

City of Westminster

COLORADO



Comprehensive Annual Financial Report
For the Year Ended December 31, 2018



WESTMINSTER

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2018

Prepared by:

**Finance Department
Tammy A. Hitchens, CPA
Finance Director**

www.cityofwestminster.us

On the cover:

2018 was the City of Westminster's 2nd Annual Halloween Harvest Festival, held on the site of the developing "Downtown" Westminster, formerly the Westminster Mall. 2017's 1st Annual Halloween Harvest Festival had record attendance, drawing over 17,000 people during the three-hour event. To account for the large crowds, the city decided to pool resources and roll Westy Fest and the Harvest Festival into one big event, with more activities, more vendors and more time to enjoy all the fun! 2018 drew over 34,000 people.

There were events for the whole family to enjoy with free carnival games, trick-or-treating, a hot-air balloon glow (bringing back memories of the Westminster Mall balloons), live musical performances by local bands, a beer garden, food trucks, arts and crafts, jumping castles, face painting, local vendors, a bonfire and a BBQ competition. There was even a pumpkin patch from which to select the perfect pumpkin! Free parking was available on the site, as well as free shuttle stops throughout the City and no charge admission.

This was a zero-waste event, keeping with the City's "Environmentally Responsible" strategic goal.

CITY OF WESTMINSTER, COLORADO

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	V
City Organizational Chart	XI
Certificate of Achievement for Excellence in Financial Reporting	XII
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	
A. MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)	1
B. BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	19
Statement of Activities	20
Fund Financial Statements	
Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	23
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Proprietary Funds Financial Statements	
Statement of Net Position – Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	27
Statement of Cash Flows – Proprietary Funds	28
Notes to Financial Statements	31

C. REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

Budgetary Comparison Schedule– Major Funds (General and Special Revenue)

General Fund	77
Westminster Economic Development Authority Fund	78
Budgetary Information	79

Postemployment Benefits Other than Pensions, Pension Schedules and Notes

Retiree Health Program – Schedule of Changes in Total OPEB Liability and Related Ratios	80
Westminster Volunteer Firefighter Pension Plan	
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	81
Schedule of Contributions	82
FPPA Statewide Defined Benefit Plan	
City of Westminster- Fire	
Schedule of the Employer’s Proportionate Share of the Net Pension Liability (Asset)	83
Schedule of Employer Contributions	84
Schedule of Employer Contributions, Re-entry	85
City of Westminster – Police	
Schedule of the Employer’s Proportionate Share of the Net Pension Liability (Asset)	86
Schedule of Employer Contributions	87
Schedule of Employer Contributions, Re-entry	88
FPPA Statewide Hybrid Defined Benefit Plan	
City of Westminster – Fire	
Schedule of the Employer’s Proportionate Share of the Net Pension Liability (Asset)	89
Schedule of Employer Contributions	90
City of Westminster – Police	
Schedule of the Employer’s Proportionate Share of the Net Pension Liability (Asset)	91
Schedule of Employer Contributions	92

D. COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Governmental Funds 93

Combining Balance Sheet – Nonmajor Governmental Funds	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	100

Budgetary Comparison Schedules – Governmental Funds	
General Capital Improvement Fund	105
Parks, Open Space and Trails Sales and Use Tax Fund	106
Conservation Trust Fund	107
Investigation Recovery Fund	108
Westminster Housing Authority Fund	109
Sheridan Crossing General Improvement District Fund	110
Amherst General Improvement District Fund	111
136th Avenue General Improvement District Fund	112
Orchard Park Place General Improvement District Fund	113
Mandalay Town Center General Improvement District Fund	114
144 th Avenue General Improvement District Fund	115
Park 1200 General Improvement District Fund	116
Debt Service Fund	117
Community Development Block Grant Fund	118

Proprietary Funds		119
Budgetary Comparison Schedules – Proprietary Funds		
Utility Fund		121
Golf Course Fund		122
Internal Service Funds		123
Combining Statement of Net Position – Internal Service Funds		125
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds		126
Combining Statement of Cash Flows – Internal Service Funds		127
Budgetary Comparison Schedules – Internal Service Funds General Capital Outlay Replacement Fund		131
E. STATISTICAL SECTION (Unaudited)		133
	Table	
Financial Trends Information		
Net Position by Component	1	135
Changes in Net Position	2	136
Fund Balances, Governmental Funds	3	138
Changes in Fund Balances, Governmental Funds	4	139
Revenue Capacity Information		
Sales and Use Tax Revenue	5	140
Direct and Overlapping Sales and Use Tax Rates	6	141
Principal Sales and Use Tax Payers by Category	7	142
Debt Capacity Information		
Ratios of Outstanding Debt by Type	8	143
Direct and Overlapping Governmental Activities Debt	9	144
Legal Debt Margin Information	10	145
Pledged Revenue Coverage	11	146
Demographic and Economic Information		
Demographic and Economic Statistics	12	154
Principal Employers	13	155
Full Time Equivalent City Employees by Function/Program	14	156
Operating Information		
Operating Indicators by Function/Program	15	157
Capital Asset Statistics by Function/Program	16	158

Other Supplementary Information

F. COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with the <i>Government Auditing Standards</i>	159
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance	161
Schedule of Findings and Questioned Costs	
Summary of Auditor's Results	163
Financial Statement Findings	164
Federal Award Findings and Questioned Costs	164
Summary Schedule of Prior Audit Findings	165
Schedule of Expenditures of Federal Awards	167
Notes to Schedule of Expenditures of Federal Awards	168
Local Highway Finance Report	169



Introduction



WESTMINSTER
COLORADO

May 16, 2019

To the Citizens of Westminster:
To the Mayor and City Council:

We are pleased to present to you the 2018 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's operations and financial position.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The enclosed data is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Please refer to Management's Discussion and Analysis for a more in-depth discussion and analytical overview of the City's basic financial statements and activities.

The Past Year

The City of Westminster delivers exceptional value and quality of life through SPIRIT. SPIRIT – Service, Pride, Integrity, Responsibility, Innovation and Teamwork. We would like to highlight two significant items that occurred in 2018.

First, *The Center for Digital Government*, a national research and advisory institute on information technology policies and best practices in state and local government, conducts an annual comprehensive nationwide Digital Cities Survey to evaluate how well cities are doing in achieving and demonstrating the characteristics of a digital city. In 2018, the City of Westminster submitted a 42 page survey application highlighting current status and past year achievements in each of the ten categories of digital government, and achieved a national first place ranking. An outstanding team of dedicated and highly skilled Information Technology department staff combined with the support and efforts of the City Council, City Manager's Office and other City departments have been key in achieving this award. The Communication and Outreach Division's excellent work supporting the Open Data and Citizen Engagement characteristics were included in the application.

Second, the first park is now open in Downtown Westminster; sporting a pavilion, stage and water features. The 1.2 acre park can be used as an outdoor meeting space and is a central feature in the growing downtown space. A celebration officially opened the park to the public for public use. Both the pavilion and the stage are made out of ipe wood, a durable wood designed to withstand the Colorado elements. The park's pavilion features restrooms, picnic tables, and sliding doors to make the space feel more open. The pavilion is in the process of being evaluated for silver LEED certification. The park was used as the pumpkin patch during the City's Halloween Harvest Festival, with many kids playing in the water features as families picked pumpkins. The Halloween Harvest Festival was the City's largest community event with over 34,000 attendees.

In addition to the significant items highlighted above, many other significant achievements were accomplished.

The Westminster Municipal Court began conducting video appearances from the Adams County Jail. This exciting milestone came after two years of ongoing communication with the Adams County Sheriff's Office. Westminster was one of the few municipal courts in Adams County that did not conduct video appearances. The video appearances will reduce the overall number of daily transports of inmates and consequently the costs and risks associated with transporting defendants to and from the jail. Adams County entered into an IGA with all municipalities that participate in the video court program to cover the cost of providing video appearances. This was approved by City Council in November 2018 for fiscal year 2019. The cost per municipality will be determined based on the number of inmates appearing for video court.

Westminster continued to have high development activity. Several of the 2018 totals appear to represent the highest level of development activity in the City of Westminster over the last 10 years by several measures. Here are the 2018 figures:

- 22,000 inspections conducted (Building, Engineering, Planning and Fire)
- 7,700 building permits issued
- 400 development plans processed (official development plans, construction drawings, plats)

This is by no means a comprehensive assessment of development review activities, but it indicates the large volume of work successfully managed and processed by Staff. Successfully handling this workload represents the hard work and SPIRIT values of development review staff in Community Development, Public Works and Utilities, Fire, Economic Development, Parks, Recreation and Libraries, along with other departments.

In order to provide the best experience for the utility billing customer, the Finance Department embarked on a review of the utility billing process. The process improvement team was led by internal staff from the General Services Department. This involved employees from Public Works and Utilities, Information Technology, Community Development and Finance. The team identified current risks and intended future outcomes as specific steps were mapped out. As a result of the review, the team has been able to understand each stakeholder's role and implement solutions to communicate more effectively, establish quality control measures, eliminate unnecessary steps, and develop reporting to mitigate billing errors and ensure that meters are properly configured in the field.

The Fire Department continues to see an increase in service calls. In 2018, there were 11,924 service calls, a 17 percent increase over the past three years. Emergency medical services (EMS) continue to escalate with 8,212 calls, representing 68.8 percent of the total. Total fire calls in 2018 were 257, with 59 building fires. In 2018, the Fire Department initiated the process to attain accreditation through the Center for Public Safety Excellence. Accreditation represents the fire service's pinnacle recognition that we are delivering high quality programs and services to the community. The accreditation process establishes an internal strategic management system that focuses on a continuous improvement approach to programs and services.

An Edward Byrne Memorial Justice Assistance Grant was awarded to partially fund an integrated training system to automate various police training needs. It allows officers to manage training, registration, scheduling, storage and documentation. The system also delivers online course work and tracks the training via a Web-based portal. Adequate police training and record training is imperative, not only for the health, safety and wellbeing of officers but to aid in reducing the City's liability if required documentation is needed in any court proceeding.

Public Works & Utilities maintains over 1,100 lane miles of city streets and related infrastructure. In 2018, the Street Division carried out more than \$10 million in contract and in-house pavement preservation, repair, and reconstruction projects touching more than 234 streets. One example of teamwork and collaboration stands out: in 2018 the Streets Division took on the challenge of performing concrete replacement, asphalt patching, and overlaying the 58 streets that comprise the Legacy Ridge sub-division. This joint effort between in-house crews and contractors placed more than 15,000 tons of hot mix asphalt and replaced over 7,000 feet of deteriorated curb, gutter and sidewalk. These much needed improvements to City infrastructure were completed on time, at a total cost of approximately \$1.7 million.

Public Works & Utilities manages the water and wastewater utility system with an asset replacement value of \$4.0 billion. To ensure the high quality and uninterrupted service provided by these facilities, Staff has implemented an inclusive, data-driven, long-term utility planning process; this was last done in 2010. In 2018, a number of projects in the Utility Capital Improvement Program focused on water storage. Repair, rehabilitation, and new construction at three of the City's pump station and tank sites will result in increased water storage of 4.4 million gallons when these projects are completed. Increased storage provides additional redundancy and reliability for residents now and into the future.

A focus within the City's strategic plan and vision are efforts to reinforce and build a diverse and thriving economy. The Economic Development Department engages in both current and future economic development efforts to meet the City's strategic plan goal of a dynamic, diverse economy. Given the growing importance now and into the future of economic development to the City, the Economic Development Department has added subject matter experts who continue to collaborate cross departmentally with employees throughout the City to accomplish its most ambitious goals. This includes work on Downtown Westminster, Westminster Station TOD, and Historic Westminster, while working to facilitate more streamlined integration into the City's overall economic development approach.

The human capital of the organization is the most vital resource to accomplishing all of the strategic goals of the City. The Human Resources Department continues to play a key role in moving the organization forward towards accomplishing these strategic goals with the following purpose statement: *Our Job is Connecting and Enriching Our Employee Community.* Through deliberate recruitment, total compensation and benefits philosophies, and employee training and development programs, the department continues to attract and retain employees to ensure the City has the best workforce to move

forward. Resources are leveraged to promote a strong, values-oriented culture and to develop employees. A heavy emphasis on employee development through leadership and supervisor training, coaching and mentoring programs, formal and informal employee feedback mechanisms, such as an all-employee feedback survey in 2018, are important tools incorporated into strategies for organization and employee development.

At the Healthiest Employers national conference, the City was praised for keeping its health care cost increases far below national averages over the past six years, due in part to its medical plan design, wellness program, the Center for Healthy Living and an overall long-term strategy for healthcare. Westminster takes a holistic approach by creating an environment of support for employees, and a long-term, strategic approach to the wellness program and benefits package that has fostered a culture of well-being for employees. The City was recognized nationally as one of the Healthiest 100 workplaces in 2017 and 2018.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2019.

In March and April, the Westminster City Council participated in separate governance and strategic planning sessions to inform the City's strategic planning efforts. Leadership shared information about the progress made in several key areas.

The topics included:

- Sustainability
 - Social
 - Economic
 - Environmental
- Neighborhoods
- Mobility and transportation
- Equity and inclusivity
- Education
- Mental health
- Culture and Arts
- Open Space, parks and recreation
- Utilities
- Homeless families
- Water/Water conservation

City staff will be working on these high priority items and other projects and initiatives as identified in City Council's strategic plan.

Independent Audit

Pursuant to Section 9.10 of the City Charter, an audit of the accounts and financial statements has been completed by the City's Independent Certified Public Accountants, BKD, LLP. Their reports are included.

Government Structure and Types of Services

The City of Westminster is a charter city, organized under the Constitution of the State of Colorado, governed by a Council-Manager form of government. City Council is comprised of seven members: a Mayor elected at large and six Councillors, also elected at large. The Council appoints the City Manager, the City Attorney and the Municipal Court Presiding Judge; all other staff are appointed or hired by the City Manager.

With a population of approximately 117,094, the City is approximately 95% built out, with just over 5% of its remaining area to be developed. The City is a full service city, providing police, fire and emergency medical service, municipal court, parks, recreation facilities and programs, libraries, planning and development, economic development and redevelopment, water and wastewater treatment, street construction and maintenance and a variety of related services such as human resources, finance, information technology, building maintenance, etc.

The City of Westminster includes several blended component units, wherein the City includes the financial statements of these units in its financial reporting. These units include:

- Westminster Housing Authority (WHA), which is utilized in housing initiatives;
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, which enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections; and
- Nine General Improvement Districts that were created for infrastructure improvements and maintenance, and are listed below:
 - Amherst General Improvement District
 - Sheridan Crossing General Improvement District
 - 136th Avenue General Improvement District
 - Mandalay Town Center General Improvement District
 - 144th Avenue General Improvement District
 - Orchard Park Place General Improvement District
 - Park 1200 General Improvement District
 - Westminster Station General Improvement District
 - Downtown General Improvement District ⁽¹⁾

⁽¹⁾ Approved by the voters in the November 2015 elections – no financial activity as of 12/31/18

The governing board is the same as the governing body of the City in all cases and the City has the ability to modify or approve the budgets of these entities.

Internal Controls and Limitations

The City's framework of internal controls provides management with the reasonable assurance it needs to take meaningful responsibility for the contents of the financial statements. The City's basic system of internal controls includes the control environment, the accounting system, and control procedures:

- The control environment includes a philosophy and organizational structure that allows for the fiduciary practice of oversight, control systems development, and management control of the financial functions of the City.
- The accounting system includes built-in checks and balances for purchasing, contracting and contract approval, timely recording of all transactions, audit trails for all transactions, and routine reporting and reconciliation procedures across funds and accounts.
- The control procedures established by the City include the following:
 - Budgetary oversight by the City Manager's Office separate from the accounting and recording of transactions by the Finance Department;
 - The legal level of budgetary control is at the department level;
 - Segregation of authorization, collection and recording/reconciliation functions across all departments and financially-related functions of the City of Westminster;
 - Access controls to all systems, whether purchasing, general ledger, payroll, information technology, or others; and
 - Independent checks on the system and transactions by staff performing the internal audit function.
 - Third party fraud reporting services via an anonymous, confidential fraud hotline and fully secure, encrypted website for incident reporting.

As with any system, the inherent limitations of the system make it imperative that the City address any internal control deficiencies when they are communicated under SAS 114, *The Auditor's Communication with Those Charged with Governance*, and SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*; by the City's independent auditing firm; and constant diligence on the part of management and employees for preventing and correcting errors or other deficiencies when identified either internally or externally.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster, Colorado, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the content of which conforms 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. The City has received a Certificate of Achievement for the last thirty-five consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

Oversight for the preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of Finance Department Staff.

In particular, our sincere appreciation is extended to Cherie Sanchez, Accounting Manager; Vicki Adams, ERP Business Analyst; Karen Creager, Accountant; Chris Martin, Accountant; Gary Newcomb, Accountant; Lore Nusser, Accountant; Dawn Cartier, Accountant; Kim McDaniel, Retirement Administrator; Chad Smith, Financial Analyst; Sherri Young, Financial Analyst; James MacDonald, Sales Tax Manager; Bob Byerhof, Treasury Manager; and Maggie Hunter, Executive Assistant. Thank you for your dedication, hard work, and another excellent annual report.

In addition, the City's auditors, BKD, LLP were very helpful. Their assistance and professional approach contributed to a thorough and smooth audit.

Finally, thank you to City Council and all staff for your commitment to this community and the SPIRIT you exhibit.

Respectfully submitted,

Donald M. Tripp
City Manager

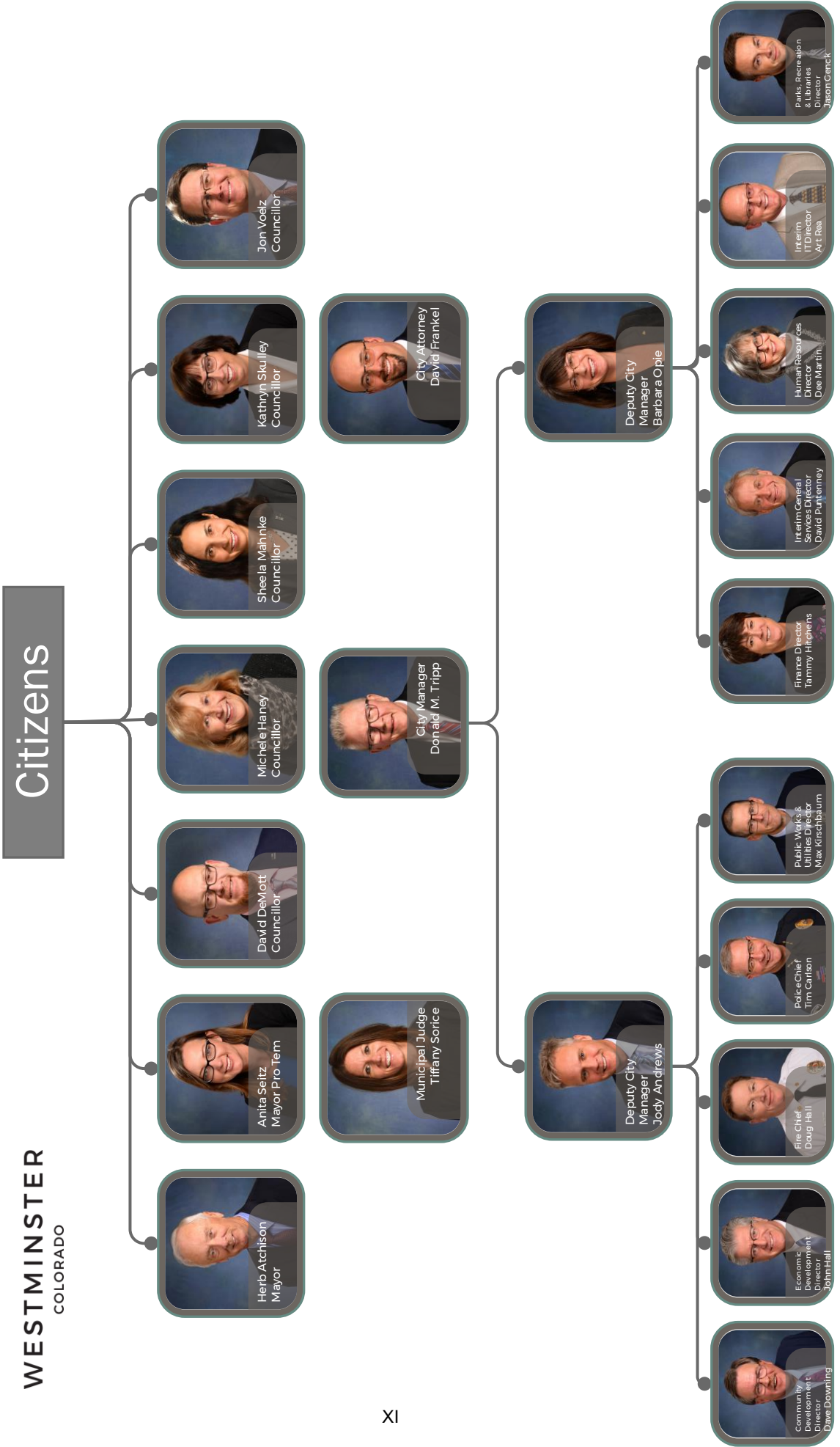
Tammy Hitchens
Director of Finance

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WESTMINSTER
COLORADO

ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Westminster
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO



Financial Section

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Westminster, Colorado
Westminster, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City'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.

Auditor's 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 auditor's 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.

Honorable Mayor and Members of City Council
City of Westminster, Colorado

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, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 3U to the financial statements, in 2018, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and Governmental Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other postemployment benefits information as listed in the table of contents 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and other supplementary information, including the local highway finance report and the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Honorable Mayor and Members of City Council
City of Westminster, Colorado

The combining and individual fund financial statements and schedule and other supplementary information, including the local highway finance report information and the schedule of expenditures of federal awards (supplementary information) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we 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 also have issued our report dated May 16, 2019, on our consideration of the City'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 solely 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 the effectiveness of the City's 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 the City's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
May 16, 2019

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Management's Discussion And Analysis



WESTMINSTER
COLORADO

City of Westminster, Colorado

Management's Discussion and Analysis (Unaudited)

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2018 provides a narrative overview of the City's financial activities. Please consider the information here in conjunction with the transmittal letter at the beginning of this Comprehensive Annual Financial Report and the financial statements and notes to the financial statements, which begin on page 19.

THE CITY

The City of Westminster is a charter city, organized under the laws of the State of Colorado, governed by a Council-Manager form of government. City Council is comprised of seven members: a Mayor elected at large and six Councillors, also elected at large. The Council appoints the City Manager, the City Attorney, and the Municipal Court Presiding Judge; all other staff are appointed or hired by the City Manager. The City Manager has served Westminster since 2015 and promotes service, pride, integrity, responsibility, innovation and teamwork throughout the organization. The City Manager directs ten departments, including Community Development, Economic Development, Finance, Fire, General Services, Human Resources, Information Technology, Parks, Recreation and Libraries, Police, and Public Works and Utilities.

Centrally located between Denver and Boulder, Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative and progressive local government services. With a population of approximately 117,094, the City is 95% built out, with just 5% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 64 developed parks and 4 undeveloped parks, over 3,100 acres of natural open space, two libraries, two golf courses, several recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 57.6% of the City's governmental activities revenues. Property taxes comprise approximately 3.2% of the City's governmental activities revenues. Property and sales tax increments contribute an additional 6.7%. The primary sources of revenues for the City's enterprise funds including the Utility Enterprise and Golf Course Enterprise are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was up \$2.9 million, or 3.0% compared to 2017. The increase is attributed to higher household incomes and strong consumer confidence that resulted from the Federal Tax Cuts and Jobs Act, tight labor market, and rising wages.

The City received \$1.2 million in federal award reimbursements from various agencies for housing and urban development, transportation improvements, public health and safety efforts, and emergency management. \$0.1 million in grant reimbursements was received from State of Colorado agencies for public safety activities and libraries programming resources. \$0.6 million in reimbursements was received from Adams and Jefferson Counties for open space improvements as well as victim assistance efforts. \$0.1 million in other grant reimbursements was received for public recreation, libraries, as well as health and safety initiatives and resources.

The City's Utility Fund received capital contributions totaling \$14.5 million primarily from fees for tapping into the water and wastewater utility system and developer lines. This is a \$1.7 million, or 13.3% increase in developer contributions compared to 2017.

A total of \$83.1 million was expended in relation to the City's Capital Improvement Program (CIP) in 2018. Governmental activities CIP spending totaled \$32.4 million, up \$5.0 million or 18.2% from the prior year. Business-type activities CIP spending totaled \$50.7 million, up \$12.1 million or 31.3% from 2017.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2018 by \$1,029.4 million (\$489.8 million in governmental activities and \$539.6 million in business-type activities). Of the governmental activities net position total, \$141.1 million, or 28.8%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$113.3 million, or 21.0%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$58.0, or 6.0%, compared to 2017. The net position of the City's governmental activities increased \$33.1 million, which represents an increase of 7.2% compared to 2017. The net position of the City's business-type activities increased \$24.9 million, an increase of 4.8% over 2017.

The total expenses of all the City's programs increased \$6.9 million, or 3.4%, compared to 2017. The cost of governmental activities program expenses increased \$4.2 million, or 2.8%, to \$152.2 million, while business-type activities expenses increased \$2.7 million, or 4.7%, to \$59.9 million from 2017.

Total revenues, excluding transfers, increased \$13.0 million, or 5.1%, compared to 2017. Governmental activities revenues increased \$4.7 million, or 2.6%, to \$185.2 million, while revenues of business-type activities increased \$8.3 million, or 10.8%, to \$84.9 million compared to 2017.

As of December 31, 2018, the City's governmental funds reported a combined ending fund balance of \$163.4 million. Approximately 72.2%, or \$118.0 million, is committed, assigned or unassigned fund balance and, therefore, available for spending at the City's discretion within the purposes specified for the City's funds.

The General Fund reported a fund balance of \$50.4 million as of December 31, 2018, of which \$43.1 million was assigned or unassigned.

The City adopted Governmental Accounting Standards Board Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Adoption of GASB 75 required a restatement of the City's Enterprise Funds and Government-wide, Governmental Activities and Business-type Activities beginning net position as of January 1, 2018. Comparative financial information for 2017 contained herein has not been restated for adoption of GASB 75.

The City also adopted Governmental Accounting Standards Board Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The prospective adoption of GASB 89 had no effect on the City's beginning net position/fund balances or on the change in net position/fund balance.

More information about these accounting principles and their impact to the financial statements can be found on page 75 of the Notes to the Financial Statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities.

The **Statement of Net Position** presents information on all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, such as changes in the composition or quality of the City's sales tax base, the condition of the City's roads, etc., are also important to evaluate when assessing the overall health of the City.

The **Statement of Activities** presents information showing how the City's net position 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 the related cash flows.

In the Statement of Net Position and Statement of Activities, the City is divided into two kinds of activities:

- Governmental activities – Most of the City's basic services are reported here – police, fire, public works, parks, recreation and libraries and general administration. Sales and use taxes, property taxes, fees and charges from the municipal court and the Parks, Recreation and Libraries Department, franchise fees, and state and federal grants finance most of these activities.
- Business-type activities – The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's water and sewer system and golf courses are reported here.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the City-wide financial statements. However, unlike the City-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on the constraints on the use of fund balances at the end of the fiscal year. Information about limitations on financial resources is useful in evaluating the City's short-term financing requirements.

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the City-wide statements. Readers may then better understand the long-term impact of the City's short-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

The City maintains 17 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are reported as major funds for the City. Financial information for the other 14 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements in the supplementary information of this report.

Proprietary funds are generally used to account for services for which the City charges customers – either outside customers or internal customers. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the Utility Enterprise and Golf Course Enterprise. The Utility Fund is considered a major fund of the City, while the Golf Course Fund is a nonmajor fund.
- **Internal Service funds** are used by the City to account for the costs of acquiring capital replacement equipment and costs for City-wide insurance programs. Because these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of the internal service funds have been included within governmental activities in the government-wide financial statements. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information of this report.

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

Required Supplementary Information includes budgetary comparison schedules for the General Fund and Westminster Economic Development Authority as well as schedules that provide information on the funding progress of postemployment benefits other than pensions (OPEB) related to the City's retiree health care program and information related to the City's firefighter and police pension plans.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$1,029.4 million at December 31, 2018. Governmental activities make up \$489.8 million (47.6%) of the net position, with business-type activities making up the remaining \$539.6 million (52.4%). Total net position increased by \$58.0 million (6.0%) in 2018. The increase is comprised of the following:

Total assets increased \$39.8 million, or 3.1%, to \$1,332.0 million. This included an increase in current and other assets of \$0.1 million and an increase in capital assets of \$39.7 million.

The increase in current and other assets was primarily due to increases in receivables of \$4.8 million and net pension assets of \$8.4 million offset by a decrease in net cash and investments of \$13.3 million. The increase in receivables is due to pending grant reimbursements and 2018 sales and use taxes received in January 2019.

The increase in net pension assets reflects the City's participation in Fire and Police Pension Association of Colorado (FPPA) pension plans, and the recent addition of the City's police plans to its proportionate share of the net position in the plans. Information about the FPPA retirement plans can be found in the Notes to the Financial Statements beginning on page 59.

