



Popular Annual **Financial Report**

City of Loveland

For the Fiscal Year Ended December 31, 2016

Final Report Message

This Popular Annual Financial Report (PAFR) is a summary of the financial activities, as well as the accomplishments the City has achieved in 2016. Unlike the Comprehensive Annual Financial Report (CAFR), the PAFR is not an audited document and it does not include details by fund nor does it include the other disclosures required by Generally Accepted Accounting Principles (GAAP). Therefore, the PAFR is not intended to present a complete financial picture of the City in accordance with GAAP. This report is intended to keep you informed about how your tax dollars are being spent in a simple, non-technical format. For more in-depth information, the CAFR is available online at www.cityofloveland.org under the Finance Department Administration, Financial Reports website. The CAFR is an audited document and is prepared in conformance with generally accepted accounting principles.

City Council



From left to right:

Back Row: Don Overcash, Mayor Pro Tem John Fogle, Richard Ball
Middle Row: Hugh McKean, Troy Krenning, Leah Johnson
Front Row: Mayor Cecil Gutierrez, Dave Clark, Joan Shaffer

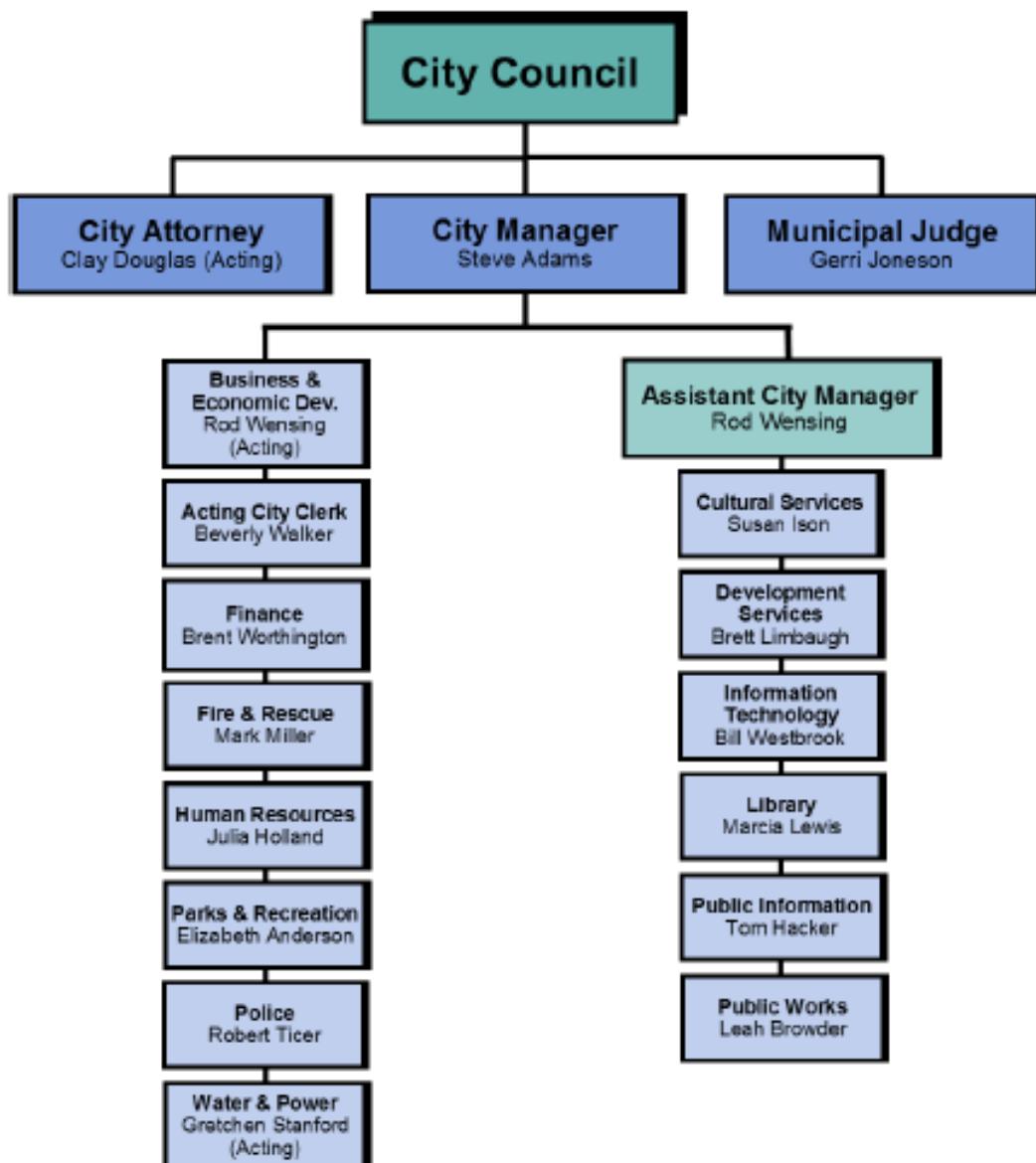
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Organizational Chart

