

URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2016

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
DENVER, COLORADO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016**

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**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
DISTRICT OFFICIALS
DECEMBER 31, 2016**

Board of Directors

EXECUTIVE COMMITTEE

Joyce Downing, Mayor, City of Northglenn..... Chairperson
Heidi Williams, Mayor, City of Thornton..... Chairperson Pro Tem
Bruce Beckman, Mayor, City of Littleton..... Treasurer
Greg Stokes, Mayor Pro Tem, City and County of Broomfield..... Secretary
Dave Sellards, Engineer..... Member at Large

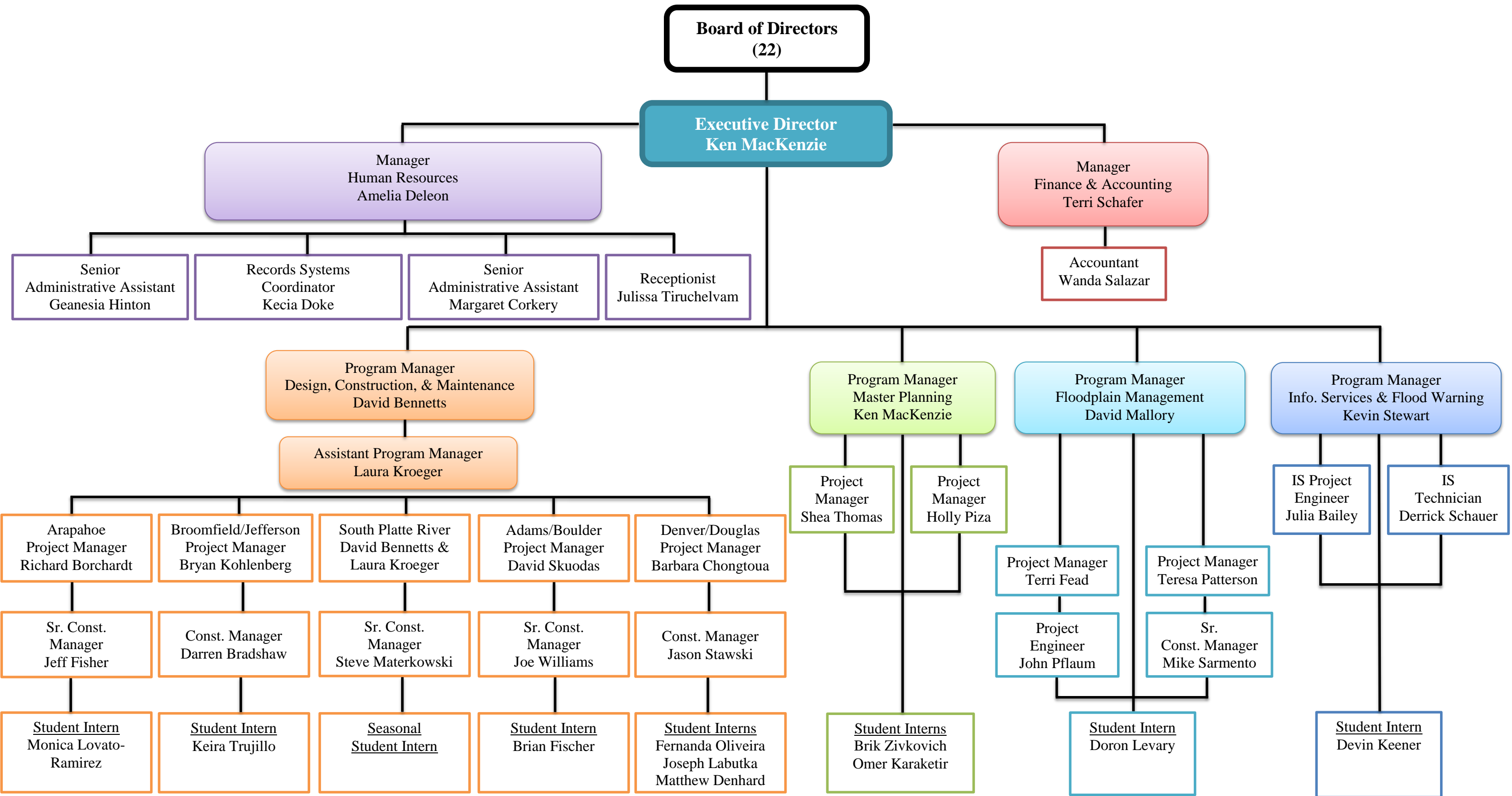
MEMBERS

Herb Atchinson, Mayor, City of Westminster
Bob Fifer, Mayor Pro Tem, City of Arvada
Deb Gardner, Commissioner, Boulder County
Stacie Gilmore, Council Member, City and County of Denver
Mark Hunter, Engineer
Joyce Jay, Mayor, City of Wheat Ridge
Paul Kashmann, Council Member, City and County of Denver
Paul Lopez, Council Member, City and County of Denver
Don Mares, Deputy Mayor, City and County of Denver
Adam Paul, Mayor, City of Lakewood
Renie Peterson, Mayor Pro Tem, City of Aurora
Jill Repella, Commissioner, Douglas County
Nancy Sharpe, Commissioner, Arapahoe County
Libby Szabo, Commissioner, Jefferson County
Charles (Chaz) Tedesco, Commissioner, Adams County
C.J. Whelan, Mayor Pro Tem, City of Centennial
Mary Young, Mayor Pro Tem, City of Boulder

DISTRICT STAFF

Ken MacKenzie, Executive Director
Terri Schafer, Manager Finance & Accounting
David Bennetts, Program Manager – Design, Construction and Maintenance Program
David Mallory, Program Manager – Floodplain Management
Ken MacKenzie, Program Manager – Master Planning
Kevin Stewart, Program Manager – Information Services and Flood Warning Program

**Urban Drainage and Flood Control District
Organization Chart
October 2016**





URBAN DRAINAGE AND FLOOD CONTROL DISTRICT

Ken MacKenzie, Executive Director
2480 W. 26th Avenue, Suite 156B
Denver, CO 80211-5304

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Fax 303-455-7880
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March 8, 2017

Board of Directors
Urban Drainage and Flood Control District

INTRODUCTION

The Comprehensive Annual Financial Report (CAFR) of Urban Drainage and Flood Control District (District) for the year ended December 31, 2016 is submitted herewith. The report was prepared by staff of the District's Accounting Division. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe that the data presented is accurate in all material aspects; that the report is presented in a manner designed to fairly set forth the results of operations of the District; that the report fairly presents the financial position of the District for the year then ended; and that all disclosures necessary to enable the reader to gain a maximum understanding of the District's financial activities have been included.

The District has included, in the accompanying financial statements, all funds that are controlled by the District's Board of Directors in conformance with the Governmental Accounting Board Standards. Control is determined on the basis of budget adoption, appropriating authority, funding, and approval by the District's Board of Directors. The reporting entity and funds are described in detail in Note 1 to the financial statements. The District is not a component unit of the State of Colorado, nor is it financially accountable for any other governmental entities. In general, the District's operations may be dichotomized into the functions of providing drainage and flood control services to the general residential and commercial population residing in all or portions of seven counties in a 1,608 square mile Denver-metro area.

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

ECONOMIC CONDITION AND OUTLOOK

In 2016, Colorado continued to experience a rise in revenues primarily due to increased jobs, sales, and income taxes. Property taxes continue to increase due to a rise in property values. The District's revenues are based on property taxes and therefore the District has continued to experience growth in property tax revenues. Recent economic data indicate that the Colorado economy is growing steadily, but with some signs of better performance. The impact of a constitutional amendment discussed below will continue to limit future revenue and expenditures.

AMENDMENT 1

In November of 1992, the voters of Colorado passed an amendment to the Colorado Constitution designed to restrain the growth of government. Two of the primary methods used by the Amendment to restrain growth are through spending limits and property tax revenue limits. The spending limit restricts expenditures to the previous fiscal year plus inflation and local growth. The maximum annual percentage change in property tax revenue is likewise limited to inflation in the prior calendar year, plus annual local growth. Revenues received in excess of these spending limitations are to be refunded to the public. In addition, there is a prohibition on new or increased tax rates without voter approval. The Amendment also requires that the creation of any multiple-fiscal year direct or indirect debt have adequate present cash reserves pledged and held for payments in all future fiscal years unless the debt is approved by voters.

Due to the ambiguity in the wording of the law, many of the provisions of the Amendment are being determined by the courts. However, the effect of this Amendment will be to restrain the growth of the District and other governments throughout Colorado. The District will be required to closely monitor its resources and the budgeting process.

SIGNIFICANT ACTIVITIES

The District's activities fall under four major program areas. They are the Master Planning; Floodplain Management; Design, Construction, and Maintenance; Information Services and Flood Warning.

In 2016, the District was involved in 23 major drainageway and outfall systems planning studies, 19 for which the District served as the lead contracting agency. Eight of these studies were completed in 2016. Each effort included at least one other local governmental entity, and a total of 19 local communities were involved as co-sponsors of these planning studies. The District continues to contract with United States Geological Survey (USGS) to collect rainfall and runoff data throughout the Denver metropolitan area. The District also continues to coordinate the combined efforts by the three largest cities within the District to comply with and renew their stormwater discharge permits and to participate and assist all Phase II municipalities as they continue to comply with the terms of their stormwater discharge permits. Much of the latter is done through active participation in the Colorado Stormwater Council and by engaging in discussions with the Colorado Department of Public Health and Environment (CDPHE). In support of stormwater quality efforts, the District continued to monitor several structural best management practices facilities for their performance, reliability, and maintenance needs. Also, activities to continue upgrading technical standards, other various sections of the District criteria manual, and related support tools continued during 2016. The District also continued to upgrade its technical software to a high standard.

