,000
2004	13,657,000	22,578,000	8,630,000	280,000	5,386,000	325,000	-	50,856,000
2005	12,393,000	22,449,000	5,718,000	286,000	5,119,000	645,000	-	46,610,000
2006	11,782,000	24,905,000	5,772,000	292,000	4,492,000	67,000	-	47,310,000
2007	12,943,000	25,479,000	5,616,000	299,000	4,861,000	161,000	-	49,359,000
2008	11,986,000	26,592,000	4,125,000	305,000	4,778,000	161,000	4,423,000	52,370,000
2009	11,971,000	26,324,000	4,138,000	308,000	4,881,000	285,000	4,514,000	52,421,000
2010	\$ 12,009,000	\$ 26,740,000	\$ 4,192,000	\$ 303,000	\$ 5,178,000	\$ 284,000	\$ 9,044,000	\$ 57,750,000

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

NOTES:
Amounts include General, Special Revenue, and Debt Service Funds.
Capital outlay reported separately beginning 2008.

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

Table 6

Fiscal Year	Taxes	Licenses and Permits	Inter-Governmental Revenue	Fines and Forfeitures	Charges for Services	Other	Total
2001	\$ 28,427,000	\$ 2,676,000	\$ 10,248,000	\$ 654,000	\$ 608,000	\$ 2,028,000	\$ 44,641,000
2002	26,095,000	2,203,000	8,529,000	904,000	577,000	1,259,000	39,567,000
2003	26,622,000	604,000	11,329,000	1,127,000	1,120,000	8,595,000	49,397,000
2004	26,962,000	647,000	11,602,000	1,109,000	1,103,000	2,712,000	44,135,000
2005	26,633,000	706,000	12,994,000	1,145,000	1,146,000	3,957,000	46,581,000
2006	27,290,000	783,000	14,162,000	1,192,000	1,269,000	3,871,000	48,567,000
2007	28,861,000	812,000	13,485,000	1,050,000	1,301,000	3,745,000	49,254,000
2008	29,225,000	758,000	14,722,000	1,045,000	1,226,000	3,712,000	50,688,000
2009	30,040,000	861,000	14,447,000	1,107,000	1,377,000	673,000	48,505,001
2010	\$ 30,399,000	\$ 971,000	\$ 18,209,000	\$ 1,864,000	\$ 1,398,000	\$ 848,000	\$ 53,689,000

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

NOTE:
Amounts include General and Special Revenue Funds.
1 - Previous to 2009, franchise fees were reported in "Other".

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

Table 7

Fiscal Year	Property Taxes ⁽¹⁾	Sales and Use Taxes ⁽¹⁾	Cigarette Taxes	Specific Ownership	Franchise Fees ⁽²⁾	Total
2001	\$ 2,679,000	\$ 25,177,000	\$ 253,000	\$ 318,000	\$ -	\$ 28,427,000
2002	3,161,000	24,940,000	325,000	340,000	-	28,766,000
2003	3,335,000	22,679,000	269,000	339,000	-	26,622,000
2004	3,357,000	22,971,000	308,000	326,000	-	26,962,000
2005	3,391,000	22,673,000	250,000	319,000	-	26,633,000
2006	3,564,000	23,153,000	251,000	322,000	-	27,290,000
2007	3,481,000	24,821,000	241,000	318,000	-	28,861,000
2008	3,948,000	24,746,000	228,000	303,000	-	29,225,000
2009	4,107,000	23,533,000	200,000	283,000	1,917,000	30,040,000
2010	\$ 4,198,000	\$ 23,612,000	\$ 196,000	\$ 274,000	\$ 2,119,000	\$ 30,399,000

SOURCE:

Finance Department - City of Littleton

(1) Excludes Special Assessment collection and tax increment amounts.

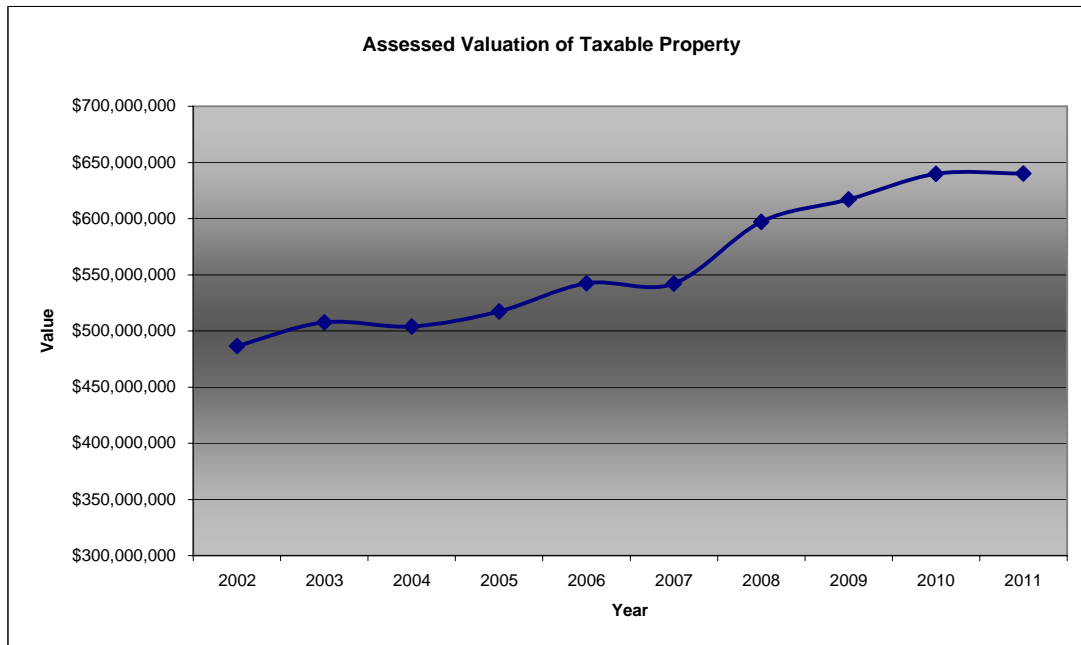
(2) Prior to 2009, franchise fees were not reported on this schedule.