City Organizational Chart & Officials



Quick Facts about Loveland

Services Provided: Police, Refuse Collection, Streets, Storm Drainage, Development Review/Permitting, Parks and Recreation, Art Gallery, Museum, Theater, Library, Transit, Airport, Water, Wastewater, Power

Form of Government: Council/Manage Home Rule City

Population: 74,427

Number of Households: 31,404

Median Age: 39.1

County per Capita Income: \$45,318

Incorporated (square miles): 35.32

Acres of Developed Parks: 438

2016 Budget: \$425,821,474

City Employees: 772

Sales and Use Tax Rate: 3.0%

Unemployment Rate: 3.2%

Mill Levy: 9.564

Total Mill Levy: \$8,865,777

Incorporated: 1881

Police Divisions / Units: 12

Miles of Streets: 343

Water Storage Capacity: 20,300,000 gallons

Playgrounds: 28



2016 Top 5 City of Loveland Employers:

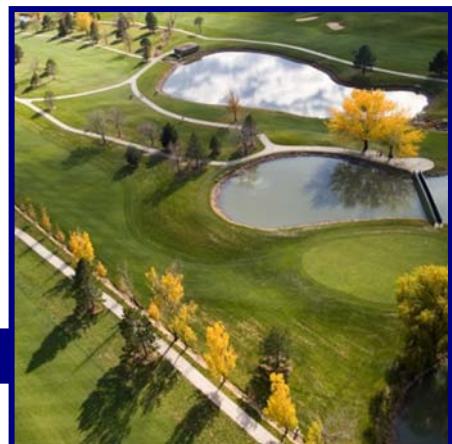
Thompson School District R2-J

Wal-Mart Distribution Center

U. S. Bank

Agrium/Crop Production Services

Hach Company



Awards



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to
City of Loveland
Colorado

For its Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015


Jeffrey P. Evans
Executive Director/CEO

Finance:

GFOA Award for Excellence in Financial Reporting - 2015 (36th consecutive year)

GFOA Distinguished Budget Presentation Award - 2016 (32nd consecutive year)

Police:

International Dispatcher of the Year, National Academies for Emergency Dispatch

Economic Development:

Governor's Award for Outstanding Individual Contribution, Colorado Tourism Division, 2016

Loveland Fire Rescue Authority:

Instructor of the Year, Colorado Fire Training Officers Association

Parks & Recreation Department:

Golf Loveland: Columbine Innovation Award
Mariana Butte: Best North Front Range
Golf Course, "Colorado Avid Golfer" magazine

Loveland Water and Power:

Reliable Public Power Provider-Platinum Level, American Public Power Association
Rocky Mountain Water Quality Analysts Association Analyst of the Year

City of Loveland Comprehensive Annual Financial Report (CAFR) for the year ended 2016, from which the information in the PAFR has been drawn, was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting..

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our CAFR continues to conform to the Certificate of Achievement program requirements and we are submitting our CAFR for the current year to the GFOA.



Accomplishments

The following is a list of many of the accomplishments completed during 2016.

Economic Development

- ◊ Launched the Foundry project to revitalized downtown Loveland.

Planning, Transportation and Development Review

- ◊ Opened the Development Center to bring real estate development review and building permit processes together under one roof.

Finance

- ◊ Started a more convenient, online payment system for utility payments.

Museum

- ◊ Featured exhibit of works by Picasso, Chagall, Matisse and Miro which is rarely on public view.

Loveland Public Library

- ◊ Featured the Local Author Showcase for Northern Colorado's Authors.

Parks and Recreation

- ◊ New trail opened at Mariana Butte and opened Meadowbrook Natural Area.

Police

- ◊ New phone technology reduces hold time on non-emergent calls to police.