The change in net cash and investments reflects the spend down of 2016 Utility Enterprise revenue bond proceeds for the Big Dry Creek wastewater treatment facility and Little Dry Creek interceptor repair and construction projects.

\$33.6 million of depreciation expense was recognized while \$92.7 million in capital assets was added. \$60.8 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes, and \$19.4 million in capital assets net of depreciation was disposed of.

Total liabilities decreased \$19.4 million, or 6.3%, to \$289.6 million. This is primarily due to the reduction of long term debt by governmental activities totaling \$13.6 million and business-type activities totaling \$6.9 million. The change in long term debt included ongoing debt service payments on outstanding bonds, loans, notes and leases, as well as amortization of discounts and premiums. Other long term liabilities included obligations relating to compensated absences, post-employment benefits for the City's retiree health care program and pollution remediation. Increases in current liabilities totaling \$1.1 million related to accounts payable for business-type activities.

Table 1: Net Position as of December 31 (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 240.4	\$ 223.6	\$ 134.5	\$ 151.2	\$ 374.9	\$ 374.8
Capital assets	455.7	451.7	501.4	465.7	957.1	917.4
Total assets	696.1	675.3	635.9	616.9	1,332.0	1,292.2
Deferred outflow of resources	13.5	8.4	0.1	-	13.6	8.4
Current and other liabilities	21.4	21.6	10.3	9.0	31.7	30.6
Long-term liabilities	171.8	185.4	86.1	93.0	257.9	278.4
Total liabilities	193.2	207.0	96.4	102.0	289.6	309.0
Deferred inflow of resources	26.6	18.1	-	-	26.6	18.1
Net Position:						
Net investment in capital assets	298.6	284.1	422.8	397.7	721.4	681.8
Restricted	50.1	45.0	3.5	3.4	53.6	48.4
Unrestricted	141.1	129.5	113.3	113.8	254.4	243.3
Total net position	\$ 489.8	\$ 458.6	\$ 539.6	\$ 514.9	\$ 1,029.4	\$ 973.5

By far the largest portion of the City's net position reflects its investment of \$957.1 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$721.4 million as of December 31, 2018, or 70.1% of total net position.

An additional portion of the City's net position, \$53.6 million, or 5.2% represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$254.4 million, or 24.7% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$113.3 million in unrestricted net position of the City's business-type activities may not be used to fund governmental activities.

Analysis of Changes in Net Position

As can be seen from Table 2, the City's net position increased \$58.0 million during 2018. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$33.1 million during 2018. This was \$1.0 million more than the increase of \$32.1 million in 2017.

Governmental activities revenues increased \$4.7 million from 2017. The change is attributed to increases in revenues from Charges for Services (\$0.9 million), Operating Grants and Contributions (\$1.4 million), Capital Grants and Contributions (\$3.0 million), Property Taxes (\$0.8 million), Sales Taxes (\$4.4 million), Property tax increment (\$1.1 million), Business fees and other taxes (\$0.1 million), Accommodations tax (\$0.3 million), Intergovernmental (\$0.1 million) and Interest (\$1.4 million). These increases were offset by decreases in Use Taxes (\$1.3 million), Sales Tax Increment (\$0.5 million), Rentals (\$0.1 million), Other (\$6.8 million), and Gain on Sale of Assets (\$0.1 million).

Increases in Operating and Capital Grants and Contributions resulted mostly from year over year fluctuations in one time revenues. Decreases in Other revenue was due to the one time sale of property in 2017 that had been previously held for resale in WEDA and developer agreements related to Downtown Westminster.

Governmental expenses increased \$4.2 million (2.8%) from 2017. The change is attributable to increased expenses in General Government (\$0.8 million), Public Safety (\$0.8 million), Public Works (\$1.9 million), Economic Development (\$1.8 million) and Culture and Recreation (\$1.0 million) offset by decreases in Community Development (\$1.9 million) and interest and fiscal charges (\$0.2 million).

The increase in General Government was due primarily to organizational restructuring of the Human Resources function and personnel insurances, Public Works and Utilities capital project spending and Public Safety personnel service costs, primarily salaries. Culture and Recreation increased in personnel service costs as well as contract services for marketing and outreach, utilities and youth scholarships programs. Economic Development, previously reported as part of General Government activities, is now reported distinctly as a result of an organizational restructuring. Community Development expenditures decreased after one-time adjustments in 2017 for conveyance of certain land held for resale from WEDA to the City, the sale of other land held for resale, a write down in valuation of another resale parcel and certain contractual obligations.

As can be seen in Table 2, General Government, which includes all benefits, insurances and lease payments as well as the City Council and five departments' (City Manager's Office, City Attorney's Office, General Services, Human Resources and Finance) accounted for 33.6% of governmental expenses, Public Safety accounted for 26.7%, Public Works accounted for 10.2%, Community Development accounted for 9.0%, Economic Development accounted for 1.2%, Culture and Recreation accounted for 16.8%, Interest and Fiscal Charges accounted for 2.4% and unallocated depreciation accounted for 0.1%.

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for services	\$ 20.4	\$ 19.5	\$ 67.4	\$ 61.7	\$ 87.8	\$ 81.2
Operating grants and contributions	10.9	9.5	-	-	10.9	9.5
Capital grants and contributions	14.0	11.0	14.5	12.8	28.5	23.8
General revenues						
Property taxes	5.9	5.1	-	-	5.9	5.1
Sales taxes	88.2	83.8	-	-	88.2	83.8
Use taxes	18.6	19.9	-	-	18.6	19.9
Property tax increment	11.8	10.7	-	-	11.8	10.7
Sales tax increment	0.5	1.0	-	-	0.5	1.0
Business fees and other taxes	5.5	5.4	-	-	5.5	5.4
Accomodations tax	4.8	4.5	-	-	4.8	4.5
Intergovernmental	0.3	0.2	-	-	0.3	0.2
Interest	2.4	1.0	2.1	1.0	4.5	2.0
Rentals	0.3	0.4	-	-	0.3	0.4
Other	1.5	8.3	0.9	0.8	2.4	9.1
Gain on sale of assets	0.1	0.2	-	0.3	0.1	0.5
Total revenues	185.2	180.5	84.9	76.6	270.1	257.1
Program expenses						
General government	51.2	50.4	-	-	51.2	50.4
Public safety	40.7	39.9	-	-	40.7	39.9
Public works	15.4	13.5	-	-	15.4	13.5
Community development	13.7	15.6	-	-	13.7	15.6
Economic development	1.8	-	-	-	1.8	-
Culture and recreation	25.6	24.6	-	-	25.6	24.6
Utility	-	-	55.5	53.2	55.5	53.2
Golf	-	-	4.4	4.0	4.4	4.0
Interest and fiscal charges	3.6	3.8	-	-	3.6	3.8
Unallocated depreciation	0.2	0.2	-	-	0.2	0.2
Total expenses	152.2	148.0	59.9	57.2	212.1	205.2
Excess before transfers	33.0	32.5	25.0	19.4	58.0	51.9
Transfers	0.1	(0.4)	(0.1)	0.4	-	-
Change in net position	33.1	32.1	24.9	19.8	58.0	51.9
Net position, beginning, as previously reported	458.6	424.5	514.9	497.5	973.5	922.0
Adjustment for accounting change	(1.9)	2.0	(0.2)	(2.4)	(2.1)	(0.4)
Net position - beginning, as restated	456.7	426.5	514.7	495.1	971.4	921.6
Net position - ending	\$ 489.8	\$ 458.6	\$ 539.6	\$ 514.9	\$ 1,029.4	\$ 973.5

Charts 1 and 2 illustrate the City's governmental expenses and revenues by function and its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, sales and use taxes are the largest single source (57.6%), followed by Charges for Services (11.0%), Capital Grants and Contributions (7.5%), Property Tax Increment (6.4%) and Operating Grants and Contributions (5.9%).

CHART 1: EXPENSES AND PROGRAM REVENUES GOVERNMENTAL ACTIVITIES

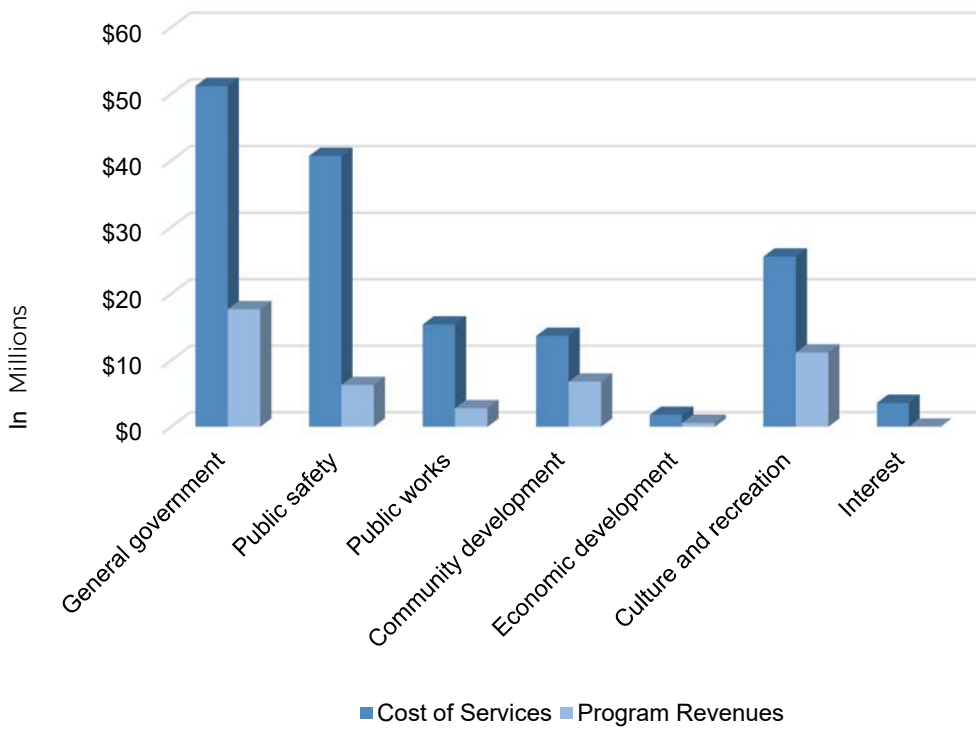
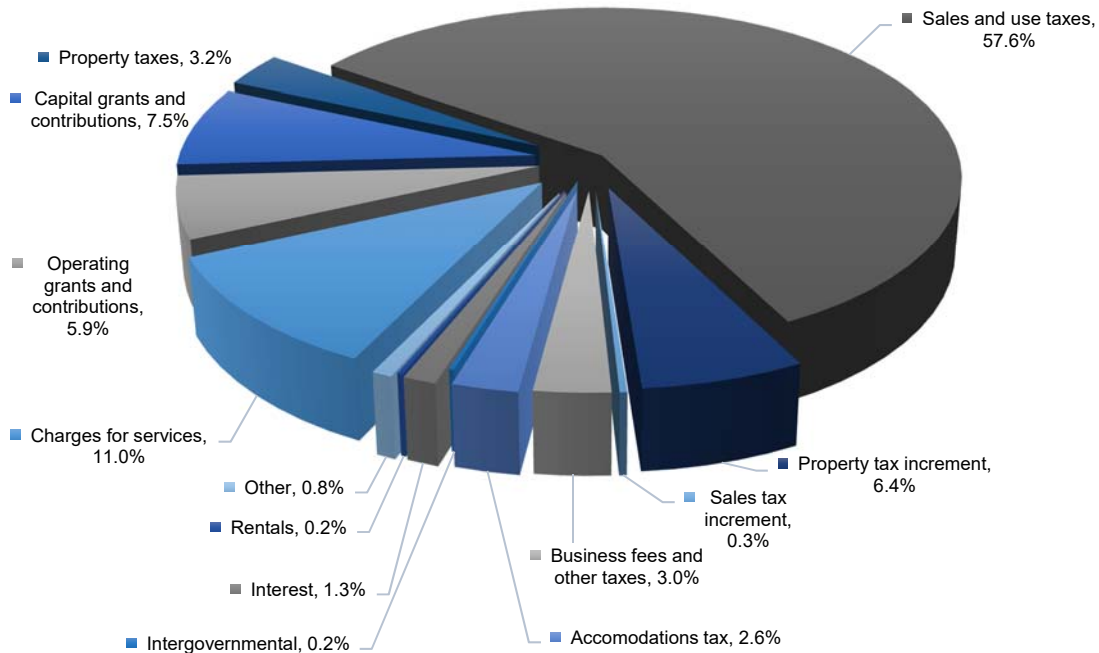


CHART 2: REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



Business-type Activities

Net position in business-type activities increased \$24.9 million in 2018. This is \$5.1 million, or 25.8%, more than the \$19.8 million increase in 2017.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 92.7% of total business-type expenses. Charges for Services provides the largest share of revenues (79.4%), followed by Capital Grants and Contributions (17.0%).

Total business-type revenues increased \$8.3 million, or 10.8%, compared to 2017. This increase was due primarily to increases of \$5.7 million, or 9.2% in Charges for Services and \$1.7 million, or 13.3% in Capital Grants and Contributions.

The increase in Charges for Services revenue is attributable to the effect of climatic variations on water consumption and increased billing rates in the Utility Fund. Increases in Capital Grants and Contributions is due to increases in developer tap fees and water lines for connecting to the utility system.

Expenses of business-type activities increased \$2.7 million, or 4.7%, compared to 2017. The increase was due primarily to an increase in costs associated with providing utility services.

CHART 3: EXPENSES AND PROGRAM REVENUE BUSINESS TYPE ACTIVITIES

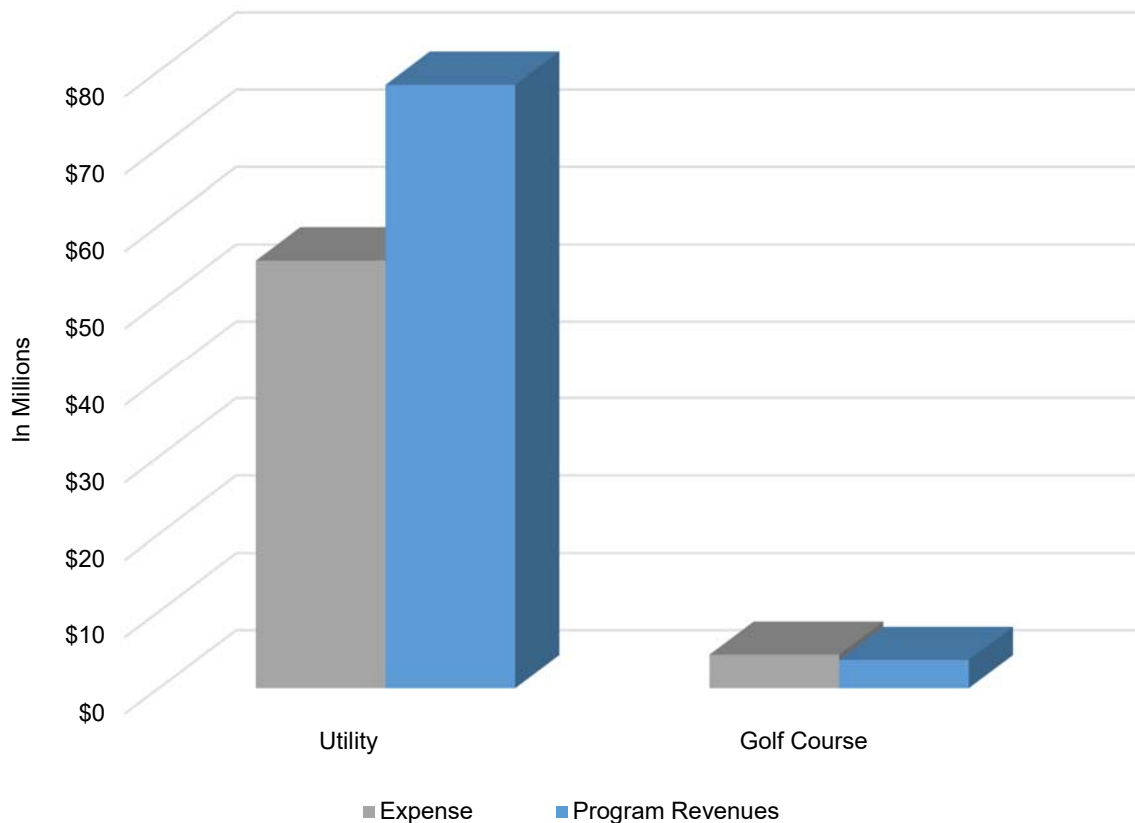
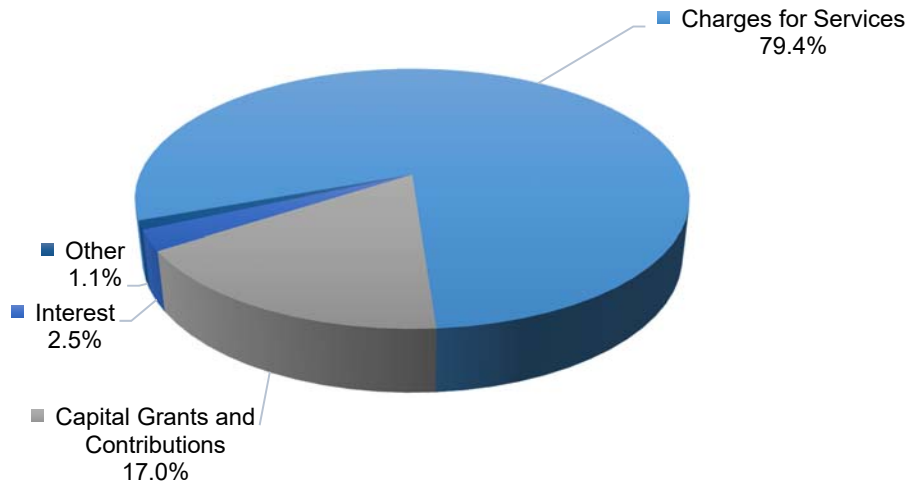


CHART 4: REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

Governmental Funds- The focus of the City's *governmental funds* is to provide information on short-term inflows, outflows, and constraints on financial resources. This information is necessary to assess the City's financing requirements. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

At December 31, 2018, the City's governmental funds reported a combined ending fund balance of \$163.4 million, an increase of \$5.3 million, or 3.4%, compared to 2017. Based on the level of constraint imposed on the use of financial resources, fund balance is reported as either nonspendable; restricted; or as committed, assigned or unassigned.

- Nonspendable fund balance was \$1.0 million, a decrease of \$16.8 million or 94.4% resulting from the write-off of interfund loans and the reclassification of property acquired for resale to the assigned fund balance, urban renewal category to comply with generally accepted accounting principles.
- Fund balance restricted for capital additions and improvements decreased \$3.3 million primarily due to expenditure of proceeds related to the 2015 Certificates of Participation lease financing for the Westminster Urban Reinvestment Project.
- Fund balance restricted for debt service increased \$3.1 million, or 17.1%, to \$21.2 million due to tax increment collected by WEDA from urban renewal areas.
- Fund balance restricted for emergencies as required by TABOR increased \$0.1 million, or 2.0% to \$5.1 million.
- Fund balance restricted for open space conservation and improvements decreased \$0.3 million or 13.6%.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$46.0 million from \$44.5 million, or 3.4% due to additional funding for capital construction.
- Unrestricted but committed fund balance increased for urban renewal \$3.5 million from \$8.5 million, or 41.2%, due to an increase in revenues not pledged for debt and approved by the WEDA board for urban renewal activity.
- Assigned fund balance increased for urban renewal by \$13.2 million to \$15.1 million due to the reclassification from nonspendable property held for resale in WEDA related to development activities in Downtown Westminster.
- Unassigned fund balance increased \$1.4 million, or 4.2%, to \$34.9 million compared to 2017. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. At the end of 2018, the unassigned fund balance of the General Fund was \$35.0 million, while total fund balance was \$50.4 million. Total fund balance increased in the General Fund by \$2.6 million, or 5.4%, compared to 2017. The unassigned fund balance represents 24.5% of General Fund expenditures and transfers out. The City's goal is to maintain a 10% fund balance.

The original budget in the General Fund was \$127.5 million and final budget was \$147.5 million due to supplemental appropriations primarily of transfers to other funds and economic development rebates. Actual General Fund expenditures and transfers out totaled \$142.6 million.

Charts 5 and 6 illustrate the Budget and Actual Revenue and Expenditures less transfers for the General Fund.

Chart 5: General Fund Budget and Actual Revenue by Source, less Other Financing Sources and Uses

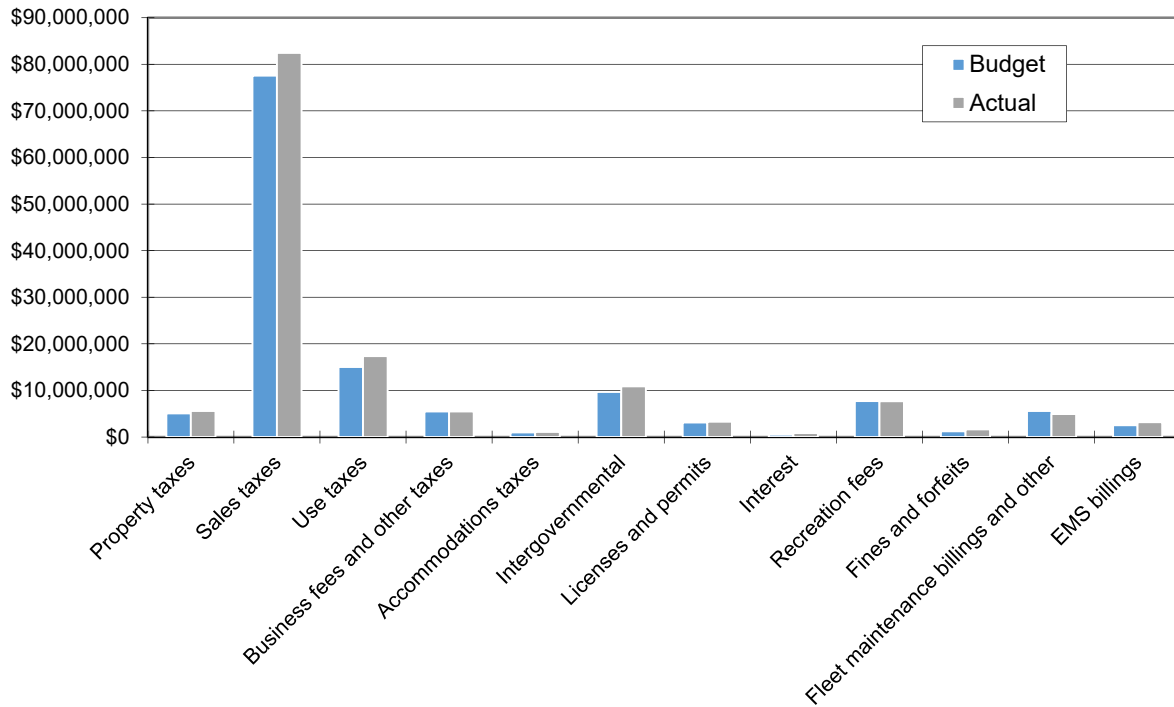
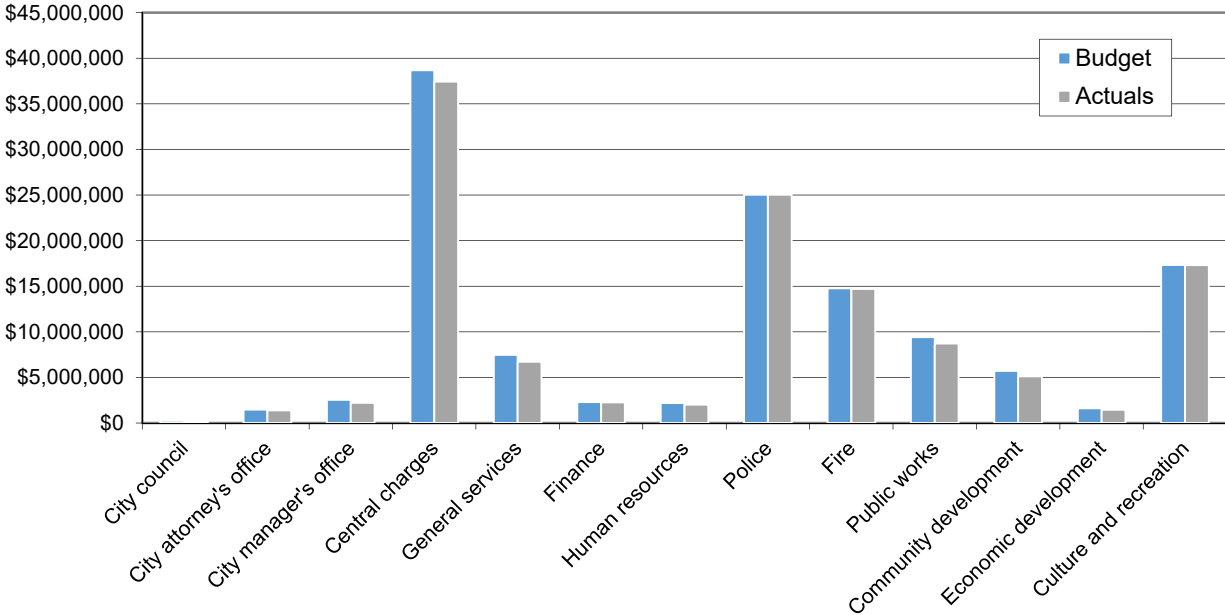


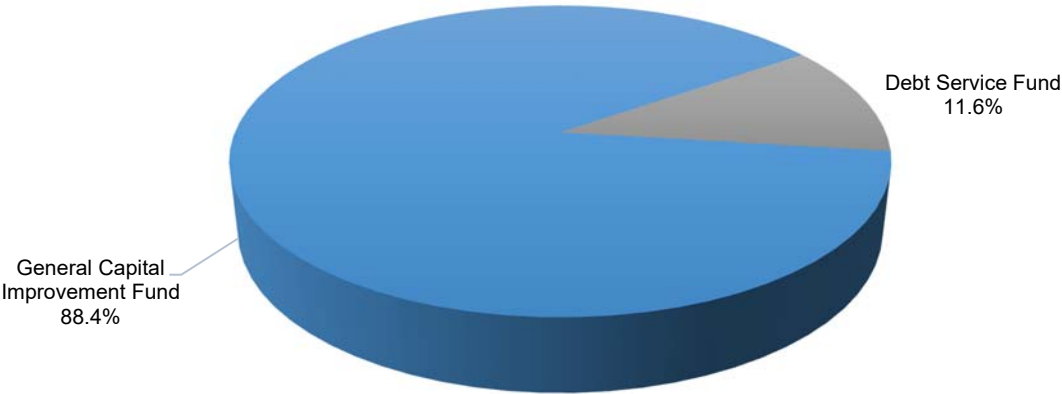
Chart 6: General Fund Budget and Actual Expenditures by Department, less Debt Service and Other Financing Sources and Uses



Sales and use taxes are the primary funding source for the City's governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 7 illustrates, 88.4% of the sales and use tax was transferred to the General Capital Improvement Fund for capital construction projects and 11.6% was transferred to the Debt Service Fund for debt service. \$81.0 million was budgeted in the General Fund for operating purposes.

Sales and use taxes budgeted for General Fund operations increased 3.8%, or \$3.0 million, compared to 2017.

Chart 7: General Fund Transfers of Sales and Use Tax



The General Capital Improvement Fund is used to account for financial resources used for the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2018, the fund had a fund balance of \$55.1 million.

The General Capital Improvement Fund revenues include accommodations taxes, revenues from other governments, contributions, interest, other miscellaneous revenue and transfers from other funds. The fund's operating revenues decreased by \$3.5 million due to decreases in Intergovernmental of \$1.2 million and Contributions of \$3.3 million. These

decreases were offset by increases in Accommodations Tax of \$0.4 million, Interest of \$0.5 million and Other Revenue of \$0.1 million. Net transfer funding totaled \$14.4 million, an increase of \$1.6 million compared to 2017.

Contributions in 2017 included one-time funding from the City of Thornton for the design and construction of the McKay Drainageway project and several cash in lieu payments from developers.

Expenditures totaling \$26.2 million were \$0.6 million less than 2017 due to a decrease of \$1.0 million in economic assistance provided to developers offset by an increase in capital project spending of \$0.3 million.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance increased \$4.7 million from 2017. As of December 31, 2018, Fund Balance was \$47.2 million.

Revenue for the Westminster Economic Development Authority decreased by \$2.5 million, or 14.5%, compared to 2017. The decrease was due primarily to the one-time sale of property held for resale in 2017 totaling \$4.9 million.

Expenditures for the Westminster Economic Development Authority increased by \$0.4 million, or 2.7% compared to 2017. Capital project expenditures increased \$5.1 million. This increase was offset by a decrease in Community Development of \$4.1 million due to 2017 adjustments for conveyance of certain property held for resale from the Authority to the City, the sale of property held for resale, a write down in valuation of another resale parcel and certain contractual obligation expenditures.

The increase in fund balance was due primarily to transfers from other funds for capital improvement projects related to continued redevelopment by the Authority.