The year 2016 saw the start of 19, the completion of 15, and the continuation of 22 design and construction projects. The design phases were conducted under District management in cooperation with other public agencies. The construction projects were either managed by the local sponsor or the District. The funds for the construction projects, in most cases, were managed by the District.

In 2001, the District signed a Cooperating Technical Partners (CTP) agreement with the Federal Emergency Management Agency (FEMA). The agreement established a pilot project in which

the District reviews requests for Flood Insurance Rate Map (FIRM) changes.. The project continued through 2016. The District assisted several local governments in obtaining FIRM changes brought about by the construction of the flood control projects discussed above. 17 Flood Hazard Area Delineation (FHAD) studies were in progress. Also published was the District's annual newsletter, *Flood Hazard News*. Approximately 35,000 flood hazard information brochures were mailed to properties in or near high hazard zones. The District continued to provide plan review and construction observation services for projects that impact stream corridors under the Maintenance Eligibility Program (MEP). Projects constructed with non-District funds (usually land development projects) that are approved through the MEP can receive future stream management or maintenance assistance as described below. Routine assistance was provided to local governments on a wide range of floodplain management issues.

A critical part of the District's operations is its stream management or maintenance activity. The District helped 34 local governments in 2016 by providing stream management assistance on major drainageways within their jurisdiction. Through ten separate contracts stream management services were performed over 360 different drainageway sites totaling more than 230 miles of channels. These stream management activities included vegetation management, debris removal, tree removal, and small repairs. Thirty contracts for channel restoration services were issued during 2016 to address localized maintenance needs in over 118 different locations. All maintenance activities were contracted to the private sector.

In 2016, the District continued stream management and channel restorative activities along the South Platte River, a reach of approximately 41 miles from Chatfield Reservoir to the Adams/Weld County line. Stream management activities included trash and debris removal from the channel, mowing and tree/shrub pruning along trails, noxious weed and invasive plant control, and revegetation. Channel restorative activities included bank restoration, grade control construction and rehabilitation, revegetation, utility crossing buttress construction, and trail repairs. All design and construction activities were contracted to the private sector. Several larger flood control projects on the river were designed in 2016, and are moving to construction in 2017 and 2018.

In 2005, the District created the Information Services and Flood Warning (IS/FW) program in response to growing technology-driven support needs. The automated flood detection network, known as the ALERT system, continues to improve and expand. Flood warning plans and standard operating procedures are annually reviewed, updated and practiced with local governments. Meteorological services involve direct notifications to local jurisdictions concerning potential and imminent flood threats. The District's website requires frequent maintenance. IT support needs for the District's local area network and server operations continue to increase as more electronic information becomes available. System security, virus protection, Internet services, file backups, disaster recovery, equipment upgrades, programming, software licensing and maintenance, data and voice communications, and general IT oversight are among the IS/FW program responsibilities. Data and records management; GIS development and oversight; and electronic work flow processes are other supported IS activities.

PROSPECTS FOR THE FUTURE

In 1989, the Colorado General Assembly expanded the District's boundaries by adding 408 square miles, which increased the size of the District from 1,200 square miles to 1,608 square miles. This expansion enabled the District to participate in activities related to the development stimulated by the Denver International Airport. In 1989, the General Assembly also modified the composition of the Board of Directors by adding a Board member from any city with a population larger than 100,000. This presently includes the Cities of Aurora, Arvada, Centennial, Lakewood, Thornton, and Westminster. In 2001, the City of Broomfield became the City and County of Broomfield and a representative from the City and County of Broomfield was added to the Board, bringing the total membership of the Board to 22. The largest city in the District with a population under 100,000 is Boulder whose 2010 population based on estimates by the Denver Regional Council of Governments was 97,385.

In addition to flooding and drainage problems, the area of stormwater quality will continue to be of considerable interest in the future to the District as well as Denver area local governments. The Environmental Protection Agency (EPA) has promulgated regulations that require nearly all cities and counties within the District's boundaries to obtain permits for the discharge of stormwaters into the waters of the U.S. While the District does not own any storm sewers and is not subject to permit requirements, it will have to address stormwater quality because it will not be possible to separate stormwater quality and stormwater quantity when addressing flood problems. The nature of the District's involvement in the stormwater quality area will continue to develop over time. The District assisted the Denver metro area communities in the preparation of their permits. The District will continue working with all local governments in the Denver Metro area in responding to the new stormwater regulations.

The three major program areas of the District are all fully funded for 2016. Work programs and budgets for the programs have been approved by the District's Board of Directors.

FINANCIAL INFORMATION

INTERNAL CONTROL

In developing and evaluating the District's accounting system, an important consideration is the overall adequacy of internal controls. Internal controls are designed to provide District management with reasonable (but not absolute) assurance regarding: a) the safeguarding of assets against loss from unauthorized use or disposition; and b) the overall reliability of the financial records for preparing financial statements and for maintaining accountability and control over the District's assets. The concept of reasonable assurance recognizes that: a) the cost of a control should not exceed the benefits likely to be derived; and b) the evaluation of cost and benefits requires estimates and judgments by management.

We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

FISCAL CONTROL

Annually, appropriations are established to record the current year's fiscal requirements for the District. Portions of these appropriations are set aside as purchase orders and/or contracts. No commitment is authorized, nor any expenditure incurred, until it is determined that adequate appropriation balances exist for that purpose.

To facilitate this determination, the District's accounting records are delineated by category as shown in the financial statements. Budgetary control (that is, the level at which expenses cannot exceed the appropriated amount) is maintained at the category level within an individual fund. 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 in all funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Variances with the budget are reported to the District's management on a monthly basis.

DEBT ADMINISTRATION

The District is in a very enviable position of having no debt issues outstanding.

OTHER INFORMATION

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Urban Drainage and Flood Control District for its comprehensive annual financial report for the fiscal year ended December 31, 2015.

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

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


INDEPENDENT AUDIT

The District is required to have an annual audit of the books of accounts, financial records and transactions conducted by a firm of independent certified public accountants. The accounting firm of CliftonLarsonAllen was selected by the District's audit committee and approved by the Board of Directors. The opinion of CliftonLarsonAllen has been included in this report.

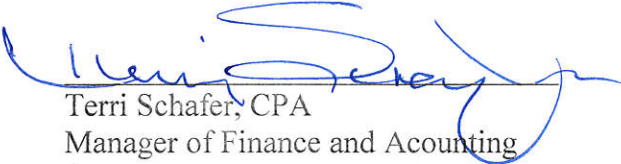
ACKNOWLEDGMENTS

In submitting this 2016 Comprehensive Annual Financial Report, appreciation is expressed to the accounting staff and to the other personnel from the District staff that participated in the preparation of this report.

Respectfully Submitted,



Ken A. MacKenzie
Executive Director



Terri Schafer, CPA
Manager of Finance and Accounting



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Urban Drainage and Flood
Control District, Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

Board of Directors
Urban Drainage and Flood Control District
Denver, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Urban Drainage and Flood Control District, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Urban Drainage and Flood Control District as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages III - VII and 23 - 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2017 on our consideration of Urban Drainage and Flood Control District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Urban Drainage and Flood Control District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 16, 2017

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**

As management of Urban Drainage and Flood Control District, Denver, Colorado (the District), we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2016.

Financial Highlights

The assets of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$8,623,295 (net position). Of this amount, \$1,534,335 represents the District's investment in capital assets, \$7,495,380 is restricted for emergencies, construction, maintenance and the South Platte River Projects. Unrestricted net position at December 31, 2016 is (\$406,420).

The District's total net position increased by \$489,974.

As of year-end, the District's governmental funds reported combined ending fund balance of \$7,495,380, an increase of \$524,891 in comparison to the prior year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's basic financial statements a broad overview of the District's finances, in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities. The government-wide financial statements can be found on pages 1 and 2.

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

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g., earned but unused compensated absences).

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2016**

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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary 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 statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances or spendable resources available at year-end. Such information may be useful in evaluating a government's near-term financing 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 financing decisions. Both the governmental fund balance sheet and 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 District maintains five different 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, Construction Special Revenue Fund, Maintenance Special Revenue Fund, South Platte River Special Revenue Fund, and Federal Grants Fund.

The District adopts an annual appropriated budget for the General Fund and Special Revenue Funds, except as described in the notes to the basic financial statements. A budgetary comparison schedule for the General Fund and each major Special Revenue Fund is included in the required supplementary information.

The basic governmental fund financial statements can be found on pages 3 through 7 of this report.

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 District's own programs.

The basic fiduciary fund financial statements can be found on pages 8 and 9 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 10 through 22 of this report.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2016**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$8,623,295 at the close of the most recent fiscal year.

By far the largest portion of the District's current assets represent cash and investments of \$7,800,131 and property taxes receivable of \$27,572,841. Current liabilities include primarily accounts payable and compensated absences. Deferred inflows of resources include unearned revenue of \$27,572,841 related to the property tax receivable recorded at year-end.

