



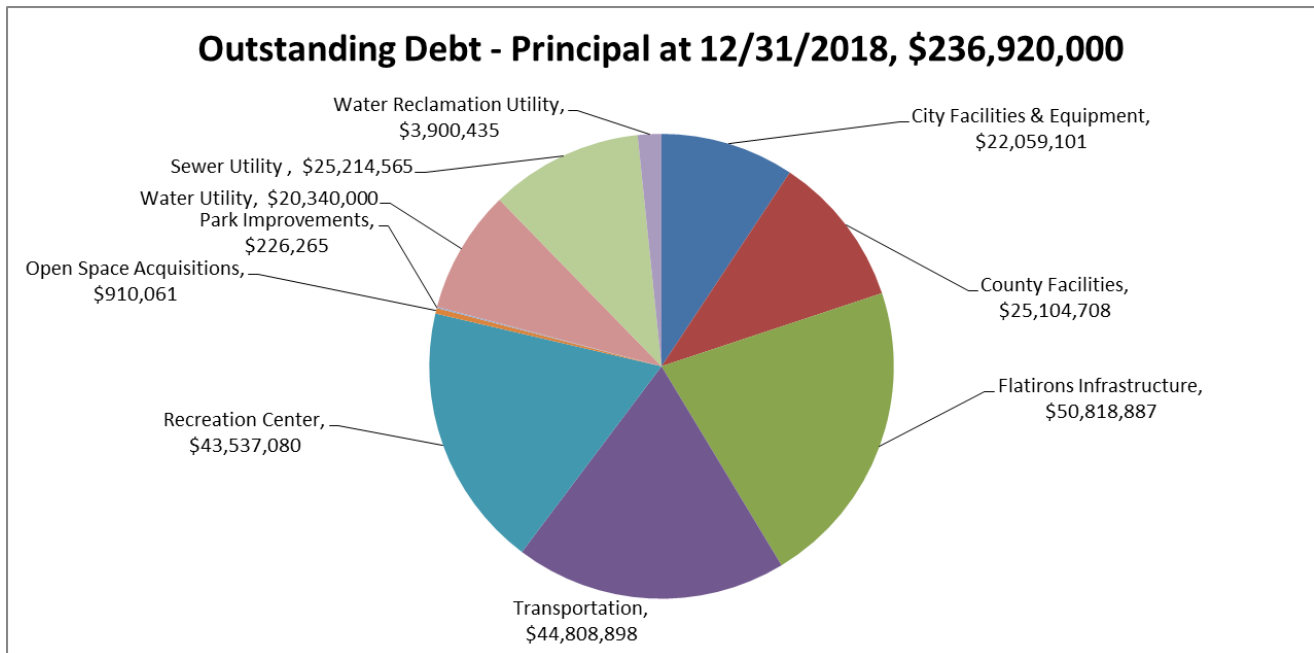
DEBT ANALYSIS – DECEMBER 31, 2018

Summary

The total amount of City and County of Broomfield's outstanding debt at December 31, 2018 is \$236,920,000. The allocation of balances between funds is as follows:

Outstanding Principal at December 31, 2018		
Description	Amount	Percentage
County Funds	\$ 25,104,708	10.60%
City Funds	162,360,292	68.53%
Enterprise/Utility Funds	49,455,000	20.87%
Total	\$ 236,920,000	100.00%

As needs for capital improvements and infrastructure were identified various debt instruments were utilized to provide funding for the projects. The following chart outlines how the current outstanding debt was utilized, by project area.