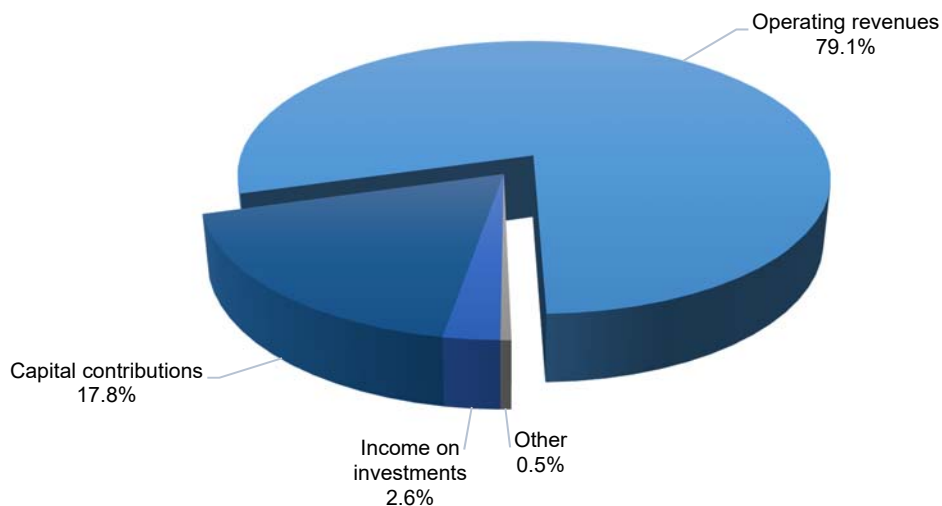
Proprietary Funds- As already discussed, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2018 with net position equal to \$522.7 million. Of that amount, \$110.2 million is unrestricted. Net position increased \$25.0 million, or 5.3%, compared to 2017.

Operating revenues increased \$5.9 million, or 10.1%, compared to 2017. Chart 8 illustrates both operating and non-operating revenues by source. The primary reason for the increase in operating revenues was due to increased demand and billing rates.

Utility Fund operating expenses increased \$1.8 million, or 3.5%, compared to 2017. The primary reason is due to increases in personnel and contractual services, as well as commodity purchases, capital outlay and depreciation of capital assets that make up the utility system.

Chart 8: UTILITY FUND REVENUES BY SOURCE



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounts to \$957.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and utility plants, improvements, parks, infrastructure, water rights, machinery and equipment, joint venture assets and construction work in progress. The total increase in the City's investment in capital assets was \$39.7 million, or 4.3%. Net capital assets of governmental activities increased \$4.0 million, or 0.9%, and business-type activities increased \$35.7 million, or 7.7%.

Table 3: Capital Assets at Year-end
(Net of Accumulated Depreciation, in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land and property rights	\$ 157.3	\$ 152.3	\$ 120.7	\$ 120.5	\$ 278.0	\$ 272.8
Construction in progress	3.5	5.9	31.8	25.9	35.3	31.8
Buildings and plants	30.0	31.4	127.4	130.9	157.4	162.3
Improvements other than buildings	19.6	20.7	214.7	180.4	234.3	201.1
Parks	21.0	16.8	0.1	0.2	21.1	17.0
Ice Center	4.1	4.2	-	-	4.1	4.2
Infrastructure	206.5	206.5	-	-	206.5	206.5
Machinery and equipment	13.7	13.9	6.7	7.8	20.4	21.7
Totals	\$ 455.7	\$ 451.7	\$ 501.4	\$ 465.7	\$ 957.1	\$ 917.4

Major capital asset activity during 2018 included the following:

Governmental Activities

- \$12.2 million in culture and recreation projects, including \$4.4 million for Westminster Urban Reinvestment Project parks and streetscapes, \$2.4 million in community enhancements, and \$1.4 million for the Longs View Trail project
- \$4.1 million in public works and utilities projects, including \$1.8 million for arterial roadway improvements and \$1.6 million for bridge and pedestrian railing repairs
- \$5.5 million in community development projects, including \$0.9 million for the Hyland Village public/private partnership improvements and \$0.9 million for the Westminster Urban Reinvestment roadway project
- \$3.0 million in general government projects, including \$1.0 million for City Hall and other facility renovations and \$0.4 million for fleet facility major maintenance

Business-type activities

- \$18.6 million for Pressure Zone 3 expansion and improvements
- \$8.6 million for Little Dry Creek Interceptor repair
- \$6.1 million in Water Main replacements
- \$5.8 million for West Side Pump Station improvements
- \$4.7 million for Big Dry Creek Wastewater Treatment Facility biosolids project
- \$2.2 million in Lift Station major repair and replacement projects
- \$1.5 million in Storm Water drainage related projects

Additional information on the City's capital assets can be found in Note 2E on pages 46 and 47.

Debt Administration

At December 31, 2018 the City's bond ratings carry investment grade ratings as follows:

<u>Bond Issue</u>	<u>Standard & Poors</u>	<u>Fitch Ratings</u>
Sales Tax Revenue	AA+	AA+
Sales Tax Revenue - POST	AA-/AA Insured	Not Rated
Utility Enterprise	AAA	AA+
COPs-Ice Centre	AA	Not Requested
COPs-All Others	AA-/AA Insured	Not Requested

This chart shows the lowest underlying/insured investment grade rating of any single debt issue in a particular bond issue category from each rating agency that the City directly solicits.

The State of Colorado limits the amount of general obligation debt that cities can issue to 3% of the actual value of all taxable property within the City's corporate limits (CRS 31-15-302). The City's outstanding general obligation debt is significantly below this \$452.3 million state-imposed limit. See page 145 for the City's legal debt margin information.

Table 4 illustrates the City's total indebtedness:

Table 4: Outstanding Debt, at Year-end (in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenue Bonds (backed by specific tax and fee revenues)	\$ 22.9	\$ 25.2	\$ 65.8	\$ 70.0	\$ 88.7	\$ 95.2
Tax Increment Revenue Bonds and Loans	64.4	69.7	-	-	64.4	69.7
Notes and Loans	0.8	0.8	7.6	9.4	8.4	10.2
Leases	67.1	74.5	2.8	3.5	69.9	78.0
Total	\$ 155.2	\$ 170.2	\$ 76.2	\$ 82.9	\$ 231.4	\$ 253.1

Further information on the City's debt can be found in Note 2H on pages 49-51.

PLANS AND BUDGET FOR 2019

In its 2018 strategic planning retreat the City Council affirmed the City's Strategic Goals that reinforce long-term planning of City operations and capital programs:

- ❖ Visionary Leadership, Effective Governance and Proactive Regional Collaboration
- ❖ Vibrant, Inclusive and Engaged Community
- ❖ Beautiful, Desirable, Safe and Environmentally Responsible City
- ❖ Dynamic, Diverse Economy
- ❖ Financially Sustainable Government Providing Excellence in City Services
- ❖ Ease of Mobility

City Council adopted the 2019-2020 budget on October 22, 2018. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separated for budgeting, legal and administrative purposes. Highlights of the 2019 budget include the following:

- The 2019 General Fund operating expenditures is budgeted at \$130.1 million (including contingencies).
- The 2019 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$88.3 million, which is a 9.0% increase over the 2018 transfer payment of \$81.0 million.
- In 2019, the contingency amount is \$1.0 million in the General Fund. The 2019 General Reserve Fund is projected to be \$13.7 million, the General Fund Stabilization Reserve is projected to be \$8.9 million, the Utility Capital Project Reserve Fund is projected to be \$21.2 million and the Utility Rate Stabilization Reserve is projected to be \$16.9 million.
- The total number of full-time equivalent (FTE) staffing in 2019 is 1035.0 FTE, a net increase of 22.9 FTE.

In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2019 budget. For 2019, new appropriations total \$26.6 million for general capital improvements and \$125.2 million for utility capital improvements, funded in large part by a \$102.0 million bond issue intended for water and wastewater system projects. Otherwise, the 2019 CIP will be funded by Governmental and Business-type Activities on a "pay-as-you-go" basis.

• CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Tammy Hitchens, CPA, CPFO, Finance Director, as follows:

City of Westminster
4800 W. 92nd Avenue
Westminster, CO 80031
303-658-2036
thitchens@cityofwestminster.us



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Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,512,763	\$ 13,631,547	\$ 31,144,310
Cash and cash equivalents with fiscal agent	264,882	-	264,882
Investments	120,304,957	92,819,061	213,124,018
Receivables:			
Taxes	30,653,465	-	30,653,465
Accounts	4,892,192	6,042,563	10,934,755
Notes and leases	6,629,710	-	6,629,710
Grants	2,617,826	585,000	3,202,826
Interest	454,158	351,230	805,388
Internal balances	(1,389,065)	1,389,065	-
Inventories	967,137	1,899,777	2,866,914
Property held for resale	16,382,613	-	16,382,613
Bond insurance and other prepaid items	136,650	116,826	253,476
Restricted assets:			
Cash and cash equivalents	480,254	275,092	755,346
Cash and cash equivalents with fiscal agent	21,098,008	12,644,030	33,742,038
Investments	3,301,271	3,201,234	6,502,505
Investments with fiscal agent	5,501,264	-	5,501,264
Notes receivable	-	33,112	33,112
Other assets	-	1,450,964	1,450,964
Investment in joint venture	804,272	-	804,272
Net pension asset	9,769,283	-	9,769,283
Capital assets:			
Non-depreciable assets	160,857,722	152,560,205	313,417,927
Depreciable assets, net	294,849,164	348,866,552	643,715,716
Total assets	<u>696,088,526</u>	<u>635,866,258</u>	<u>1,331,954,784</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>13,544,130</u>	<u>155,068</u>	<u>13,699,198</u>
LIABILITIES			
Accounts payable and other	14,993,048	9,427,579	24,420,627
Accrued liabilities	1,560,472	310,784	1,871,256
Unearned revenue	446,011	238,538	684,549
Accrued interest	1,656,575	294,947	1,951,522
Estimated claims	2,822,218	-	2,822,218
Noncurrent liabilities:			
Due within one year	15,667,252	7,002,884	22,670,136
Due in more than one year	156,093,525	79,074,978	235,168,503
Total liabilities	<u>193,239,101</u>	<u>96,349,710</u>	<u>289,588,811</u>
DEFERRED INFLOWS OF RESOURCES	<u>26,627,112</u>	<u>27,527</u>	<u>26,654,639</u>
NET POSITION			
Net investment in capital assets	298,581,511	422,842,682	721,424,193
Restricted for:			
Emergencies	5,127,017	-	5,127,017
Capital projects	5,890,615	-	5,890,615
Community development	1,210,223	-	1,210,223
Improvements and open space conservation	7,825,741	-	7,825,741
Debt service	20,162,633	3,476,326	23,638,959
Pension	9,769,283	-	9,769,283
Other purposes	61,720	-	61,720
Unrestricted	141,137,700	113,325,081	254,462,781
Total net position	<u>\$ 489,766,443</u>	<u>\$ 539,644,089</u>	<u>\$ 1,029,410,532</u>

The accompanying notes are an integral part of the financial statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Function/Program Activities				
Governmental activities:				
General government	\$ 51,245,789	\$ 4,797,788	\$ 8,734,931	\$ 4,147,470
Public safety	40,662,978	4,605,643	1,726,667	-
Public works	15,393,799	2,756,068	39,078	-
Community development	13,734,388	243,737	21,780	6,503,142
Economic development	1,752,565	-	-	565,000
Culture and recreation	25,638,240	7,948,709	410,528	2,823,871
Interest and fiscal charges	3,569,427	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	230,339	-	-	-
Other	-	-	-	-
Total expenditures	<u>152,227,525</u>	<u>20,351,945</u>	<u>10,932,984</u>	<u>14,039,483</u>
Total governmental activities	<u>152,227,525</u>	<u>20,351,945</u>	<u>10,932,984</u>	<u>14,039,483</u>
Business-type activities:				
Utility	55,545,014	63,758,787	-	14,474,171
Golf	4,384,036	3,655,051	1,400	-
Total business-type activities	<u>59,929,050</u>	<u>67,413,838</u>	<u>1,400</u>	<u>14,474,171</u>
Total	<u>\$ 212,156,575</u>	<u>\$ 87,765,783</u>	<u>\$ 10,934,384</u>	<u>\$ 28,513,654</u>

GENERAL REVENUES

Property taxes
Sales taxes
Use taxes
Property tax increment
Sales tax increment
Business fees and other taxes
Accommodations taxes
Intergovernmental not restricted to a specific purpose
Interest
Rentals
Other
Gain on sale of assets

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning, as previously reported

Adjustment for change in accounting principle

Net position - beginning, as restated

Net position - ending

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (33,565,600)	\$ -	\$ (33,565,600)
(34,330,668)	-	(34,330,668)
(12,598,653)	-	(12,598,653)
(6,965,729)	-	(6,965,729)
(1,187,565)	-	(1,187,565)
(14,455,132)	-	(14,455,132)
(3,569,427)	-	(3,569,427)
(230,339)	-	(230,339)
-	-	-
(106,903,113)	-	(106,903,113)
(106,903,113)	-	(106,903,113)
-	22,687,944	22,687,944
-	(727,585)	(727,585)
-	21,960,359	21,960,359
(106,903,113)	21,960,359	(84,942,754)
5,862,369	-	5,862,369
88,203,338	-	88,203,338
18,590,498	-	18,590,498
11,829,088	-	11,829,088
505,044	-	505,044
5,480,552	-	5,480,552
4,782,173	-	4,782,173
285,165	-	285,165
2,423,030	2,135,610	4,558,640
334,627	-	334,627
1,508,051	892,376	2,400,427
87,142	-	87,142
71,000	(71,000)	-
139,962,077	2,956,986	142,919,063
33,058,964	24,917,345	57,976,309
458,569,261	514,916,938	973,486,199
(1,861,782)	(190,194)	(2,051,976)
456,707,479	514,726,744	971,434,223
\$ 489,766,443	\$ 539,644,089	\$ 1,029,410,532

CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Improvement	General	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,918,846	\$ 6,742,850	\$ 1,393,797	\$ 14,719,444
Cash and cash equivalents with fiscal agent	7,729	-	-	7,729
Investments	40,608,187	46,350,454	9,580,979	101,103,635
Receivables:				
Taxes	16,978,667	-	12,554,489	30,653,465
Accounts	3,750,357	543,697	584	4,308,789
Notes and leases	2,649,822	963,169	2,619,842	6,629,710
Grants	175,506	2,385,393	-	2,617,826
Interest	150,366	169,212	35,840	383,847
Inventories	967,137	-	-	967,137
Property held for resale	31,474	271,529	14,869,387	16,382,613
Prepaid items	63,425	-	-	63,425
Restricted assets:				
Cash and cash equivalents	-	-	11,523	480,254
Cash and cash equivalents with fiscal agent	5,849	3,397,183	17,694,976	21,098,008
Investments	-	-	79,207	3,301,271
Investments with fiscal agent	1,198,536	1,815	4,300,913	5,501,264
Loans to other funds	-	619,500	-	619,500
Total assets	<u>\$72,505,901</u>	<u>\$ 61,444,802</u>	<u>\$ 63,141,537</u>	<u>\$ 208,837,917</u>
LIABILITIES				
Accounts payable and other	\$11,621,209	\$ 2,719,779	\$ 151,570	\$ 14,602,451
Accrued liabilities	1,453,188	25,735	-	1,507,612
Unearned revenue	34,783	205,000	23,992	446,011
Accrued interest	-	-	-	4,515
Loans from other funds	-	-	619,500	619,500
Total liabilities	<u>13,109,180</u>	<u>2,950,514</u>	<u>795,062</u>	<u>17,180,089</u>
DEFERRED INFLOWS OF RESOURCES				
	8,971,183	3,348,561	15,165,274	28,245,057
FUND BALANCES				
Nonspendable:				
Prepays and inventories	1,030,562	-	-	1,030,562
Property held for resale	31,474	-	-	31,474
Restricted for:				
Capital additions and improvements	-	8,877,594	-	14,807,911
Contractual obligations	158,754	-	-	173,475
Debt service	1,045,631	19,107	20,126,262	21,193,978
Community development	-	-	-	1,210,223
Emergencies - TABOR	5,102,141	-	-	5,127,017
Open space conservation and improvements	-	-	-	1,895,563
Public safety	-	-	-	46,860
Committed for:				
Capital additions and improvements	-	45,977,497	-	45,977,497
Urban renewal	-	-	12,008,184	12,008,184
Assigned to:				
Community development	-	271,529	-	1,645,930
Debt service	-	-	-	217,290
Other	8,052,727	-	-	8,052,727
Urban renewal	-	-	15,046,755	15,046,755
Unassigned	35,004,249	-	-	34,947,325
Total fund balances	<u>50,425,538</u>	<u>55,145,727</u>	<u>47,181,201</u>	<u>163,412,771</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$72,505,901</u>	<u>\$ 61,444,802</u>	<u>\$ 63,141,537</u>	<u>\$ 208,837,917</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Fund balances - total government funds		\$ 163,412,771
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities excluding internal service fund capital assets of \$8,005,241 are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	830,786,238	
Less accumulated depreciation	<u>(383,084,593)</u>	447,701,645
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Prepaid bond insurance costs	54,889	
Investment in joint venture	804,272	
Net pension asset	<u>9,769,283</u>	10,628,444
Deferred outflow s of resources reflecting the future consumption of net position are not financial resources and therefore are not reported in the governmental funds.		
Deferred loss on refunding of long-term debt	3,286,565	
Deferred outflow s of resources related to pension plans	9,612,951	
Deferred outflow s of resources related to other post employment benefits	<u>644,614</u>	13,544,130
Long-term liabilities, excluding internal service funds, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental long-term debt payable	(154,331,103)	
(Premiums)/discounts on long-term debt payable	(7,504,036)	
Compensated absences	(6,213,739)	
Postemployment benefits	<u>(2,776,188)</u>	(170,825,066)
Short-term liabilities that are not payable w ith current financial resources in the current period are not reported in the governmental funds.		
Comp time	(43,168)	
Accrued interest	<u>(1,640,842)</u>	(1,684,010)
Deferred inflow s of resources reflecting the future acquisition of net position are not financial resources and therefore are not reported in the governmental funds.		
Revenues earned, but not available during the reporting year	9,124,693	
Deferred inflow s of resources related to pension plans	(7,375,486)	
Deferred inflow s of resources related to other post employment benefits	<u>(131,262)</u>	1,617,945
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		
Internal Service Funds, net position	26,759,649	
Internal Service Funds, activity related to enterprise funds	<u>(1,389,065)</u>	25,370,584
Net position of governmental activities		<u><u>\$ 489,766,443</u></u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 5,576,742	\$ -	\$ -	\$ 285,627	\$ 5,862,369
Sales taxes	82,446,946	-	-	5,756,392	88,203,338
Use taxes	17,383,976	-	-	1,206,522	18,590,498
Property tax increment	-	-	11,829,088	-	11,829,088
Sales tax increment	-	-	505,044	-	505,044
Business fees and other taxes	5,480,552	-	-	-	5,480,552
Accommodations taxes	1,079,965	3,702,208	-	-	4,782,173
Intergovernmental	10,874,671	4,147,470	-	1,688,403	16,710,544
Licenses and permits	3,280,098	-	-	-	3,280,098
Interest	847,593	894,827	258,942	145,879	2,147,241
Rentals	-	-	334,627	-	334,627
Contributions	-	471,410	565,000	-	1,036,410
Recreation fees	7,704,447	-	-	-	7,704,447
Fines and forfeitures	1,632,697	-	-	52,550	1,685,247
Fleet maintenance billings and other	4,945,591	-	-	-	4,945,591
EMS billings	3,179,449	-	-	-	3,179,449
Other	-	96,732	1,159,006	28,316	1,284,054
Total revenues	<u>144,432,727</u>	<u>9,312,647</u>	<u>14,651,707</u>	<u>9,163,689</u>	<u>177,560,770</u>
EXPENDITURES					
General government	52,237,654	1,141,222	696,446	147,133	54,222,455
Public safety	39,745,070	-	-	46,161	39,791,231
Public works	8,711,852	-	-	-	8,711,852
Community development	5,121,648	-	-	1,915,341	7,036,989
Economic development	1,457,920	-	296,918	-	1,754,838
Culture and recreation	17,314,204	-	-	-	17,314,204
Capital projects	-	25,081,592	6,525,395	750,537	32,357,524
Debt service:					
Principal	-	-	5,285,000	2,300,000	7,585,000
Interest and fiscal charges	-	-	2,493,123	1,074,370	3,567,493
Total expenditures	<u>124,588,348</u>	<u>26,222,814</u>	<u>15,296,882</u>	<u>6,233,542</u>	<u>172,341,586</u>
Excess of revenues over (under) expenditures	<u>19,844,379</u>	<u>(16,910,167)</u>	<u>(645,175)</u>	<u>2,930,147</u>	<u>5,219,184</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital asset	53,598	-	-	-	53,598
Transfers in	649,984	20,963,075	6,397,900	3,646,595	31,657,554
Transfers (out)	(17,969,793)	(6,551,000)	(1,110,751)	(5,955,010)	(31,586,554)
Total other financing sources (uses):	<u>(17,266,211)</u>	<u>14,412,075</u>	<u>5,287,149</u>	<u>(2,308,415)</u>	<u>124,598</u>
Net change in fund balance	2,578,168	(2,498,092)	4,641,974	621,732	5,343,782
Fund balance, beginning	47,847,370	57,643,819	42,539,227	10,038,573	158,068,989
Fund balance, ending	<u>\$ 50,425,538</u>	<u>\$ 55,145,727</u>	<u>\$ 47,181,201</u>	<u>\$ 10,660,305</u>	<u>\$ 163,412,771</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Net changes in fund balances - total government funds \$ 5,343,782

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

Governmental funds report capital outlays as expenditures, while in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts, exclusive of internal service fund activity, are the differences in the treatment of capital assets.

Expenditures for capital assets	16,119,287	
Current year depreciation	(16,569,509)	
		(450,222)

In the governmental funds, the proceeds from the sale of assets increase financial resources, while in the statement of activities, only the gain/loss on the sale of assets is reported. These amounts, exclusive of internal service fund activity, are the differences in the treatment of the transactions involving capital assets.

Proceeds from sale of capital assets	(53,598)	
Loss on sale of capital assets	(542,032)	
		(595,630)

In governmental funds, issuance of long-term debt provides, and principal repayments and bond insurance costs consume current financial resources and are reported as revenues and expenditures, while in government-wide reporting, these transactions are reported as adjustments to noncurrent liabilities, having no effect on the change in net position. These amounts, exclusive of internal service fund activity, are the differences in the treatment of long-term debt.

Principal payments		14,711,939
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of bond discount/premium, deferred loss on refunding and prepaid bond insurance	289,417	
Accrual of interest expense	(268,175)	
Adjustment to long-term compensated absences liability	(336,148)	
Adjustment to net postemployment benefit other than pension expense	(116,618)	
Adjustment to net pension expense	6,724,107	
		6,292,583

Some revenues in the Statement of Activities do not provide current financial resources and are not reported as revenues in the governmental fund statements. These revenues result from the contribution of capital assets.

Capital contributions		5,571,870
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements until they become available. As a result, some revenues recognized in governmental funds may have been recognized in the statement of activities in prior years. These amounts are the difference in the treatment of revenue recognition.

Investment in Joint Venture	193,345	
Intergovernmental revenue	1,475,415	
Fines and forfeitures	(37,851)	
Other	206,460	
		1,837,369

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities in the government-wide statement of net position as they predominately benefit governmental activities.

Change in net position, Internal Service Funds		262,662
Internal allocation to Business-type activities		84,611

Change in net position of governmental activities		\$ 33,058,964
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CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

	Enterprise Funds			Governmental
	Nonmajor Fund			Activities
	Utility	Golf Course	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 13,372,964	\$ 258,583	\$ 13,631,547	\$ 2,793,319
Cash and cash equivalents with fiscal agent	-	-	-	257,153
Investments	91,069,055	1,750,006	92,819,061	19,201,322
Receivables:				
Accounts	6,042,563	-	6,042,563	583,403
Grants	585,000	-	585,000	-
Interest	344,787	6,443	351,230	70,311
Inventories	1,632,395	267,382	1,899,777	-
Bond insurance and other prepaid items	103,773	13,053	116,826	18,336
Total current assets	<u>113,150,537</u>	<u>2,295,467</u>	<u>115,446,004</u>	<u>22,923,844</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	275,092	-	275,092	-
Cash and cash equivalents with fiscal agent	12,644,030	-	12,644,030	-
Investments	3,201,234	-	3,201,234	-
Notes receivable	33,112	-	33,112	-
Other assets	1,450,964	-	1,450,964	-
Capital assets:				
Non-depreciable assets	139,104,531	13,455,674	152,560,205	-
Depreciable assets, net	345,742,848	3,123,704	348,866,552	8,005,241
Total noncurrent assets	<u>502,451,811</u>	<u>16,579,378</u>	<u>519,031,189</u>	<u>8,005,241</u>
Total assets	<u>615,602,348</u>	<u>18,874,845</u>	<u>634,477,193</u>	<u>30,929,085</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>120,350</u>	<u>34,718</u>	<u>155,068</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other	9,386,751	40,828	9,427,579	390,597
Accrued liabilities	275,114	35,670	310,784	9,692
Unearned revenue	-	238,538	238,538	-
Bonds payable, current portion	4,290,000	-	4,290,000	-
Notes payable, current portion	1,875,017	-	1,875,017	-
Lease payable, current portion	-	738,973	738,973	208,742
Other liabilities, current portion	93,347	5,547	98,894	7,833
Accrued interest	282,530	12,417	294,947	11,218
Estimated claims	-	-	-	2,822,218
Total current liabilities	<u>16,202,759</u>	<u>1,071,973</u>	<u>17,274,732</u>	<u>3,450,300</u>
Noncurrent liabilities:				
Bonds payable	68,835,095	-	68,835,095	-
Notes payable	6,033,494	-	6,033,494	-
Leases payable	-	2,097,182	2,097,182	680,401
Other liabilities payable	1,894,195	215,012	2,109,207	38,735
Total noncurrent liabilities	<u>76,762,784</u>	<u>2,312,194</u>	<u>79,074,978</u>	<u>719,136</u>
Total liabilities	<u>92,965,543</u>	<u>3,384,167</u>	<u>96,349,710</u>	<u>4,169,436</u>
DEFERRED INFLOWS OF RESOURCES				
	24,505	3,022	27,527	-
NET POSITION				
Net investment in capital assets	409,079,580	13,763,102	422,842,682	7,113,537
Restricted for:				
Debt service	3,476,326	-	3,476,326	-
Unrestricted	110,176,744	1,759,272	111,936,016	19,646,112
Total net position	<u>\$ 522,732,650</u>	<u>\$ 15,522,374</u>	<u>538,255,024</u>	<u>\$ 26,759,649</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,389,065	
Net position of business-type activities			<u>\$ 539,644,089</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Nonmajor Fund Golf Course	Total	
Operating revenues				
Charges for services	\$ 63,758,787	\$ 3,655,051	\$ 67,413,838	\$ 21,956,148
Other	446,003	16,208	462,211	104,745
Total operating revenues	<u>64,204,790</u>	<u>3,671,259</u>	<u>67,876,049</u>	<u>22,060,893</u>
Operating expenses				
Personnel services	19,450,835	1,741,442	21,192,277	421,045
Contractual services	15,331,670	737,801	16,069,471	3,186,303
Commodities	1,871,556	592,215	2,463,771	43,931
Capital expense	2,009,686	313,379	2,323,065	514,037
Insurance and other expenses	-	-	-	15,652,447
Depreciation expense	13,907,626	713,368	14,620,994	2,394,747
Total operating expenses	<u>52,571,373</u>	<u>4,098,205</u>	<u>56,669,578</u>	<u>22,212,510</u>
Operating income (loss)	<u>11,633,417</u>	<u>(426,946)</u>	<u>11,206,471</u>	<u>(151,617)</u>
Nonoperating revenues (expenses)				
Income on investments	2,103,777	31,833	2,135,610	324,403
Interest expense	(3,062,532)	(103,479)	(3,166,011)	(23,176)
Grants	-	1,400	1,400	-
Gain (loss) on disposition of capital assets	(8,850)	-	(8,850)	87,142
Contributions	-	-	-	25,910
Other	430,165	-	430,165	-
Total nonoperating revenues (expenses)	<u>(537,440)</u>	<u>(70,246)</u>	<u>(607,686)</u>	<u>414,279</u>
Income (loss) before contributions and transfers	<u>11,095,977</u>	<u>(497,192)</u>	<u>10,598,785</u>	<u>262,662</u>
Capital contributions	14,474,171	-	14,474,171	-
Transfers in	-	480,000	480,000	-
Transfers (out)	(551,000)	-	(551,000)	-
Change in net position	<u>25,019,148</u>	<u>(17,192)</u>	<u>25,001,956</u>	<u>262,662</u>
Net position, beginning, as previously reported	<u>497,891,126</u>	<u>15,552,136</u>		<u>26,496,987</u>
Adjustment for change in accounting principle	<u>(177,624)</u>	<u>(12,570)</u>		<u>-</u>
Net position - beginning, as restated	<u>497,713,502</u>	<u>15,539,566</u>		<u>26,496,987</u>
Net position - ending	<u>\$ 522,732,650</u>	<u>\$ 15,522,374</u>		<u>\$ 26,759,649</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(84,611)	
Change in net position of business-type activities			<u>\$ 24,917,345</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Nonmajor Fund			
	Utility	Golf Course	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 63,627,844	\$ 3,879,317	\$ 67,507,161	\$ -
Receipts from interfund charges for risk management services	-	-	-	15,450,687
Receipts from interfund charges for capital outlay replacement	-	-	-	3,624,939
Cash payments to employees for services	(12,310,941)	(1,471,944)	(13,782,885)	(415,913)
Cash payments for benefits on behalf of employees	(3,943,942)	(241,350)	(4,185,292)	-
Cash payments to suppliers for goods and services	(17,948,733)	(1,712,009)	(19,660,742)	(18,218,800)
Payments (to) from other funds	(3,643,416)	-	(3,643,416)	2,354,713
Other operating revenues	446,003	-	446,003	97,039
Net cash provided by (used in) operating activities	<u>26,226,815</u>	<u>454,014</u>	<u>26,680,829</u>	<u>2,892,665</u>
Cash flows from noncapital financing activities:				
Interfund lending	365,000	-	365,000	-
Transfer in	-	480,000	480,000	-
Transfer out	(551,000)	-	(551,000)	-
Grant proceeds not restricted to capital purposes	-	1,400	1,400	-
Net cash provided by (used in) noncapital financing activities	<u>(186,000)</u>	<u>481,400</u>	<u>295,400</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(5,999,029)	(710,936)	(6,709,965)	(308,243)
Interest paid on long-term debt	(3,533,838)	(115,190)	(3,649,028)	(26,464)
Acquisition and construction of capital assets	(48,853,775)	(32,396)	(48,886,171)	(1,809,553)
Proceeds from sale of capital assets	-	-	-	78,348
Payments for the disposition of capital assets	102,203	-	102,203	-
Contributions	12,841,313	-	12,841,313	-
Interest subsidy on capital debt	430,165	-	430,165	-
Net cash provided by (used in) capital and related financing activities	<u>(45,012,961)</u>	<u>(858,522)</u>	<u>(45,871,483)</u>	<u>(2,065,912)</u>
Cash flow from investing activities:				
Proceeds from sale of investments	67,007,804	938,567	67,946,371	11,339,306
Purchases of investments	(62,583,627)	(964,194)	(63,547,821)	(11,595,786)
Interest received on investments	2,078,379	31,357	2,109,736	329,784
Net cash provided by (used in) investing activities	<u>6,502,556</u>	<u>5,730</u>	<u>6,508,286</u>	<u>73,304</u>
Net increase (decrease) in cash and cash equivalents	(12,469,590)	82,622	(12,386,968)	900,057
Cash and cash equivalents - beginning of year	38,761,676	175,961	38,937,637	2,150,415
Cash and cash equivalents - end of year	<u>\$ 26,292,086</u>	<u>\$ 258,583</u>	<u>\$ 26,550,669</u>	<u>\$ 3,050,472</u>
Reconciliation of cash and cash equivalents to Statement of Net Position				
Unrestricted cash and cash equivalents	\$ 13,372,964	\$ 258,583	\$ 13,631,547	\$ 2,793,319
Unrestricted cash and cash equivalents with fiscal agent	-	-	-	257,153
Restricted cash and cash equivalents	275,092	-	275,092	-
Restricted cash and cash equivalents with fiscal agent	12,644,030	-	12,644,030	-
Total Cash and Cash Equivalents	<u>\$ 26,292,086</u>	<u>\$ 258,583</u>	<u>\$ 26,550,669</u>	<u>\$ 3,050,472</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Continued)