Statements of Net Position

ASSETS	2016	2015
Current Assets		
Total Current Assets	\$ 35,746,487	\$ 34,642,619
Net Capital Assets	1,534,335	1,547,946
Total Assets	37,280,822	36,190,565
 LIABILITIES		
Current Liabilities	920,893	810,841
Long-Term Liabilities	163,793	136,599
Total Liabilities	1,084,686	947,440
 DEFERRED INFLOWS OF RESOURCES		
Property Tax Revenue	27,572,841	27,109,804
Total Deferred Inflows of Resources	27,572,841	27,109,804
 NET POSITION		
Investment in Capital Assets	1,534,335	1,547,946
Restricted	7,495,380	6,352,378
Unrestricted	(406,420)	232,997
Total Net Position	\$ 8,623,295	\$ 8,133,321

Governmental activities increased the District's net position by \$489,974, which represents a 6.0% increase in net position. The increase in net position was due primarily to decreased expenses due to the timing of District projects.

Project trust fund expenses decreased \$72,878 which represents a decrease of 0.7%. The decrease in project trust fund expenses was due primarily to a decrease in the District's participation in projects managed by the District's trust fund.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2016**

Changes in Net Position

	<u>2016</u>	<u>2015</u>
REVENUES		
Program Revenues:		
Operating Grants and Contributions	\$ 695,306	\$ 844,635
General Revenues:		
Taxes	28,892,390	27,898,986
Investment Earnings	(14,468)	51,833
Other	33,677	25,419
Total Revenues	<u>29,606,905</u>	<u>28,820,873</u>
EXPENSES		
General Government	7,314,059	6,847,546
Maintenance	11,321,086	12,383,260
Project Trust Fund	10,481,786	10,554,664
Total Expenses	<u>29,116,931</u>	<u>29,785,470</u>
CHANGE IN NET POSITION	489,974	(964,597)
Net Position - Beginning of Year	<u>8,133,321</u>	<u>9,097,918</u>
NET POSITION - END OF YEAR	<u><u>\$ 8,623,295</u></u>	<u><u>\$ 8,133,321</u></u>

Financial Analysis of the District's Governmental Funds

As noted earlier, the District uses fund accounting to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$7,495,380.

The General Fund is the chief operating fund of the District. The fund balance decreased by \$701,927 from the prior year. The decrease was the result of the District's participation in an increased number of projects funded through General Fund revenues.

The Special Revenue Funds include the Construction, Maintenance and South Platte River Funds. The Construction Fund is used to account for capital costs of drainage projects. This fund balance increased by \$1,075,411 primarily as a result of completing large construction projects in the previous year, with fewer on-going projects in the construction process and more projects still in the preliminary planning stages.

The Maintenance Fund is used to conduct maintenance on District funded facilities and for the preservation of floodplains and floodways. This fund balance increased during the year by \$461,714 primarily due to increases in the fund's property tax revenue over maintenance expenditures.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2016**

The South Platte River Fund is used to account for the maintenance and improvements to that portion of the river that lies within the District. The fund balance decreased by \$310,307 primarily due to increased maintenance projects and expenditures.

General Fund Budgetary Highlights

There were no differences between the original and final budgets. During the year, expenditures were less than budgetary estimates due to management's monitoring and control of operating expenditures.

Capital Asset Administration

The District's investment in capital assets for its governmental activities amounts to \$1,534,335, net of \$499,266 of accumulated depreciation. The majority of the District's capital assets represent land and non-depreciable dams in the amount of \$1,428,694. Additional information on the District's capital assets can be found in Note 3 of this report.

Economic Factors and Next Year's Budget and Rates

Colorado, like most areas in the United States, has started to emerge from a downturn in revenues primarily from sales and income taxes. Property taxes, however, have remained stable through the downturn and will in all likelihood continue that stability as the economy recovers. Fortunately, the District's revenues are based on property taxes and the District has continued to experience moderate but steady growth in property tax revenues since its inception in 1969.

In November 1992, the voters of Colorado passed an amendment to the Colorado Constitution designed to restrain the growth of government. The effect of the Amendment has been to limit but not eliminate the growth of the District. The property and specific ownership tax revenues have increased moderately during the last three years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Urban Drainage and Flood Control District, 2480 West 26th Avenue, Suite 156B, Denver, Colorado 80211.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2016**

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 7,800,131
Receivables:	
County Treasurer	144,856
Property Taxes	27,572,841
Intergovernmental	206,542
Accrued Interest	<u>22,117</u>
Total Current Assets	35,746,487
CAPITAL ASSETS	
Nondepreciable Capital Assets:	
Land and Improvements	1,428,694
Depreciable Capital Assets:	
Office Furniture and Equipment	181,140
Leasehold Improvements	73,767
Maple Grove Dam	350,000
Less: Accumulated Depreciation	<u>(499,266)</u>
Net Capital Assets	<u>1,534,335</u>
Total Assets	<u>37,280,822</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable and Other Liabilities	678,266
Compensated Absences	<u>242,627</u>
Total Current Liabilities	920,893
LONG-TERM LIABILITIES	
Compensated Absences	<u>163,793</u>
Total Liabilities	1,084,686
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>27,572,841</u>
Total Deferred Inflows of Resources	<u>27,572,841</u>
NET POSITION	
Investment in Capital Assets	1,534,335
Restricted for:	
Emergencies	867,348
Construction	1,956,327
Maintenance	4,517,902
South Platte River Projects	153,803
Unrestricted	<u>(406,420)</u>
Total Net Position	<u>\$ 8,623,295</u>

See accompanying Notes to Financial Statements.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016**

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:			
General Government	\$ 7,314,059	\$ 353,773	\$ (6,960,286)
Maintenance	11,321,086	-	(11,321,086)
District Participation:			
Project Trust Fund	10,481,786	341,533	(10,140,253)
Total Government Activities	<u>\$ 29,116,931</u>	<u>\$ 695,306</u>	<u>(28,421,625)</u>
GENERAL REVENUES			
Taxes:			
			26,896,347
			1,996,043
			(14,468)
			33,677
			<u>28,911,599</u>
CHANGE IN NET POSITION			489,974
Net Position - Beginning of Year			<u>8,133,321</u>
NET POSITION - END OF YEAR			<u>\$ 8,623,295</u>

See accompanying Notes to Financial Statements.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

ASSETS	Special Revenue Funds			
	General	Construction	Maintenance	South Platte River
Cash and Investments	\$ -	\$ 2,331,553	\$ 5,211,620	\$ 256,958
Due from Other Funds	179,939	-	106,656	-
Receivables:				
Property Taxes	3,509,786	11,230,719	10,474,055	2,358,281
County Treasurer	20,237	55,413	55,754	13,452
Intergovernmental	-	-	-	-
Accrued Interest	2,803	7,148	10,423	1,743
Total Assets	\$ 3,712,765	\$ 13,624,833	\$ 15,858,508	\$ 2,630,434
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 67,013	\$ 43,967	\$ 508,555	\$ 32,128
Due to Other Funds	106,656	-	-	-
Total Liabilities	173,669	43,967	508,555	32,128
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	3,509,786	11,230,719	10,474,055	2,358,281
Total Deferred Inflows of Resources	3,509,786	11,230,719	10,474,055	2,358,281
FUND BALANCES				
Restricted for:				
Emergencies (TABOR)	29,310	393,820	357,996	86,222
Construction	-	1,956,327	-	-
Maintenance	-	-	4,517,902	-
South Platte River Projects	-	-	-	153,803
Total Fund Balance	29,310	2,350,147	4,875,898	240,025
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,712,765	\$ 13,624,833	\$ 15,858,508	\$ 2,630,434

TOTAL FUND BALANCE

Reconciliation of the Governmental Fund Balance Sheet to the
Statement of Net Position:

Capital Assets Used by Governmental Activities are not
Resources and are Not Reported in the Funds:

Capital Assets

Accumulated Depreciation

Compensated Absences Not Due and Payable in the Current
Period are Not Reported in the Funds

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES

See accompanying Notes to Financial Statements.

Nonmajor Fund Federal Grants	Total Governmental Funds
\$ -	\$ 7,800,131
-	286,595
-	27,572,841
-	144,856
206,542	206,542
-	22,117
<u>\$ 206,542</u>	<u>\$ 36,033,082</u>

\$ 26,603	\$ 678,266
179,939	286,595
<u>206,542</u>	<u>964,861</u>

-	27,572,841
-	<u>27,572,841</u>

-	867,348
-	1,956,327
-	4,517,902
-	153,803
<u>-</u>	<u>7,495,380</u>

<u>\$ 206,542</u>	<u>\$ 36,033,082</u>
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\$ 7,495,380

2,033,601
(499,266)

(406,420)
\$ 8,623,295

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2016**

	Special Revenue Funds			
	General	Construction	Maintenance	South Platte River
REVENUES				
Taxes	\$ 3,142,075	\$ 12,342,728	\$ 11,150,741	\$ 2,256,846
Project Participation	59,640	251,558	30,335	-
Federal Grants	-	-	-	-
Investments Earnings	(1,833)	(4,676)	(6,819)	(1,140)
Other	33,677	-	-	-
Total Revenues	<u>3,233,559</u>	<u>12,589,610</u>	<u>11,174,257</u>	<u>2,255,706</u>
EXPENDITURES				
General Government	3,423,494	1,492,589	1,508,483	448,987
Maintenance	-	-	9,204,060	2,117,026
District Participation:				
Project Trust Fund	464,286	10,017,500	-	-
Contingency	47,706	4,110	-	-
Total Expenditures	<u>3,935,486</u>	<u>11,514,199</u>	<u>10,712,543</u>	<u>2,566,013</u>
NET CHANGES IN FUND BALANCES	(701,927)	1,075,411	461,714	(310,307)
Fund Balance - Beginning of Year	<u>731,237</u>	<u>1,274,736</u>	<u>4,414,184</u>	<u>550,332</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 29,310</u></u>	<u><u>\$ 2,350,147</u></u>	<u><u>\$ 4,875,898</u></u>	<u><u>\$ 240,025</u></u>

See accompanying Notes to Financial Statements.