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

Table 8

Collection Year	Levy Year	Assessed Valuation	Estimated Actual Value ⁽¹⁾	Ratio of Assessed to Estimated Actual Value	Direct Rate
2002	2001	\$ 486,570,922	\$ 3,375,996,438	13	6.662
2003	2002	507,668,242	3,798,767,140	15	6.662
2004	2003	503,873,012	4,339,766,853	15	6.662
2005	2004	517,373,980	4,412,936,156	11	6.662
2006	2005	542,323,870	4,644,073,938	12	6.662
2007	2006	542,205,209	4,678,118,030	12	6.662
2008	2007	597,233,409	5,083,407,629	12	6.662
2009	2008	617,092,320	5,124,458,620	12	6.662
2010	2009	640,017,100	5,170,663,630	12	6.662
2011	2010	\$ 640,240,690	\$ 5,192,642,037	12	6.662

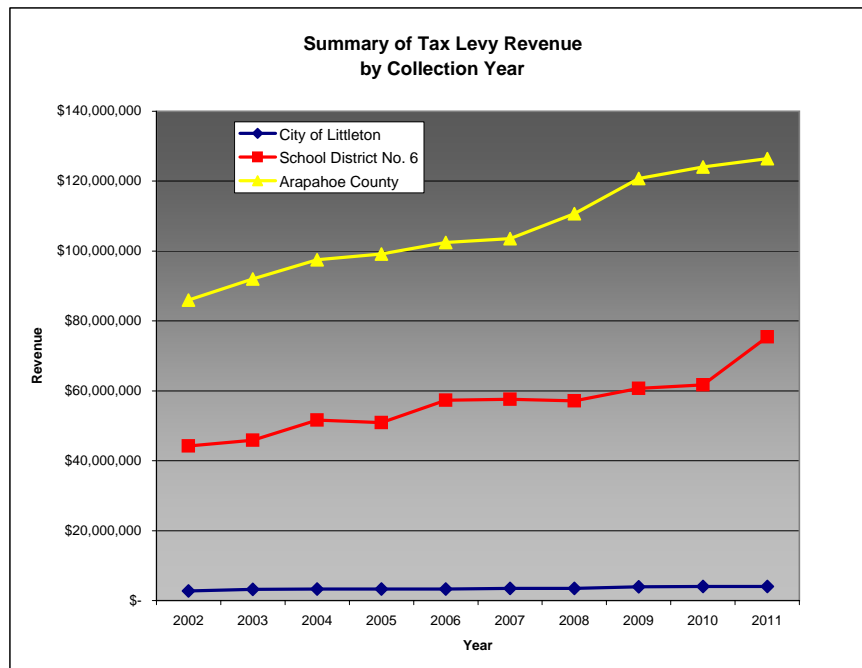
SOURCE:
Arapahoe, Douglas, and Jefferson County Assessor's Offices.
(1) Excludes Tax Increment Financing (TIF) District in Arapahoe County



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

Collection Year	City of Littleton	School District No. 6 Tax Rates	Arapahoe County	Total Tax Rate
2002	6.662	47.126	14.013	67.801
2003	6.662	41.290	14.028	61.980
2004	6.662	45.380	14.594	66.636
2005	6.662	45.304	15.140	67.106
2006	6.662	50.515	15.451	72.628
2007	6.662	49.509	15.421	71.592
2008	6.662	48.907	16.083	71.652
2009	6.662	46.650	15.609	68.921
2010	6.662	46.081	15.672	68.415
2011	6.662	55.389	15.949	78.000

Collection Year	City of Littleton	School District No. 6	Arapahoe County	Total
2002	\$ 2,747,784	\$ 44,228,096	\$ 85,997,139	\$ 132,973,019
2003	3,199,237	45,888,913	92,045,283	141,133,433
2004	3,285,321	51,616,099	97,474,098	152,375,518
2005	3,274,635	50,885,931	99,199,727	153,360,293
2006	3,329,754	57,326,949	102,443,059	163,099,762
2007	3,439,106	57,593,592	103,602,646	164,635,344
2008	3,480,797	57,095,867	110,705,726	171,282,390
2009	3,909,791	60,746,582	120,767,945	185,424,318
2010	4,059,109	61,673,455	124,062,713	189,795,277
2011	\$ 4,055,040	\$ 75,489,815	\$ 126,407,310	\$ 205,952,165