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Nonmajor Golf Course	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 11,633,417	\$ (426,946)	\$ 11,206,471	\$ (151,617)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	13,907,626	713,368	14,620,994	2,394,747
(Increase) decrease in accounts receivable	(130,943)	28	(130,915)	(533,516)
(Increase) decrease in inventories	(220,516)	(60,163)	(280,679)	-
(Increase) decrease in prepaid items	15,183	947	16,130	3,824
Increase(decrease) in deferred outflow of resources	(120,350)	(14,838)	(135,188)	-
Increase(decrease) in unearned revenue	-	208,030	208,030	-
Increase (decrease) in accounts payable and other	1,083,939	22,074	1,106,013	(251,636)
Increase (decrease) in accrued liabilities	33,954	8,492	42,446	5,133
Increase (decrease) in estimated claims	-	-	-	1,425,730
Increase (decrease) in deferred inflow of resources	24,505	3,022	27,527	-
Total adjustments	<u>14,593,398</u>	<u>880,960</u>	<u>15,474,358</u>	<u>3,044,282</u>
Net cash provided by (used in) operating activities	<u>\$ 26,226,815</u>	<u>\$ 454,014</u>	<u>\$ 26,680,829</u>	<u>\$ 2,892,665</u>

Non-cash investing, capital, and financing activities Enterprise Funds:

- * Capital assets were disposed of at a loss by the Utility Fund in the amount of \$114,053.
- * A contribution of \$42,042 was recorded in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority.
- * Capital contributions were received by the Utility Fund from developers totaling \$1,590,816.
- * Accounts payable and retainage used to acquire capital assets increased by \$1,522,273 for the Utility Fund.
- * The change in unrecognized loss recorded to value the non-cash investments for all Enterprise Funds to fair market value was a decrease of \$23,158.
- * Net amortization totaling \$456,401 was recognized by Enterprise Funds through the amortization of bond premiums, discounts, deferred loss on refunding, and bond insurance costs.

Non-cash investing, capital and financing activities Internal Service Funds:

- * The change in unrecognized loss recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$3,913.
- * Accounts payable used to acquire capital assets decreased by \$67 for the General Capital Outlay Replacement Internal Service Fund.
- * The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$8,794.
- * Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$25,910.

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**CITY OF WESTMINSTER, COLORADO
INDEX OF NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity	33
B. Basic Financial Statements.....	34
C. Measurement Focus, Basis of Accounting and Basis of Presentation	35
D. Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources.....	36
E. FPPA Pensions.....	38
F. Other Postemployment Benefits.....	38
G. Net Position/Fund Balances.....	38
H. Interfund Transactions	39

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments.....	40
B. Disaggregation of Receivables	43
C. Notes and Leases Receivable	43
D. Interfund Receivables and Payables	45
E. Capital Assets.....	46
F. Disaggregation of Payables	47
G. Interfund Transfers	48
H. Long-Term Liabilities.....	49
I. Net Position	52
J. Pledged Revenues	53
K. Moral Obligation Pledge.....	53
L. Disaggregation of Deferred Outflows/Inflows of Resources.....	54

NOTE 3 OTHER INFORMATION

A. Risk Management	54
B. Public Entity Risk Pools	55
C. Contingent Liabilities.....	56
D. Construction and Other Significant Commitments	56
E. Denver Water Raw Water Contract	57
F. Perpetual Agreement.....	57
G. Employee Defined Contribution Retirement Plans	57
H. Employee Defined Benefit Retirement Plans	59
I. Retiree Health Program	69
J. Tax Spending and Debt Limitations	71
K. Jointly Governed Organization.....	71
L. Joint Ventures.....	71
M. Component Unit of Another Government with Joint Venture Characteristics.....	72
N. Intergovernmental Agreement	72
O. Arbitrage Compliance	73
P. Tax Abatements.....	73
Q. Property Held for Resale.....	74
R. Conduit Debt Obligations	74
S. Pollution Remediation.....	74
T. Subsequent Event	74
U. Implementation of New Accounting Standards	75

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**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City is a municipality governed by an elected mayor and six additional members of Council. For financial reporting purposes, these financial statements include all funds of the primary government as well as component units determined to be included in the City's financial reporting entity because of their significant operational and financial relationship with the City.

Component Units

As established by the Governmental Accounting Standards Board (GASB) Statement No.14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, component units are legally separate entities for which the City is considered to be financially accountable. Financial accountability means that the City appoints a voting majority to the governing board and has the ability to impose its will upon the entity and/or accepts potential responsibility for the entities financial benefits and burdens.

Component units that meet the inclusion criteria are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in a separate column from the primary government to emphasize their legal separateness from the City. Blended component units are, in substance, part of City operations, therefore data from these units are combined with the City. Separate financial statements are not prepared for blended component units. The City's component units are all blended and each has a December 31 year end.

Westminster Housing Authority (WHA) was established on December 8, 1977 with the primary purpose of providing affordable housing to residents in the City. The governing body of WHA is the same as the City's governing body. The City has access to WHA's resources, if necessary, to use for the purposes for which the revenues were intended. The City maintains all accounting records for WHA. The Westminster Housing Authority Fund is the general fund of a blended component unit of the City and is reported as a special revenue fund.

Westminster Economic Development Authority (WEDA) was established on September 14, 1987 with the primary purpose of undertaking urban renewal activities with the City. The governing body of WEDA is the same as the City's governing body. The City has access to WEDA resources, if necessary, to use for the purposes for which the revenues were intended. WEDA financial statements consist of a General Fund, and is presented in these financials as a major special revenue fund. The City maintains all accounting records for WEDA.

General Improvement Districts (GID)

- *Sheridan Crossing GID* was established on September 9, 1996 with the primary purpose of operating and maintaining storm drainage improvements and maintenance of all necessary incidental and appurtenant properties and facilities within the GID.
- *Amherst GID* was established on September 26, 1988 with the primary purpose of maintaining landscaped right-of-way, open space and drainage areas within the GID.
- *136th Avenue GID* was established on August 14, 2000 with the primary purpose of financing a new interchange at 136th Avenue and Interstate 25 benefitting the GID.
- *Orchard Park Place North GID* was established on September 14, 2009 with the primary purpose of financing the repayment of cost recoveries associated with the Orchard View Development within the GID.
- *Mandalay Town Center GID* was established on September 8, 2003 with the primary purpose of financing a portion of the costs of street improvements and other necessary and related appurtenance facilities in the GID.
- *144th Avenue GID* was established on August 30, 2004 with the primary purpose of paying debt associated with public improvements within or without the GID.
- *Park 1200 GID* was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.
- *Downtown GID* was established on August 24, 2015 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District. Currently, there is no financial activity of the District.
- *Westminster Station GID* was established on August 28, 2017 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.

The boundaries of these GIDs are located within the City limits and the governing body of each of these GIDs is the same as the City's governing body. The City has access to each of the GIDs resources, if necessary, to use for the purposes for which the revenues were intended. The City maintains all of the GID accounting records and reports each GID as a special revenue fund.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Westminster Building Authority (WBA)

The City created the Westminster Building Authority as a non-profit corporation under State law (Articles 20 through 29, inclusive of Title 7 of the Colorado Revised Statutes). The Building Authority is intended to be the City's financing arm and, as such, allows the City to avoid paying fees to an outside third-party financing corporation. WBA is not presented in the financial statements as it assigned its right to receive and enforce payments relating to debt service of these financial benefits to a trustee and it has no assets or liabilities of its own.

B. Basic Financial Statements

The basic financial statements include government-wide and fund financial statements. The government-wide statements focus on the City as a whole and the fund financial statements focus on the major individual funds of the governmental and business-type categories. The government-wide financial statements categorize primary activities as either governmental or business-type. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

Government-Wide Statements

The government-wide statement emphasis is on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the year.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net expenses per functional category (Public Safety, Public Works, etc.), which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program revenues include 1) charges to customers or applications for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions.

Transfers between governmental funds and between enterprise funds are reported in total at the fund level, and are not carried forward to the government-wide statements; transfers between governmental activities and business-type activities are reported in the respective activities columns of the Statement of Activities, resulting in elimination of transfer activity at the government-wide level.

The net expense (by function or business-type activity) is normally covered by general revenue (property, sales and use taxes, intergovernmental revenues, interest income, etc.).

Fund Financial Statements

The fund financial statements emphasis is on major governmental and proprietary fund categories. Nonmajor funds (by category) are summarized into a single column, unless the City believes a nonmajor fund (under major fund criteria) is particularly important to financial statement users, in which case it is reported as a major fund.

The governmental funds in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to demonstrate (a) legal and covenant compliance, (b) the source and use of liquid resources, and (c) how the City's actual experience conforms to the budget plan.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each fund statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Reporting of Internal Service Funds

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, net position of internal service funds is consolidated with governmental activities when presented at the government-wide level. As appropriate, surplus or deficits are allocated back to customers in the entity-wide Statement of Activities and are therefore not eliminated in the consolidation of interfund services provided and used.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses. The various funds are reported by generic classification within the financial statements.

GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis— for State and Local Governments*, as amended by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining statements section.

Governmental funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 45 days after year-end.

Sales taxes, property and other imposed taxes, as well as business fees and interest earnings associated with the current fiscal period are all susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of tax assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt and certain compensated absences and claims and judgments, which are recognized when the obligations are due.

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

The City reports the following major governmental funds:

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

General Capital Improvement Fund accounts for the financing and construction of projects ranging from parks, street improvements, and traffic signals to fire station construction and remodeling. Financing is provided by investment earnings, General Fund and Conservation Trust Fund revenues, intergovernmental revenues, contributions, bond proceeds and transfers.

Westminster Economic Development Authority Fund is a General Fund of a blended component unit and is therefore reported as a special revenue fund. WEDA accounts for the monies for urban renewal activity. Financing is provided by the incremental increases of both property tax and sales tax within the boundaries of the Authority. Proceeds from bond issues are used to finance capital improvements.

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, deferred outflows of resources, revenues, expenses, and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The generally accepted accounting principles followed are generally those applicable to similar businesses in the private sector; the measurement focus is based upon determination of *net income, financial position, and cash flows*. Revenues earned and expenses incurred are recognized and classified in a government's proprietary funds in essentially the same manner as in

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

business-type accounting and financial reporting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary fund:

Utility Fund accounts for all activities necessary to provide water, sewer and storm drainage services to City residents and some outside users, financing of such activities and related debt service.

The City additionally reports the following Fund types:

Internal Service Funds account for operations that provide services to other departments or agencies of the City on a cost-reimbursement basis. The City has three internal service funds that are used for self-insurance purposes; property and liability, workers' compensation, and medical and dental insurance. In addition, the City has one internal service fund used for replacement of capital equipment.

D. Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources

Deposits and Investments

The City's cash and cash equivalents include amounts that are readily convertible to known amounts of cash and are not subject to significant risk from changes in interest rates.

Investments in local government investment pools are reported at the net asset value per share which is determined based upon how the fund is valued (i.e. fair value or amortized cost). All other investments are reported at fair value. For cash and cash equivalents, the fair value approximates the carrying value. For long-term investments, fair value is determined via dealer quotes. The City considers all investments with original maturities at three months or less to be cash equivalents.

The city pools its cash and investments. All temporary cash surpluses are invested. Earning on pooled investments are allocated among the funds based on their proportionate share in the pool.

Receivables

The receivables for property taxes are recognized as of the lien date. Taxes are liened on January 1, certified to the counties in December, levied on January 1 of the following year, and subsequently paid in either one installment on April 30, or two installments on February 28 and June 15. Property taxes are recognized as receivables and deferred inflows of resources when liened, and as revenue when available for collection in the following year. The respective counties bill and collect the City's property taxes.

Assessments are also enforceable liens on property. They are certified to the counties when liabilities for special improvement districts are established. Payments, billings, and collections are handled by the counties in the same manner as property taxes, or the City collects the assessments directly.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expense/expenditure when consumed, rather than when purchased.

Prepaid items reflect payments to vendors applicable to future accounting periods; the associated expense/expenditure is recognized in the period benefited by the prepayment.

Property Held for Resale

Property held for resale reflects properties acquired by the City for the express purpose of resale. Since these assets are intended to be converted to cash rather than to be used in daily operations, they are reported in governmental fund statements as financial assets valued at the lesser of either cost or net realizable value. Typically, properties held for resale are intended to be sold for economic development purposes.

Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position and Fund Statement Balance Sheets because their use is limited by applicable debt covenants. The General Fund, Westminster Economic Development Authority Special Revenue Fund, General Capital Improvement Fund and the Utility Enterprise Fund have restricted assets which consist of bond proceeds and other cash and investments mandated by indenture to be segregated for the construction of various projects and payment of debt. The Conservation Trust Fund has restricted cash that are restricted due to the legal requirements of the program.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Capital Assets

Capital assets with a value of \$5,000 or more are recorded at historical cost. Major outlays for constructed capital assets and improvements are capitalized when the assets are placed in service and the improvements are complete. Donated capital assets are recorded at the acquisition value at the date of donation. Costs that do not add to the value of an asset or materially extend its useful life are not included in its capitalized value. Infrastructure includes all streets and other pavement, bridges, storm drainage, signs, and traffic signals. Capital assets are depreciated using the straight-line method over their estimated useful lives:

<u>Capital Asset Class</u>	<u>Life Months</u>
Machinery and equipment	36-240
Buildings and plants	360-600
Improvements other than buildings	240-600
Parks	240
Infrastructure	120-600

Assets recorded under capital lease agreements are either amortized over the term of the lease or the estimated useful life of the asset, whichever period is shorter. Amortization expense for capital leases is included in the depreciation line item on the financial statements.

Long-Term Debt Insurance Costs

In the governmental funds, bond insurance costs are treated as period costs in the year of issue. In the proprietary funds (and for the governmental activities, in the government-wide statements) bond insurance costs are prepaid and amortized over the term of the bonds.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The City reports the deferred loss on refunding debt reported in the proprietary fund statements and in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The City also reports deferred outflows in the government-wide statement of net position related to FPPA pension plans and postemployment benefits other than pension (OPEB) related to the City's Retiree Health Care Plan for deferred activity related to actuarial assumptions used to value the net pension liability (asset), total OPEB liability and employer contributions made subsequent to the valuation measurement date, as applicable.

Long-Term Debt Premiums and Discounts

In the governmental funds, bond premiums and discounts are treated as period costs in the year of issue. In the proprietary funds (and for the governmental activities, in the government-wide statements) bond premiums and discounts are deferred and amortized over the term of the bonds. The balance of these deferrals is combined with the corresponding long-term debt in the financial statements.

Other Long-Term Liabilities

Compensated absences, OPEB, and pollution remediation obligations are reported as Other Liabilities in the proprietary fund financial statements and government-wide statements. These liabilities are accrued when incurred.

In governmental funds, compensated absences is accrued as a fund liability when it becomes payable following an employee's resignation or retirement; otherwise compensated absences and OPEB are considered long-term and are not accrued as fund liabilities. Pollution remediation obligations are accrued when extinguishable with current financial resources; otherwise, they are not accrued.

Compensated absences and OPEB are liquidated by the fund in which an employee works. The General Fund is typically used to liquidate these liabilities for the general government. Pollution remediation obligations are liquidated by the fund responsible for the remediation activity.

Differences in the treatment of these liabilities between governmental fund statements and the Statement of Net Position, Governmental Activities are accounted for in the Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future reporting period(s) that will be recognized as a revenue at that time.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. In addition, property tax receivables are reported as a deferred inflow of resources when levied. Unavailable fund resources are recognized as revenue in the government-wide statement of net position.

The City also reports deferred inflows in the government-wide statement of net position related to FPPA pension plans and OPEB related to the City's Retiree Health Program for deferred activity related to actuarial assumptions used to value the net pension liability (asset) and total OPEB liability.

Use of Estimates

In preparing the City's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. FPPA Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Statewide Defined Benefit Plan (SWDB), Statewide Hybrid Plan (SWH), and the Westminster Volunteer Firefighter Pension Plan, all administered by the Fire and Police Pension Association of Colorado (FPPA), and additions to/deductions from these plans' fiduciary net position have been determined on the same basis as they are reported by FPPA. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period in which the contributions are due. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. All employees who participate in the plans are funded through the General Fund and therefore the net pension liability (asset) is recorded at the government-wide level only.

F. Other Postemployment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense of the Retiree Health Program (OPEB Plan) have been determined on the same basis as they are reported by the OPEB Plan.

G. Net Position/Fund Balances

Net position reflects assets plus deferred outflows less liabilities plus deferred inflows and is shown in three main categories in the government-wide and proprietary fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt used to acquire, construct and improve capital assets. Net position is restricted when constraints placed on net resources are externally imposed. Remaining net position is reported as unrestricted.

Fund balance reflects assets plus deferred outflows less liabilities and deferred inflows and is shown only in governmental fund statements. Financial reporting standards establish criteria for classifying fund balance amounts into specifically defined categories to make the nature and extent of constraints on those amounts more useful and understandable. The categories comprise a hierarchy based on the extent to which constraints must be honored for a specified purpose and for which amounts can be spent. Fund balances may be categorized as nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable Fund Balance cannot be spent because it is either in nonspendable form or is legally or contractually required to be maintained intact. Examples include items not expected to be converted to cash such as inventories and prepaid items.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Restricted Fund Balance is restricted for specific purposes based on constraints externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance is constrained for specified purposes through ordinance, resolution, motion or order adopted by the City Council, and can be rescinded only through the same type of formal action used to establish the commitment. Each of these official actions are equally binding upon the City.

Assigned Fund Balance is constrained for specified purposes by the City Manager as authorized by the City's charter.

Unassigned Fund Balance is unconstrained and comprised of residual uncategorized fund balance amounts. The General Fund is the only fund that reports a positive unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, restricted amounts are deemed to be used first. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are considered to be reduced first, followed by assigned amounts and then by unassigned amounts.

In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2018, the General Fund Stabilization Reserve balance was \$8,807,274. This amount is included in the unassigned fund balance on the balance sheet.

H. Interfund Transactions

In the fund financial statements, interfund transactions are reflected as loans, services provided and used, reimbursements or transfers. Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "loans to" and "loans from" other funds. In governmental funds, loans to other funds are offset by an equal nonspendable fund balance to indicate that resources are not available for appropriation unless the loan is restricted for a specific use. Short-term advances between funds are reported as "due to" and "due from" other funds.

Services provided and used are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges a benefiting fund for the costs and directly reduces its own costs related to the reimbursement.

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

In the government-wide Statement of Net Position, loans between governmental and business type activities are reflected as internal balances.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Federal Deposit Insurance covers up to \$250,000 in balances per depositor (e.g. City, WEDA), per insured bank, for each account ownership category. Deposit balances above amounts covered by Federal Deposit Insurance are collateralized in accordance with provision of the Colorado Public Deposit Protection Act (PDPA). The collateral is pooled and held in trust for all uninsured deposits as a group.

The total balance of the City's cash deposits as of December 31, 2018 was \$28,198,637, of which \$750,000 was covered by Federal Deposit Insurance. An additional \$500,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The carrying amount of deposits and cash on hand at December 31, 2018 was \$26,698,150.

Investments

The City as a home rule municipality operating under its City Charter is allowed under Colorado State Statutes to promulgate and implement local standards for cash and investment management operations. It is the policy of the City to invest public funds in a manner that will provide preservation of capital, meet the daily liquidity needs of the City, diversify the City's investments, conform to all local rules and state statutes governing the investment of public funds, and generate market rates of return.

The adopted Investment Policy for the City authorizes all investments to be made in accordance with Colorado Revised Statutes. The provision of the City's Investment Policy apply to all investable funds of the City to include trust funds, bond ordinance accounts and reserve accounts. The reserve and trust accounts are further defined with additional investment guidelines. The Investment Policy addresses the methods, procedures and practices which must be exercised to ensure effective and judicious fiscal and investment management of the City's funds.

The City's principal investment objectives are:

- Preservation of capital and protection of investment principal
- Maintenance of sufficient liquidity to meet anticipated cash flows
- Diversification to avoid incurring unreasonable financial risks
- Attainment of a market rate of return as defined in Section XIII of the Investment Policy
- Conformance with all applicable City policies, State statutes and Federal regulations

The City's investments are subject to interest rate, credit and concentration of credit risk, which are mitigated by Colorado State Statutes as follows:

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investment maturities to less than seven years, unless matched to a specific cash flow.

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by maintaining the weighted average maturity not to exceed three years.

Credit Risk. In accordance with its investment policy, the City manages its credit risk by requiring at the time of purchase that the security be rated by at least two nationally recognized credit rating agencies as further defined in the Investment policy.

The City's securities at December 31, 2018, were in compliance with the City's Investment Policy. The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes.

Concentration of Credit Risk. In accordance with the City's investment policy, investments are diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Percentage limitations used for measurements are based on the percentage of cost value of the portfolio as defined within the Investment Policy.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Cash, cash equivalents and investments as reported on the financial statements at December 31, 2018

Cash and cash equivalents	\$ 31,144,310
Cash and cash equivalents with fiscal agent	264,882
Investments	213,124,018
Restricted cash and cash equivalents	755,346
Restricted cash and cash equivalents with fiscal agent	33,742,038
Restricted investments	6,502,505
Restricted investments with fiscal agent	5,501,264
Total per Statement of Net Position:	<u>\$ 291,034,363</u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S & P Rating</u>	<u>% of Total Investments</u>
Local Government Investment Pool CSAFE	AAA	7.83%
Local Government Investment Pool COLOTRUST	AAA	7.17%
Corporate Toyota Motor Credit	AA-	1.68%
Corporate Microsoft	AAA	1.69%
Corporate US Bank NA	AA-	2.07%
Corporate Berkshire Hathaway	AA	0.76%
Corporate Johnson & Johnson	AAA	0.57%
Corporate Apple Inc.	AA+	2.25%
Corporate Wells Fargo	A+	0.38%
Corporate Wal-Mart Stores	AA	1.71%
Corporate Exxon Mobil Corp	AA+	1.51%
US Treasury Securities	N/A	22.41%
Federal Farm Credit Banks	AA+	13.52%
Federal Home Loan Bank System	AA+	17.73%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	8.78%
Fannie Mae (Federal National Mortgage Association)	AA+	7.86%
Money Market First American Government Obligations Fund	AAAm	1.63%
Money Market First American Treasury Obligations Fund	AAAm	0.45%

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Local Government Investment Pool	\$ 39,674,129	0.02
US Treasuries	59,239,276	0.51
US Instrumentalities	126,604,105	0.65
Domestic Corporate Securities	33,317,438	0.14
Money Market Funds	5,501,265	-
Total Investments controlled by City	<u>\$ 264,336,213</u>	
Total Portfolio Weighted Average Maturity		1.32

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Fair Value of Assets and Liabilities

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 in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices 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 supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018:

Investments by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 5,501,265	\$ 5,501,265	\$ -	\$ -
US Treasuries	59,239,276	-	59,239,276	-
US Instrumentalities	126,604,105	-	126,604,105	-
Domestic Corporate Securities	33,317,438	-	33,317,438	-
Total investments by fair value level	<u>224,662,084</u>	<u>\$ 5,501,265</u>	<u>\$ 219,160,819</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	20,727,004			
ColoTrust (external investment pool)	18,947,125			
Total investments measured at the NAV	<u>39,674,129</u>			
Total investments	<u>\$ 264,336,213</u>			

Investment Valuation Techniques. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The City does not have any level 3 securities as of December 31, 2018.

Investment in Local Government Investment Pools. The City utilizes two local government investment pools for investment, when a high degree of liquidity is prudent. The two pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust cash fund (CSAFE), collectively, the Trusts. COLOTRUST is a local government investment pool with a stable net asset value (NAV) and its NAV is measured at fair value per share. The CSAFE cash fund is considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* and its NAV is measured at amortized cost per share. The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The Trusts may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as custodian for the Trusts' portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodians' internal records segregate investments owned by the Trusts. The Trusts do not have any limitations or restrictions on participant withdrawals.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

B. Disaggregation of Receivables

Receivables at December 31, 2018, were as follows:

	Taxes	Accounts	Notes and Leases	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 16,978,667	\$ 6,143,154	\$ 2,649,822	\$ 175,506	\$ 150,366	\$ 26,097,515
GCIF	-	543,697	963,169	2,385,393	169,212	4,061,471
WEDA	12,554,489	584	2,619,842	-	35,840	15,210,755
Nonmajor governmental	1,120,309	14,151	2,250,000	56,927	28,429	3,469,816
Less: Allowance for Doubtful Accounts	-	(2,392,797)	(1,853,123)	-	-	(4,245,920)
Subtotal	30,653,465	4,308,789	6,629,710	2,617,826	383,847	44,593,637
Reconciliation of balances to government-wide financial statements:						
Internal service funds	-	583,403	-	-	70,311	653,714
Total - Governmental Activities	\$ 30,653,465	\$ 4,892,192	\$ 6,629,710	\$ 2,617,826	\$ 454,158	\$ 45,247,351
Business-type Activities:						
Utilities	\$ -	\$ 6,068,278	\$ 33,112	\$ 585,000	\$ 344,787	\$ 7,031,177
Nonmajor proprietary	-	-	-	-	6,443	6,443
Less: Allowance for Doubtful Accounts	-	(25,715)	-	-	-	(25,715)
Total - Business-type Activities:	\$ -	\$ 6,042,563	\$ 33,112	\$ 585,000	\$ 351,230	\$ 7,011,905

C. Notes and Leases Receivable

Governmental Activities

In the governmental fund financial statements, long-term receivables, such as special assessments and capital leases receivable, are offset by deferred inflow of resources until recognized as revenue at the time of collection. Operating lease revenue is reported as income as it is earned. The net investment in a capital lease becomes receivable when benefits and risks associated with ownership of the property transfer to the lessee, typically at inception of the lease agreement.

The note with Catellus Development Corporation represents the final special assessment payment due on land purchased by Catellus.