Public Works

- ◊ Recycling center improvements increased convenience to citizens.

Water and Power

- ◊ Completed the Water Treatment Plant expansion on time and under budget.



Balance Sheet

This balance sheet is presented in much more detail in the City's complete CAFR. This is a summary that captures the category sub-totals and compares them to prior years. This may serve as a useful overall indicator of the City's financial position and trends over the last five years.

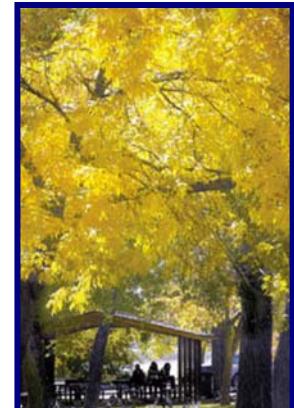
| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assets | | | | | |
| Current and Other Assets | \$ 275,847,116 | \$ 262,225,674 | \$ 250,042,011 | \$ 259,277,569 | \$ 250,375,025 |
| Capital Assets | 805,859,716 | 760,667,464 | 730,411,607 | 687,018,764 | 674,531,372 |
| Total Assets | 1,081,706,832 | 1,022,893,138 | 980,453,618 | 946,296,333 | 924,906,397 |
| Deferred Outflow of Resources | 242,331 | 117,002 | - | - | - |
| Total Assets and Deferred Outflow of Resources | 1,081,949,163 | 1,023,010,140 | 980,453,618 | 946,296,333 | 924,906,397 |
| Liabilities | | | | | |
| Current Liabilities | 28,864,281 | 32,964,105 | 28,033,004 | 24,198,859 | 37,697,881 |
| Non-current Liabilities | 24,176,622 | 21,036,689 | 10,417,418 | 10,666,621 | 10,461,951 |
| Total Liabilities | 53,040,903 | 54,000,794 | 38,450,422 | 34,865,480 | 48,159,832 |
| Deferred Inflows of Resources | 21,205,384 | 19,809,403 | 18,820,492 | 18,911,597 | |
| Total Liabilities and Deferred Inflows of Resources | 74,246,287 | 73,810,197 | 57,270,914 | 53,777,077 | 48,159,832 |
| Total Net Position | \$1,007,702,876 | \$ 949,199,943 | \$ 923,182,704 | \$ 892,519,256 | \$ 876,746,565 |



Income Statement

More formally referred to as the Statement of Activities, the City's income statement reflects all the financial activity for the City during the fiscal year ended December 31, 2016. This statement presents information to show how the City's net assets changed during the year as a result of the financial activity. This is a summarized version of the more detailed income statement found in the City's CAFR.

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenue | \$ 265,701,816 | \$ 238,724,237 | \$ 239,318,183 | \$ 206,526,207 | \$ 192,525,923 |
| Expenses | 217,492,438 | 209,952,968 | 208,654,735 | 190,753,516 | 173,556,886 |
| Increase in Net Position | 48,209,378 | 28,771,269 | 30,663,448 | 15,772,691 | 18,969,037 |
| Net Position-Beginning | 959,493,498 | 920,428,674 | 892,519,256 | 876,746,565 | 857,777,528 |
| Net Position-Ending | \$1,007,702,876 | \$ 949,199,943 | \$ 923,182,704 | \$ 892,519,256 | \$ 876,746,565 |