**City of Littleton, Colorado
Principal Taxpayers
December 31, 2010**

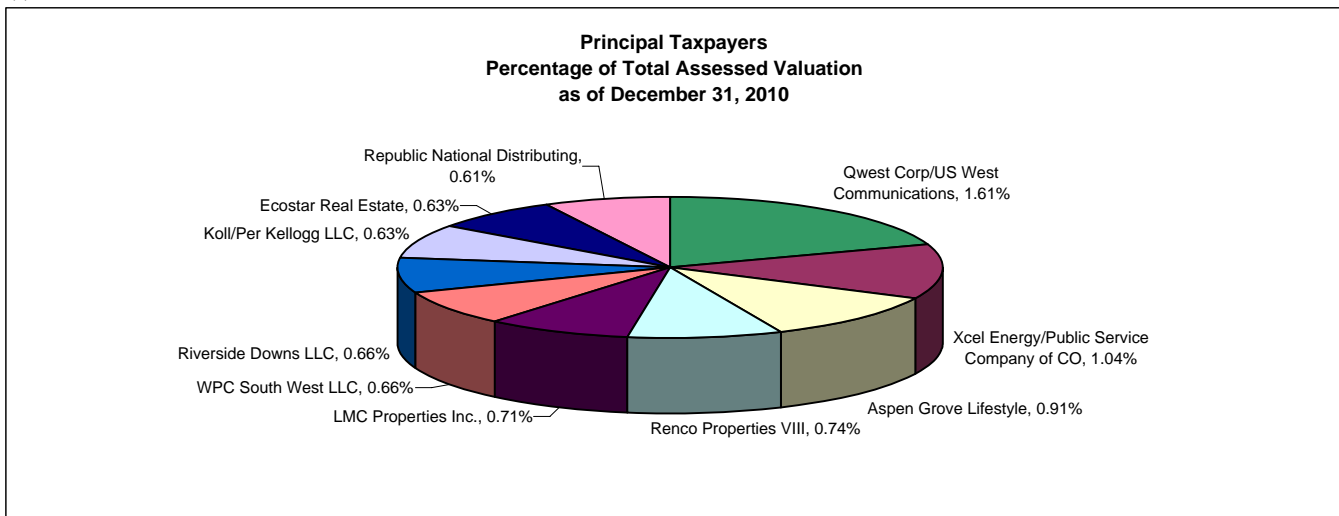
Table 10

Taxpayer	2000 Assessed Valuation ⁽²⁾	Percentage of Total Assessed Valuation	2010 Assessed Valuation	Percentage of Total Assessed Valuation
Qwest Corp/US West Communications	\$ 9,604,100	2.31%	\$ 9,939,100	1.61%
Xcel Energy/Public Service Company of CO	7,271,250	1.75%	6,387,380	1.04%
Aspen Grove Lifestyle	-	-	5,631,800	0.91%
Renco Properties VIII	2,827,500	0.68%	4,579,100	0.74%
LMC Properties Inc.	2,697,010	0.65%	4,352,770	0.71%
WPC South West LLC	-	-	4,092,480	0.66%
Riverside Downs LLC	-	-	4,083,210	0.66%
Koll/Per Kellogg LLC	-	-	3,915,000	0.63%
Ecostar Real Estate	-	-	3,881,370	0.63%
Republic National Distributing ⁽¹⁾	5,118,510	1.23%	3,770,000	0.61%
C. A. Norgren Company	3,422,780	0.82%	-	-
Echosphere Corporation	4,264,430	1.03%	-	-
HD development of maryland, Inc.	3,045,000	0.73%	-	-
Echostar Real Estate	3,936,010	0.95%	-	-
WXI/MCN Commercial Real Estate	2,827,500	0.68%	-	-
Regency Centers, LP	2,784,000	0.67%	-	-
Total Assessed Value	\$ 321,633,910	11.50%	\$ 617,092,320	6.97%

SOURCE:
Arapahoe County Assessor's Office

(1) Previously M&J Investors LLP

(2) 2001 Unavailable



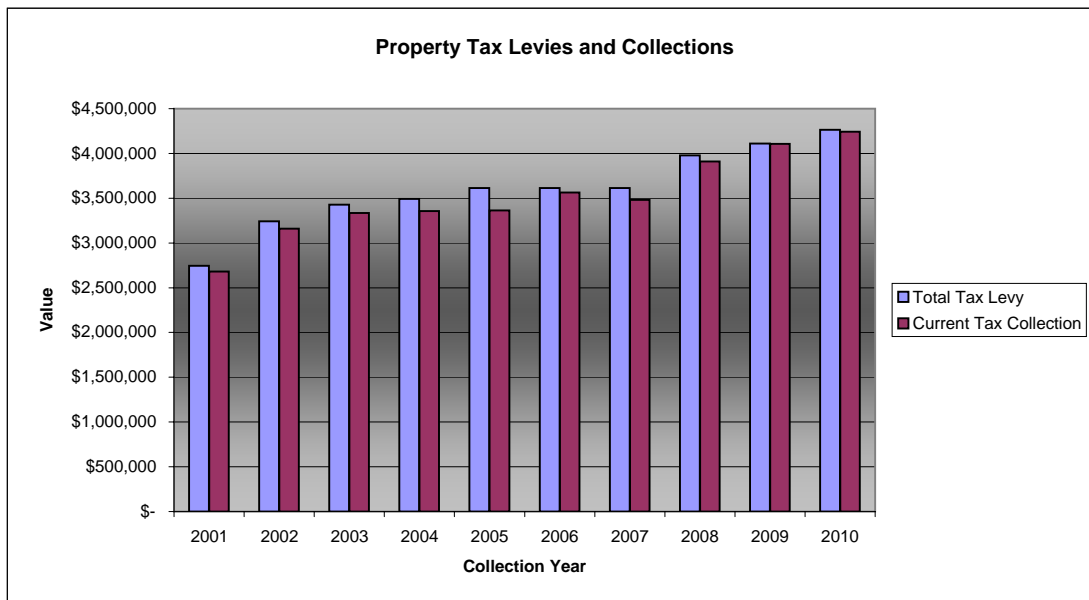
**City of Littleton, Colorado
Property Tax Levies And Collections
Last Ten Fiscal Years**

Table 11

<u>Levy Year</u>	<u>Collection Year</u>	<u>Total Tax Levy</u> ⁽¹⁾	<u>Current Tax Collection</u> ⁽²⁾	<u>Percent of Current Taxes Collected</u>
2000	2001	\$ 2,745,000	\$ 2,679,000	97.60
2001	2002	3,242,000	3,161,000	97.50
2002	2003	3,428,000	3,335,000	97.29
2003	2004	3,491,000	3,357,000	96.16
2004	2005	3,613,000	3,365,000	93.14
2005	2006	3,612,000	3,563,000	98.64
2006	2007	3,612,171	3,481,000	96.37
2007	2008	3,978,769	3,948,000	99.23
2008	2009	4,111,070	4,107,000	99.90
2009	2010	\$ 4,263,796	\$ 4,243,108	99.51

NOTES:

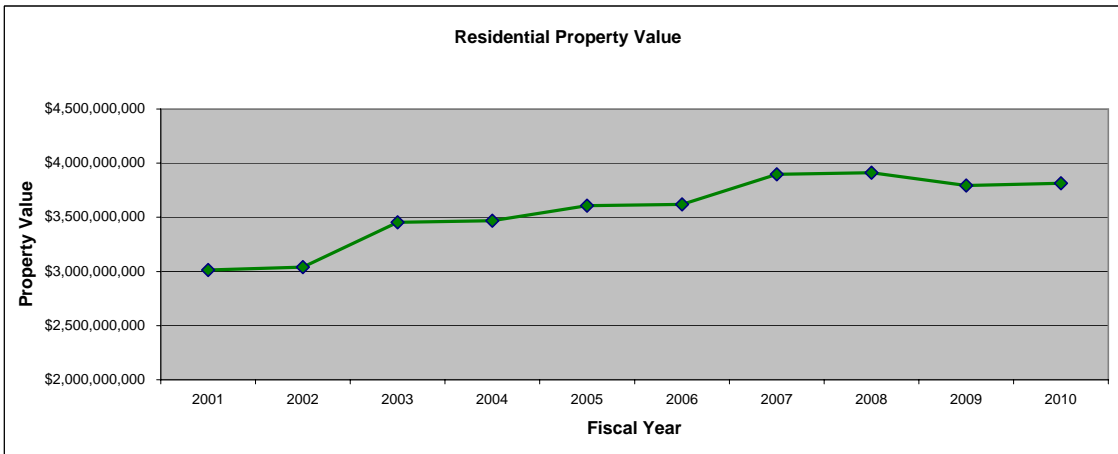
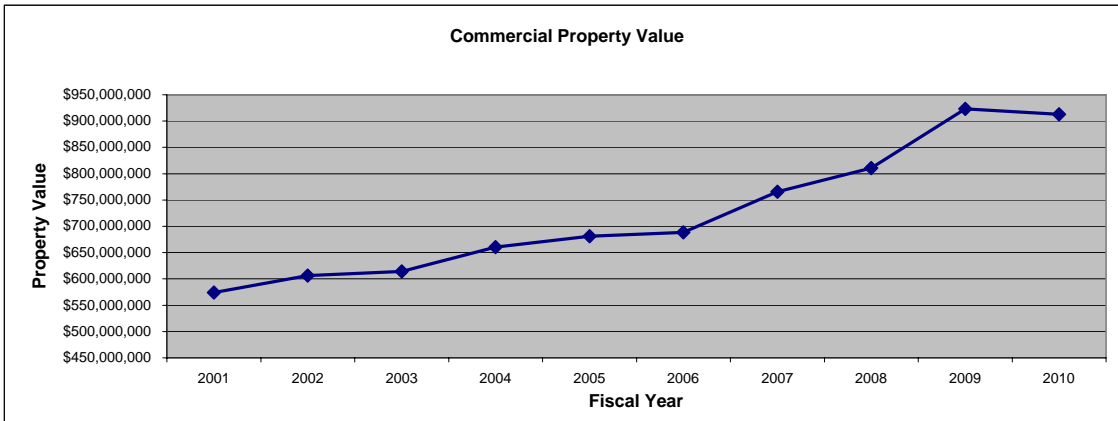
- (1) Net of tax credits and tax abatements.
- (2) Does not include penalties on delinquent taxes.



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

Fiscal Year	Commercial Construction Value	Residential Construction		Property Value ⁽¹⁾	
		Number of Units	Value	Commercial	Residential
2001	\$ 42,401,438	367	\$ 56,986,785	\$ 574,101,000	\$ 3,012,943,000
2002	19,345,230	281	46,644,838	606,586,000	3,040,147,000
2003	13,199,444	91	15,668,351	614,159,000	3,455,209,000
2004	37,542,000	33	6,881,000	660,584,000	3,467,762,000
2005	12,204,375	12	4,985,789	681,245,655	3,608,490,857
2006	19,430,394	36	7,985,561	688,515,724	3,618,825,730
2007	29,720,270	4	1,949,179	765,395,364	3,898,021,851
2008	22,314,231	10	3,738,169	810,898,781	3,911,777,373
2009	35,694,047	5	5,212,454	923,350,902	3,793,775,780
2010	\$ 40,569,446	2	\$ 1,150,000	\$ 913,085,036	\$ 3,815,538,394

SOURCE:
City of Littleton - Building Department
(1) Arapahoe County Assessor as converted by City of Littleton



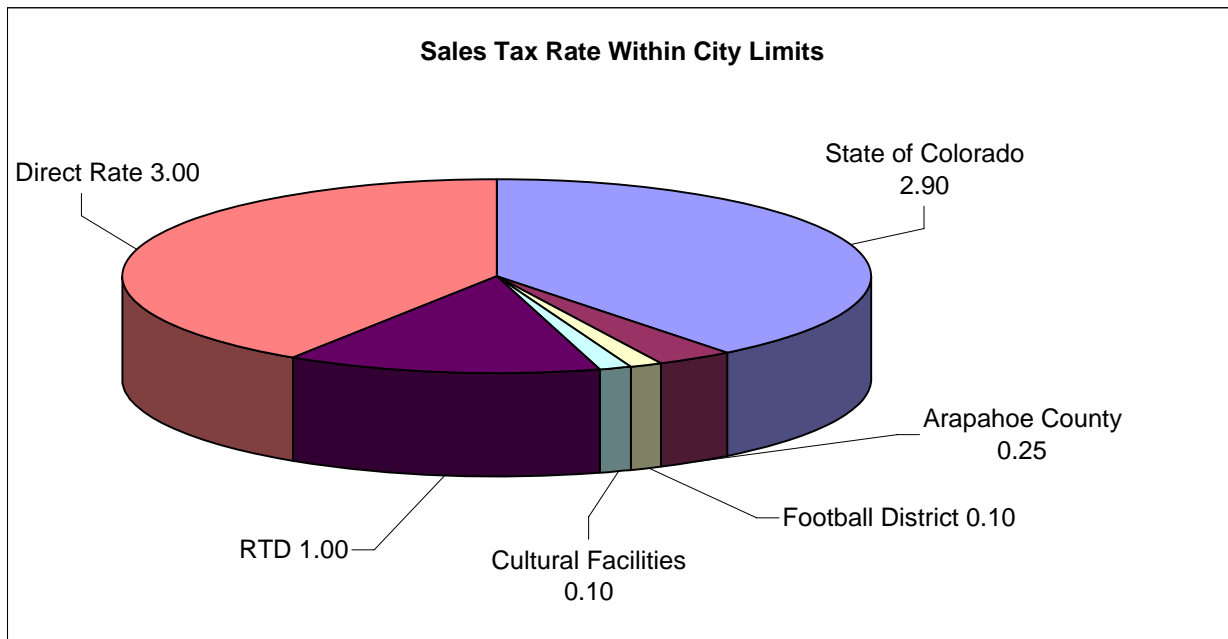
**City of Littleton, Colorado
Sales Tax Rates Direct And Overlapping
Last Ten Fiscal Years**

Table 13

Fiscal Year	City Direct Rate	Arapahoe County	Douglas County	Jefferson County	RTD/CD FD/BD ⁽¹⁾	State of Colorado
2001	3.00	0.00	1.00	0.50	0.80	2.90
2002	3.00	0.00	1.00	0.50	0.80	2.90
2003	3.00	0.00	1.00	0.50	0.80	2.90
2004	3.00	0.25	1.00	0.50	0.80	2.90
2005	3.00	0.25	1.00	0.50	1.20	2.90
2006	3.00	0.25	1.00	0.50	1.20	2.90
2007	3.00	0.25	1.00	0.50	1.20	2.90
2008	3.00	0.25	1.00	0.50	1.20	2.90
2009	3.00	0.25	1.00	0.50	1.20	2.90
2010	3.00	0.25	1.00	0.50	1.20	2.90