The capital lease with Hyland Hills Parks and Recreation District represents a sublease for an undivided 50% interest in the Ice Centre to be paid over 25 years. In the event of default, Hyland Hills' interest would be reduced by two percent for each year the lease obligation was not met. The net interest rate on the lease is 3.385%.

The note with Community Resources & Housing Development Corp. is for the construction and purchase of a 12,000 square foot building located in the South Westminster Urban Renewal Area. The note requires monthly payments of principal and interest at a rate of 2.0% per annum.

The note with Eaton Street Affordable Housing LLC is for the purchase of land and building permit fees and taxes associated with the construction of affordable housing units in the Downtown project area in the Westminster Center Urban Reinvestment Plan Area Urban Renewal Area. The note requires repayment beginning 17 years after the issuance of the certificate of occupancy for the project. Interest at a rate of 0.10% per annum, simple interest, will not accrue until after the 17 year period. Full repayment of the note is required within 30 years following the issuance of the certificate of occupancy for the project. A portion of the note is recorded in the General Fund, General Capital Improvement Fund and the Westminster Economic Development Authority Fund.

The Westminster Economic Development Authority entered into a loan with Eaton Street Affordable Housing LLC of \$1,650,000 to assist in the construction of affordable housing as part of the Eaton Street Project. Repayment of this loan is due by the 30th anniversary of the issuance of the Certificate of Occupancy. Payments will be made from housing cash flows in accordance with priority of repayment source.

The Westminster Housing Authority entered into a note with Westminster Commons VOA, LP as part of the sale of the Westminster Commons senior housing complex. Repayment will be made from projected cash flows generated by the project beginning in 2015 with a balloon payment of any unpaid principal and accrued interest in 2052. Interest is compounded annually at the rate of 3.6%. Due to the limited projected cash flows and unsecured subordinate note, an allowance for doubtful accounts has been established in the amount of \$1,853,123 at December 31, 2018. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

The City will periodically reassess the collectability of the notes receivable and record a reserve if deemed necessary.

Description of notes and leases receivable

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time pymt	*
Hyland Hills Park and Recreation District	Ice Centre	4,975,000	2,182,500	semi-annually	2022
Community Resources & Housing Development Corp	Development Corp Building Construction	355,513	177,342	monthly	2021
Eaton Street Affordable Housing LLC	Sale of Land and Building Permit Fee and Taxes	2,028,144	2,028,144	one-time pymt	2034
Eaton Street Affordable Housing LLC	Affordable Housing Loan	1,650,000	1,650,000	**	2049
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 ***	396,877	annually	2052
Total Governmental Activities		<u>\$ 11,453,504</u>	<u>\$ 6,629,710</u>		

* The payment is due at such time as a building permit is issued for a third office building in Circle Point Corporate Center.

**Repayment of this loan is due by the 30th anniversary of the issuance of the Certificate of Occupancy. Payments will be made from housing cash flows in accordance with priority of repayment schedule.

***The face value of the note is \$2,250,000 with repayment from project cash flows. However, an allowance for doubtful accounts of \$1,853,123 has been established due to projected limited cash flows. A review will be conducted annually to adjust the allowance, if necessary.

Business Type Activities

The Utility Fund entered into notes receivable with two Utility customers. These notes allow the water system user to pay for the cost of connecting to the water system over a period of time. The note requires monthly payments of principal and interest at a rate of 3.5% per annum. An allowance for doubtful accounts is not established as the City can lien the associated property.

Description of notes and leases receivable

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Utility Customers	Water System Connection	\$ 85,663	\$ 33,112	monthly	2021
Total Business-Type Activities		<u>\$ 85,663</u>	<u>\$ 33,112</u>		

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Notes and Leases Receivable Maturities

Year Ending	Governmental activities						Business-type activities	
	Catellus	Hyland Hills	Colorado Rural Housing	Eaton Street Affordable Housing LLC	Westminster Commons VOA, LP	Total	Utility Customers	
2019	\$ 194,847	\$ 400,000	\$ 64,034	\$ -	\$ 15,550	\$ 674,431	\$ 11,385	
2020	-	415,000	56,088	-	16,162	487,250	11,793	
2021	-	427,500	57,220	-	16,767	501,487	9,934	
2022	-	940,000	-	-	17,364	957,364	-	
2023	-	-	-	-	17,953	17,953	-	
2024-2028	-	-	-	-	98,306	98,306	-	
2029-2033	-	-	-	-	112,920	112,920	-	
2034-2038	-	-	-	2,028,144	127,770	2,155,914	-	
2039-2043	-	-	-	-	142,620	142,620	-	
2043-2048	-	-	-	-	157,470	157,470	-	
2049-2053	-	-	-	1,650,000	136,668	1,786,668	-	
	194,847	2,182,500	177,342	3,678,144	859,550	7,092,383	33,112	
Net present value/ principal adjustment	-	-	-	-	(462,673)	(462,673)	-	
Total	\$ 194,847	\$ 2,182,500	\$ 177,342	\$ 3,678,144	\$ 396,877	\$ 6,629,710	\$ 33,112	

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2018, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Loans from/to other funds:</i>		
General Capital Improvement	Westminster Economic Development Authority	\$ 619,500
Total interfund receivables and payables		<u>\$ 619,500</u>

The loans of \$619,500 to the WEDA Fund were used to pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. These interfund loans are expected to be repaid in the near term.

An interfund loan is budgeted in the payor fund as either an Other Financing Use in a governmental fund or as a non-operating expense in a proprietary fund. However, the transaction is reported on the respective fund's balance sheet as either Due From Other Funds for short term borrowings, or as Loans From Other Funds for longer term borrowings. As a result, a budget to actual variance is recognized in the payor fund's budgetary comparison schedule in the year an interfund loan originates.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

E. Capital Assets

Capital Assets at December 31, 2018 were as follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities					
Land & Land Rights	\$ 145,978,201	\$ 5,571,870	\$ -	\$ (594,065)	\$ 150,956,006
Water Rights	1,000,000	-	-	-	1,000,000
Joint Venture	5,361,000	-	-	-	5,361,000
Construction in progress	5,891,695	32,357,524	(18,124,776)	(16,583,727)	3,540,716
Total nondepreciable assets	<u>158,230,896</u>	<u>37,929,394</u>	<u>(18,124,776)</u>	<u>(17,177,792)</u>	<u>160,857,722</u>
Buildings	91,054,569	-	891,198	-	91,945,767
Improvements other than buildings	50,826,970	33,000	995,397	-	51,855,367
Parks	59,189,784	-	6,487,261	-	65,677,045
Ice Center	6,972,384	-	-	-	6,972,384
Infrastructure	421,032,525	-	8,044,727	-	429,077,252
Machinery and equipment	43,501,050	2,163,050	1,706,193	(597,289)	46,773,004
Total depreciable assets	<u>672,577,282</u>	<u>2,196,050</u>	<u>18,124,776</u>	<u>(597,289)</u>	<u>692,300,819</u>
Less accumulated depreciation for:					
Buildings	(59,650,073)	(2,292,115)	-	-	(61,942,188)
Improvements other than buildings	(30,135,403)	(2,159,669)	-	-	(32,295,072)
Parks	(42,373,350)	(2,317,284)	-	-	(44,690,634)
Ice Center	(2,759,902)	(145,258)	-	-	(2,905,160)
Infrastructure	(214,527,100)	(8,043,842)	-	-	(222,570,942)
Machinery and equipment	(29,630,992)	(4,006,088)	-	589,421	(33,047,659)
Total accumulated depreciation	<u>(379,076,820)</u>	<u>(18,964,256)</u>	<u>-</u>	<u>589,421</u>	<u>(397,451,655)</u>
Net total depreciable assets	<u>293,500,462</u>	<u>(16,768,206)</u>	<u>18,124,776</u>	<u>(7,868)</u>	<u>294,849,164</u>
Governmental activities capital assets, net	<u>\$ 451,731,358</u>	<u>\$ 21,161,188</u>	<u>\$ -</u>	<u>\$ (17,185,660)</u>	<u>\$ 455,706,886</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 2,821,735
Public safety	1,864,990
Public works	2,922,511
Community development	5,312,792
Culture and Recreation	5,811,889
Unallocated depreciation-governmental funds	230,339
Total depreciation expense	<u>\$ 18,964,256</u>

Primary Government (continued)

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 25,174,309	\$ -	\$ -	\$ (83,700)	\$ 25,090,609
Water rights	95,371,131	-	250,440	-	95,621,571
Construction in progress	25,936,651	50,757,420	(42,715,060)	(2,130,986)	31,848,025
Total nondepreciable assets	<u>146,482,091</u>	<u>50,757,420</u>	<u>(42,464,620)</u>	<u>(2,214,686)</u>	<u>152,560,205</u>
Buildings and plants	250,964,493	-	2,734,781	(658,007)	253,041,267
Improvements other than buildings	273,659,572	1,712,010	39,027,598	(2,528,645)	311,870,535
Parks	1,515,487	-	-	-	1,515,487
Machinery and equipment	24,848,814	141,544	702,241	(319,370)	25,373,229
Total depreciable assets	<u>550,988,366</u>	<u>1,853,554</u>	<u>42,464,620</u>	<u>(3,506,022)</u>	<u>591,800,518</u>
Less accumulated depreciation for:					
Buildings and plants	(120,095,272)	(6,162,626)	-	658,007	(125,599,891)
Improvements other than buildings	(93,240,845)	(6,462,924)	-	2,520,752	(97,183,017)
Parks	(1,352,966)	(75,774)	-	-	(1,428,740)
Machinery and equipment	(17,099,559)	(1,919,670)	-	296,911	(18,722,318)
Total accumulated depreciation	<u>(231,788,642)</u>	<u>(14,620,994)</u>	<u>-</u>	<u>3,475,670</u>	<u>(242,933,966)</u>
Net total depreciable assets	<u>319,199,724</u>	<u>(12,767,440)</u>	<u>42,464,620</u>	<u>(30,352)</u>	<u>348,866,552</u>
Business-type activities capital assets, net	<u>\$ 465,681,815</u>	<u>\$ 37,989,980</u>	<u>\$ -</u>	<u>\$ (2,245,038)</u>	<u>\$ 501,426,757</u>

Depreciation expense was charged to business-type functions as follows:

Utility	\$ 13,907,626
Golf	713,368
Total depreciation expense	<u>\$ 14,620,994</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

The following is a summary of machinery and equipment purchased by capital lease with a liability outstanding as of December 31, 2018.

Leased Equipment	Historical Cost	Accumulated Depreciation	Net Book Value
Governmental Activities	\$ 604,167	\$ (344,877)	\$ 259,290
General Capital Outlay Replacement Fund	1,422,860	(617,917)	804,943
Golf Course Fund	1,636,785	(1,051,591)	585,194
Total	<u>\$ 3,663,812</u>	<u>\$ (2,014,385)</u>	<u>\$ 1,649,427</u>

F. Disaggregation of Payables

Payables at December 31, 2018, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 1,911,043	\$ 9,710,166	\$ 1,453,188	\$ -	\$ 13,074,397
GCIF	2,375,750	344,029	25,735	-	2,745,514
WEDA	61,678	89,892	-	-	151,570
Nonmajor governmental	109,893	-	28,689	4,515	143,097
Subtotal - Governmental Funds	<u>4,458,364</u>	<u>10,144,087</u>	<u>1,507,612</u>	<u>4,515</u>	<u>16,114,578</u>
Reconciliation of balances to government-					
Long-term liabilities susceptible to full accrual reporting	-	-	43,168	1,640,842	1,684,010
Internal service funds	390,597	-	9,692	11,218	411,507
Total - Governmental Activities	<u>\$ 4,848,961</u>	<u>\$ 10,144,087</u>	<u>\$ 1,560,472</u>	<u>\$ 1,656,575</u>	<u>\$ 18,210,095</u>
Business-type Activities:					
Utilities	\$ 8,933,181	\$ 453,570	\$ 275,114	\$ 282,530	\$ 9,944,395
Nonmajor proprietary	33,603	7,225	35,670	12,417	88,915
Total - Business-type Activities	<u>\$ 8,966,784</u>	<u>\$ 460,795</u>	<u>\$ 310,784</u>	<u>\$ 294,947</u>	<u>\$ 10,033,310</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

G. Interfund Transfers

Transfer activity for the year ended December 31, 2018 was as follows:

TRANSFERS OUT	TRANSFERS IN					Grand Total
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	
General Fund	\$ -	\$ 16,374,333	\$ -	\$ 1,595,460	\$ -	\$ 17,969,793
General Capital Improvement Fund	-	-	6,321,000	-	230,000	6,551,000
WEDA	35,500	1,075,251	-	-	-	1,110,751
Nonmajor Governmental Funds	100,800	3,513,491	76,900	2,013,819	250,000	5,955,010
Utility Fund	513,684	-	-	37,316	-	551,000
Grand Totals	\$ 649,984	\$ 20,963,075	\$ 6,397,900	\$ 3,646,595	\$ 480,000	\$ 32,137,554

The matrix summarizes the City's interfund transfer activity. Most transfers between the General, General Capital Improvement, (WEDA), and Nonmajor Governmental Funds are routinely used to reallocate resources to fund City operations, capital construction, land purchases, debt service and governmental subsidies. In 2018, a transfer of \$5,500,000 from the General Capital Improvement Fund to the WEDA transpired to provide funding for a development assistance project and \$821,000 to assist with maintenance costs, as well as sales and marketing of the Downtown Westminster project area. Transfer activity between governmental and business-type funds is detailed below:

Reconciliation of Transfers between Governmental and Proprietary Funds:

From the Utility Fund to the General Fund in lieu of taxes	\$ 513,684
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	37,316
From the General Capital Improvement Fund to the Golf Course Fund for operating subsidies	(230,000)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(250,000)
Total transfers between Governmental and Business Type Activities Funds	\$ 71,000

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2018 was as follows:

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, loans, leases and other payable:					
Revenue bonds	\$ 25,185,000	\$ -	\$ (2,300,000)	\$ 22,885,000	\$ 2,390,000
Tax increment bonds and loans	69,712,000	-	(5,285,000)	64,427,000	5,473,000
Notes & Loans	817,000	-	-	817,000	-
Capital leases	74,526,427	-	(7,435,181)	67,091,246	7,559,054
	<u>170,240,427</u>	<u>-</u>	<u>(15,020,181)</u>	<u>155,220,246</u>	<u>15,422,054</u>
Bond premium	8,495,677	-	(785,934)	7,709,743	-
Bond discount	(226,989)	-	21,282	(205,707)	-
	<u>8,268,688</u>	<u>-</u>	<u>(764,652)</u>	<u>7,504,091</u>	<u>-</u>
Total bonds, loans and leases payable	<u>178,509,115</u>	<u>-</u>	<u>(15,784,833)</u>	<u>162,724,282</u>	<u>15,422,054</u>
Other liabilities:					
Compensated absences	5,936,696	9,699,430	(9,375,819)	6,260,307	245,198
OPEB	2,146,220	1,017,846	(387,878)	2,776,188	-
Net Pension Liability	697,573	-	(697,573)	-	-
Total other liabilities	<u>8,780,489</u>	<u>10,717,276</u>	<u>(10,461,270)</u>	<u>9,036,495</u>	<u>245,198</u>
Governmental activities long-term liabilities	<u>\$ 187,289,604</u>	<u>\$ 10,717,276</u>	<u>\$ (26,246,103)</u>	<u>\$ 171,760,777</u>	<u>\$ 15,667,252</u>
restatement					
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds, notes and leases payable:					
Revenue bonds	\$ 69,945,000	\$ -	\$ (4,210,000)	\$ 65,735,000	\$ 4,290,000
Notes	9,435,529	-	(1,789,029)	7,646,500	1,875,017
Capital leases	3,505,492	-	(710,936)	2,794,556	738,973
	<u>82,886,021</u>	<u>-</u>	<u>(6,709,965)</u>	<u>76,176,056</u>	<u>6,903,990</u>
Add:					
Bond/Notes premium	8,187,202	-	(477,570)	7,709,632	-
Bond discount	(21,276)	-	5,349	(15,927)	-
	<u>8,165,926</u>	<u>-</u>	<u>(472,221)</u>	<u>7,693,705</u>	<u>-</u>
Total bonds, notes and leases payable	<u>91,051,947</u>	<u>-</u>	<u>(7,182,186)</u>	<u>83,869,761</u>	<u>6,903,990</u>
Other liabilities:					
Compensated absences	1,217,127	1,999,204	(1,973,864)	1,242,467	51,694
OPEB	450,098	175,629	(43,509)	582,218	-
Pollution Remediation	454,000	-	(70,584)	383,416	47,200
Total other liabilities	<u>2,121,225</u>	<u>2,174,833</u>	<u>(2,087,957)</u>	<u>2,208,101</u>	<u>98,894</u>
Business-type activities long-term liabilities	<u>\$ 93,173,172</u>	<u>\$ 2,174,833</u>	<u>\$ (9,270,143)</u>	<u>\$ 86,077,862</u>	<u>\$ 7,002,884</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Long-term liability outstanding at December 31, 2018 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 615,000	4.6-5.0%	12/01/21
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	10,545,000	4,795,000	3.0% - 5.0%	12/01/22
Sales and Use Tax POST Refunding Series 2015	Refunding/POST 2007D	18,500,000	17,475,000	2.0% - 5.0%	12/01/31
Total Governmental Activities			<u>22,885,000</u>		
Water/Wastewater Revenue Series 2010	Build America Bonds	29,505,000	23,405,000	3.695% - 5.818%	12/01/30
Stormwater Revenue Series 2015	Stormwater Bonds	4,610,000	1,060,000	1.35%	06/01/19
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	41,270,000	1.5-5.0%	12/01/36
Total Business-type Activities			<u>65,735,000</u>		
Total Revenue bonds			<u>\$ 88,620,000</u>		

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2019	\$ 2,390,000	\$ 958,469	\$ 3,348,469	2019	\$ 4,290,000	\$ 3,023,048	\$ 7,313,048
2020	2,495,000	849,569	3,344,569	2020	3,345,000	2,877,528	6,222,528
2021	2,595,000	757,819	3,352,819	2021	3,460,000	2,732,606	6,192,606
2022	2,370,000	650,569	3,020,569	2022	3,540,000	2,623,540	6,163,540
2023	1,190,000	555,169	1,745,169	2023	3,685,000	2,448,960	6,133,960
2024-2028	6,910,000	1,820,844	8,730,844	2024-2028	20,450,000	9,702,454	30,152,454
2029-2031	4,935,000	305,456	5,240,456	2029-2033	17,600,000	4,290,101	21,890,101
Total	<u>\$ 22,885,000</u>	<u>\$ 5,897,895</u>	<u>\$ 28,782,895</u>	2034-2036	9,365,000	759,000	10,124,000
				Total	<u>\$ 65,735,000</u>	<u>\$ 28,457,237</u>	<u>\$ 94,192,237</u>

Tax Increment Bonds and Loans

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	28,900,000	\$ 18,940,000	4.000%	12/01/28
Total Tax Increment Bonds			<u>18,940,000</u>		
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	40,582,000	3.510%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	4,905,000	(1)	12/01/28
Total Tax Increment Loans			<u>45,487,000</u>		
Total Governmental Activities			<u>\$ 64,427,000</u>		

Annual debt service requirements to maturity for tax increment bonds and loans are as follows:

Governmental Activities			
Year	Principal	Interest	Total
2019	\$ 5,473,000	\$ 2,305,758	\$ 7,778,758
2020	5,649,000	2,127,554	7,776,554
2021	5,840,000	1,937,659	7,777,659
2022	6,035,000	1,760,254	7,795,254
2023	6,259,000	1,537,429	7,796,429
2024-2028	35,171,000	4,065,242	39,236,242
Total	<u>\$ 64,427,000</u>	<u>\$ 13,733,896</u>	<u>\$ 78,160,896</u>

(1) The 2012 WEDA South Sheridan Loan was converted to a fixed interest rate for the first 5 years on 9/13/2012. Subsequent years' interest is variable based on 70% of applicable LIBOR rate based on period selected plus 2.25%. On 10/1/2017 the City chose to fix the rate for a 5 year period at 3.54%.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Capital Leases ⁽²⁾	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Capital lease	10 Energy Saving Equipment	\$ 2,517,094	\$ 729,297	4.10%	04/01/21
Capital lease	11 Fire Ladder	683,383	-	2.180%	10/15/18
Capital lease	13 Fire Pumper	435,393	128,519	1.95%	01/15/20
Capital lease	15 Parks Equipment	577,946	112,805	1.94%	01/15/20
Capital lease	16 Fire Pumper	1,040,859	760,624	2.36%	06/28/23
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Rev	12,825,000	5,410,000	3.25% - 4.25%	12/01/22
Capital lease - Certificates of Participation 10	Ice Centre Refunding	9,950,000	4,365,000	3.0% - 4.5%	12/01/22
Capital lease - Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	7,930,000	2.0% - 4.0%	12/01/25
Capital lease - Certificates of Participation 15 A	Westminster Downtown Nontaxable	30,000,000	30,000,000	4.0% - 5.0%	12/01/38
Capital lease - Certificates of Participation 15 B	Westminster Downtown Taxable	10,000,000	7,560,000	1.54% - 3.72%	12/01/24
Capital lease - Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	10,095,000	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>67,091,245</u>		
Golf Course capital lease	14 Golf Equipment Joint Lease	1,101,068	188,837	2.30%	01/15/19
Golf Course capital lease	17 Golf Cart Joint Lease	492,064	370,719	2.33%	02/25/21
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Rev	4,820,000	2,235,000	3.25% - 4.25%	12/01/23
Total Business-type Activities			<u>2,794,556</u>		
Total Capital Leases			<u>\$ 69,885,801</u>		

(2) Specific assets are pledged as collateral for all capital leases.

Annual debt service requirements to maturity for capital leases are as follows:

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2019	\$ 7,559,054	\$ 2,742,758	\$ 10,301,812	2019	\$ 738,973	\$ 90,003	\$ 828,976
2020	6,162,637	2,478,222	8,640,859	2020	563,225	69,971	633,196
2021	6,129,607	2,279,852	8,409,459	2021	552,358	52,799	605,157
2022	7,160,635	2,099,272	9,259,907	2022	460,000	37,550	497,550
2023	3,994,312	1,819,150	5,813,462	2023	480,000	18,000	498,000
2024-2028	13,105,000	6,893,651	19,998,651	Total	<u>\$ 2,794,556</u>	<u>\$ 268,323</u>	<u>\$ 3,062,880</u>
2029-2033	10,130,000	4,378,500	14,508,500				
2034-2038	12,850,000	1,659,700	14,509,700				
Total	<u>\$ 67,091,245</u>	<u>\$ 24,351,105</u>	<u>\$ 91,442,350</u>				

Notes & Loans	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Loan	12 Section 108 HUD Loan	\$ 1,500,000	\$ 817,000	(3)	08/01/32
Total Governmental Activities			<u>817,000</u>		
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	1,544,428	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	6,030,000	3.32%	06/01/25
Rehfeld Note	Purchase of water shares	180,000	72,072	4.00%	03/31/23
Total Business-type Activities			<u>7,646,500</u>		
Total Notes and Loans			<u>\$ 8,463,500</u>		

Annual debt service requirements to maturity for notes are as follows:

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2019	\$ -	\$ 26,119	\$ 26,119	2019	\$ 1,875,017	\$ 280,667	\$ 2,155,684
2020	-	26,119	26,119	2020	1,411,556	190,399	1,601,955
2021	-	26,119	26,119	2021	906,892	152,452	1,059,344
2022	-	26,119	26,119	2022	929,968	119,796	1,049,764
2023	-	26,119	26,119	2023	975,567	82,003	1,057,570
2024-2028	-	130,598	130,598	2024-2025	1,547,500	10,055	1,557,555
2029-2032	817,000	61,831	878,831	Total	<u>\$ 7,646,500</u>	<u>\$ 835,372</u>	<u>\$ 8,481,872</u>
Total	<u>\$ 817,000</u>	<u>\$ 323,024</u>	<u>\$ 1,140,024</u>				

(3) The 2012 Section 108 Housing and Urban Development Loan has variable interest based on 3 month LIBOR plus 0.20%, adjusted monthly on the first day of each The 3 month LIBOR as of 12/31/2018 is 2.8076%.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

I. Net Position

The government-wide and business-type financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted Net Position is liquid assets which have third-party limitations on their use. Restricted net position is reported by major category, which includes emergencies; capital projects; open space conservation and improvements; and debt service. Nonmajor categories have been aggregated as restricted for other purposes. Unrestricted Net Position represents assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions. Net Investment in Capital Assets at December 31, 2018 was as follows:

Governmental activities:

Capital Assets: \$ 455,706,886

Related Debt:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt	
Sales and Use Tax Refunding Series 2001	\$ 615,000	\$ (1,131)	\$ 613,869	\$ -	\$ 613,869	
Sales and Use Tax Refunding Series 2010	4,795,000	80,539	4,875,539	-	4,875,539	
Sales and Use Tax Refunding Series 2010 "B interest coupons"		(1,808)	(1,808)	-	(1,808)	
Sales and Use Tax Refunding Series 2015	17,475,000	726,211	18,201,211	-	18,201,211	
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	18,940,000	504,222	19,444,222	-	19,444,222	
WEDA Revenue Loan Series 2012 (North Huron)	40,582,000	-	40,582,000	-	40,582,000	
WEDA Revenue Loan Series 2012 (South Sheridan)	4,905,000	(142,760)	4,762,240	-	4,762,240	
Notes, Loans & Capital Leases	67,908,245	3,052,198	70,960,443	4,177,078	66,783,365	
Accounts payable incurred for capital asset purchases	1,864,737	-	1,864,737	-	1,864,737	
Total Governmental Activities	<u>\$ 157,084,982</u>	<u>\$ 4,217,471</u>	<u>\$ 161,302,453</u>	<u>\$ 4,177,078</u>		157,125,375

Net investment in capital assets, governmental activities

298,581,511

Business-type activities:

Capital Assets: 501,426,757

Related Debt:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt	
Water/Wastewater Revenue Series 2010	\$ 23,405,000	\$ -	\$ 23,405,000	\$ 1,476,442	\$ 21,928,558	
Stormwater Revenue Series 2015	1,060,000	-	1,060,000	-	1,060,000	
Water/Wastewater Revenue Series 2016	41,270,000	7,390,095	48,660,095	11,159,515	37,500,580	
Certificates of Participation 10 (Golf Course Portion)	2,235,000	21,720	2,256,720	-	2,256,720	
Water Notes	7,646,500	262,011	7,908,511	-	7,908,511	
Capital Leases	559,556	-	559,556	-	559,556	
Accounts payable incurred for capital asset purchases	7,370,150	-	7,370,150	-	7,370,150	
Total Business Type Activities	<u>\$ 83,546,206</u>	<u>\$ 7,673,826</u>	<u>\$ 91,220,032</u>	<u>\$ 12,635,957</u>		78,584,075

Net investment in capital assets, business-type activities

422,842,682

Total net investment in capital assets

\$ 721,424,193

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

J. Pledged Revenues

The City has pledged a portion of future sales and use tax and property tax revenues to repay sales and use tax revenue bonds as follows:

- \$13,275,000 issued in 2001 to refund the Series 1991 refunding and improvement bonds originally issued to finance capital improvements.
- \$10,545,000 issued in July 2010 to refund certain of the City's outstanding series 2001 and 2002 sales and use tax revenue refunding and improvement bonds, originally issued to finance capital improvements.
- \$18,500,000 issued in December 2015 to refund certain of the City's outstanding series 2007 sales and use tax revenue refunding and improvement bonds, originally issued to finance open space and parkland.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$2,634,250 were paid using 3.4% of net pledged revenues totaling \$76,931,315. Total principal and interest payments remaining on the bonds is \$28,782,895 payable through December 2031.

The Westminster Economic Development Authority has pledged a portion of future sales and property tax revenues to repay tax increment revenue refunding bonds and loans, as follows:

- \$28,900,000 issued in 2012 as tax increment revenue refunding bonds to refund the Series 2009 tax increment adjustable rate revenue refunding bonds that refunded an earlier Series used to finance redevelopment in the Mandalay Gardens Urban Renewal Area.
- \$59,000,000 issued in 2012 to refinance the 2009 loan that refunded the Series 2005 tax increment adjustable rate revenue bonds used to finance new development in the North Huron Urban Renewal Area.
- \$7,420,000 issued in 2012 to refinance the 2009 loan that refinanced the Series 2007 tax increment adjustable rate revenue bonds used to finance redevelopment in the South Sheridan Urban Renewal Area.

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Principal, interest and fees of \$7,778,123 reported in the WEDA statements were paid using 75.5% of incremental net pledged revenues for a total of \$10,299,048. Total principal and interest remaining on the bonds and loans is \$78,160,896, payable through December 2028.

The Utility Enterprise has pledged future water, waste water and storm water revenues, excluding any special assessments and net of specified operating expenses, to repay:

Colorado Water Resource and Power Development Authority Notes:

- \$14,998,357 issued in April 2000 to construct the Northwest Water Treatment Facility
- \$15,440,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

Revenue Bonds:

- \$29,505,000 issued in May 2010 to acquire and develop improvements to the System throughout the City.
- \$4,610,000 issued in January 2015 to improve the Stormwater system.
- \$42,830,000 issued in May 2016 to acquire, develop, enhance and maintain system improvements throughout the City.