<u>Nonmajor Fund Federal Grants</u>	<u>Total Governmental Funds</u>
\$ -	\$ 28,892,390
-	341,533
353,773	353,773
-	(14,468)
-	33,677
<u>353,773</u>	<u>29,606,905</u>
353,773	7,227,326
-	11,321,086
-	10,481,786
-	51,816
<u>353,773</u>	<u>29,082,014</u>
-	524,891
-	6,970,489
<u>\$ -</u>	<u>\$ 7,495,380</u>

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016**

Net Change in Fund Balances - Total Governmental Funds	\$	524,891
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Change in Accrued Compensated Absences		(21,306)
<p>Capital assets are expensed in governmental funds and depreciated in the Statement of Activities:</p>		
Capital Asset Additions		8,770
Depreciation Expense		<u>(22,381)</u>
Change in Net Position of Governmental Activities (Statement of Activities)	\$	<u>489,974</u>

See accompanying Notes to Financial Statements.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION –
PROJECT PRIVATE-PURPOSE TRUST FUND
DECEMBER 31, 2016**

	<u>Project Private- Purpose Fund</u>
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 63,184,876
Receivables:	
Accrued Interest	112,935
Project Receivable	<u>304,976</u>
Total Current Assets	<u>63,602,787</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	2,999,994
Retainage Payable	426,568
Participation Deposits	<u>58,018,644</u>
Total Current Liabilities	<u>61,445,206</u>
NET POSITION	
Held in Trust for Construction and Participant Refunds	<u><u>\$ 2,157,581</u></u>

See accompanying Notes to Financial Statements.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
PROJECT PRIVATE-PURPOSE TRUST FUND
YEAR ENDED DECEMBER 31, 2016**

	Project Private- Purpose Fund
ADDITIONS	
Project Participation	\$ 38,028,216
Interest	(73,881)
Other	271,229
Total Additions	38,225,564
DEDUCTIONS	
Construction, Maintenance and Master Plan Costs	38,180,604
Refund of Project Participation	528,822
Total Deductions	38,709,426
CHANGE IN NET POSITION	(483,862)
Net Position - Beginning of Year	2,641,443
NET POSITION - END OF YEAR	\$ 2,157,581

See accompanying Notes to Financial Statements.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Urban Drainage and Flood Control District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The District was created pursuant to the authority conferred by the Colorado Revised Statutes and is a governmental subdivision of the State of Colorado, with those powers specifically granted and those reasonably implied therefrom and necessary to carry out the objectives and purpose of the District. The District's purpose is to coordinate, plan, construct, maintain or otherwise attempt to minimize risk to persons and property from flood hazards inherent in the area. The District's Board of Directors is appointed as stipulated by the Colorado Revised Statutes.

The District, pursuant to the provisions of the Colorado Revised Statutes is exempt from sales, income and property taxes.

The District follows GASB accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Governing Body

The board of directors is the governing body of the District. By Colorado state law, the board consists of 22 members constituted as follows: mayor or deputy mayor of the City and County of Denver as ex officio director; three Denver council members appointed by the City Council; one commissioner from each of the counties of Adams, Arapahoe, Boulder, Jefferson, and Douglas appointed by their respective board of county commissioners; one mayor from each of the counties of Adams, Arapahoe, Boulder, and Jefferson appointed by the governor; mayor or mayor pro tem from the City and County of Broomfield; mayor or mayor pro tem of any City having population in excess of 100,000 as ex officio member (currently six, Aurora, Arvada, Centennial, Lakewood, Thornton and Westminster); and two licensed professional engineers appointed by the board of directors.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities are supported by taxes and intergovernmental revenues. The District has no business-type activities.

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 customer 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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and the fiduciary fund are reported using the economic resources measurement focus and 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major source of revenue susceptible to accrual is property tax. Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The Construction Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used for capital costs of drainage projects. Generally, this fund accounts for the District's share of participation costs in various construction projects. The District's participation expenditures from the fund are recorded as unearned revenue in the Project Private-Purpose Trust Fund for construction and design projects. Other participation expenditures are paid directly to other governmental entities for construction projects which are not administered by the District. Participation expenditures are recorded when the resolutions are approved by the Board of Directors and the contracts are executed by the participants.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Maintenance Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used to conduct maintenance on District-funded facilities and other major drainageways in the District, and for the preservation of floodplains and floodways. The Maintenance Emergency Contingency Fund, which is combined in the Maintenance Special Revenue Fund, is to provide a contingency reserve for emergency maintenance expenditures on District-funded facilities and other major drainageways in the District.

The South Platte River Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used for the maintenance of and improvements on the portion of the South Platte River which lies within the District. The South Platte River Capital Improvement Fund, which is combined in the South Platte River Special Revenue Fund, is to be used for projects designated as improvements on the portion of the South Platte River which lies within the District.

The District reports the following non-major governmental fund:

The Federal Grants Special Revenue Fund is used to account for financial resources received from the Federal Government.

Additionally, the District reports the following fund type:

The Project Private-Purpose Trust Fund is used to account for the construction and design of drainage facilities which will be owned by other governmental entities. The District and other governmental entities share in the cost of the construction projects and, in some cases, maintenance of these projects. The District generally is responsible for receiving and disbursing moneys for construction or design.

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

Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize interest earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated monthly to the participating funds based upon each fund's monthly average equity balance in the total cash and investments.

Investments are carried at fair value.

Capital Assets

Capital assets, which include land and site improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

Non-depreciable assets consist of land held for preservation, land and land improvements. Land and land improvements consist of the Englewood and Holly Dam sites. These dam sites include land costs and costs that readied these earthen dams for their use. These earthen dams are only used as overflow drainage facilities, and as such, are considered inexhaustible capital assets and, therefore, are not depreciated.

Site improvements and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Site Improvements - Maple Grove Dam	9 - 10
Furniture, Equipment, and Leasehold Improvements	5 - 10

Interest incurred during construction is not capitalized on capital assets.

Compensated Absences

District employees earn sick leave at a rate of one day per month. Accumulated sick leave in excess of 60 days, may be paid at cash value, or used as vacation leave days, at the option of the employee. Any unused sick leave is payable at one-half of the cash value upon termination. Depending on their length of service, employees are entitled to 12 to 28 vacation leave days per year, of which a maximum of 300 hours can be carried forward to subsequent years. Unused vacation leave is paid to the employees upon termination.

Vacation leave and one-half of the cash value of sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Interfund Receivables and Payables

Interfund receivables and payables are created in conjunction with the District's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice. All balances are expected to be repaid within one year. At December 31, 2016, the Federal Grants Special Revenue Fund reported a payable to the General Fund of \$ 179,939. The General Fund reported a payable to the Maintenance Fund of \$106,656.

Property Taxes

Property taxes are levied by the District board of directors. The levy is based on assessed valuations determined by the County Assessors, generally as of January 1 of each year. The levy is normally set during October or November by certification to the County Commissioners to put the tax lien on the individual properties as of December of each year. County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and July. Delinquent taxpayers are notified in August and tax sales of delinquent properties are held in November. The County Treasurers remit the taxes collected monthly to the District.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

The District is limited by statute to a maximum mill levy of one mill, except in Boulder and Broomfield Counties, where the limit is 0.9 mills. Not more than one-tenth (0.1) of a mill shall be used for engineering and operations (General Fund), not more than four-tenths (0.4) of a mill shall be used for capital costs (Construction Special Revenue Fund), and not more than four-tenths (0.4) of a mill shall be used for maintenance and preservation of floodways and floodplains (Maintenance Special Revenue Fund). Not more than one-tenth (0.1) of a mill, except in Boulder and Broomfield Counties, shall be used for the maintenance and improvements on that portion of the South Platte River, which lies within the District (South Platte River Special Revenue Fund).

Property taxes, net of estimated uncollectible taxes, are recorded initially as a deferred inflow of resources in the year they are levied and measurable. The property taxes are recorded as revenue in the year they are available or collected.

Net Position/Fund Balances

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. For the governmental fund presentation, fund balances classified as "restricted" are balances with constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments. Fund balances classified as "committed" can only be used for specific purposes pursuant to constraints imposed by the District Board through a resolution. Committed fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. "Assigned" fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the District's Executive Director based on the Board of Director's direction. The "nonspendable" fund balance classification includes items that are not expected to be converted to cash such as inventory and prepaid amounts.

It is the District's policy to use restricted amounts first, then committed, then assigned, and then unassigned, as they are needed.

Budgets

The Colorado Revised Statutes require that fixed budgets be legally adopted for all governmental fund types, and that moneys shall not be expended in excess of the amount appropriated by resolution for a particular fund. The level of control for the budgets is at the category level within an individual fund. Categories are the consolidation of the District's sub-function budget accounts and combine to total fund expenditures.