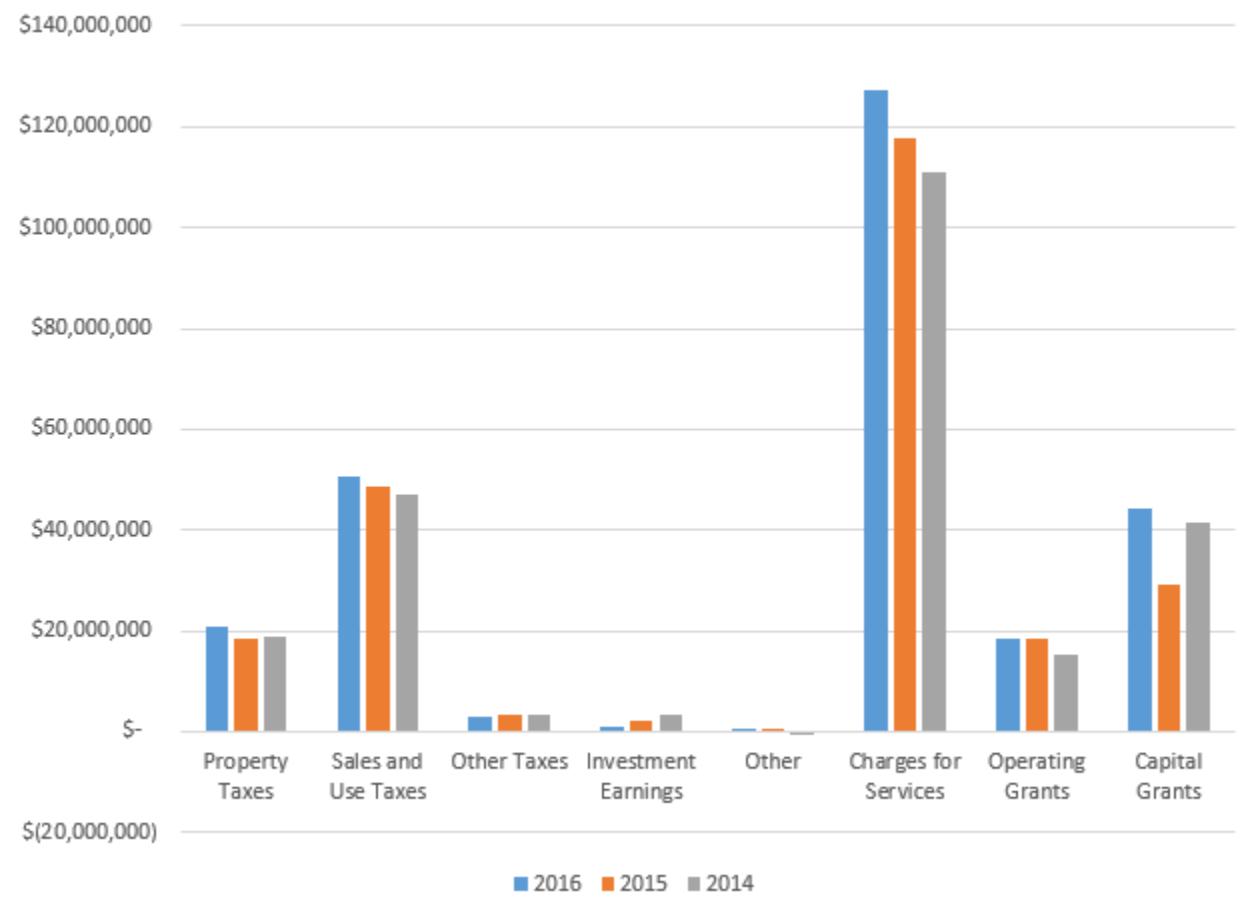


2016 Revenues by Source

2016 Revenues

| Source | Amount | % of Total |
|----------------------|-----------------------|------------|
| Property Taxes | \$ 20,904,830 | 7.87% |
| Sales and Use Taxes | 50,527,501 | 19.02% |
| Other Taxes | 3,010,143 | 1.13% |
| Investment Earnings | 1,135,920 | 0.43% |
| Other | 170,947 | 0.06% |
| Charges for Services | 127,236,173 | 47.89% |
| Operating Grants | 18,494,003 | 6.96% |
| Capital Grants | 44,222,299 | 16.64% |
| | \$ 265,701,816 | |