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$9,532,867 reported in the Utility statements were paid using 23.6% of pledged net revenues totaling \$40,459,687. Total principal and interest remaining on the revenue bonds and loans is \$102,593,163, payable through December 2036.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Loan Series 2012 (North Huron), and Revenue Loan Series 2012 (South Sheridan) with an aggregate balance of \$64,427,000 outstanding as of December 31, 2018. A moral obligation is a pledge by the City Manager to request of Council that the City replenish the Reserve Fund associated with this debt to the minimum required per the bond indenture or loan document should it become necessary. Council will consider, but is not obligated to fulfill this request.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

L. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Loss on refundings	Pension	OPEB	Total
Governmental Fund Activities:	\$ -	\$ -	\$ -	\$ -
Reconciliation of balances in fund financial statements to government-wide financial statements	3,286,565	9,612,951	644,614	13,544,130
Total - Governmental Activities	3,286,565	9,612,951	644,614	13,544,130
Business-type Activities:				
Utility Fund	-	-	120,350	120,350
Non-major proprietary funds	19,880	-	14,838	34,718
Total - Business-type Activities:	19,880	-	135,188	155,068
Total Government-wide Activities	\$ 3,306,445	\$ 9,612,951	\$ 779,802	\$ 13,699,198

Deferred Inflows of Resources	Property taxes	Pensions	OPEB	Grants	Assessments, Notes and Leases	Other	Total
Governmental Fund Activities:							
General	\$ 5,750,213	\$ -	\$ -	\$ 135,095	\$ 2,497,081	\$ 588,794	\$ 8,971,183
GCIF	-	-	-	2,385,392	963,169	-	3,348,561
WEDA	12,554,489	-	-	-	2,610,785	-	15,165,274
Other Governmental Subtotal	306,235	-	-	56,927	396,877	-	760,039
	18,610,937	-	-	2,577,414	6,467,912	588,794	28,245,057
Reconciliation of balances in	-	7,375,486	131,262	(2,493,685)	(3,928,725)	(2,702,283)	(1,617,945)
Total - Governmental Activities	18,610,937	7,375,486	131,262	83,729	2,539,187	(2,113,489)	26,627,112
Business-type Activities:							
Utility Fund	\$ -	\$ -	\$ 24,505	\$ -	\$ -	\$ -	\$ 24,505
Non-major proprietary funds	-	-	3,022	-	-	-	3,022
Total - Business-type Activities:	-	-	27,527	-	-	-	27,527
Total Government-wide Activities	\$ 18,610,937	\$ 7,375,486	\$ 158,789	\$ 83,729	\$ 2,539,187	\$ (2,113,489)	\$ 26,654,639

NOTE 3 - OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; employee injury on the job; theft of, damage to and destruction of assets; errors and omissions; and natural disaster for which the City carries excess insurance. The City self-funds the deductible portion of all claims. There were no reductions in insurance coverage from 2017 to 2018. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

The City established a dental plan effective January 1, 1984. The purpose of this plan is to pay the dental claims of eligible City employees and their covered dependents.

The City has an Administrative Service Only plan with Aetna, whereby the City pays Aetna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$150,000 per individual per year. Both Aetna plans have an unlimited lifetime benefit. The City has recorded a liability in this fund totaling \$1,435,659 for open and estimated claims not yet reported at December 31, 2018 and a receivable of \$581,212 for claims in excess of the stop loss.

The City also offers a fully insured DHMO plan through Kaiser Permanente which has unlimited lifetime benefits.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2017, the program covers individual losses up to \$550,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$128,955 for open claims and estimated claims not yet reported at December 31, 2018.

Property and Liability Self-Insurance Internal Service Fund

The City established a program for property and liability claims effective January 1, 1988. The purpose of this program is to pay property and liability claims against the City and to reduce total annual insurance coverage cost to the City. The program covers individual losses up to \$250,000 per claim. Greater individual losses are covered through a risk sharing pool for Colorado municipalities. Property losses are insured through the pool for the total insured value of all property owned by the city up to a maximum shared pool total of \$500,500,000. State liability losses are limited as set forth by statutory liability limits for Colorado public jurisdictions up to \$150,000 per person and \$600,000 per occurrence for claims occurring prior to June 30, 2013. Effective July 1, 2013, the Colorado state legislature increased the limits to \$350,000 per person and \$990,000 per occurrence. Through the pool, the City also carries excess liability coverage that covers the City for federal acts and out-of-state claims in excess of the self-insured deductible limits. In addition to property insurance including boiler and machinery, the program covers automobile liability, general liability, police professional, errors and omissions, crime and fiduciary liability.

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$1,257,604 for open claims at December 31, 2018.

Changes in the balances of claim liabilities for all plans follow:

Year	Beginning Balance Unpaid Claims	Incurred Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2017	\$ 1,198,821	\$ 12,520,892	\$ 12,323,225	\$ 1,396,488
2018	1,396,488	14,504,415	13,078,685	2,822,218

B. Public Entity Risk Pools

The Colorado Intergovernmental Risk Sharing Agency ("CIRSA") was formed by an intergovernmental agreement by member municipalities pursuant to the provisions of regulation 24-10-115.5, C.R.S. (1982 Repl. Vol.), as amended, 29-1-201 et seq., C.R.S. (1977 Repl. Vol.), as amended, 29-13-102, C.R.S. (1977 Repl. Vol.), as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is restricted to Colorado municipalities, which are members of the Colorado Municipal League. The City only participates in the property and liability coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2018, there were 270 member municipalities and 42 Affiliated Public Entities, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property that might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2018 was \$250,000 for property and \$250,000 for liability. Coverages are as follows:

- 1) Property/excess property: total replacement value for City property up to the \$500,000,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence prior to June 30, 2013, then \$387,000 per person and \$1,930,000 per occurrence. (Claims not subject to Governmental Immunity Act up to \$10,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$5,000,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage to \$10,000,000, per claim/aggregate.
- 5) Crime: to \$150,000 any one claim and annual aggregate.
- 6) Supplemental defense costs (claims subject to the Governmental Immunity Act): to \$50,000 per claim/occurrence.
- 7) Excess crime to \$2,000,000 any one claim and annual aggregate.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available from insurance providers and under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs although it is not legally required to do so.

It is the intent of the members of CIRSA to create an entity in perpetuity, which will administer and use funds contributed by the members to indemnify, in accordance with the Bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA are dedicated to the exclusive benefit of its members. The Bylaws constitute the substance of the intergovernmental contract among the members. Continued membership in CIRSA must be periodically approved by the City Council. The Board of Directors, which is elected by the membership for four-year terms, governs CIRSA. All actions of the membership require a two-thirds vote of the members present at a meeting.

C. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

City Council and the WEDA Board have approved Economic Development Assistance packages as part of an active Economic Development program. As a result of these packages, the City will rebate certain future incremental revenues as outlined in the agreements.

Various suits and claims are pending against the City as of December 31, 2018. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

D. Construction and Other Significant Commitments

At December 31, 2018, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

Funding of these future expenditures for the capital projects funds has been provided for through investment earnings; operating transfers from the General; Sales & Use Tax; Parks, Open Space & Trails Sales & Use Tax; Conservation Trust funds; sales and use tax revenue bond proceeds; tax increment variable rate bond proceeds; Community Development Block Grants and Section 108 Loan Guarantee proceeds, and various other grants.

Funding of these future expenditures in the Utility Fund has been provided for through water and wastewater rates and tap fees, as well as bond proceeds. Funding for future expenditures in the General Capital Outlay Replacement Fund are provided for through charges for services and periodic transfers from the General and Sales and Use Tax funds.

	Appropriation 12/31/2018	Cumulative Expenditures 12/31/2018	Authorized Available 12/31/2018
Governmental activities:			
General Capital Improvement Fund	\$ 39,211,588	\$ 25,081,592	\$ 14,129,996
Westminster Economic Development Authority	16,162,607	5,790	16,156,817
Nonmajor Governmental activities	5,085,807	619,565	4,466,242
General Capital Outlay Replacement Fund	4,714,657	-	4,714,657
Total Governmental activities	<u>\$ 65,174,659</u>	<u>\$ 25,706,947</u>	<u>\$ 39,467,712</u>
Business-type activities			
Utility Fund	\$ 103,947,585	\$ 31,727,603	\$ 72,219,982
Nonmajor Business-type activities	1,133,356	-	1,133,356
Total Business-type activities	<u>\$ 105,080,941</u>	<u>\$ 31,727,603</u>	<u>\$ 73,353,338</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

E. Denver Water Raw Water Contract

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from Denver Water. Permitted deliveries vary from month-to-month and peak during the summer months. By contract the City is obligated to take or pay for 1,750 acre-feet of water during the contract period, which runs from July 1 to June 30. The 2018 rate charged by Denver Water was \$0.98 per thousand gallons, or \$319.33 per acre-foot (there are 325,851 gallons in one acre-foot). Westminster did not take its remaining 227 acre-feet for the July 1, 2017 through June 30, 2018 fiscal period and was charged \$72,489 in 2018 as part of the obligated take or pay requirement. For the fiscal period of July 1, 2018 through June 30, 2019, the City paid Denver Water \$560,110 for approximately 1,754 acre-feet of water delivered between July, 2018 and November, 2018. Thus, the 2018 calendar year total cost for the contract was \$632,599.

F. Perpetual Agreement

In December 2003, the City amended its perpetual water rights lease exchange contract dated January 7, 1982 with the City of Thornton. The amended contract provides that Westminster could perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. The rate from January 1, 2018 through December 31, 2018 was \$5.22 per thousand gallons, for a total lease cost of \$3,417,718. In 2009, the City of Westminster signed an agreement with the City of Brighton that states Brighton will take the full amount of water, up to 2.2 million gallons, and reimburse the City of Westminster its payment to Thornton. All future rate increases will be passed through in a similar fashion, and Brighton will have all responsibility for the lease.

G. Employee Defined Contribution Retirement Plans

General Information about the City of Westminster Employee 401(a) Defined Contribution Plan

Description of the Plan. The City provides retirement benefits through a defined contribution 401(a) plan for all of its general full-time employees and part-time employees who work at least 20 hours per week and are over age 18. Sworn officers hired before October 1, 2017 who did not join the Fire and Police Pension Association (FPPA) may participate in this plan.

The plan is established by a separate ordinance as a single-employer, defined contribution plan, qualified under IRS guidelines. The City does not participate in Social Security.

The Plan's provisions and requirements are established by Municipal Ordinance and determined to be a qualified 401(a) Plan by the Internal Revenue Service. The Plan's Ordinance grants the 401(a) Plan Board members and Trustee the authority to administer, interpret, and apply the requirements of the Plan's document. Any changes to the Plan's Document is subject to City Council approval and requires Internal Revenue Service determination of qualification. Eligible employees must participate from the date of employment.

Benefits Provided In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings less any administrative costs. Earnings differ between participants in Westminster's plans because investments are self-directed; from eligible options, participants choose where to invest contributions to their account. Investment options are selected by the pension boards.

Contributions and Vesting the mandatory employee contribution is 10% of base pay. Employees may elect to contribute in excess of the mandatory contribution. Voluntary contributions may be made on an after tax basis. The City contributes 10.25% of each employee's base pay beginning when the employee has completed 22 months of service with the City. The City has no other obligations to fund any employee pension plan.

All contributions and earnings are fully vested at all times. All administrative costs of the plans are borne by the participants of each plan. The plans' fixed administrative costs are allocated as a fixed fee and the variable costs are pro-rated based on the participant's account balance, capped at \$300,000.

No plan administration is performed by the City of Westminster other than transmitting contributions to the identified employee accounts. The Charles Schwab Corporation provides administration for the plans and assists employees with their self-directed investments.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Summary of Contributions For the year ended December 31, 2018, contributions made to the plan equaled required contributions and were as follows:

	2018
401(a) Defined Contribution Plan	
City Contributions	\$ 3,867,921
Mandatory employee contributions	4,672,397
Voluntary employee contributions	45,018
Rollover contribution	176,505
Total	\$ 8,761,841

General Information about the Statewide Money Purchase Plan

Plan Description. Effective September 1, 2004, the City began contributing to the Statewide Money Purchase Plan (SMP), a multiple-employer defined contribution plan administered by the Fire & Police Pension Association of Colorado (FPPA). All full-time, paid firefighters hired before September 1, 2004 and all sworn police officers hired before October 1, 2017 had the option of joining the SMP plan. Participants can choose from various mutual funds selected by the Self-Directed Plans Committee pursuant to the fund structure approved by the FPPA's Board of Directors, as well as mutual funds or other investments offered through a Self-Directed Brokerage Account.

Benefits provided. The Statewide Money Purchase Plan (SMP) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by FPPA. Colorado statutes assign the authority to establish benefit provisions to the state legislature.

Contributions and Vesting. Contributions to the Plan are calculated as a percentage of the member's base salary, which is specified by state statute. Current participants contribute 10 percent of salary, which is matched by the City. Members are always fully vested in their own contributions, and the earnings on those contributions. Vesting in the employer's contributions and earnings on those contributions occurs according to the vesting schedule set by state statute at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

Total contributions to the Statewide Money Purchase Plan from the City were \$41,822 and \$40,759 for the Fire and Police Plans respectively for the year ended December 31, 2018.

General Information about the Deferred Compensation Plans

Plan Description Employees may voluntarily participate in the 457(b) Deferred Compensation Plan. The Plan permits participants to defer a portion of their salary until future years or contribute on an after-tax basis. A wide array of investment options is available through the Plan. The Plan uses a third-party administrator, Empower Retirement, and all costs of administration are borne by the Plan participants. The Deferred Compensation Committee is responsible for the formation, adoption, and enforcement of the rules and regulations pertinent to the operation of the Plan. Amounts deferred under the Plan are not available to employees until termination, retirement, death or unforeseeable emergency.

All seasonal, temporary, and non-benefited employees must participate from the date of employment in the 457(b) FICA Alternative Deferred Compensation Plan. This plan is a Social Security replacement feature under the Internal Revenue Code Section 3121. Employees contribute a mandatory 7.5% of compensation that is invested into a fixed income account. No other investment options are available in this Plan.

Benefits Provided In a deferred compensation plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Earnings differ between participants in Westminster's deferred compensation plans because investments are self-directed; from eligible options, participants choose where to invest contributions to their account. Investment options are selected by the Deferred Compensation Committee.

Contributions into the 457(b) plans are funded by participant contributions of up to a maximum limit set by the IRS of \$18,500 for the calendar year 2018. Catch-up contributions up to \$6,000 for calendar year 2018 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$3,893,707 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$290,449. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$10,279.

All contributions and earnings are fully vested at all times. All administrative costs of the plans are borne by the participants of each plan. Administrative costs and fees charged by fund managers, are netted against earnings and allocated to the two plans based on either the dollars in the plan or the number of participants in the plan, depending on the type of expense.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

H. Employee Defined Benefit Retirement Plans

Fire and Police Pension Plans (FPPA)

The Fire and Police Pension Association of Colorado (FPPA) administers a statewide multiple-employer public employee retirement system providing defined benefit plan coverage for police officers and firefighters throughout the State of Colorado. The Affiliated Local Plans are plans for which FPPA has been asked to and has undertaken investment and recordkeeping responsibility, but are not plans for which FPPA has determined or set the benefits or set the funding policy. Volunteer Plans that have chosen to affiliate with FPPA for investment and administrative purposes are still governed by their local plan document or by the Colorado statutes and local pension board, each has a separate actuarial valuation completed every two years.

Net pension liability (asset) is the difference between the total pension liability and the fiduciary net position as of the measurement date. If the fiduciary net position exceeds the total pension liability as of the measurement date, there is a net pension asset.

Deferred inflows of resources and deferred outflows of resources are the amounts that are required to be deferred and recognized in subsequent periods. Deferred outflows of resources are reported on the statement of net position or balance sheet below assets, while deferred inflows are reported below liabilities. These amounts refer to items that are not yet recognized in the net pension liability (asset) or pension expense and include:

- Differences between expected and actual plan experience
- Changes in actuarial assumptions
- Differences between projected and actual investment earnings on pension plan investments
- Changes in proportion
- Employer contributions made subsequent to the measurement date through the fiscal year end

Deferred outflows of resources and deferred inflows of resources will be recognized as follows:

- Differences in plan experience, changes in assumptions, and changes in proportion will be amortized over the remaining service lives of current and former employees, and retirees.
- The differences between expected and actual investment earnings will be amortized over a five-year period.
- Contributions made subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the subsequent year.

The following table summarizes each of the City's FPPA plans and the respective pension activity recorded in the financials.

Plan	Net Pension Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Fire Plan	\$ 2,499,316	\$ 3,527,046	\$ 876,299	\$ (955,560)
FPPA SWDB - Police Plan	3,523,998	4,386,178	4,554,196	(1,805,524)
FPPA SWH - Fire Plan	957,427	701,608	158,196	(316,735)
FPPA SWH - Police Plan	1,806,823	998,119	1,745,054	(894,424)
Volunteer Firefighter	981,719	-	41,741	(42,755)
Totals	\$ 9,769,283	\$ 9,612,951	\$ 7,375,486	\$ (4,014,998)

Fire and Police Pension Plan (FPPA) - Statewide Defined Benefit Plan

General Information about the Statewide Defined Benefit Pension Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan covering all full-time employees of participating fire and police departments in Colorado. The SWDB provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by FPPA. All full-time, paid firefighters of the City hired after September 1, 2004 are members of the SWDB and the Statewide Death and Disability Plan. All sworn police officers of the City hired after October 1, 2017 are members of the SWDB. Colorado statutes assign the authority to establish

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

benefit provisions to the state legislature. FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for both the SWDB and the Statewide Death and Disability Plan. That report may be obtained by calling FPPA at 303-770-3772 or on FPPA's website at <http://www.fppaco.org>.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any cost of living adjustment (COLA) is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. The Plan sets contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based on current actuarial assumptions. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and the City are contributing at the rate of 10 and 8 percent, respectively, of base salary for a total contribution rate of 18 percent for 2018. Member contribution rates are scheduled to increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions are scheduled to remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 22 percent of base salary for 2018. The members pay the additional 4 percent contribution. The re-entry group are scheduled to have their required member contribution rate increase 0.5 percent annually through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

Total contributions to the SWDB Fire Plan and SWDB Police Plan from the City were \$928,377 and \$1,313,931 respectively for the year ended December 31, 2018.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2018, the City reported assets for the SWDB Fire Plan and SWDB Police Plan of \$2,499,316 and \$3,523,998 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018, which was unchanged from December 31, 2017. The City's proportion of the net pension asset was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2017, the City's proportion for the SWDB Fire Plan and SWDB Police Plan was 1.737 percent and 2.450 percent respectively, which was a decrease of 0.194 percent for the SWDB Fire Plan and an increase of 2.450 percent for the SWDB Police Plan from the proportions measured as of December 31, 2016.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

For the year ended December 31, 2018, the City recognized a reduction of pension expense of \$955,560 and \$1,805,524 for the SWDB Fire Plan and SWDB Police Plan respectively. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,802,365	\$ 27,695	\$ 2,541,307	\$ 39,049
Changes of assumptions	376,557	-	530,940	-
Net difference between projected and actual earnings on pension plan investments	-	848,604	-	1,196,518
Changes in proportion	419,747	-	-	3,318,629
City contributions subsequent to the measurement date	928,377	-	1,313,931	-
Total	\$ 3,527,046	\$ 876,299	\$ 4,386,178	\$ 4,554,196

The SWDB Fire Plan and SWDB Police Plan respectively reported \$928,377 and \$1,313,931 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended December 31, 2019.

The following table presents the City's other deferred inflows and outflows of resources related to pensions that will be recognized in the pension expense for each of the subsequent five years and in the aggregate thereafter:

Year Ended December 31	Fire Plan	Police Plan
	Amounts Recognized in Pension Expense	Amounts Recognized in Pension Expense
2019	\$ 347,821	\$ 32,223
2020	309,175	(22,267)
2021	(51,510)	(530,828)
2022	(185,272)	(719,431)
2023	317,204	(10,946)
Thereafter	984,952	(230,700)
Total	\$ 1,722,370	\$ (1,481,949)

Actuarial assumptions. The January 1, 2018 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

The RP-2014 Mortality Table with Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used. For post-retirement members ages 55 through 64, a blend of the previous tables is used.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Changes in Assumptions. There were no changes in assumptions or benefit terms.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	37%	8.33%
Equity Long/Short	9%	7.15%
Illiquid Alternatives	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The discount rate was based on the long-term expected rate of return on pension plan investments of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates used to determine the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using a single discount rate of 7.50 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1- percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability(asset) - Fire Plan	\$2,721,012	\$ (2,499,316)	\$ (6,834,130)
City's proportionate share of the net pension liability(asset) - Police Plan	3,836,584	(3,523,998)	(9,636,017)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Fire and Police Pension Plan (FPPA) – Statewide Hybrid Plan

General Information about the Statewide Hybrid Plan

Plan description. The Statewide Hybrid Plan (SWH) is a cost-sharing multiple-employer defined benefit pension plan administered by the FPPA. The SWH provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by FPPA. All full-time, paid firefighters employed as of September 1, 2004 either joined the SWDB, Statewide Hybrid Plan (SWH), or FPPA's 401(a) Plan. Sworn police officers employed as of October 1, 2017 either joined the SWDB, the SWH, or remained in the City's Employee 401(a) Plan. The SWH is comprised of two components: Defined Benefit and Money Purchase. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for both the Statewide Hybrid Plan and the Statewide Death and Disability Plan. That report may be obtained by calling FPPA at 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area or on FPPA's website at <http://www.fppaco.org>.

Benefits provided. The Plan document states that any member may retire and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service. The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

A member is eligible for early retirement at age 50 or after 30 years of service with at least 5 years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, a member may elect to have all contributions, along with 5 percent as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the Plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member's highest three years' base salary for each year of credited service.

Contributions. The Plan sets minimum contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based upon current actuarial assumptions. The members of the SWH and the City are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2017 through June 30, 2018 is 14.8 percent. The Defined Benefit Component contribution rate from July 1, 2016 through June 30, 2017 was 13.5 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

Total contributions to the SWH Fire Plan and Police Plan from the City were \$64,812 and \$138,291 respectively for the year ended December 31, 2018.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2018, the City reported assets for the SWH Fire Plan and SWH Police Plan of \$957,427 and \$1,806,823 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018, which was unchanged from December 31, 2017. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2017, the City's proportion for the SWH Fire Plan and SWH Police Plan was 4.897 percent and 9.241 percent respectively, which was a decrease of 0.744 percent and an increase of 9.241 percent for the SWH Fire Plan and SWH Police Plan respectively from the proportions measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized a reduction of pension expense of \$316,735 and \$894,424 for the SWH Fire Plan and SWH Police Plan respectively. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 435,553	\$ -	\$ 821,961	\$ -
Changes of assumptions	20,065	-	37,867	-
Net difference between projected and actual earnings on pension plan investments	-	68,260	-	128,818
Changes in proportion	181,178	89,936	-	1,616,236
City contributions subsequent to the measurement date	64,812	-	138,291	-
Total	\$ 701,608	\$ 158,196	\$ 998,119	\$ 1,745,054

The SWDB Fire Plan and SWDB Police Plan respectively reported \$64,812 and \$138,291 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2019.

The following table presents the City's other deferred inflows and outflows of resources related to pensions that will be recognized in the City's pension expense for each of the subsequent five years and in the aggregate thereafter:

Year Ended December 31,	Fire Plan Amounts	Police Plan Amounts
	Recognized in Pension Expense	Recognized in Pension Expense
2019	\$ 92,882	\$ (121,408)
2020	90,630	(125,659)
2021	65,395	(173,282)
2022	55,888	(191,222)
2023	93,263	(120,688)
Thereafter	80,542	(152,967)
Total	\$ 478,600	\$ (885,226)

Actuarial assumptions. The January 1, 2018 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2016
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB is used. For post-retirement members ages 55 through 64, a blend of the previous tables is used.

Changes in Assumptions. There were no changes in assumptions or benefit terms.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	8.33%
Equity Long/Short	9%	7.15%
Illiquid Alternatives	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The discount rate was based on the long-term expected rate of return on pension plan investments of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWH plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension asset calculated using a single discount rate of 7.50 percent, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension asset - Fire Plan	\$ (677,109)	\$ (957,427)	\$(1,193,343)
City's proportionate share of the net pension asset - Police Plan	(1,277,817)	(1,806,823)	(2,252,037)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Westminster Volunteer Firefighter Pension Plan

General Information about the Volunteer Firefighter Pension Plan

Plan description. The City has fiduciary responsibility for a defined benefit retirement system (“the plan”) established by the Volunteers. All volunteer firefighters have retired. After the last volunteer firefighter retired, the volunteer firefighter program was dissolved by the City Council as required by state law. As required by Colorado State Law, prior to dissolving the plan, Council established the final benefit. The maximum benefit for a volunteer beneficiary has been permanently capped. With the approval of the Volunteer Fire Pension Board and the City Council of Westminster, the assets of the plan were transferred to the FPPA as allowed by C.R.S., 31-31-705. This statute allows FPPA to manage the funds of the plan and pay beneficiaries. Administrative costs and fees of the plan are netted against investment earnings on a prorated basis. The City of Westminster retains responsibility for administration and the liability of the plan. Investments of the funds are invested under the concept of an agent multiple-employer plan. The plan is closed to new entrants. When the last participant of the plan passes away, the residual assets will transfer to the City and can only be used for fire related purposes.

The plan is included in FPPA’s audited annual financial report as an affiliated local plan, which may be obtained by writing to FPPA, 5290 DTC Parkway Suite 100, Greenwood Village, CO 80111, or by calling 303-770-3772 or at <http://www.fppaco.org>.

Benefits provided. The plan provides retirement and death benefits. Participants become fully vested after 20 years of active service. Retirement benefits are payable upon vesting for any volunteer who terminates after 10 years but prior to 20 years of active service allowed by State Statutes. The benefit is equal to the full retirement benefit at the date of termination prorated by the number of years of service accrued. Surviving spouses of deceased retirees may receive up to 50% of the retirement benefit until remarriage and a one-time funeral benefit. Benefits do not provide for annual cost-of-living adjustments.

Volunteers may retire upon completion of 20 years of service even though not all of the service was earned in the same fire department. If they first became volunteers prior to June 2, 1977, the retirement benefit is paid from the pension fund of each department for which they served at least five years. The amount paid is equal to 1/20 of the monthly retirement benefit being paid by that department at the date of termination from the department for each year of service with that department.

Volunteers covered by benefit terms. At December 31, 2018, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	27
Terminated volunteers entitled to benefits but not receiving benefits	0
Active plan members	<u>0</u>
Total	<u><u>27</u></u>

Contributions. An actuarial study performed as of January 1, 2017, states that the current level of assets in the fund are in excess of the amount needed to pay the capped maximum of \$700 per month and all prorated amounts by \$981,719. Therefore, no additional contributions are required at this time by the City. State statutes govern contribution requirements. The required contribution for 2018 was determined as part of the 2017 actuarial valuation using the entry age actuarial cost method.

Funding for the plan was provided through a property tax levy prior to 1987. The levy was eliminated in 1987 because the plan was over-funded. Since Volunteers do not contribute to the plan, no plan assets are distributed if a volunteer is terminated prior to vesting.

Net Pension Asset

The plan’s net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2017. The liability was rolled forward from January 1, 2017 to December 31, 2017 using standard actuarial methods. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Actuarial assumptions. The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65

Changes of assumptions. The inflation decreased from 3.00% to 2.50% from the previous valuation and the mortality tables were updated as follows:

Pre-retirement: RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience. Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return, for each major asset class included in the plan's target asset allocation as of December 31, 2017, is summarized in the table below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	37%	8.33%
Long/Short	9%	7.15%
Private Capital	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

Single Discount rate. A single discount rate of 7.50% was used to measure the total pension liability. This single discount rate was based on the long-term expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this single discount rate assumes that all actuarially determined contributions will be made. The plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a) - (b)
Balances at 1/1/18	\$ 1,594,849	\$ 2,361,580	\$ (766,731)
Changes for the year:			
Interest on the total pension liability	113,458	-	113,458
Difference between expected and actual experience of the total pension liability	-	-	-
Changes of assumptions	-	-	-
Net investment income	-	334,534	(334,534)
Benefit payments	(167,160)	(167,160)	-
Pension Plan Administrative Expense	-	(6,088)	6,088
Net Changes	<u>(53,702)</u>	<u>161,286</u>	<u>(214,988)</u>
Balances at 12/31/2018	<u>\$ 1,541,147</u>	<u>\$ 2,522,866</u>	<u>\$ (981,719)</u>

Sensitivity of the net pension asset to changes in the single discount rate. The following presents the net pension asset of the plan, calculated using the single discount rate of 7.50 percent, as well as what the plan's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	(6.50%)	(7.50%)	(8.50%)
Plan's net pension asset	(\$861,893)	(\$981,719)	(\$1,086,301)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association (FPPA) financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2018, the plan recognized a reduction of pension expense of \$42,755. At December 31, 2018, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	-	41,741
Total	<u>\$ -</u>	<u>\$ 41,741</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Net Deferred Outflows (Inflows) of Resources
2019	8,438
2020	5,203
2021	(22,623)
2022	(32,759)
Total	<u>\$ (41,741)</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

I. Retiree Health Program

On January 1, 2018, the City of Westminster implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which recognizes a long-term obligation for OPEB benefits, which replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. Specifically, Statement No. 75 recognizes the total liability for health insurance benefits offered to retirees. The Other Postemployment Benefits liability is allocated as follows based upon the number of employees paid by the respective fund.