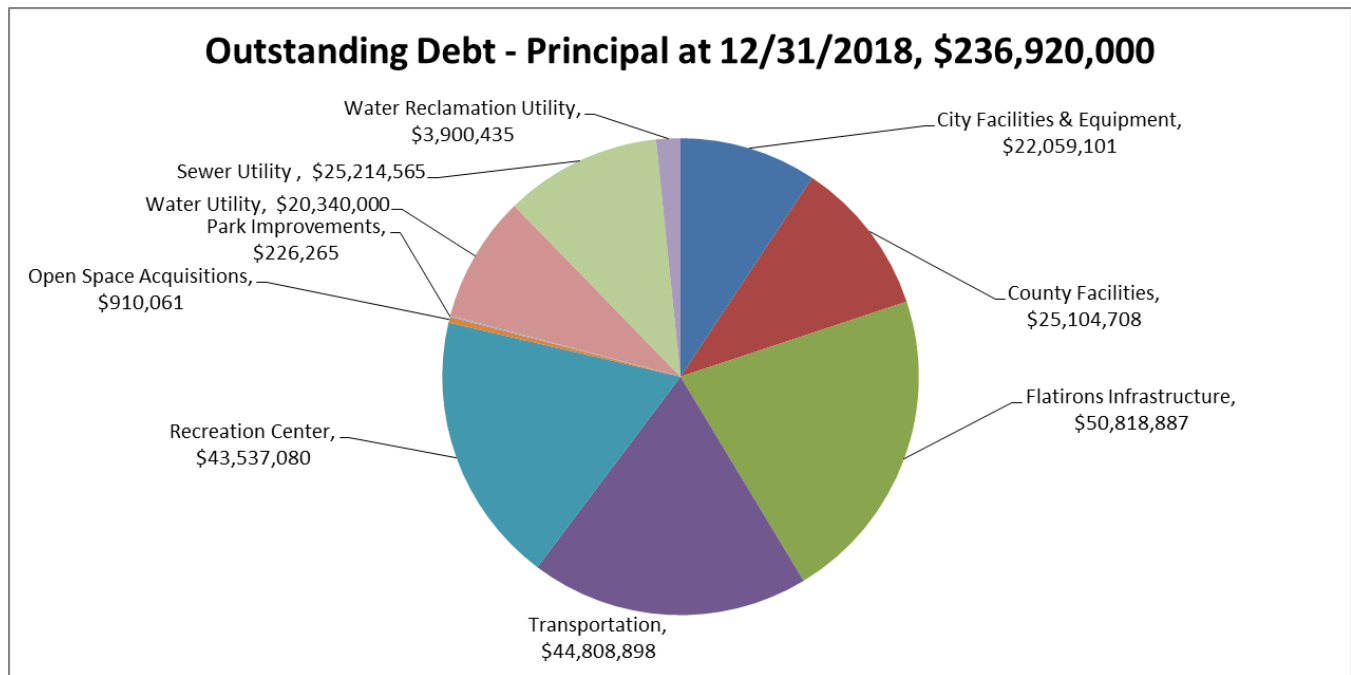
Long range financial planning for Broomfield includes the management of debt service payments. Revenue coverage for debt payments is monitored annually as part of the budgeting process. All outstanding obligations are being met. In addition, for the Utility/Enterprise funds, debt service reserves are maintained to provide three years of debt service payments in the event of future revenue shortfalls.

Debt service payments throughout maturity of all remaining obligations were purposely structured so that even debt payments are made through the life of the debt. In this way, each year the debt payments can be managed through existing revenue sources.