Three Year Revenue Comparison

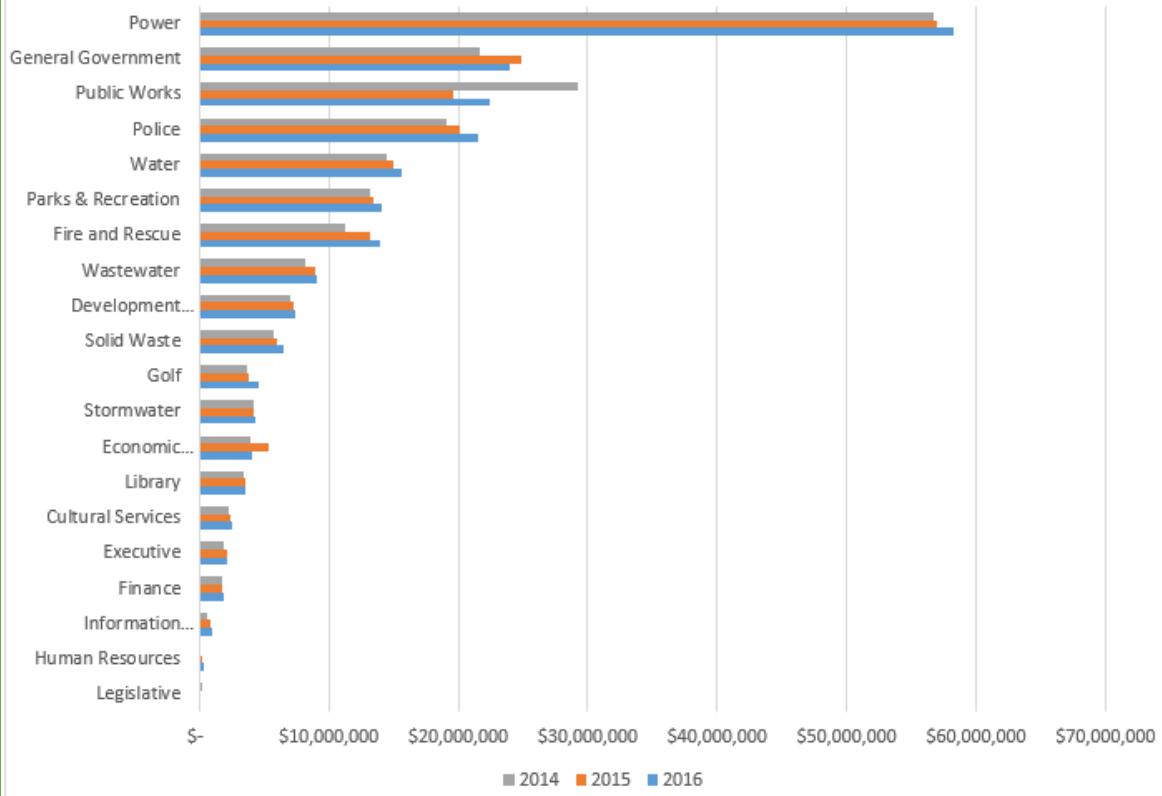


2016 Expenses by Service Area

Expenses

| Service Area | Amount | % of Total | Service Area | Amount | % of Total |
|------------------------|------------|------------|----------------------|-----------------------|------------|
| Legislative | \$ 151,146 | 0.07% | Solid Waste | 6,453,721 | 2.97% |
| Human Resources | 358,285 | 0.16% | Development Services | 7,391,751 | 3.40% |
| Information Technology | 983,766 | 0.45% | Wastewater | 9,078,498 | 4.17% |
| Finance | 1,846,402 | 0.85% | Fire and Rescue | 13,968,518 | 6.42% |
| Executive | 2,199,258 | 1.01% | Parks & Recreation | 14,149,386 | 6.51% |
| Cultural Services | 2,522,341 | 1.16% | Water | 15,666,363 | 7.20% |
| Library | 3,598,465 | 1.65% | Police | 21,508,676 | 9.89% |
| Economic Development | 4,046,522 | 1.86% | Public Works | 22,454,121 | 10.32% |
| Stormwater | 4,342,427 | 2.00% | General Government | 24,003,139 | 11.04% |
| Golf | 4,558,219 | 2.10% | Power | <u>58,211,434</u> | 26.76% |
| | | | | \$ 217,492,438 | |

Three Year Program Expense Comparison



Contact Information

City Website ~ www.cityofloveland.org

Airport ~ 970-962-2850

Cultural Services

Loveland Museum/Gallery ~ 970-962-2410

Loveland Art in Public Places ~ 970-962-2490

Rialto Theater Center ~ 970-962-2120



Development Services ~ 970-962-2436

Economic Development ~ 970-962-2561

Finance ~ 970-962-2318

Fire Rescue ~ 970-962-2497

Human Resources/Employment ~ 970-962-2371

Information Technology ~ 970-962-2335

Library ~ 970-962-2665 or www.lovelandpubliclibrary.org

Parks & Recreation ~ 970-962-2727

Police

Emergency dial 911

Non-emergency ~ 970-667-2151

Administration ~ 970-962-2212

Public Works ~ 970-962-2524

Water & Power ~ 970-962-3000





For information regarding this report, contact:

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F: (970) 962-2994

www.CityofLoveland.org



City of Loveland