	Total OPEB Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Reduction)
Governmental activities	\$ (2,776,188)	\$ 644,614	\$ 131,262	\$ 116,618
Business-type activities	(582,218)	135,188	27,527	24,457
Totals	\$ (3,358,406)	\$ 779,802	\$ 158,789	\$ 141,075

Plan Description. The Retiree Health Care Program (Program) is a single employer defined benefit OPEB healthcare plan administered by the City of Westminster. The Program provisions and requirements are established and may be amended by Council policy. The number of active and retired employees covered by the program as of December 31, 2018 was 946 and 42, respectively, for a total of 988.

Benefits Terms. The Program provides medical, dental, and vision insurance benefits to eligible retirees and their dependents until reaching the Medicare qualification age. Retirees may not stay on the Program after age 65. Benefits are provided for active employees and retirees under the same health care plan.

A covered employee whose employment with the City terminates can continue coverage under the plan as a retiree if they have met the eligibility requirements or become totally disabled and unable to work. An employee who retires must have 20 years of service, or at least 10 continuous years of service and the sum of years of service and age equal at least 60, to enroll in the plan. The employee must also have been enrolled in the medical plan immediately prior to retirement to enroll in the retiree benefit plans. Spouses and dependents of retirees are also eligible to enroll in the plan. An employee who becomes disabled as defined by the Social Security Act or is accepted for Long Term Disability benefits also has the option to continue their health coverage under the City's retiree health program. Once enrolled in the plan, retirees may continue coverage until they become eligible for Medicare.

Funding Policy. The City funds OPEB expense on a pay-as-you-go basis. No assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The City council has the authority for establishing and amending the funding policy.

Total OPEB Liability. The City's total OPEB liability is \$3,358,406 as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Inflation	3% per year
Payroll growth	3.50%
Discount rate	3.64% (3.73% in prior year)
Healthcare cost trend rates are assumed to increase at the following rates:	
Year	<u>2018</u> <u>2019</u> <u>2020</u> <u>2021</u> <u>2022</u> <u>2023</u> <u>2024</u> <u>2025+</u>
Trend Rate	6.3% 6.1% 5.9% 5.8% 5.6% 5.4% 5.2% 5.0%

The discount rate reflects a 20 year tax exempt municipal bond yield or index rate. (S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2018)

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

For actives employees, mortality rates were based on the RP-2014 White Collar Employee Mortality Table, adjusted for improved mortality with a 70% factor applied to male rates and a 55% factor applied to female rates. For retirees, the rates were based on the RP-2014 Healthy Annuitant Mortality projected to 2018 using the MP2015 projection scale, with a 73% factor applied to male rates and a 78% factor applied to female rates.

Changes in assumptions. The discount rate decreased from the prior measurement date from 3.73% to 3.64%. In addition, the mortality tables, medical trends and retirement rates were updated and the payroll trend decreased from 3.9% to 3.5%.

Changes in total OPEB liability:

	OPEB Liability
Total OPEB Liability - January 1, 2018	\$ 2,596,318
Changes for the year	
Service cost	213,072
Interest	94,506
Differences between expected and actual experience	(180,393)
Changes of assumptions or other inputs	885,897
Employer benefit payments	(250,994)
Net changes for the year	762,088
Total OPEB Liability – December 31, 2018	\$ 3,358,406

Sensitivity Analysis

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or higher than the current discount rate.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

	1% Decrease 2.65%	Discount Rate 3.64%	1% Increase 4.64%
Total OPEB Liability	\$ 3,703,255	\$ 3,358,406	\$ 3,046,133

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage-point lower or higher than the current trend rates.

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

	1% Decrease (5.3% decreasing to 4.0%)	Health Care Cost Trend Rates (6.3% decreasing to 5.0%)	1% Increase (7.3% decreasing to 6.0%)
Total OPEB Liability	\$ 2,944,949	\$ 3,358,406	\$ 3,851,663

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2018, the City recognized OPEB expense of \$141,075. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 158,789
Changes of assumptions and inputs	779,802	-
	\$ 779,802	\$ 158,789

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in the City's OPEB expense as follows:

<u>Year</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	84,491
2020	84,491
2021	84,491
2022	84,491
2023	84,491
Thereafter	198,558
	<u><u>\$ 621,013</u></u>

J. Tax Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine its compliance.

In November 2002, Westminster voters approved a ballot measure that exempts the City from the spending and revenue limits of the amendment.

The Amendment requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

At December 31, 2018, amounts required as Emergency Reserves in compliance with the Amendment total \$5,102,141 for the general government and an aggregate of \$24,876 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

The Woman Creek Reservoir Authority was formed in 1996 to oversee facilities constructed to protect the City's main drinking water supply from hazards flowing from the former nuclear weapons manufacturing facility at Rocky Flats. Rocky Flats is located west of the City of Westminster between the Cities of Golden and Boulder. The U.S. Department of Energy funded this water protection project through a grant. The purpose of the grant is to provide a sufficient investment pool to generate investment earnings to cover the annual operating expenses of the Authority and cover any large rehabilitation costs which may arise. The Cities of Northglenn, Westminster, and Thornton participate equally in the administration and operation of the Authority. Each City appoints one member of the three-member board of directors for the Authority. The Authority has no employees.

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

L. Joint Ventures

Hyland Hills Park and Recreation District-City of Westminster Ice Centre Intergovernmental Agreement. The City entered into an intergovernmental agreement (IGA) with Hyland Hills Park and Recreation District on January 29, 1998. The City agreed to finance (through the Westminster Building Authority) and construct a three sheet Ice Centre and Hyland Hills agreed to operate the Ice Centre pursuant to a sublease. The sublease calls for Hyland Hills to make lease payments to the City equivalent to one-half of the rental obligation due from the City to the Westminster Building Authority. The agreement entitles Hyland Hills to an undivided fifty percent interest in the Ice Centre, which in the event of default, would be reduced by two percent for each year the lease obligation was not met.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

In addition, Hyland Hills agreed to convey to the City an undivided fifty percent interest in Carroll Butts Park, and to lease to the City an undivided fifty percent interest in the Hyland Hills Ice Arena and adjacent parking lot for the twenty-five year term. At the end of the term, Hyland Hills will convey the City's fifty percent interest in the Ice Arena.

The City receives one-half of the net revenues from operations of the Ice Centre and the Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2018 was \$577,991. At December 31, 2018, the net book value of the Ice Centre joint venture was \$4,067,224 and Carroll Butts Park was \$441,000, which are included in the City's capital assets. There are not separate financial statements for the joint venture.

Broomfield-Westminster Open Space Foundation. The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The City's annual lease rental payment obligation as set forth in the financing documents was fulfilled in 2016, thereby satisfying the requirement of one-half ownership interest in the property. The City records its investment in the Metzger Farm as Joint Venture Land valued at \$4,920,000. At December 31, 2018, the City's fifty percent equity interest in the Foundation is \$804,272.

Financial statements for the Broomfield-Westminster Open Space Foundation may be obtained by contacting the City of Broomfield, Colorado, Finance Department, 303-438-6357.

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors consisting of two directors appointed by the City of Northglenn, and one director appointed by the City of Westminster. The City owns one-third of the Church Ditch while Northglenn owns the other two-thirds. The City of Northglenn reports the Church Ditch Authority as a discretely presented component unit; the City of Westminster, as the minority participant in the Authority, reports an equity interest of one-third of the Authority's net position as "Other Assets" in the Utility Fund. At December 31, 2018, the City's equity interest in the Church Ditch Authority was \$1,450,964.

N. Intergovernmental Agreement

In September 1995, the City entered into an intergovernmental agreement with the State of Colorado, Department of Higher Education for the construction and operation of the College Hill Library at Front Range Community College. This agreement called for the City and Front Range College to jointly build, furnish, equip, staff, operate and maintain the College Hill Library. The library has been fully operational since April 7, 1998. The intergovernmental agreement calls for the City to pay Front Range Community College its proportionate share of operating expenses, which totaled \$215,877 in 2018. This agreement allows the City to occupy space in the facility for up to 50 years. After 33 years, either party may terminate this agreement by giving two years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

The City initially entered into an intergovernmental agreement (IGA) with the City of Thornton, the Thornton Development Authority and the Westminster Economic Development Authority on January 13, 1986 to set forth the sharing of revenues in the Interstate 25 Corridor area. This IGA was subsequently amended several times with the final amendment dated November 10, 2004. Each City has committed to planned and orderly growth in the area along Interstate 25 between 150th Avenue on the north, Washington Street on the east, 132nd Avenue on the south and Huron Street on the West ("Corridor Area"). Increased coordination and cooperation between the Cities in planning for and regulating growth and development of land in the Corridor area will enhance the ability of the Cities to achieve their respective and common goals. Therefore, the Cities have agreed to share in the revenues received in the Corridor Area with annual payments on April 30th of the following year. The IGA is set to expire on February 1, 2026. For the year ended December 31, 2018, the City incurred a liability to the City of Thornton in the amount of \$3,706,394 and anticipates receiving \$1,161,685 from the City of Thornton in 2019.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

O. Arbitrage Compliance

All bond issues for the City of Westminster have been evaluated to determine arbitrage compliance and liability position. For issues where all proceeds have been spent, the City has no liability. For recent issues where proceeds have not been fully spent, no potential liability exists.

P. Tax Abatements

The City of Westminster enters into incentive agreements to encourage economic development, redevelopment, attract new jobs, provide affordable housing, retain growing businesses and sustain its tax base. These agreements are entered into pursuant to Resolution No. 53 adopted by City Council on December 12, 1988 and may be granted to any business located within or relocating within the City. These agreements provide for the City to forgo revenue by waiving or rebating certain taxes. This reduction of revenue meets the definition of a tax abatement under Governmental Accounting Standards Board Statement No. 77, *Tax Abatement Disclosures*. The incentive agreements entered into by the City traditionally include clawback provisions should the recipient of the tax abatement fail to fully meet its commitments which typically include new construction, improvements to existing facilities and continuing business operations for a set period of time.

Incentive programs offered by the City may include one or more of the following tax abatements:

- rebate or waiver of all or a portion of City imposed construction use tax
- rebate or waiver of City use tax reported or City sales tax paid on the purchase of furniture, fixtures and equipment related to the location of the business or relocation of the business in the City for a period of time
- rebate of City sales tax, admissions or accommodations tax collected from customers for a period of time

In addition to the above noted tax abatements, the City may also agree to waive, reduce or rebate certain City imposed fees such as public land dedication fees, park development fees or conference center fees on a case by case basis. The City is not subject to any tax abatement agreement entered into by other governmental entities.

Tax abatements granted for the year ended December 31, 2018 were as follows:

Tax Abatement Program	Amount of Taxes Abated
Development and Redevelopment	
Sales and Use Tax	\$ 256,334
Building Use Tax	839,347
Accommodations Tax	696,222
Affordable Housing	
Building Use Tax	2,349
Total	\$ 1,794,252

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Q. Property Held for Resale

The City purchased a 40,000 square foot/.9183 acre parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2018, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474.

The City is holding an approximate 96,163 square foot parcel of land in the South Westminster Transportation Oriented District which is intended to be sold at a later date for development purposes. At December 31, 2018, the property held for resale was reported in the General Capital Improvement Fund at a cost of \$271,529.

WEDA has also acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. This site is at the center of the City's ambitious journey to become the next urban center on the Colorado Front Range. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Construction of the first phase (and majority) of planned utilities and roads was completed in 2018. Five projects are currently under construction with three of them scheduled to open mid-2019. At December 31, 2018, the properties still held by WEDA were reported as property held for resale in the financial statements at value of \$14,869,387, which is cost.

The City acquired five properties located in the 7200 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds. The City plans on selling these properties to a developer. As of December 31, 2018, the properties held for resale were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a cost of \$1,210,223.

R. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2018, Industrial Revenue Bonds outstanding aggregated \$27,635,000.

S. Pollution Remediation

The State of Colorado, Department of Labor and Employment, Division of Oil and Public Safety (OPS) recognizes the City of Westminster as the sole responsible party for the pollution remediation of a leak from underground gas storage tanks at the Municipal Service Center discovered in 1986. Various remediation efforts have been undertaken since that time. In 2017, an exposure based Natural Source Zone Depletion (NSZD) strategy was presented to and approved by OPS. A consultant estimated the value of recovery costs for this method at \$454,000.

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 30 year period. At December 31 2018, the pollution remediation liability was \$383,416, which is recorded in the Utility fund. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

T. Subsequent Event

On February 15, 2019, the City initiated a \$1,039,835 lease purchase agreement with Zions Bancorporation, N.A. for a fire truck. Lease payments will be made annually beginning on January 15, 2020 at an interest rate of 2.950%.

On February 28, 2019, WEDA and the City executed the Amended and Restated Purchase and Sale Agreement and a Finance Agreement with Aspire Westminster Apartments LLC for Lot 2 of Block B-3 in Downtown Westminster. The Finance Agreement approved by Council on November 26, 2018, agenda item 11A provided for a development assistance fund in amount not to exceed \$15,932,800, including a Development Assistance Fund of \$8,775,000, \$2,000,000 in loan funds, \$2,413,500 in fee credits and an estimated \$2,744,300 in fee and tax rebates. The Aspire project is located at the center of activity in Downtown Westminster and is a five-story mixed-use building with 226 residential units, including four live/work units and 23 units available at 80% of area median income for Jefferson County. The project also includes approximately 34,000 square feet of ground floor retail anchored by a Market Hall.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

U. Implementation of New Accounting Standards

The City adopted Governmental Accounting Standards Board Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB 75 addresses accounting and financial reporting requirements for postemployment benefits other than pension plans, and establishes standards for recognizing and measuring the associated liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. Adoption of GASB 75 required a restatement of the City's Enterprise Funds and Government-wide, Governmental Activities and Business-type Activities beginning net position as of January 1, 2018, as indicated below:

Utility Enterprise Fund

Beginning net position, as previously reported, January 1, 2018	\$ 497,891,126
Adjustment to postemployment benefit liability	(177,624)
Beginning net position, January 1, 2018, as restated	\$ 497,713,502

Golf Course Enterprise Fund

Beginning net position, as previously reported, January 1, 2018	\$ 15,552,136
Adjustment to postemployment benefit liability	(12,570)
Beginning net position, January 1, 2018, as restated	\$ 15,539,566

Governmental Activities

Beginning net position, as previously reported, January 1, 2018	\$ 458,569,261
Adjustment to postemployment benefit liability	(1,861,782)
Beginning net position, January 1, 2018, as restated	\$ 456,707,479

Business-type Activities

Beginning net position, as previously reported, January 1, 2018	\$ 514,916,938
Adjustment to postemployment benefit liability	(190,194)
Beginning net position, January 1, 2018, as restated	\$ 514,726,744

The total adjustment for the postemployment benefit liability as of January 1, 2018 of \$2,051,976 is comprised of the difference between the OPEB obligation under GASB 45 of \$544,342 and the OPEB liability under GASB 75 of \$2,596,318 as of January 1, 2018.

During 2018, the City also adopted Governmental Accounting Standards Board Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. GASB 89 addresses accounting and financial reporting issues related to interest costs incurred before the end of a construction period. The prospective adoption of GASB 89 had no effect on the City's or enterprise funds beginning net position or on the change in net position.

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Required Supplemental Information

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 5,085,000	\$ 5,085,000	\$ 5,576,742	\$ 491,742
Sales taxes	73,590,523	77,579,721	82,446,946	4,867,225
Use taxes	14,145,600	15,046,438	17,383,976	2,337,538
Business fees and other taxes	5,479,716	5,479,716	5,480,552	836
Accommodations taxes	1,000,000	1,000,000	1,079,965	79,965
Intergovernmental	7,995,987	9,684,075	10,874,671	1,190,596
Licenses and permits	2,752,750	3,120,383	3,280,098	159,715
Interest	506,274	506,274	847,593	341,319
Recreation fees	7,466,433	7,716,641	7,704,447	(12,194)
Fines and forfeits	1,215,000	1,235,000	1,632,697	397,697
Fleet maintenance billings and other	4,763,794	5,594,659	4,945,591	(649,068)
EMS billings	2,540,000	2,540,000	3,179,449	639,449
Total revenues	<u>126,541,077</u>	<u>134,587,907</u>	<u>144,432,727</u>	<u>9,844,820</u>
EXPENDITURES				
General government				
City council	237,279	237,279	201,377	35,902
City attorney's office	1,470,246	1,470,246	1,379,467	90,779
City manager's office	2,440,104	2,533,242	2,215,114	318,128
Central charges	33,732,067	38,683,319	37,444,608	1,238,711
General services	7,400,405	7,466,886	6,724,194	742,692
Finance	2,295,614	2,296,967	2,254,049	42,918
Human resources	2,195,837	2,195,837	2,018,845	176,992
Public safety				
Police	24,133,451	25,034,913	25,034,903	10
Fire	14,283,705	14,765,665	14,710,167	55,498
Public works	9,423,041	9,428,144	8,711,852	716,292
Community development	5,666,675	5,716,675	5,121,648	595,027
Economic development	1,472,042	1,602,776	1,457,920	144,856
Culture and recreation	16,539,567	17,333,153	17,314,204	18,949
Total expenditures	<u>121,290,033</u>	<u>128,765,102</u>	<u>124,588,348</u>	<u>4,176,754</u>
Excess of revenues over (under) expenditures	<u>5,251,044</u>	<u>5,822,805</u>	<u>19,844,379</u>	<u>14,021,574</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital asset	30,000	30,000	53,598	23,598
Transfers in	513,684	513,684	649,984	136,300
Transfers (out)	(6,204,454)	(18,719,793)	(17,969,793)	750,000
Total other financing sources (uses):	<u>(5,660,770)</u>	<u>(18,176,109)</u>	<u>(17,266,211)</u>	<u>909,898</u>
Net change in fund balance	<u>\$ (409,726)</u>	<u>\$ (12,353,304)</u>	2,578,168	<u>\$ 14,931,472</u>
Fund balance, beginning			47,847,370	
Fund balance, ending			<u>\$ 50,425,538</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 12,222,271	\$ 12,271,691	\$ 11,829,088	\$ (442,603)
Sales tax increment	565,233	565,233	505,044	(60,189)
Interest	-	71,000	258,942	187,942
Rentals	-	327,905	334,627	6,722
Contributions	-	250,000	565,000	315,000
Other	193	3,758,301	1,159,006	(2,599,295)
Total revenues	<u>12,787,697</u>	<u>17,244,130</u>	<u>14,651,707</u>	<u>(2,592,423)</u>
EXPENDITURES				
General government	903,722	1,142,826	696,446	446,380
Economic development	-	296,918	296,918	-
Capital projects	11,329,848	22,682,212	6,525,395	16,156,817
Debt service:				
Principal	5,285,000	5,285,000	5,285,000	-
Interest and fiscal charges	2,591,091	2,591,091	2,493,123	97,968
Total expenditures	<u>20,109,661</u>	<u>31,998,047</u>	<u>15,296,882</u>	<u>16,701,165</u>
Excess of revenues (under) expenditures	<u>(7,321,964)</u>	<u>(14,753,917)</u>	<u>(645,175)</u>	<u>14,108,742</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	59,541	6,380,541	6,397,900	17,359
Transfers (out)	(400,000)	(1,110,752)	(1,110,751)	(1)
Total other financing sources (uses):	<u>(340,459)</u>	<u>5,269,789</u>	<u>5,287,149</u>	<u>17,360</u>
Net change in fund balance	<u>\$ (7,662,423)</u>	<u>\$ (9,484,128)</u>	4,641,974	<u>\$ 14,126,102</u>
Fund balance, beginning			42,539,227	
Fund balance, ending			<u>\$ 47,181,201</u>	

Budgetary Information

A biennial city budget is legally adopted by City Council for all fund types, except for the Investigation Recovery Special Revenue Fund, internal service self-insurance funds, and blended component units of the City.

A biennial budget is adopted for the Westminster Economic Development Authority by the Authority's Board and annual budgets are adopted for the Westminster Housing Authority and general improvement districts by their respective Boards. An annual budget was not adopted in 2018 for the Westminster Station General Improvement District.

Budgets for Governmental Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the Enterprise Funds and General Capital Outlay Replacement Fund are adopted on a basis consistent with GAAP except that debt proceeds are treated as revenues, capital outlay and debt service principal payments are treated as expenditures, and capital contributions are not budgeted.

Appropriations lapse at year end for legally adopted operating budgets.

Project-length budgets are adopted for all capital projects. At year end, appropriations for incomplete capital projects are carried forward to the following year. The General Capital Improvements Capital Projects Fund, Westminster Economic Development Authority Fund, Community Development Block Grant Fund, Conservation Trust Fund, Utility Enterprise Fund and the Golf Course Fund budget for capital projects.

The General Capital Outlay Replacement Fund uses project length budgeting for capital outlay replacements of fleet vehicles and other equipment. Like capital project budgets, unspent appropriations are carried forward to the following year.

Budgetary comparison schedules for funds with project length budgets include current year and continuing appropriations from the prior year.

The legal level of budgetary control is the department level. Transfers of appropriations between departments and/or funds require the approval of the City Council.

See the disclosure on Construction and Other Significant Commitments, page 56

Postemployment Benefits Other Than Pensions
 Retiree Health Care Program
 City of Westminster

Schedule of Changes in Total OPEB Liability and Related Ratios
 Last 10 Fiscal Years**

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 213,072
Interest	94,506
Differences between expected and actual experience	(180,393)
Changes of assumptions or other inputs	885,897
Employer benefit payments	<u>(250,994)</u>
Net change in total OPEB liability	762,088
Total OPEB liability - beginning	<u>2,596,318</u>
Total OPEB liability - ending	<u>\$ 3,358,406</u>
Covered-employee payroll	\$ 75,273,220
Total OPEB liability as a percentage of covered-employee payroll	4.50%

**Information is presented as of the measurement date and is not currently available for prior years. Additional years will be displayed as they become available.

Notes:

No assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Changes in assumptions and other inputs reflect updates to the discount rate from 3.73% to 3.64%, participation rates to be consistent with recent experience, mortality, termination and disability as well as retirement rates to be consistent with the recent pension valuation, medical trend to current industry index, payroll trend from 3.9% to 3.5% and added excise tax, not previously included.

Westminster Volunteer Firefighter Pension Plan
City of Westminster

Schedule of Changes in Net Pension Liability(Asset) and Related Ratios
Last 10 Fiscal Years**

Measurement period ending December 31,	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest on the Total Pension Liability	113,458	116,377	121,049	125,396
Benefit Changes	-	-	-	-
Difference between Expected and Actual Experience	-	(52,369)	-	6,313
Assumption Changes	-	70,113	-	-
Benefit Payments	(167,160)	(178,710)	(187,810)	(191,450)
Net Change in Total Pension Liability	(53,702)	(44,589)	(66,761)	(59,741)
Total Pension Liability - Beginning	1,594,849	1,639,438	1,706,199	1,765,940
Total Pension Liability - Ending (a)	\$ 1,541,147	\$ 1,594,849	\$ 1,639,438	\$ 1,706,199
Plan Fiduciary Net Position				
Employer Contributions	\$ -	\$ -	\$ -	\$ -
Pension Plan Net Investment Income	334,534	124,098	46,269	170,962
Benefit Payments	(167,160)	(178,710)	(187,810)	(191,450)
Pension Plan Administrative Expense	(6,088)	(3,989)	(4,705)	(4,277)
State of Colorado Supplemental Discretionary Payment	-	-	-	-
Net Change in Plan Fiduciary Net Position	161,286	(58,601)	(146,246)	(24,765)
Plan Fiduciary Net Position - Beginning	2,361,580	2,420,181	2,566,427	2,591,192
Plan Fiduciary Net Position - Ending (b)	\$ 2,522,866	\$ 2,361,580	\$ 2,420,181	\$ 2,566,427
Net Pension Liability(Asset) - Ending (a) - (b)	\$ (981,719)	\$ (766,731)	\$ (780,743)	\$ (860,228)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability				
	163.70%	148.08%	147.62%	150.42%
*Covered Payroll	N/A	N/A	N/A	N/A
*Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

*Covered payroll is not applicable for volunteer pension plans.

**Information above is presented as of the measurement date. Information is not currently available for prior years; additional years will be displayed as they become available.

**Westminster Volunteer Firefighter Pension Plan
City of Westminster**

**Schedule of Contributions
Last 10 Fiscal Years*****

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Actual Contribution as a % of Covered Payroll
2014	\$ -	\$ -	\$ -	N/A	N/A
2015	-	-	-	N/A	N/A
2016	-	-	-	N/A	N/A
2017	-	-	-	N/A	N/A
2018	-	-	-	N/A	N/A

*Includes both employer and State of Colorado supplemental discretionary payment.

**Volunteer firefighters are not paid; therefore, the covered payroll and actual contribution as a percentage of covered payroll is not applicable.

***Information is not currently available for prior years; additional years will be displayed as the become available.

Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019. The actuarial valuation as of January 1, 2019 determines the contribution amounts for 2020 and 2021.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off-duty mortality Post-retirement: RP-2000 Combined Mortality Table, with Blue Collar Adjustment Disabled: RP-2000 Disabled Mortality Table All tables projected with Scale AA

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

Changes of assumptions. Effective for January 1, 2017 valuations inflation decreased from 3.00% to 2.50% from the previous valuation and the mortality tables were updated as follows:
Pre-retirement. RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience.
Post-retirement. For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

**Fire & Police Pension Association of Colorado
 Statewide Defined Benefit Plan
 City of Westminster - Fire**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
 Last 10 fiscal years***

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	1.737%	1.931%	2.063%	2.095%	2.123%
City's proportionate share of the net pension liability (asset)	\$ (2,499,316)	\$ 697,573	\$ (36,368)	\$ (2,364,925)	\$ (1,898,788)
City's covered payroll	\$ 9,165,122	\$ 8,856,168	\$ 8,889,916	\$ 8,366,305	\$ 8,149,551
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-27.27%	7.88%	-0.41%	-28.27%	-23.30%
Plan fiduciary net position as a percentage of the total pension liability(asset)	106.34%	98.21%	100.10%	106.80%	105.80%

Information above is presented as of the measurement date.

* Information is not currently available for prior years; additional years will be displayed as they become available.

**Fire & Police Pension Association of Colorado
Statewide Defined Benefit Plan
City of Westminster - Fire**

**Schedule of Employer Contributions
Last 10 fiscal years***

	2018	2017	2016	2015	2014
Statutorily required contributor	\$ 502,313	\$ 408,032	\$ 380,840	\$ 363,791	\$ 331,008
Contributions in relation to the statutorily required contribution	502,313	408,032	380,840	363,791	331,008
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 6,278,920	\$ 5,100,367	\$ 4,760,395	\$ 4,547,383	\$ 4,137,588
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%

Information above is presented as of the fiscal year.

*Information is not currently available for prior years; additional years will be displayed as they become available

Notes:

Actuarial Valuations done every year

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.

**Fire & Police Pension Association of Colorado
 Statewide Defined Benefit Plan - Re-entry
 City of Westminster - Fire**

**Schedule of Employer Contributions
 Last 10 fiscal years***

	2018	2017	2016	2015	2014
Statutorily required contributor	\$ 426,064	\$ 405,605	\$ 409,577	\$ 434,257	\$ 422,872
Contributions in relation to the statutorily required contribution	426,064	405,605	409,577	434,257	422,872
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 4,260,611	\$ 4,064,755	\$ 4,095,773	\$ 4,342,533	\$ 4,228,717
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%

Information above is presented as of the fiscal year.

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Notes:

Actuarial Valuations done every year

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**Fire & Police Pension Association of Colorado
Statewide Defined Benefit Plan
City of Westminster - Police**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
Last 10 fiscal years***

	<u>2018</u>
City's proportion of the net pension liability (asset)	2.450%
City's proportionate share of the net pension liability (asset)	\$ (3,523,998)
City's covered payroll	\$ 2,415,071
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-145.92%
Plan fiduciary net position as a percentage of the total pension liability	106.34%

Information above is presented as of the measurement date.

* Information is not currently available for prior years; additional years will be displayed as they become available.

**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Payroll includes only three months of actual salaries.

**Fire & Police Pension Association of Colorado
 Statewide Defined Benefit Plan
 City of Westminster - Police**

**Schedule of Employer Contributions
 Last 10 fiscal years***

	2018	2017
Statutorily required contribution	\$ 180,972	\$ 19,929
Contributions in relation to the statutorily required contributor	180,972	19,929
Contribution deficiency (excess)	\$ -	\$ -
Employer's covered payroll	\$ 2,262,170	\$ 249,108
Contributions as a percentage of covered payroll	8.00%	8.00%

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**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Contributions for 2017 include only three months of actual contributions

Notes:

Actuarial Valuations done every year.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.

**Fire & Police Pension Association of Colorado
Statewide Defined Benefit Plan - Re-entry
City of Westminster - Police**

**Schedule of Employer Contributions
Last 10 fiscal years***

	2018	2017
Statutorily required contribution	\$ 1,132,959	\$ 216,596
Contributions in relation to the statutorily required contribution	1,132,959	216,596
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 11,329,604	\$ 2,165,962
Contributions as a percentage of covered payroll	10.00%	10.00%

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**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Contributions for 2017 include only three months of actual contributions.