SOURCE:
Colorado Department of Revenue

NOTES:
(1) Regional Transportation District (RTD), Football Stadium District (FD), Cultural District (CD)
FD replaced the Baseball Stadium District (BD) Jan 1, 2001



City of Littleton, Colorado
Ratio Of Net G.O. Bonded Debt To Assessed
Value And Net G.O. Bonded Debt Per Capita
Last Ten Fiscal Years

Table 14

Collection Year	Population	⁽¹⁾ Assessed Value	Governmental Activities		Business-type Activities				Total Primary Government	Assessed Value	Debt Per Capita	Percentage of Personal Income
			Net Bonded G.O. Debt	Capital Leases	G.O. Bonds	Revenue Bonds	Capital Leases	Certificate of Participation				
2001	40,783	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2002	41,684	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2003	41,360	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2004	41,360	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2005	41,519	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2006	41,881	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2007	41,765	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2008	41,500	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2009	41,552	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-
2010	42,529	-	-	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-

NOTES:

Excludes Littleton Building Authority and Littleton Building Corporation Certificates of Participation, Riverfront Authority Tax Increment Revenue Bonds and G.O. loan and revenue loan funded by Enterprise Funds.
(1) DRCOG.org

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

Table 15

Fiscal Year	Principal	⁽¹⁾	Interest	⁽¹⁾	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
2001	\$ 390,000		\$ 16,965		\$ 406,965	\$ 42,762,000	0.95
2002	-		-		-	44,022,000	0.00
2003	-		-		-	51,190,000	0.00
2004	-		-		-	50,856,000	0.00
2005	-		-		-	46,610,000	0.00
2006	-		-		-	47,310,000	0.00
2007	-		-		-	49,359,000	0.00
2008	-		-		-	52,370,000	0.00
2009	-	-	-		-	52,421,000	0.00
2010	-	-	-		-	\$ 57,750,000	0.00

NOTES:

Amounts include General, Special Revenue, and Debt Service Funds.

(1) Excludes interest and principal on Buildings and Littleton Riverfront Authorities' obligations.

City of Littleton, Colorado
Computation Of Direct And Overlapping Debt
December 31, 2010

Table 16

<u>Government Entity</u>	<u>Net G.O. Debt Outstanding</u>	<u>Percentage Applicable to this Government Unit</u> ⁽¹⁾	<u>Littleton's Share of Debt</u> ⁽²⁾
City of Littleton ⁽³⁾	\$ -	100.00%	\$ -
School District #6 Arapahoe County	90,605,000	41.31	37,428,926
South Suburban Park and Recreation District	25,910,000	25.76	6,674,416
Centennial Downs Metropolitan District ⁽⁴⁾	11,865,000	100.00	11,865,000
South Park Metropolitan District ⁽⁵⁾	1,440,000	100.00	<u>1,440,000</u>
			<u>\$ 57,408,342</u>

NOTES:

- (1) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.
- (2) Amount in Column (A) multiplied by percentage of Column (B).
- (3) Excludes G.O and revenue loans being funded through Enterprise Funds.
- (4) Centennial Downs Metropolitan District is located within the City; however, it only encompasses 2.1% or .29 square miles of the City's total 13.5 square miles. The assessed valuation of Centennial Downs Metropolitan District is \$27,259,000.
- (5) South Park Metropolitan District is located within the City; however, it only encompasses 3.1% or .42 square miles of the City's total 13.5 square miles. The assessed valuation of South Park Metropolitan District is \$41,884,000.

DISCLAIMER:

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

City of Littleton, Colorado
Computation Of Legal Debt Margin
December 31, 2010

Table 17

Other than water and sewer

Assessed value ⁽¹⁾	\$ 640,017,100
Debt limit 3.7% of assessed value ⁽²⁾	23,680,633
Amount of debt applicable to debt limit	-
Legal debt margin other than water and sewer	\$ 23,680,633

Water and sewer

Assessed value ⁽¹⁾	\$ 640,017,100
Debt limit 5% of assessed value ⁽³⁾	32,000,855
Amount of debt applicable to legal limit	-
Legal debt margin for water and sewer	\$ 32,000,855

NOTES:

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

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

Table 18

Coverage Ratio Test for Debt Service Prior to 2004							
Fiscal Year	Gross Revenues	Operating Expenses	Net Revenues (1) Available for Debt (2) Service	Debt Service Requirement			Coverage
				Principal	Interest	Total	
2001	\$ 8,461,000	\$ 6,146,000	\$ 2,315,000	\$ 541,000	\$ 587,000	\$ 1,128,000	2.05
2002	6,568,000	5,880,000	688,000	580,000	552,000	1,132,000	0.61
2003	5,702,000	5,971,000	(269,000)	621,000	515,000	1,136,000	(0.24) ⁽³⁾

Coverage Ratio Test for Debt Service After 2004 ⁽⁴⁾							
Fiscal Year	Calculated Revenues	Revenue Transfers (to) from Rate Stabilization Account	Total Revenues	Operating Expenses	Net Revenue for Debt Service	Total Debt Service Principal and Interest	Coverage
2004	\$ 7,283,000	\$ -	\$ 7,283,000	\$ 5,198,000	\$ 2,085,000	\$ 1,843,710	1.13
2005	9,220,000	-	9,220,000	6,306,000	2,914,000	2,455,000	1.19
2006	10,640,000	1,433,300	12,073,300	6,757,000	5,316,300	4,833,000	1.10
2007	15,649,000	-	15,649,000	6,948,000	8,701,000	4,958,000	1.75
2008	13,060,576	-	13,060,576	7,189,000	5,871,576	4,601,000	1.28
2009	11,926,000	937,600	12,863,600	7,830,000	5,033,600	4,576,000	1.10
2010	\$ 14,098,000	\$ -	\$ 14,098,000	\$ 8,660,000	\$ 5,438,000	\$ 4,575,000	1.19

Restricted Cash - Rate Stabilization Account				
Fiscal Year	Beginning Rate Stabilization Account Balance	Transfers (to) from Revenues	Transfers (to) from Unrestricted cash	Ending rate Stabilization Account Balance
2004	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
2005	5,000,000	-	-	5,000,000
2006	5,000,000	(1,433,300)	1,433,300	5,000,000
2007	5,000,000	-	-	5,000,000
2008	5,000,000	-	-	5,000,000
2009	5,000,000	(937,600)	937,600	5,000,000
2010	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000

NOTES:

- (1) Total revenue (including interest) exclusive of tap fees.
- (2) Total operating expenses exclusive of net loss from joint venture, depreciation and amortization.
- (3) Cash reserve used to service debt as provided for in loan documents.
- (4) Revised as per loan documents. Minimum coverage required is 1.10. Transfers into the rate stabilization account, if necessary, are made from unrestricted cash.