In the fall of each year, the District's board of directors holds public hearings to approve the budgets and appropriate the funds for the following year. The District's management cannot amend the budget without approval by the District's Board of Directors. The District's board of directors can modify the budget and appropriation resolutions upon completion of notifications and publication requirements. The District, by state budget law, cannot exceed the total appropriation without Board modification during the year. Appropriations for all funds lapse at year-end.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets (Continued)

Budgets for the governmental funds are adopted on a basis which differs from generally accepted accounting principles (GAAP). Encumbrances and interfund transfers are included for budget purposes as expenditures. Budgetary comparisons in this report are presented on the Non-GAAP budgetary basis.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds, except as described below. Formal budgetary integration is also employed to comply with the State of Colorado Budget Law.

The District does not adopt a formal budget for the Project Private-Purpose Trust Fund or the Federal Grants Special Revenue Fund because effective budgetary control is achieved through specific contract agreements. Additionally, the District and other participating governmental entities are individually responsible for budgeting and appropriating the expenditures they individually make to the Project Private-Purpose Trust Fund. The District manages the Project Private-Purpose Trust Fund for the other participating governmental entities.

Budgeted amounts presented are as originally adopted by the board.

Fair Value Measurement and Application

The District adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, as of December 31, 2016, which addresses accounting and financial reporting issues related to fair value measurements. The fair value is the price that would be received by the District to sell an asset or paid by the District to transfer a liability in an orderly transaction between market participants and the measurement date. The fair value measurement for financial reporting at December 31, 2016, and the application used is determined by a hierarchy of one of three levels. Level one is the most reliable and is quoted prices in active markets for identical assets or liabilities, level two is reliable and consists of quoted prices for similar assets or liabilities, other observable inputs, interest rates, credit spreads, condition of the asset, activity level of markets for observable input, and level three is least reliable which is based on unobservable inputs. All donated assets are measured at the acquisition value.

NOTE 2 CASH DEPOSITS AND INVESTMENTS

Cash and investments as of December 31, 2016 are classified in the accompanying financial statements as follows:

	Amount
Statement of Net Position:	
Cash and Investments	\$ 7,800,131
Statement of Fiduciary Net Position:	
Cash and Investments	63,184,876
Total Cash and Investments	\$ 70,985,007

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 2 CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Cash and investments as of December 31, 2016 consist of the following:

	Amount
Cash Deposits	\$ 7,167,072
Cash on Hand	50
Investments	63,817,885
Total	\$ 70,985,007

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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to the aggregate uninsured deposits.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Investments

As of December 31, 2016, the District had the following investments:

	Investment Maturities		
	Less than		
	1 Year	1 - 5 Years	Total
Federal Home Loan Bank	\$ 2,998,746	\$ 2,962,797	\$ 5,961,543
Federal Farm Credit Banks	3,503,209	-	3,503,209
Federal Home Loan Mortgage Corporation	5,991,911	12,922,264	18,914,175
Federal National Mortgage Association	-	28,364,661	28,364,661
CSAFE	3,537,219	-	3,537,219
COLOTRUST	3,537,078	-	3,537,078
Total Investments	\$ 19,568,163	\$ 44,249,722	\$ 63,817,885

As of December 31, 2016 the District had invested in local government investment pools which include the Colorado Local Government Liquid Asset Trust (COLOTRUST), and the Colorado Surplus Asset Fund Trust (CSAFE). The local government investment pools are investment vehicles which were established for local government entities in Colorado to pool surplus funds. Both pools are similar to money market funds, with each share valued at \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal mechanisms of the pooled funds.

The custodian's internal records identify the investments owned by each pool investor. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. As of December 31, 2016, the District had \$3,537,078 invested in COLOTRUST and \$3,537,219 invested in CSAFE.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 2 CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

The District follows state statutes regarding investments.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

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

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization including Standards & Poor's (S&P), Moody's Investor Service (Moody's) and Fitch Ratings (Fitch). The following table displays the ratings for the District's investments at December 31, 2016:

	<u>Total</u>	<u>Moody's Rating</u>	<u>S&P Rating</u>
Federal Home Loan Bank	\$ 5,961,543	Aaa	AA+
Federal Farm Credit Banks	3,503,209	Aaa	AA+
Federal Home Loan Mortgage Corporation	18,914,175	Aaa	AA+
Federal National Mortgage Association	28,364,661	Aaa	AA+
CSAFE	3,537,219	Not Rated	AAAm
COLOTRUST	3,537,078	Not Rated	AAAm

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. As of December 31, 2016, all of the District's investments had maturities of less than five years.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments are as follows:

	<u>Fair Value</u>	<u>Percent of Investment Portfolio</u>
Federal Home Loan Bank	\$ 5,961,543	9%
Federal Farm Credit Banks	3,503,209	6%
Federal Home Loan Mortgage Corporation	18,914,175	30%
Federal National Mortgage Association	28,364,661	44%

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 2 CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value

The District categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

The District has the following fair value measurements as of December 31, 2016:

	Total	Level 1	Level 2	Level 3
<u>Investments by Fair Value Level:</u>				
Federal Home Loan Bank	\$ 5,961,543	\$ -	\$ 5,961,543	\$ -
Federal Farm Credit Banks	3,503,209	-	3,503,209	-
Federal Home Loan Mortgage Corporation	18,914,175	-	18,914,175	-
Federal National Mortgage Association	28,364,661	-	28,364,661	-
COLOTRUST	3,537,078	-	3,537,078	-
Total Investments by Fair Value Level	60,280,666	\$ -	\$ 60,280,666	\$ -
Investments Measured at the				
Net Asset Value (NAV)				
CSAFE	3,537,219			
Total Investments	\$ 63,817,885			

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 3 CAPITAL ASSETS

A summary of changes in capital assets follows:

Governmental Activities	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016
Capital Assets Not Being Depreciated:				
Englewood Dam	\$ 544,474	\$ -	\$ -	\$ 544,474
Holly Dam	635,503	-	-	635,503
Land Held for Preservation	248,717	-	-	248,717
Total Capital Assets Not Being Depreciated	1,428,694	-	-	1,428,694
Capital Assets Being Depreciated:				
Office Furniture and Equipment	172,370	8,770	-	181,140
Maple Grove Dam	350,000	-	-	350,000
Leasehold Improvements	73,767	-	-	73,767
Total Capital Assets Being Depreciated	596,137	8,770	-	604,907
Less Accumulated Depreciation:				
Office Furniture and Equipment	124,426	15,004	-	139,430
Maple Grove Dam	350,000	-	-	350,000
Leasehold Improvements	2,459	7,377	-	9,836
Total Accumulated Depreciation	476,885	22,381	-	499,266
Governmental Activities Capital Assets, Net	<u>\$ 1,547,946</u>	<u>\$ (13,611)</u>	<u>\$ -</u>	<u>\$ 1,534,335</u>

Depreciation expense was charged to the general government function for \$22,381.

NOTE 4 LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2016 was as follows:

	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016	Current Portion
Compensated Absences	<u>\$ 385,114</u>	<u>\$ 221,831</u>	<u>\$ 200,525</u>	<u>\$ 406,420</u>	<u>\$ 242,627</u>

Amounts are liquated within the General, South Platte River, Construction and Maintenance funds.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 5 RETIREMENT PLANS

Employees' Retirement Plan

The employees of the District participate in the Colorado County Officials and Employees Retirement Association Defined Contribution Plan (CCOERA). In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees become Plan members on the date of employment. Under this Plan, 4% of the employees' compensation is withheld and remitted to CCOERA, along with a matching payment of 4% from the District. The District's contributions, plus earnings, become vested at a rate of 20% for each year of participation in the Plan. District contributions for employees who leave employment before five years of participation are used to reduce the District's current period contribution requirement. Plan provisions and contribution requirements are established and may be amended by CCOERA and would have to be approved by the District's board of directors.

Both the District and participating employees made the required 4% contribution of \$110,526 for the year ended December 31, 2016.

Employees' Money Purchase Plan

The District established a defined contribution money purchase plan as a replacement for social security. This Plan is also administered by CCOERA. Employees become Plan members on the date of employment.

For employees hired before or on March 31, 1986, the contribution requirements of the District and the employees are the same as those required under social security. For employees hired after March 31, 1986, the contribution requirements of the District and the employees are 6.2% of individual compensation up to the maximum under social security. The District's contributions, plus earnings, become fully vested after 18 months of continuous employment. District contributions for employees who leave employment before 18 months are used to reduce the District's current period contribution requirement. There is no liability for benefits under the Plan beyond the District's matching payments.

Both the District and the participating employees made the required contribution of \$173,471 for the year ended December 31, 2016.