BACKGROUND

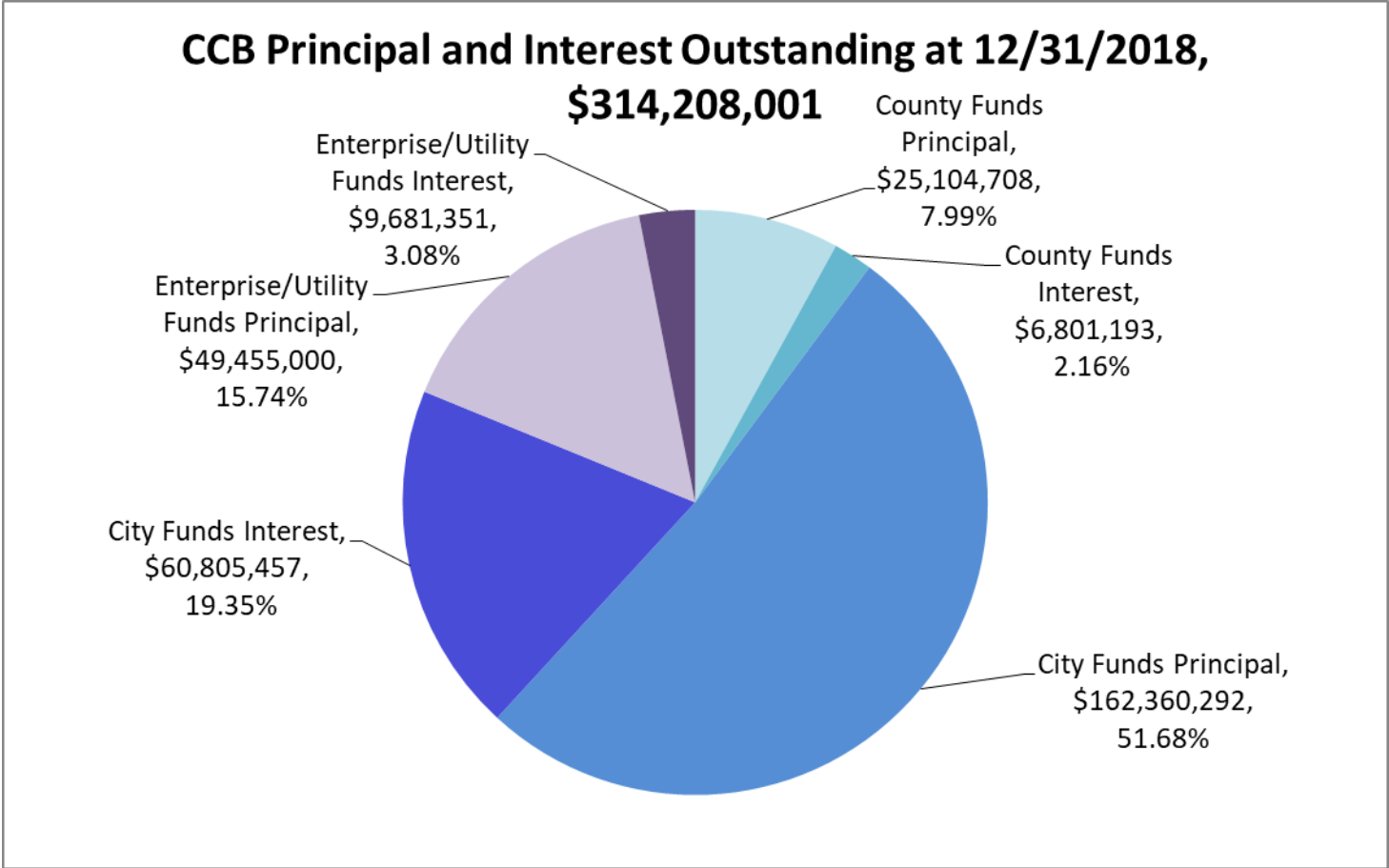
Broomfield manages its financial operations, including debt service, through Long Range Financial Plans. As capital needs and infrastructure requirements are identified to provide services and amenities to Broomfield citizens, the option of funding these needs through debt is evaluated. At the present time, for various purposes, Broomfield has outstanding debt obligations of \$236,920,000. The chart presented as Attachment 1 outlines the current debt and the projects that were made possible through use of those proceeds.

Remaining principal amounts due, by project type, is depicted on the following chart:



As of December 31, 2018, the payments of principal and interest for the outstanding debt represents County projects, City projects and Utility/Enterprise projects. Remaining principal and interest payments through maturity on the debt is reflected in the following table and chart.

Outstanding Principal and Interest at December 31, 2018		
Description	Amount	Percentage
County Funds Principal	\$ 25,104,708	7.99%
County Funds Interest	6,801,193	2.16%
City Funds Principal	162,360,292	51.68%
City Funds Interest	60,805,457	19.35%
Enterprise/Utility Funds Principal	49,455,000	15.74%
Enterprise/Utility Funds Interest	9,681,351	3.08%
Total	\$ 314,208,001	100.00%



As incorporated into Long Range Financial Plans, annual debt payments are scheduled to be distributed fairly evenly over the remaining life of the debt, with annual pay-downs averaging \$12.5 million per year. This allows for sufficient coverage for the debt payments from annual revenues.