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

Table 19

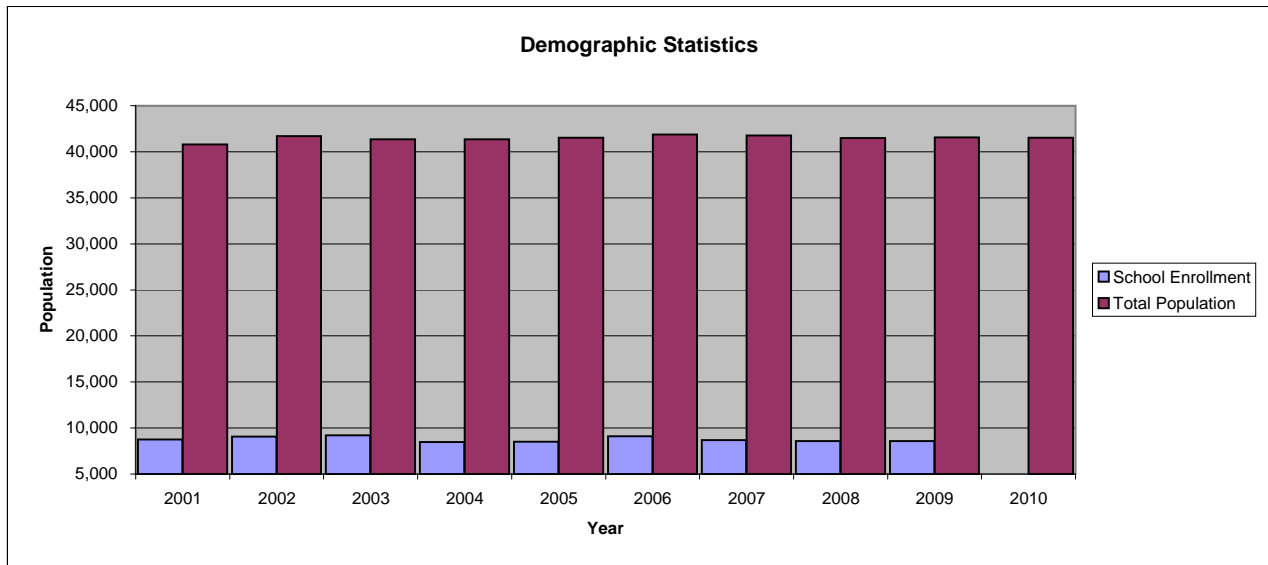
Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2001	40,783	\$36,593	39.4	8,749	3.2
2002	41,684	28,681	38.6	9,070	6.1
2003	41,360	29,521	39.0	9,221	6.5
2004	41,360	30,745	39.3	8,465	5.8
2005	41,519	33,193	39.4	8,497	3.4
2006	41,881	35,660	41.2	9,111	3.9
2007	41,765	36,842	41.5	8,684	3.9
2008	41,500	36,505	41.7	8,565	4.4
2009	41,552	35,693	41.8	8,576	6.5
2010	42,529	\$37,352	42.0	8,496	7.2

SOURCE:

(1) ESRI.com

(2) Littleton Public Schools within Littleton city limits

(3) BLS.gov



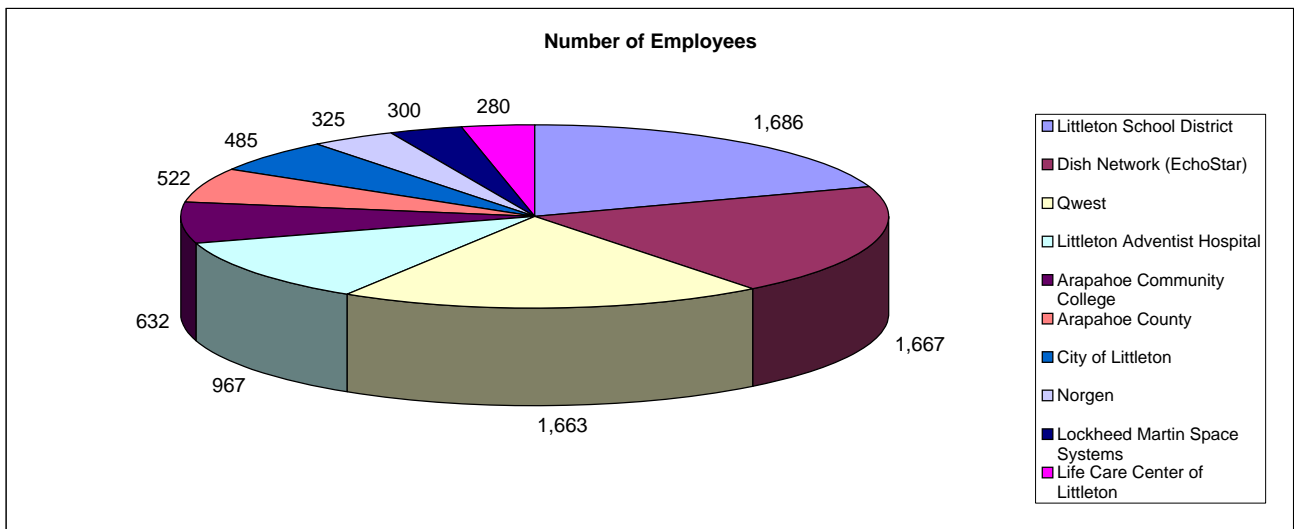
**City of Littleton, Colorado
Principal Employers
Last Six Fiscal Years**