Deferred Compensation Plan

The District has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This Plan is also administered by CCOERA. Participation in the Plan is optional for all employees. The District contributes 2% of the employee's salary to the employee's 457 plan. The Plan allows the employees to defer a portion of their salary until future years.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 6 LEASES

Office Facilities Lease

The District leases office facilities under an operating lease which expires on May 31, 2018. Total rental expenses for the year ended December 31, 2016 was \$311,267. The future minimum annual rental commitments as of December 31, 2016 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2017	\$ 274,314
2018	115,635
Total	<u>\$ 389,949</u>

NOTE 7 ENCUMBRANCES

Outstanding encumbrances as of December 31, 2016, by fund, were as follows:

	<u>Amount</u>
General Fund	\$ 371,191
Special Revenue Funds:	
Construction	218,531
Maintenance	4,197,381
South Platte River	419,073
Total	<u>\$ 5,206,176</u>

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 9 TAX, SPENDING AND DEBT LIMITATIONS

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

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 of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3 percent 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 District'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.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
GENERAL FUND
YEAR ENDED DECEMBER 31, 2016**

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES			
Operating:			
Property Taxes	\$ 2,923,594	\$ 2,858,807	\$ (64,787)
Specific Ownership Taxes	252,406	283,268	30,862
	<u>3,176,000</u>	<u>3,142,075</u>	<u>(33,925)</u>
Project Participation (Including Related Interest)	14,000	59,640	45,640
Investment Earnings	7,000	(1,833)	(8,833)
Other	26,500	33,677	7,177
Total Revenues	<u>3,223,500</u>	<u>3,233,559</u>	<u>10,059</u>
EXPENDITURES			
General Government :			
Salaries and Services	1,876,338	1,817,087	59,251
Floodplain Management Activities	698,000	649,619	48,381
Special Projects	515,000	511,950	3,050
Office and Operating Costs	411,759	320,425	91,334
Local, Auto and Travel	63,000	44,300	18,700
District Participation:			
Project Trust Fund	625,000	620,000	5,000
Total Expenditures	<u>4,189,097</u>	<u>3,963,381</u>	<u>225,716</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (965,597)</u>	<u>(729,822)</u>	<u>\$ 235,775</u>
Reconciliation to GAAP Basis:			
Current Year Encumbrances		371,191	
Prior Year Encumbrances		<u>(343,296)</u>	
Net Adjustment to GAAP Basis		<u>27,895</u>	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (GAAP BASIS)		(701,927)	
Fund Balance - Beginning of Year		<u>731,237</u>	
FUND BALANCE - END OF YEAR		<u>\$ 29,310</u>	

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
CONSTRUCTION SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2016**

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES			
Operating:			
Property Taxes	\$ 10,770,625	\$ 10,798,506	\$ 27,881
Specific Ownership Taxes	929,875	1,544,222	614,347
	<u>11,700,500</u>	<u>12,342,728</u>	<u>642,228</u>
Project Participation (Including Related Interest)	120,000	251,558	131,558
Investment Earnings	15,000	(4,676)	(19,676)
Total Revenues	<u>11,835,500</u>	<u>12,589,610</u>	<u>754,110</u>
EXPENDITURES			
General Government:			
Salaries and Services	985,921	923,914	62,007
Office and Operating Costs	603,228	468,277	134,951
Local, Auto and Travel	40,000	31,222	8,778
District Participation:			
Project Trust Fund	11,270,000	10,192,500	1,077,500
Contingency	275,000	28,779	246,221
Total Expenditures	<u>13,174,149</u>	<u>11,644,692</u>	<u>1,529,457</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (1,338,649)</u>	944,918	<u>\$ 2,283,567</u>
Reconciliation to GAAP Basis:			
Current Year Encumbrances		218,531	
Prior Year Encumbrances		(88,038)	
Net Adjustment to GAAP Basis		<u>130,493</u>	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (GAAP BASIS)		1,075,411	
Fund Balance - Beginning of Year		<u>1,274,736</u>	
FUND BALANCE - END OF YEAR		<u>\$ 2,350,147</u>	

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
MAINTENANCE SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2016**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Operating:			
Property Taxes	\$ 11,106,155	\$ 11,150,741	\$ 44,586
Specific Ownership Taxes	958,845	-	(958,845)
	<u>12,065,000</u>	<u>11,150,741</u>	<u>(914,259)</u>
Project Participation (Including Related Interest)	5,000	30,335	25,335
Other Revenue	5,000	-	(5,000)
Investment Earnings	18,000	(6,819)	(24,819)
Total Revenues	<u>12,093,000</u>	<u>11,174,257</u>	<u>(918,743)</u>
EXPENDITURES			
General Government:			
Salaries and Services	1,145,940	1,053,822	92,118
Office and Operating Costs	568,925	418,294	150,631
Local, Auto and Travel	48,000	45,541	2,459
Maintenance	10,350,000	10,562,345	(212,345)
Contingency	225,000	-	225,000
Total Expenditures	<u>12,337,865</u>	<u>12,080,002</u>	<u>257,863</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (244,865)</u>	<u>(905,745)</u>	<u>\$ (660,880)</u>
Reconciliation to GAAP Basis:			
Current Year Encumbrances		4,197,381	
Prior Year Encumbrances		<u>(2,829,922)</u>	
Net Adjustment to GAAP Basis		<u>1,367,459</u>	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (GAAP BASIS)		461,714	
Fund Balance - Beginning of Year		<u>4,414,184</u>	
FUND BALANCE - END OF YEAR		<u>\$ 4,875,898</u>	

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SOUTH PLATTE RIVER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2016**

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES			
Operating:			
Property Taxes	\$ 2,251,842	\$ 2,088,293	\$ (163,549)
Specific Ownership Taxes	203,158	168,553	(34,605)
	<u>2,455,000</u>	<u>2,256,846</u>	<u>(198,154)</u>
Investment Earnings	5,000	(1,140)	(6,140)
Total Revenues	<u>2,460,000</u>	<u>2,255,706</u>	<u>(204,294)</u>
 EXPENDITURES			
General Government:			
Salaries and Services	364,427	339,758	24,669
Office and Operating Costs	160,329	99,578	60,751
Local, Auto and Travel	13,250	11,604	1,646
Maintenance	2,640,000	2,190,902	449,098
Contingency	8,000	-	8,000
Total Expenditures	<u>3,186,006</u>	<u>2,641,842</u>	<u>544,164</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 <u>\$ (726,006)</u>	 (386,136)	 <u>\$ 339,870</u>
 Reconciliation to GAAP Basis:			
Current Year Encumbrances		419,073	
Prior Year Encumbrances		<u>(343,244)</u>	
Net Adjustment to GAAP Basis		<u>75,829</u>	
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (GAAP BASIS)		 (310,307)	
 Fund Balance - Beginning of Year		 <u>550,332</u>	
 FUND BALANCE - END OF YEAR		 <u>\$ 240,025</u>	

STATISTICAL SECTION

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
STATISTICAL SECTION INDEX**

This part of the Urban Drainage and Flood Control District comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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

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This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

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URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities										
Net investment in capital assets	\$ 1,716,878	\$ 1,668,474	\$ 1,621,274	\$ 1,568,810	\$ 1,549,646	\$ 1,510,888	\$ 1,473,748	\$ 1,457,228	\$ 1,547,946	\$ 1,534,335
Restricted	746,005	587,144	692,285	543,152	506,699	8,296,508	6,201,657	7,333,629	6,352,378	7,495,380
Unrestricted	<u>11,691,197</u>	<u>13,624,567</u>	<u>16,263,464</u>	<u>13,786,480</u>	<u>14,936,373</u>	<u>616,557</u>	<u>321,814</u>	<u>307,061</u>	<u>232,997</u>	<u>(406,420)</u>
Total governmental activities net position	<u>14,154,080</u>	<u>15,880,185</u>	<u>18,577,023</u>	<u>15,898,442</u>	<u>16,992,718</u>	<u>10,423,953</u>	<u>7,997,219</u>	<u>9,097,918</u>	<u>8,133,321</u>	<u>8,623,295</u>
Primary government										
Net investment in capital assets	1,716,878	1,668,474	1,621,274	1,568,810	1,549,646	1,510,888	1,473,748	1,457,228	1,547,946	1,534,335
Restricted	746,005	587,144	692,285	543,152	506,699	8,296,508	6,201,657	7,333,629	6,352,378	7,495,380
Unrestricted	<u>11,691,197</u>	<u>13,624,567</u>	<u>16,263,464</u>	<u>13,786,480</u>	<u>14,936,373</u>	<u>616,557</u>	<u>321,814</u>	<u>307,061</u>	<u>232,997</u>	<u>(406,420)</u>
Total primary government net position	<u>\$ 14,154,080</u>	<u>\$ 15,880,185</u>	<u>\$ 18,577,023</u>	<u>\$ 15,898,442</u>	<u>\$ 16,992,718</u>	<u>\$ 10,423,953</u>	<u>\$ 7,997,219</u>	<u>\$ 9,097,918</u>	<u>\$ 8,133,321</u>	<u>\$ 8,623,295</u>

URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses										
Governmental activities										
General government										
Operating	\$ 5,214,522	\$ 6,051,504	\$ 6,693,995	\$ 7,123,480	\$ 7,230,448	\$ 6,180,457	\$ 6,417,474	\$ 6,373,779	\$ 6,847,546	\$ 7,314,059
Maintenance	6,037,663	7,364,588	7,269,574	7,613,304	7,120,569	12,111,613	9,765,639	10,064,681	12,383,260	11,321,086
District project participation	<u>13,049,931</u>	<u>9,228,883</u>	<u>7,750,279</u>	<u>11,461,313</u>	<u>8,755,426</u>	<u>13,052,178</u>	<u>12,025,034</u>	<u>9,360,279</u>	<u>10,554,664</u>	<u>10,481,786</u>
Total governmental activities expenses	<u>24,302,116</u>	<u>22,644,975</u>	<u>21,713,848</u>	<u>26,198,097</u>	<u>23,106,443</u>	<u>31,344,248</u>	<u>28,208,147</u>	<u>25,798,739</u>	<u>29,785,470</u>	<u>29,116,931</u>
Program revenue										
Operating grants and contributions	<u>527,784</u>	<u>1,737,884</u>	<u>780,821</u>	<u>467,397</u>	<u>1,200,118</u>	<u>1,117,542</u>	<u>705,726</u>	<u>416,326</u>	<u>844,635</u>	<u>695,306</u>
Total governmental net (expense) revenue	<u>(23,774,332)</u>	<u>(20,907,091)</u>	<u>(20,933,027)</u>	<u>(25,730,700)</u>	<u>(21,906,325)</u>	<u>(30,226,706)</u>	<u>(27,502,421)</u>	<u>(25,382,413)</u>	<u>(28,940,835)</u>	<u>(28,421,625)</u>
General revenues										
Property taxes	19,489,580	20,384,413	21,441,954	21,564,130	21,602,371	22,068,202	23,357,342	24,610,592	25,849,392	26,896,347
Specific ownership taxes	1,723,543	1,562,455	1,470,010	1,356,423	1,313,684	1,491,141	1,614,603	1,809,128	2,049,594	1,996,043
Investment earnings	903,318	604,325	360,253	105,275	60,886	66,171	53,087	40,158	51,833	(14,468)
Other	<u>22,290</u>	<u>82,005</u>	<u>357,646</u>	<u>26,290</u>	<u>23,660</u>	<u>32,428</u>	<u>50,655</u>	<u>23,234</u>	<u>25,419</u>	<u>33,677</u>
Total general revenues	<u>22,138,731</u>	<u>22,633,198</u>	<u>23,629,863</u>	<u>23,052,118</u>	<u>23,000,601</u>	<u>23,657,942</u>	<u>25,075,687</u>	<u>26,483,112</u>	<u>27,976,238</u>	<u>28,911,599</u>
Change in net position										
Governmental activities	<u>\$ (1,635,601)</u>	<u>\$ 1,726,107</u>	<u>\$ 2,696,836</u>	<u>\$ (2,678,582)</u>	<u>\$ 1,094,276</u>	<u>\$ (6,568,764)</u>	<u>\$ (2,426,734)</u>	<u>\$ 1,100,699</u>	<u>\$ (964,597)</u>	<u>\$ 489,974</u>

URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (*)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 109,631	\$ 118,386	\$ 124,795	\$ 124,795	\$ 113,096	\$ 29,310
Assigned	-	-	-	-	528,037	251,430	228,111	236,376	545,693	-
Unassigned	-	-	-	-	901,349	748,835	503,246	449,391	72,448	-
Reserved	95,953	109,341	111,723	109,367	-	-	-	-	-	-
Unreserved	<u>1,298,339</u>	<u>871,831</u>	<u>906,315</u>	<u>1,236,669</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fund	<u>1,394,292</u>	<u>981,172</u>	<u>1,018,038</u>	<u>1,346,036</u>	<u>1,539,017</u>	<u>1,118,651</u>	<u>856,152</u>	<u>810,562</u>	<u>731,237</u>	<u>29,310</u>
All other governmental funds										
Restricted	-	-	-	-	14,265,945	8,178,122	6,076,862	7,208,834	6,239,252	7,466,070
Reserved	650,052	477,803	580,562	433,785	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	<u>10,418,930</u>	<u>12,752,736</u>	<u>15,357,149</u>	<u>12,891,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>11,068,982</u>	<u>13,230,539</u>	<u>15,937,711</u>	<u>13,325,116</u>	<u>14,265,945</u>	<u>8,178,122</u>	<u>6,076,862</u>	<u>7,208,834</u>	<u>6,239,252</u>	<u>7,466,070</u>
Total general and all other governmental funds	<u>\$ 12,463,274</u>	<u>\$ 14,211,711</u>	<u>\$ 16,955,749</u>	<u>\$ 14,671,152</u>	<u>\$ 15,804,962</u>	<u>\$ 9,296,773</u>	<u>\$ 6,933,014</u>	<u>\$ 8,019,396</u>	<u>\$ 6,970,489</u>	<u>\$ 7,495,380</u>

(*) Certain balances reported in other governmental funds have been reclassified to conform to current year presentation.

URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues										
Taxes	\$ 21,213,125	\$ 21,946,868	\$ 22,911,964	\$ 22,920,553	\$ 22,916,055	\$ 23,559,343	\$ 24,971,945	\$ 26,419,720	\$ 27,898,986	\$ 28,892,390
Project participation										
Earned	295,203	1,408,217	546,506	255,597	920,889	717,402	558,516	141,155	429,371	341,533
Refunded, including related interest	-	-	-	-	-	-	-	-	-	-
Federal grants	232,581	329,667	234,315	211,800	279,229	400,140	147,210	275,171	415,264	353,773
Investment earnings	903,319	604,326	360,253	105,275	60,886	66,171	53,087	40,158	51,833	(14,468)
Other	22,287	82,002	357,646	26,291	23,659	32,428	50,655	23,234	25,419	33,677
Total revenues	<u>22,666,515</u>	<u>24,371,080</u>	<u>24,410,684</u>	<u>23,519,516</u>	<u>24,200,718</u>	<u>24,775,484</u>	<u>25,781,413</u>	<u>26,899,438</u>	<u>28,820,873</u>	<u>29,606,905</u>
Expenditures										
Current:										
General government										
Operating	5,240,594	6,213,368	6,866,704	6,969,264	7,210,077	6,119,882	6,354,499	6,388,096	6,776,018	7,227,326
Maintenance	6,282,825	7,180,391	7,049,664	7,560,840	7,101,405	12,111,613	9,765,639	10,064,681	12,383,260	11,321,086
District participation										
Project trust funds	12,974,252	9,178,086	7,714,721	11,435,346	8,367,890	13,001,845	11,539,060	9,271,092	10,554,664	10,481,786
Other	-	-	-	-	-	-	-	-	-	-
Contingency	75,679	50,797	35,558	25,967	46,015	50,333	485,974	89,187	155,838	51,816
Total expenditures	<u>24,573,350</u>	<u>22,622,642</u>	<u>21,666,647</u>	<u>25,991,417</u>	<u>22,725,387</u>	<u>31,283,673</u>	<u>28,145,172</u>	<u>25,813,056</u>	<u>29,869,780</u>	<u>29,082,014</u>
Excess revenues over (under) expenditures	(1,906,835)	1,748,438	2,744,037	(2,471,901)	1,475,331	(6,508,189)	(2,363,759)	1,086,382	(1,048,907)	524,891
Fund balance - Beginning	<u>14,370,108</u>	<u>12,463,273</u>	<u>14,211,712</u>	<u>16,955,749</u>	<u>14,329,631</u>	<u>15,804,962</u>	<u>9,296,773</u>	<u>6,933,014</u>	<u>8,019,396</u>	<u>6,970,489</u>
Fund balance - Ending	<u>\$ 12,463,273</u>	<u>\$ 14,211,711</u>	<u>\$ 16,955,749</u>	<u>\$ 14,483,848</u>	<u>\$ 15,804,962</u>	<u>\$ 9,296,773</u>	<u>\$ 6,933,014</u>	<u>\$ 8,019,396</u>	<u>\$ 6,970,489</u>	<u>\$ 7,495,380</u>

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION
Last Ten Fiscal Years**

Year	General	South Platte	Construction	Maintenance	Non-major	Total
2016	\$ 3,935,486	\$ 2,566,013	\$ 11,514,199	\$ 10,712,543	\$ 353,773	\$ 29,082,014
2015	3,709,884	2,872,608	11,402,613	11,469,411	415,264	29,869,780
2014	4,117,677	1,653,341	9,747,294	9,953,373	341,371	25,813,056
2013	4,172,404	2,419,568	12,203,417	9,158,354	191,429	28,145,172
2012	4,225,164	2,750,939	13,073,845	10,969,476	264,249	31,283,673
2011	3,290,865	2,549,609	8,390,980	8,181,855	312,078	22,725,387
2010	3,500,098	2,219,321	11,421,584	8,710,473	291,305	26,142,781
2009	3,593,949	2,185,650	7,204,642	8,296,091	386,315	21,666,647
2008	3,678,166	2,560,254	7,416,380	8,635,151	332,691	22,622,642
2007	3,328,420	2,986,856	10,818,350	7,207,143	232,581	24,573,350

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
GENERAL GOVERNMENT REVENUES BY SOURCE
Last Ten Fiscal Years**

Year	Taxes	Interest	Miscellaneous	Total
2016	\$ 28,892,390	\$ (14,468)	\$ 728,983	\$ 29,606,905
2015	27,898,986	51,833	870,054	28,820,873
2014	26,419,720	40,158	439,560	26,899,438
2013	24,971,945	53,087	756,381	25,781,413
2012	23,559,343	66,171	1,149,970	24,775,484
2011	22,916,055	60,886	1,223,777	24,200,718
2010	22,920,553	105,275	493,688	23,519,516
2009	22,911,964	360,253	1,138,467	24,410,684
2008	21,946,868	604,326	1,819,886	24,371,080
2007	21,213,125	903,319	550,071	22,666,515

URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Levy Year	Residential	Commercial	Industrial	Vacant Land	Agricultural	Natural Resources	State Assessed	Personal Property	Exempt Property	Assessed Valuation	Actual Value	Percentage of Assessed Total Estimated Actual Value	Total Direct Tax Rate (1)	
													Boulder and Broomfield	All Other Counties
2016	\$ 23,809,283	\$ 16,139,722	\$ 873,498	\$ 919,114	\$ 36,635	\$ 90,845	\$ 1,856,102	\$ 3,424,004	\$ 10,667,112	\$ 47,149,203	\$ 395,852,708	11.91%	0.559	0.620
2015	23,395,266	15,446,502	1,150,957	1,041,404	37,239	126,558	1,720,298	3,589,919	10,804,986	46,508,143	383,932,204	12.11%	0.553	0.611
2014	18,808,853	12,898,867	1,022,456	843,943	34,522	92,082	1,806,135	3,398,590	9,734,914	38,905,448	314,825,027	12.36%	0.632	0.700
2013	18,526,518	12,987,911	1,046,358	912,523	34,471	78,472	1,697,061	3,206,994	8,269,855	38,490,308	303,972,662	12.66%	0.608	0.672
2012	18,263,175	12,312,041	1,045,546	915,087	32,634	86,978	1,610,481	3,132,392	8,562,347	37,398,334	303,715,413	12.31%	0.559	0.657
2011	21,437,870	13,573,075	1,492,758	2,292,596	36,652	82,889	2,094,970	1,516,874	4,626,097	42,527,686	305,862,648	13.90%	0.566	0.623
2010	19,777,252	14,201,882	1,732,106	2,378,585	54,000	155,217	1,997,614	1,551,413	4,461,650	41,848,069	308,388,884	13.57%	0.523	0.576
2009	21,869,902	13,520,756	1,658,161	2,371,256	49,578	101,482	1,916,949	1,580,461	4,275,631	43,068,544	310,703,796	13.86%	0.508	0.569
2008	21,554,982	12,308,375	1,567,502	2,382,816	49,025	110,117	1,898,276	1,552,149	3,984,837	41,423,244	302,911,755	13.68%	0.528	0.591
2007	20,157,066	11,441,503	1,372,750	1,993,775	46,136	113,987	1,638,498	1,479,416	3,901,098	38,243,130	280,153,987	13.65%	0.507	0.568

SOURCE: Adams, Arapahoe, Broomfield, Boulder, Denver, Douglas and Jefferson County Assessor offices.

(1) Average of the rates from the seven contributing counties

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Current Property Tax Collections	% of Current Property Tax Collections	Delinquent Tax Collections	Total Property Tax Collections	Ratio Total	Outstanding Delinquent Tax	Ratio Delinquent
2016	\$ 27,482,569	\$ 26,832,796	97.64%	\$ 20,140	\$ 26,852,936	97.71%	649,773	2.36
2015	26,165,902	25,816,238	98.66%	6,871	25,823,109	98.69%	349,664	1.34
2014	24,844,461	24,134,661	97.14%	38,052	24,172,713	97.30%	709,800	2.86
2013	23,589,351	23,480,568	99.54%	43,984	23,524,552	99.73%	108,783	0.46
2012	22,463,652	22,269,105	99.40%	59,423	22,328,528	99.13%	135,123	0.60
2011	22,047,232	21,796,101	99.58%	157,938	21,954,039	99.86%	93,193	0.42
2010	21,866,790	21,751,543	99.62%	31,460	21,783,003	99.47%	83,786	0.38
2009	21,745,336	21,536,040	99.33%	66,951	21,602,991	99.02%	145,345	0.67
2008	20,643,859	20,446,006	99.41%	75,566	20,521,572	99.04%	122,287	0.59
2007	19,668,238	19,592,421	99.79%	34,120	19,626,541	99.61%	41,697	0.21

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
PROPERTY TAX MILL LEVIES
Last Ten Fiscal Years**

Fiscal Year	Counties						
	Arapahoe	Douglas	Denver	Adams	Jefferson	Boulder	Broomfield
2016	0.620	0.620	0.620	0.620	0.620	0.559	0.559
2015	0.611	0.611	0.611	0.611	0.611	0.553	0.553
2014	0.700	0.700	0.700	0.700	0.700	0.632	0.632
2013	0.672	0.672	0.672	0.672	0.672	0.608	0.608
2012	0.657	0.657	0.657	0.657	0.657	0.599	0.599
2011	0.623	0.623	0.623	0.623	0.623	0.566	0.566
2010	0.576	0.576	0.576	0.576	0.576	0.523	0.523
2009	0.569	0.569	0.569	0.569	0.569	0.508	0.508
2008	0.591	0.591	0.591	0.591	0.591	0.528	0.528
2007	0.568	0.568	0.568	0.568	0.568	0.507	0.507

NOTE: Taxes levied in a given year are collected the following year.

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
LEGAL DEBT MARGIN
Last Ten Fiscal Years**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Assessed valuations										
Assessed value	\$ 46,677,694,552	\$ 39,052,903,688	\$ 38,724,724,522	\$ 36,350,970,703	\$ 36,519,615,173	\$ 38,751,834,309	\$ 38,987,224,924	\$ 37,327,743,257	\$ 36,870,842,864	\$ 32,824,652,590
Legal debt margin										
Debt limitation										
3% of total assessed value	\$ 1,400,330,837	\$ 1,171,587,111	\$ 1,161,741,736	\$ 1,090,529,121	\$ 1,095,588,455	\$ 1,162,555,029	\$ 1,169,616,748	\$ 1,119,832,298	\$ 1,106,125,286	\$ 984,739,578
Debt applicable to limitation	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,400,330,837	\$ 1,171,587,111	\$ 1,161,741,736	\$ 1,090,529,121	\$ 1,095,588,455	\$ 1,162,555,029	\$ 1,169,616,748	\$ 1,119,832,298	\$ 1,106,125,286	\$ 984,739,578

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years**

Fiscal Year	(3) Personal Income (thousands of \$)	(1) and (4) Population	(1) and (3) Per Capita Income	(1) and (2) Unemployment Rate
2016	N/A	N/A	N/A	2.60%
2015	\$ 174,180,268	\$ 3,077,326	\$ 58,844	3.50%
2014	164,513,002	3,012,013	57,472	4.00%
2013	154,613,005	2,953,038	52,357	6.20%
2012	148,638,347	2,896,598	51,315	7.60%
2011	140,543,000	2,830,174	49,431	8.12%
2010	132,535,000	2,868,412	47,241	8.05%
2009	131,293,235	2,828,563	46,031	7.76%
2008	132,823,420	2,788,865	47,285	4.94%
2007	127,242,000	2,715,729	45,997	3.80%

DATA SOURCES

- (1) Department of Local Affairs - State of Colorado
- (2) Bureau of Labor Statistics
- (3) Bureau of Economic Analysis
- (4) U.S. Census Bureau
- N/A Not available

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General government	12	13	11	12	12	12	15	16	11	11
Maintenance	5	5	5	5	5	5	5	5	6	6
SPR operations	2	2	2	2	2	2	2	2	2	2
Construction	5	5	5	5	5	5	4	4	9	8
Student interns	12	12	9	11	11	11	9	9	10	10
Other part time	<u>1</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>2</u>
Total	<u>37</u>	<u>38</u>	<u>34</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>39</u>	<u>39</u>

DATA SOURCES

(1) Urban Drainage Human Resources Department

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
TRUST FUND-PROJECT ACTIVITY
Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Trust Fund Projects started	<u>5</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>16</u>	<u>14</u>	<u>32</u>	<u>25</u>
Trust Fund Projects completed	<u>35</u>	<u>18</u>	<u>24</u>	<u>8</u>	<u>4</u>	<u>1</u>	<u>2</u>	<u>27</u>

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
INSURANCE IN FORCE
December 31, 2016**

Type of Coverage	Name of Company	Dates		Coverage
		From	To	
Public Officials Liability	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$2,000,000
Property	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$560,000 limit on business personal property; \$150,000 computer coverage limit, \$2,000,000 earthquake and flood per occurrence
Automobile	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$2,000,000 liability limit on non-owned and hired autos; \$50,000 physical damage on hired autos; \$2,500 physical damage on non-owned autos for employee deductible reimbursement
Commercial Crime	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$50,000 employee dishonesty; and \$50,000 forgery or altercations; and \$50,000 theft, disappearance and destruction; \$50,000 computer fraud; \$25,000 identity recovery
Inland Marine	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$210,000 per location valuable papers; \$50,000 flood detection, portable and mobile equipment
General Liability	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	\$2,000,000 each occurrence, except for sublimits: \$150,000 for injury to one person per occurrence and \$600,000 for injury to two or more persons per occurrence. \$10,000 medical expense limit per person, \$10,000 medical expense limit for any one accident.
Worker's Compensation	Colorado Special Districts Property and Liability Pool	1/1/2016	12/31/2016	Statutory

**URBAN DRAINAGE AND FLOOD CONTROL DISTRICT
MISCELLANEOUS STATISTICS
DECEMBER 31, 2016**

Authority	Chapter 32, Article II, Colorado Revised Statutes
Date of Formation	June 1969
Governing Body	The Board of Directors is the governing body of the District. By Colorado state law, the Board consists of twenty-two members constituted as follows: Mayor or Deputy Mayor of the City and County of Denver as ex officio director; three Denver council members appointed by the City Council; one commissioner from each of the counties of Adams, Arapahoe, Boulder, Jefferson, and Douglas appointed by their respective Board of County Commissioners; one Mayor from each of the counties of Adams, Arapahoe, Boulder, and Jefferson appointed by the Governor; Mayor or Mayor Pro Tem from the City and County of Broomfield; Mayor or Mayor Pro Tem of any City having population in excess of 100,000 as ex officio member (currently six, Aurora, Arvada, Centennial, Lakewood, Thornton and Westminster); and two licensed professional engineers appointed by the Board of Directors.
Organization	The District is a body corporate and political subdivision of the State, and municipal corporation with the powers provided by Colorado Revised Statutes 31-11-101 through 817.
Purpose	The creation of the District promotes the health, comfort, safety, convenience and welfare of all the people of the State and is of special benefit to the inhabitants of the District and the property therein.

SOURCE: Various records of the District.