City and County of Broomfield - Scheduled Principal Paydown on Debt					
Year	County	City	Enterprise	Total	YE OS Balance
2019	2,022,520	11,132,480	7,490,000	20,645,000	216,275,000
2020	2,128,763	11,636,237	7,785,000	21,550,000	194,725,000
2021	2,571,110	8,098,890	8,160,000	18,830,000	175,895,000
2022	2,711,086	8,443,914	7,120,000	18,275,000	157,620,000
2023	2,841,533	8,793,467	1,745,000	13,380,000	144,240,000
2024	2,982,508	9,227,492	1,840,000	14,050,000	130,190,000
2025	3,128,148	9,686,852	1,940,000	14,755,000	115,435,000
2026	3,284,962	10,175,038	2,040,000	15,500,000	99,935,000
2027	3,434,078	10,545,922	2,115,000	16,095,000	83,840,000
2028		10,560,000	2,185,000	12,745,000	71,095,000
2029		10,940,000	2,260,000	13,200,000	57,895,000
2030		11,355,000	2,345,000	13,700,000	44,195,000
2031		11,765,000	2,430,000	14,195,000	30,000,000
2032		4,420,000		4,420,000	25,580,000
2033		4,640,000		4,640,000	20,940,000
2034		4,870,000		4,870,000	16,070,000
2035		5,115,000		5,115,000	10,955,000
2036		5,370,000		5,370,000	5,585,000
2037		5,585,000		5,585,000	-

The following chart reflects the allocation of the various outstanding debt issues by type and project. It also gives an indication of coverage that is provided for the total debt payments in 2019 from projected revenue sources and/or reserves.

City and County of Broomfield General Long Term Debt				
	Ending Balance 12/31/2018	Total 2019 Annual Payment (P & I)	2019 Revenues	Coverage
PRINCIPAL				
Governmental Activities				
Bonds and COPs				
Revenue Bonds				
City Facilities, Street Improvements, Cemetery Construction (2002/2012)	\$ 19,400,890	\$ 1,656,077		
Public Infrastructure - Flatirons Crossing (2002/2012)	\$ 50,818,887	4,247,042		
Broomfield Share - 120th Interchange Project (2009/2012)	\$ 8,808,897	701,664		
Open Space - The Field (2002/2012)	\$ 910,061	955,564		
Park Improvements (2002/2012)	\$ 226,265	237,578		
144th/Dillon Road Widening (2017)	\$ 36,000,000	2,904,375		
Community Center Renovation (2017)	\$ 36,000,000	2,904,375		
Certificates of Participation				
County Facilities (1999/2010/2017)	\$ 25,104,708	3,277,755		
City Facilities (2000/2010/2017)	\$ 2,658,211	349,434		
Recreation Center & Athletic Fields (2000/2010/2017)	\$ 7,537,081	4,052,811		
Total Bonds and COPs	\$ 187,465,000	\$ 21,286,675		
Governmental Activities Principal	\$ 187,465,000	\$ 21,286,675	\$ 159,817,899	7.508
			\$ 210,212,937	9.875
			(with reserves)	
Enterprise/Utility Funds				
Bonds				
Revenue Bonds				
Water System - land, plant, transmission lines, water rights (00/02/12)	\$ 20,340,000	\$ 5,724,450		
Sewer System - plant, transmission lines (98/01/12)	\$ 25,214,565	2,449,235		
Water Reclamation System - plant, transmission lines (01/12)	\$ 3,900,435	1,403,177		
Total Bonds	\$ 49,455,000	\$ 9,576,863		
Enterprise/Utility Funds Principal	\$ 49,455,000	\$ 9,576,863	\$ 74,823,963	7.813
			\$ 120,524,015	12.585
			(with reserves)	
Total Principal Outstanding	\$ 236,920,000	\$ 30,863,538		

Bond covenants related to issuance of the bonds noted above have the following coverage requirements:

- 2012 Sales and Use Tax Revenue Bonds - annual revenues must be sufficient to cover 125% of the annual debt service payment.
- 2012 Water Revenue Bonds - annual revenues must be sufficient to cover 110% of the annual debt service payment.
- 2012 Sewer and Water Reclamation Revenue Bonds - annual revenues must be sufficient to cover 110% of the annual debt service payment.
- 2017 Sales and Use Tax Revenue Bonds – annual revenues must be sufficient to cover 105% of the annual principal and interest requirements of the annual debt service payment.
- The 2017 Certificates of Participation do not have a stated coverage requirement in the issuing documents. They are secured by the underlying assets pledged to certificate holders in the event of non-payment of the debt.

As noted in the chart above, the actual coverage for all debts is several times greater than the minimal requirements.