Table 20

	Fiscal Year											
	2005		2006		2007		2008		2009		2010	
	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees	Rank	Employees
Littleton School District	2	996	2	1,322	2	246 ⁽²⁾	13	246 ⁽²⁾	2	1,913	1	1,686
Dish Network (EchoStar)	4	800	3	1,175	3	1,175	2	1,175	3	1,700	2	1,667
Qwest	1	1,900 ⁽¹⁾	1	1,900 ⁽¹⁾	1	1,950 ⁽¹⁾	1	1,950 ⁽¹⁾	1	1,950 ⁽¹⁾	3	1,663
Littleton Adventist Hospital	3	980	4	980	4	1,020	3	1,020	4	1,020	4	967
Arapahoe Community College		N/A		N/A		N/A	10	275		N/A	5	632
Arapahoe County	6	722	5	522	5	522	4	522	5	522	6	522
City of Littleton	7	415	6	460	6	450	5	450	6	485	7	485
Norgen	5	550	10	325	10	325	8	325	10	325	8	325
Lockheed Martin Space Systems		N/A	8	350	8	370	6	370	8	370	9	300
Life Care Center of Littleton		N/A		N/A		N/A		N/A		N/A	10	280
National Distribution	8	390	7	390	7	300	9	300	7	430		N/A
Ralph Schomp	9	320	9	337	9	369	7	369	9	332		N/A
Riviera Electric	10	250		N/A		N/A		N/A				N/A

SOURCE:
City of Littleton Business and Industry Affairs

NOTES:
Information presented since inception of GASB 34
¹ Estimate
² Within City Limits

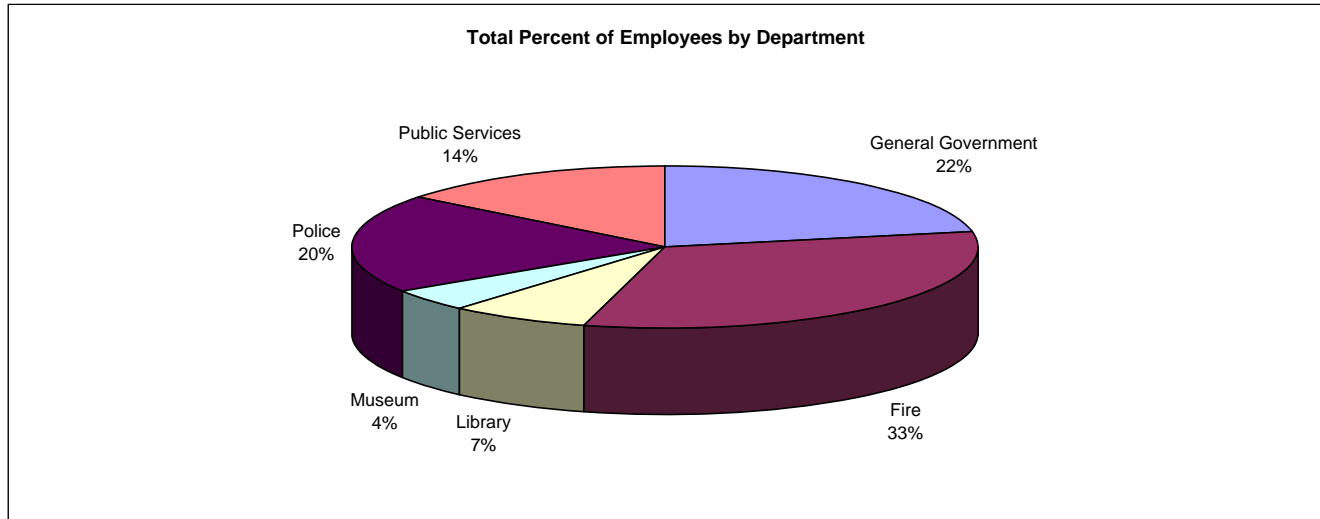


City of Littleton, Colorado
City Government Employees by Program
(Full-time Equivalent)
Last Six Fiscal Years

Table 21

	2005		2006		2007		2008		2009		2010	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government												
Admin Services	31	13	31	12	31	12	31	12	31	12	30	12
Attorney	5	-	5	-	5	-	5	-	5	-	5	-
Business/Industry Affairs	4	1	4	1	4	1	4	1	4	1	4	1
City Manager	6	-	6	-	6	-	6	-	6	-	5	-
Community Development	17	4	15	6	15	6	15	6	15	6	15	7
City Council	-	7	-	7	-	7	-	7	-	7	-	7
Information Services	10	-	10	-	10	-	10	-	10	-	10	-
Finance	9	-	9	-	9	-	9	-	9	-	9	-
Fire												
ER/Paramedics	130	-	130	-	132	-	130	-	130	-	130	-
Support	22	1	24	1	22	1	25	3	25	3	25	3
Library												
	15	18	15	18	15	19	15	19	15	19	16	19
Museum												
	14	7	14	7	14	7	14	7	14	7	14	7
Police												
Officers	84	1	71	-	69	-	69	-	69	-	70	-
Support	11	-	25	-	27	-	27	-	27	-	26	-
Public Services												
Engineering	6	-	6	-	6	-	6	-	6	-	6	-
Sewer/Storm Drain	7	2	7	2	7	2	7	2	7	2	7	2
Support	32	24	31	23	31	23	31	23	31	23	31	23
Total	403	78	403	77	403	78	404	80	404	80	403	81

NOTES:
Information presented since inception of GASB 34; 1998 and 2003 not available



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

Table 22

	2005	2006	2007	2008	2009	2010
General Government						
Incoming calls	36,481	35,958	36,827	35,762	36,064	36,449
City Center Visitors	5,318	5,304	7,959	6,106	5,486	5,905
Building permits processed	1,766	1,993	1,892	2,042	2,058	2,591
Building inspections conducted	6,789	6,094	7,634	7,127	6,747	8,500
Passports issued	1,848	2,160	2,230	35	1,038	1,211
New businesses (licensed/registered)	628	702	488	486	405	448
Fire						
Emergency responses	12,116	11,901	12,217	12,380	12,187	12,560
Fires extinguished	302	281	259	247	186	218
Inspections	2,785	2,550	1,872	1,449	1,966	2,335
Library						
Total circulation	393,801	433,293	454,392	483,067	500,029	523,451
Visitors	258,088	271,830	271,561	285,916	300,568	300,656
Registered borrowers	42,233	44,604	29,766	33,824	37,715	30,938
Programs	661	656	670	684	758	806
Program attendance	22,132	23,455	26,673	28,830	30,973	32,023
Volunteer hours	3,594	3,072	2,918	3,412	3,770	4,233
Museum						
Number of visitors	128,686	126,783	131,809	129,785	131,656	144,757
Gross sales for museum store (opened 2005)	\$ 59,400	\$ 43,320	\$ 45,244	\$ 43,681	\$ 44,605	\$ 48,956
Events	32	44	46	45	42	53
Total volunteer hours	5,114	5,580	5,515	5,623	5,906	6,079
Police						
Service requests	61,589	58,150	50,536	52,103	52,372	52,139
Number of crimes	1,847	1,539	1,618	1,602	1,593	1,501
Number of service request calls	61,589	58,150	50,536	52,103	52,372	52,139
Traffic citations	14,003	12,400	10,163	9,013	10,680	11,827
Traffic accidents	1,348	856	848	806	851	850
Public Works						
Lane miles reconstructed	2	2	-	<1	<1	1
Lane miles overlaid	16	11	11	8	9	6
Lane miles sealcoated	21	17	-	-	34	-
Transit						
Number of vehicles	4	4	4	4	4	4
Passengers	20,449	20,781	19,531	24,560	20,332	17,750
Utility						
New residential taps issued	421	261	3,203	104	98	74
New commercial taps issued	12	N/A	18	5	10	9
Average daily sewage treatment (millions of gallons)	10.5	10.3	11.0	10.5	10.5	10.9

NOTES:
Information presented since inception of GASB 34

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

Table 23

	Fiscal Year					
	2005	2006	2007	2008	2009	2010
Fire						
Stations ⁽¹⁾	8	8	8	8	8	8
Licensed Vehicles	62	58	56	57	56	54
Fleet						
Licensed Vehicles	118	116	112	110	121 ⁽²⁾	125
Library						
	1	1	1	1	1	1
Museum						
	1	1	1	1	1	1
Parks						
Developed (acres)	384.82	384.82	385.04	385.04	391.2	442
Undeveloped (acres)	814.1	814.1	814.1	815.67	836.2	447.5
Playgrounds	13	13	13	13	15	18
Baseball diamonds	11	11	11	11	13	22
Police						
Stations	1	1	1	1	1	1
Licensed Vehicles	57	61	63	64	65	50
Public Services						
Streets (lane miles)	604.58	604.58	616.14	616.14	616.14	595.2
Street lights	3555	3555	3592	3635	3609	3630
Traffic signals	109	109	111	111	113	59
Sanitary sewers (miles)	130.2	130.2	130.2	130.8	128.3	28.3
Storm sewers (miles)	30.2	30.2	30.7	30.8	30.8	30.9
Treatment capacity (millions of gallons)	10.5	10.3	10.3	10.5	10.5	25
Transit						
Buses	4	4	4	4	4	4

NOTES:

(1) 2 Stations within City limits

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

Information presented since inception of GASB 34

**City of Littleton, Colorado
Miscellaneous Statistics
December 31, 2010**

Table 24

Date of incorporation	1890
Date charter adopted	July 28, 1959
Form of government	Council-Manager
Elevation	5,389 Feet
Area	13.85 square miles
Fire protection:	
Number of stations	8 (2 in City limits)
Emergency responses	12,560
Police protection:	
Number of stations	1
Number of positions	67
Education - School District No. 6:	
Number of students	15,506 ⁽¹⁾
Type and total number of schools:	
Early Childhood	2 (1 in City limits)
Elementary	13 (4 in City limits)
Middle School	6 (4 in City limits)
Senior High	4 (3 in City limits)
Charter	2 (2 in City limits)
Teacher/pupil ratio	1:26
Sanitary sewers	28.3 miles
Storm sewers	30.9 miles
Building permits issued:	
Number	2,591
Value	\$79,219,427
Miles of streets	
Lane miles (10' wide)	585.2
Centerline miles	159.6
Recreation and culture:	
Libraries	1
Museums	1
Parks: ⁽³⁾	
Area	405 acres
Swimming pools	9 (2 indoor)
Tennis courts	28
Ballfields	22
Shelters	14
Trailways	98.6 miles
Greenbelt and open space	918.7 acres

SOURCE:
City of Littleton
(1) Littleton Public Schools
(2) Sworn Officers
(3) Within City Limits

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Littleton, CO
		YEAR ENDING : December 2010
This Information From The Records Of (example - City of _ or County of City of Littleton, CO)	Prepared By: Earlene Gladden	Phone: 303-795-3775

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,327,536
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,504,848
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,597,374
2. General fund appropriations	3,085,748	b. Snow and ice removal	549,671
3. Other local imposts (from page 2)	534,239	c. Other	0
4. Miscellaneous local receipts (from page 2)	50,815	d. Total (a. through c.)	2,147,045
5. Transfers from toll facilities	0	4. General administration & miscellaneous	519,917
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,043,458
a. Bonds - Original Issues	0	6. Total (1 through 5)	6,542,804
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	3,670,802	b. Redemption	0
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	2,872,002	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	6,542,804	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	6,542,804

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	6,542,804	6,542,804	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2010	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	50,815
5. Specific Ownership &/or Other	534,239	g. Other Misc. Receipts	0
6. Total (1. through 5.)	534,239	h. Other	0
c. Total (a. + b.)	534,239	i. Total (a. through h.)	50,815
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,294,154	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	143,136	d. Federal Transit Admin	0
d. Other - Hwy Maint Grant	74,712	e. U.S. Corps of Engineers	0
e. Other - Bowles Avenue	1,360,000	f. Other Federal	0
f. Total (a. through e.)	1,577,848	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	2,872,002	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	0	0
b. Engineering Costs	0	201,114	201,114
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	1,126,422	1,126,422
(4). System Enhancement & Operation	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	1,126,422	1,126,422
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,327,536	1,327,536
			(Carry forward to page 1)
Notes and Comments:			
II.A.3.b.5 - Includes Specific Ownership Tax of \$274,058 and County Road & Bridge of \$260,181			
II.C.1 - Includes HUTF of \$1,022,271 and FASTER of \$271,883			