Notes:

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**Fire & Police Pension Association of Colorado
 Statewide Hybrid Defined Benefit Plan
 City of Westminster - Fire**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
 Last 10 fiscal years***

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	4.897%	5.641%	5.178%	4.769%	5.576%
City's proportionate share of the net pension liability (asset)	\$ (957,427)	\$ (614,060)	\$ (545,354)	\$ (565,544)	\$ (568,776)
City's covered payroll	\$ 748,707	\$ 729,525	\$ 681,843	\$ 590,284	\$ 721,382
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-127.88%	-84.17%	-79.98%	-95.81%	-78.85%
Plan fiduciary net position as a percentage of the total pension liability	138.86%	127.50%	129.44%	140.60%	139.00%

Information above is presented as of the measurement date.

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**Fire & Police Pension Association of Colorado
Statewide Hybrid Defined Benefit Plan
City of Westminster - Fire**

**Schedule of Employer Contributions
Last 10 fiscal years***

	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 64,812	\$ 74,871	\$ 72,952	\$ 68,184	\$ 59,028
Contributions in relation to the statutorily required contribution	64,812	74,871	72,952	68,184	59,028
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 648,118	\$ 748,707	\$ 729,525	\$ 681,843	\$ 590,284
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%

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Notes:

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**Fire & Police Pension Association of Colorado
Statewide Hybrid Defined Benefit Plan
City of Westminster - Police**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
Last 10 fiscal years***

	<u>2018</u>
City's proportion of the net pension liability (asset)	9.241%
City's proportionate share of the net pension liability (asset)	(1,806,823)
City's covered payroll	\$ 271,719
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-664.96%
Plan fiduciary net position as a percentage of the total pension liability	138.86%

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**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Covered payroll includes only three months of actual salaries.

**Fire & Police Pension Association of Colorado
Statewide Hybrid Defined Benefit Plan
City of Westminster - Police**

**Schedule of Employer Contributions
Last 10 fiscal years***

	2018	2017
Statutorily required contribution	\$ 138,291	\$ 27,172
Contributions in relation to the statutorily required contribution	138,291	27,172
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 1,382,914	\$ 271,719
Contributions as a percentage of covered payroll	10.00%	10.00%

Information above is presented as of the fiscal year.

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**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Contributions for 2017 include only three months of actual contributions.

Notes:

Actuarial Valuations done every year.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.



Combining Statements

Nonmajor Governmental Funds

Special Revenue Funds

Parks, Open Space & Trails Sales and Use Tax Fund - accounts for revenues from the City's 0.25 percent sales and use tax which was approved by Westminster voters. Spending is restricted to land acquisition to preserve open space and scenic vistas, and up to one-half of the revenues may be used for the development of additional park land, trails, and enhancement of existing parks.

Conservation Trust Fund - accounts for lottery proceeds received from the State of Colorado. Spending is restricted to the development or improvement of City parks. The City's share is determined by population data and the existence of special recreational districts.

Investigation Recovery Fund - accounts for proceeds from police seizures, forfeitures and restitutions. Spending is restricted by both Federal and State law to Police Department equipment, commodities, and/or training needs above budgeted amounts. In 2017, the City of Westminster did receive federal forfeited assets.

Westminster Housing Authority Fund – is the general fund of the blended component unit that accounts for activities related to providing affordable housing within the City including partnering with for-profit and non-profit housing developers to construct or rehabilitate residences. Funds held by the WHA are used to leverage other funding sources such as Low Income Housing Tax Credits.

Sheridan Crossing General Improvement District Fund – accounts for revenues provided for and expenditures associated with the operation and maintenance of commons areas within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

Amherst General Improvement District Fund – accounts for revenues provided for and expenditures associated with the operation and maintenance of commons areas within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

136th Avenue General Improvement District Fund – accounts for revenues provided for and expenditures associated with the building of an interchange within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

Orchard Park Place North General Improvement District Fund – accounts for revenues provided for and expenditures associated with District improvements, maintenance of the improvements, and District administration. Revenues are provided by ad valorem property taxes levied and received by the District.

Mandalay Town Center General Improvement District Fund – accounts for revenues provided for and expenditures associated with debt service for infrastructure improvements within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

144th Avenue General Improvement District Fund – accounts for revenues provided for and expenditures associated with debt service for infrastructure improvements within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

Park 1200 General Improvement District Fund – accounts for revenues provided for and expenditures associated with operation and maintenance of common park areas within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

Westminster Station General Improvement District Fund – accounts for revenues provided for and expenditures associated with District improvements, maintenance of the improvements, and District administration. Revenues are provided by ad valorem property taxes levied and received by the District.

Debt Service Fund

General Debt Service Fund - accumulates monies for payment of the following bond issues:

- a) 2001 Sales and Use Tax Revenue Refunding Bonds of \$13,275,000 originally issued; \$980,000 remaining after 2010 refunding, due in annual installments through December 1, 2021; interest at 4.6 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- b) 2010 Sales and Use Tax Revenue Refunding Bonds of \$10,545,000 in annual installments through December 1, 2022; interest at 3.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- c) 2015 Sales and Use Tax Revenue Refunding Bonds of \$18,500,000 in annual installments through December 1, 2031; interest at 2.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.

Capital Projects Fund

Community Development Block Grant Fund - accounts for monies received from the Federal government through Community Development Block Grant entitlements and the Section 108 Loan Guarantee Program. Community Development Block Grant entitlements are used to finance low income and senior housing. Section 108 loan Guarantee Program Funds are used for economic and community development activities. Additional financing is provided by General Fund revenues and investment earnings.

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CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Sheridan Crossing GID
ASSETS					
Cash and cash equivalents	\$ 198,174	\$ -	\$ 5,931	\$ 124,772	\$ 213,987
Investments	1,362,248	-	40,768	857,687	1,470,953
Receivables:					
Taxes	814,074	-	-	-	123,419
Accounts	-	-	-	-	902
Note and leases	-	-	-	396,877	-
Grants	-	-	-	-	-
Interest	4,993	12,161	161	3,141	5,396
Property held for resale	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	468,731	-	-	-
Investments	-	3,222,064	-	-	-
Total assets	<u>\$ 2,379,489</u>	<u>\$ 3,702,956</u>	<u>\$ 46,860</u>	<u>\$ 1,382,477</u>	<u>\$ 1,814,657</u>
LIABILITIES					
Accounts payable and other	\$ 66,583	\$ 25,677	\$ -	\$ 3	\$ -
Accrued liabilities	27,424	-	-	-	-
Unearned revenue	-	-	-	-	-
Accrued interest	-	-	-	-	-
Total liabilities	<u>94,007</u>	<u>25,677</u>	<u>-</u>	<u>3</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>396,877</u>	<u>123,419</u>
FUND BALANCES					
Restricted for:					
Capital additions and improvements	-	3,677,279	-	-	1,686,471
Contractual obligations	-	-	-	-	-
Debt service	-	-	-	-	-
Community development	-	-	-	-	-
Emergencies	-	-	-	1,115	4,767
Open space conservation and improvements	1,895,563	-	-	-	-
Public safety	-	-	46,860	-	-
Assigned to:					
Community development	389,919	-	-	984,482	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>2,285,482</u>	<u>3,677,279</u>	<u>46,860</u>	<u>985,597</u>	<u>1,691,238</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,379,489</u>	<u>\$ 3,702,956</u>	<u>\$ 46,860</u>	<u>\$ 1,382,477</u>	<u>\$ 1,814,657</u>

Special Revenue Funds (Continued)

Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Avenue GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds
\$ 71,867	\$ 743	\$ 496	\$ 759	\$ 426	\$ 26	\$ -	\$ 617,181
494,012	5,108	3,412	5,221	2,929	182	-	4,242,520
80,810	9,464	5,095	29,274	32,947	14,155	11,071	1,120,309
594	1,730	566	4,418	5,905	36	-	14,151
-	-	-	-	-	-	-	396,877
-	-	-	-	-	-	-	-
1,852	-	-	-	-	-	-	27,704
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	468,731
-	-	-	-	-	-	-	3,222,064
<u>\$ 649,135</u>	<u>\$ 17,045</u>	<u>\$ 9,569</u>	<u>\$ 39,672</u>	<u>\$ 42,207</u>	<u>\$ 14,399</u>	<u>\$ 11,071</u>	<u>\$ 10,109,537</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,263
-	-	-	-	-	-	-	27,424
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	119,687
80,810	9,464	5,095	29,274	32,947	14,155	11,071	703,112
565,433	-	1,050	-	-	84	-	5,930,317
-	83	911	7,685	6,042	-	-	14,721
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,892	7,498	2,513	2,713	3,218	160	-	24,876
-	-	-	-	-	-	-	1,895,563
-	-	-	-	-	-	-	46,860
-	-	-	-	-	-	-	1,374,401
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>568,325</u>	<u>7,581</u>	<u>4,474</u>	<u>10,398</u>	<u>9,260</u>	<u>244</u>	<u>-</u>	<u>9,286,738</u>
<u>\$ 649,135</u>	<u>\$ 17,045</u>	<u>\$ 9,569</u>	<u>\$ 39,672</u>	<u>\$ 42,207</u>	<u>\$ 14,399</u>	<u>\$ 11,071</u>	<u>\$ 10,109,537</u>

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018
(Continued)

	Debt Service Fund	Capital Project Fund	Total Other Governmental Funds
	Debt Service	Community Development Block Grant	
ASSETS			
Cash and cash equivalents	\$ 27,523	\$ 19,247	\$ 663,951
Investments	189,192	132,303	4,564,015
Receivables:			
Taxes	-	-	1,120,309
Accounts	-	-	14,151
Note and leases	-	-	396,877
Grants	-	56,927	56,927
Interest	725	-	28,429
Property held for resale	-	1,210,223	1,210,223
Restricted assets:			
Cash and cash equivalents	-	-	468,731
Investments	-	-	3,222,064
Total assets	<u>\$ 217,440</u>	<u>\$ 1,418,700</u>	<u>\$ 11,745,677</u>
LIABILITIES			
Accounts payable and other	\$ 150	\$ 17,480	\$ 109,893
Accrued liabilities	-	1,265	28,689
Unearned revenue	-	182,236	182,236
Accrued interest	-	4,515	4,515
Total liabilities	<u>150</u>	<u>205,496</u>	<u>325,333</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>56,927</u>	<u>760,039</u>
FUND BALANCES			
Restricted for:			
Capital additions and improvements	-	-	5,930,317
Contractual obligations	-	-	14,721
Debt service	-	2,978	2,978
Community development	-	1,210,223	1,210,223
Emergencies	-	-	24,876
Open space conservation and improvements	-	-	1,895,563
Public safety	-	-	46,860
Assigned to:			
Community development	-	-	1,374,401
Debt service	217,290	-	217,290
Unassigned	-	(56,924)	(56,924)
Total fund balances	<u>217,290</u>	<u>1,156,277</u>	<u>10,660,305</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 217,440</u>	<u>\$ 1,418,700</u>	<u>\$ 11,745,677</u>

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Sheridan Crossing GID
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 122,755
Sales taxes	5,756,392	-	-	-	-
Use taxes	1,206,522	-	-	-	-
Intergovernmental	-	835,924	-	-	10,990
Interest	28,716	48,235	379	15,780	25,159
Fines and forfeitures	-	-	52,550	-	-
Other	6,940	-	-	21,376	-
Total revenues	6,998,570	884,159	52,929	37,156	158,904
EXPENDITURES					
General government	-	-	-	4,156	32,966
Public safety	-	-	46,161	-	-
Community development	1,852,118	-	-	-	-
Economic development	-	-	-	-	-
Capital projects	-	310,045	-	14,535	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	1,852,118	310,045	46,161	18,691	32,966
Excess of revenues over (under) expenditures	5,146,452	574,114	6,768	18,465	125,938
OTHER FINANCING SOURCES (USES)					
Transfers in	37,316	-	-	-	-
Transfers (out)	(5,450,045)	-	-	(26,000)	-
Total other financing sources (uses):	(5,412,729)	-	-	(26,000)	-
Net change in fund balance	(266,277)	574,114	6,768	(7,535)	125,938
Fund balance, beginning, as adjusted	2,551,759	3,103,165	40,092	993,132	1,565,300
Fund balance, ending	\$ 2,285,482	\$ 3,677,279	\$ 46,860	\$ 985,597	\$ 1,691,238

Special Revenue Funds (Continued)

Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Ave GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds
\$ 80,949	\$ 10,093	\$ 3,428	\$ 27,545	\$ 35,967	\$ 4,890	\$ -	\$ 285,627
-	-	-	-	-	-	-	5,756,392
-	-	-	-	-	-	-	1,206,522
7,079	239,592	80,365	62,424	70,887	428	-	1,307,689
8,381	238	(15)	463	404	2	-	127,742
-	-	-	-	-	-	-	52,550
-	-	-	-	-	-	-	28,316
<u>96,409</u>	<u>249,923</u>	<u>83,778</u>	<u>90,432</u>	<u>107,258</u>	<u>5,320</u>	<u>-</u>	<u>8,764,838</u>
38,746	10,156	23,976	15,713	15,840	5,580	-	147,133
-	-	-	-	-	-	-	46,161
-	-	-	-	-	-	-	1,852,118
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	324,580
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>38,746</u>	<u>10,156</u>	<u>23,976</u>	<u>15,713</u>	<u>15,840</u>	<u>5,580</u>	<u>-</u>	<u>2,369,992</u>
57,663	239,767	59,802	74,719	91,418	(260)	-	6,394,846
-	-	-	-	-	-	-	37,316
-	(243,800)	(57,465)	(76,900)	(100,800)	-	-	(5,955,010)
<u>-</u>	<u>(243,800)</u>	<u>(57,465)</u>	<u>(76,900)</u>	<u>(100,800)</u>	<u>-</u>	<u>-</u>	<u>(5,917,694)</u>
57,663	(4,033)	2,337	(2,181)	(9,382)	(260)	-	477,152
510,662	11,614	2,137	12,579	18,642	504	-	8,809,586
<u>\$ 568,325</u>	<u>\$ 7,581</u>	<u>\$ 4,474</u>	<u>\$ 10,398</u>	<u>\$ 9,260</u>	<u>\$ 244</u>	<u>\$ -</u>	<u>\$ 9,286,738</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Continued)

	Debt Service Fund	Capital Project Fund	Total Other Governmental Funds
	Debt Service	Community Development Block Grant	
REVENUES			
Property taxes	\$ -	\$ -	\$ 285,627
Sales taxes	-	-	5,756,392
Use taxes	-	-	1,206,522
Intergovernmental	-	380,714	1,688,403
Interest	18,137	-	145,879
Fines and forfeits	-	-	52,550
Other	-	-	28,316
Total revenues	<u>18,137</u>	<u>380,714</u>	<u>9,163,689</u>
EXPENDITURES			
General government	-	-	147,133
Public safety	-	-	46,161
Community development	-	63,223	1,915,341
Economic development	-	-	-
Capital projects	-	425,957	750,537
Debt service:			
Principal	2,300,000	-	2,300,000
Interest and fiscal charges	1,053,619	20,751	1,074,370
Total expenditures	<u>3,353,619</u>	<u>509,931</u>	<u>6,233,542</u>
Excess of revenues over (under) expenditures	<u>(3,335,482)</u>	<u>(129,217)</u>	<u>2,930,147</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,337,819	271,460	3,646,595
Transfers (out)	-	-	(5,955,010)
Total other financing sources (uses):	<u>3,337,819</u>	<u>271,460</u>	<u>(2,308,415)</u>
Net change in fund balance	2,337	142,243	621,732
Fund balance, beginning, as adjusted	214,953	1,014,034	10,038,573
Fund balance, ending	<u>\$ 217,290</u>	<u>\$ 1,156,277</u>	<u>\$ 10,660,305</u>

BUDGETARY COMPARISON SCHEDULES

GOVERNMENTAL FUNDS

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**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 GENERAL CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final	Actual	Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES			
Accommodations taxes	\$ 3,206,222	\$ 3,702,208	\$ 495,986
Intergovernmental	6,263,762	4,147,470	(2,116,292)
Interest	451,000	894,827	443,827
Contributions	240,404	471,410	231,006
Other	396,337	96,732	(299,605)
Total revenues	<u>10,557,725</u>	<u>9,312,647</u>	<u>(1,245,078)</u>
EXPENDITURES			
General government	1,141,222	1,141,222	-
Capital projects	39,211,588	25,081,592	14,129,996
Total expenditures	<u>40,352,810</u>	<u>26,222,814</u>	<u>14,129,996</u>
Excess of revenues under expenditures	<u>(29,795,085)</u>	<u>(16,910,167)</u>	<u>(15,375,074)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	16,986,884	20,963,075	3,976,191
Transfers out	(6,551,000)	(6,551,000)	-
Total other financing sources (uses):	<u>10,435,884</u>	<u>14,412,075</u>	<u>3,976,191</u>
Net change in fund balance	<u>\$ (19,359,201)</u>	<u>(2,498,092)</u>	<u>\$ (11,398,883)</u>
Fund balance, beginning		57,643,819	
Fund balance, ending		<u>\$ 55,145,727</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 5,465,671	\$ 5,756,392	\$ 290,721
Use taxes	1,070,500	1,206,522	136,022
Interest	19,000	28,716	9,716
Other	84,880	6,940	(77,940)
Total revenues	<u>6,640,051</u>	<u>6,998,570</u>	<u>358,519</u>
EXPENDITURES			
Community development	2,240,844	1,852,118	388,726
Total expenditures	<u>2,240,844</u>	<u>1,852,118</u>	<u>388,726</u>
Excess of revenues over expenditures	<u>4,399,207</u>	<u>5,146,452</u>	<u>747,245</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	37,316	37,316	-
Transfers (out)	(5,450,045)	(5,450,045)	-
Total other financing sources (uses):	<u>(5,412,729)</u>	<u>(5,412,729)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,013,522)</u>	(266,277)	<u>\$ 747,245</u>
Fund balance, beginning		2,551,759	
Fund balance, ending		<u>\$ 2,285,482</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 835,000	\$ 835,924	\$ 924
Interest	16,456	48,235	31,779
Total revenues	<u>851,456</u>	<u>884,159</u>	<u>32,703</u>
EXPENDITURES			
Capital projects	3,637,437	310,045	3,327,392
Total expenditures	<u>3,637,437</u>	<u>310,045</u>	<u>3,327,392</u>
Net change in fund balance	<u>\$ (2,785,981)</u>	574,114	<u>\$ 3,360,095</u>
Fund balance, beginning		3,103,165	
Fund balance, ending		<u>\$ 3,677,279</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 INVESTIGATION RECOVERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ -	\$ 379	\$ 379
Fines and forfeits	12,629	52,550	39,921
Total revenues	<u>12,629</u>	<u>52,929</u>	<u>40,300</u>
EXPENDITURES			
Public safety	52,566	46,161	6,405
Total expenditures	<u>52,566</u>	<u>46,161</u>	<u>6,405</u>
Net change in fund balance	<u>\$ (39,937)</u>	6,768	<u>\$ 46,705</u>
Fund balance, beginning		40,092	
Fund balance, ending		<u>\$ 46,860</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 WESTMINSTER HOUSING AUTHORITY
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ -	\$ 15,780	\$ 15,780
Rentals	10	-	(10)
Other	-	21,376	21,376
Total revenues	<u>10</u>	<u>37,156</u>	<u>37,146</u>
EXPENDITURES			
General government	11,000	4,156	6,844
Capital projects	14,535	14,535	-
Total expenditures	<u>25,535</u>	<u>18,691</u>	<u>6,844</u>
Excess of revenues over (under) expenditures	<u>(25,525)</u>	<u>18,465</u>	<u>43,990</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(26,000)</u>	<u>(26,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (51,525)</u>	<u>(7,535)</u>	<u>\$ 43,990</u>
Fund balance, beginning		993,132	
Fund balance, ending		<u>\$ 985,597</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 127,278	\$ 122,755	\$ (4,523)
Intergovernmental	11,500	10,990	(510)
Interest	18,600	25,159	6,559
Total revenues	<u>157,378</u>	<u>158,904</u>	<u>1,526</u>
EXPENDITURES			
General government	101,609	32,966	68,643
Total expenditures	<u>101,609</u>	<u>32,966</u>	<u>68,643</u>
Net change in fund balance	<u>\$ 55,769</u>	125,938	<u>\$ 70,169</u>
Fund balance, beginning		1,565,300	
Fund balance, ending		<u>\$ 1,691,238</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 80,957	\$ 80,949	\$ (8)
Intergovernmental	5,000	7,079	2,079
Interest	5,800	8,381	2,581
Total revenues	<u>91,757</u>	<u>96,409</u>	<u>4,652</u>
EXPENDITURES			
General government	66,414	38,746	27,668
Total expenditures	<u>66,414</u>	<u>38,746</u>	<u>27,668</u>
Net change in fund balance	<u>\$ 25,343</u>	57,663	<u>\$ 32,320</u>
Fund balance, beginning		510,662	
Fund balance, ending		<u>\$ 568,325</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 10,446	\$ 10,093	\$ (353)
Intergovernmental	246,685	239,592	(7,093)
Interest	10	238	228
Total revenues	<u>257,141</u>	<u>249,923</u>	<u>(7,218)</u>
EXPENDITURES			
General government	10,257	10,156	101
Total expenditures	<u>10,257</u>	<u>10,156</u>	<u>101</u>
Excess of revenues over (under) expenditures	<u>246,884</u>	<u>239,767</u>	<u>(7,117)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(249,618)</u>	<u>(243,800)</u>	<u>5,818</u>
Net change in fund balance	<u>\$ (2,734)</u>	<u>(4,033)</u>	<u>\$ (1,299)</u>
Fund balance, beginning		11,614	
Fund balance, ending		<u>\$ 7,581</u>	

CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 3,362	\$ 3,428	\$ 66
Intergovernmental	79,144	80,365	1,221
Interest	10	(15)	(25)
Total revenues	<u>82,516</u>	<u>83,778</u>	<u>1,262</u>
EXPENDITURES			
General government	24,025	23,976	49
Total expenditures	<u>24,025</u>	<u>23,976</u>	<u>49</u>
Excess of revenues over (under) expenditures	<u>58,491</u>	<u>59,802</u>	<u>1,311</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(57,465)</u>	<u>(57,465)</u>	<u>-</u>
Net change in fund balance	<u>\$ 1,026</u>	2,337	<u>\$ 1,311</u>
Fund balance, beginning		2,137	
Fund balance, ending		<u>\$ 4,474</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 30,568	\$ 27,545	\$ (3,023)
Intergovernmental	54,000	62,424	8,424
Interest	190	463	273
Total revenues	<u>84,758</u>	<u>90,432</u>	<u>5,674</u>
EXPENDITURES			
General government	15,859	15,713	146
Total expenditures	<u>15,859</u>	<u>15,713</u>	<u>146</u>
Excess of revenues over (under) expenditures	<u>68,899</u>	<u>74,719</u>	<u>5,820</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(76,900)</u>	<u>(76,900)</u>	<u>-</u>
Net change in fund balance	<u>\$ (8,001)</u>	<u>(2,181)</u>	<u>\$ 5,820</u>
Fund balance, beginning		12,579	
Fund balance, ending		<u>\$ 10,398</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 37,532	\$ 35,967	\$ (1,565)
Intergovernmental	72,000	70,887	(1,113)
Interest	150	404	254
Total revenues	<u>109,682</u>	<u>107,258</u>	<u>(2,424)</u>
EXPENDITURES			
General government	15,963	15,840	123
Total expenditures	<u>15,963</u>	<u>15,840</u>	<u>123</u>
Excess of revenues over (under) expenditures	<u>93,719</u>	<u>91,418</u>	<u>(2,301)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(106,373)</u>	<u>(100,800)</u>	<u>5,573</u>
Net change in fund balance	<u>\$ (12,654)</u>	<u>(9,382)</u>	<u>\$ 3,272</u>
Fund balance, beginning		18,642	
Fund balance, ending		<u>\$ 9,260</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 PARK 1200 GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 4,890	\$ 4,890	\$ -
Intergovernmental	400	428	28
Interest	-	2	2
Total revenues	<u>5,290</u>	<u>5,320</u>	<u>30</u>
EXPENDITURES			
General government	5,605	5,580	25
Total expenditures	<u>5,605</u>	<u>5,580</u>	<u>25</u>
Net change in fund balance	<u>\$ (315)</u>	(260)	<u>\$ 55</u>
Fund balance, beginning		504	
Fund balance, ending		<u>\$ 244</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 25,000	\$ 18,137	\$ (6,863)
Total revenues	<u>25,000</u>	<u>18,137</u>	<u>(6,863)</u>
EXPENDITURES			
Debt service:			
Principal	2,300,000	2,300,000	-
Interest and fiscal charges	1,054,669	1,053,619	1,050
Total expenditures	<u>3,354,669</u>	<u>3,353,619</u>	<u>1,050</u>
Excess of revenues (under) expenditures	<u>(3,329,669)</u>	<u>(3,335,482)</u>	<u>(5,813)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,326,019	3,337,819	11,800
Net change in fund balance	<u>\$ (3,650)</u>	2,337	<u>\$ 5,987</u>
Fund balance, beginning		214,953	
Fund balance, ending		<u>\$ 217,290</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance w ith Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 579,519	\$ 380,714	\$ (198,805)
Total Revenues	<u>579,519</u>	<u>380,714</u>	<u>(198,805)</u>
EXPENDITURES			
Community development	63,224	63,223	1
Capital projects	1,564,808	425,957	1,138,851
Debt service:			
Interest and fiscal charges	26,000	20,751	5,249
Total expenditures	<u>1,654,032</u>	<u>509,931</u>	<u>1,144,101</u>
Excess of revenues over (under) expenditures	<u>(1,074,513)</u>	<u>(129,217)</u>	<u>945,296</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	271,460	271,460	-
Net change in fund balance	<u>\$ (803,053)</u>	142,243	<u>\$ 945,296</u>
Fund balance, beginning		1,014,034	
Fund balance, ending		<u>\$ 1,156,277</u>	

BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 64,604,484	\$ 63,758,787	\$ (845,697)
Other	542,297	446,003	(96,294)
Total operating revenues	<u>65,146,781</u>	<u>64,204,790</u>	<u>(941,991)</u>
Operating expenses			
Personnel services	20,102,478	19,605,405	497,073
Contractual services	18,134,710	15,331,670	2,803,040
Commodities	2,450,631	2,092,072	358,559
Capital expense	123,196,815	50,863,461	72,333,354
Total operating expenses	<u>163,884,634</u>	<u>87,892,608</u>	<u>75,992,026</u>
Operating loss	<u>(98,737,853)</u>	<u>(23,687,818)</u>	<u>75,050,035</u>
Nonoperating revenues (expenses)			
Income on investments	1,267,671	2,103,777	836,106
Debt service	(10,629,985)	(9,532,865)	1,097,120
Disposition of assets	-	105,203	105,203
Contributions	13,988,221	13,974,171	(14,050)
Other	-	430,165	430,165
Total nonoperating revenues (expenses)	<u>4,625,907</u>	<u>7,080,451</u>	<u>2,454,544</u>
Income before transfers	<u>(94,111,946)</u>	<u>(16,607,367)</u>	<u>77,504,579</u>
Transfers in	12,497,171	18,144,549	5,647,378
Transfers (out)	(18,695,549)	(18,695,549)	-
Total other financing	<u>(6,198,378)</u>	<u>(551,000)</u>	<u>5,647,378</u>
Change in net position	<u>\$ (100,310,324)</u>	<u>(17,158,367)</u>	<u>\$ 83,151,957</u>
Adjustments to GAAP basis			
Debt			
Principal payments		5,999,029	
Amortization of prepaid bond sale expense		(8,501)	
Amortization of premiums and discounts		462,975	
Accrued interest adjustment		16,830	
Capital assets			
Acquisitions		48,853,775	
Net book value of disposals		(114,053)	
Capital contributions		500,000	
Depreciation		(13,907,626)	
Inventories		220,516	
Personnel services accruals		154,570	
Change in net position, GAAP basis		<u>\$ 25,019,148</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,495,617	\$ 3,655,051	\$ 159,434
Other	10,000	16,208	6,208
Total operating revenues	<u>3,505,617</u>	<u>3,671,259</u>	<u>165,642</u>
Operating Expenses			
Personnel services	1,776,092	1,709,217	66,875
Contractual services	165,648	1,563,927	(1,398,279)
Commodities	653,865	652,378	1,487
Capital expense	1,479,132	345,776	1,133,356
Total operating expenses	<u>4,074,737</u>	<u>4,271,298</u>	<u>(196,561)</u>
Operating loss	<u>(569,120)</u>	<u>(600,039)</u>	<u>(30,919)</u>
Nonoperating revenues (expenses)			
Income on investments	16,450	31,833	15,383
Grants	1,400	1,400	-
Total nonoperating revenues (expenses)	<u>17,850</u>	<u>33,233</u>	<u>15,383</u>
Income before transfers	<u>(551,270)</u>	<u>(566,806)</u>	<u>(15,536)</u>
Transfers in	480,000	480,000	-
Change in net position	<u>\$ (71,270)</u>	<u>(86,806)</u>	<u>\$ (15,536)</u>
Adjustments to GAAP basis			
Debt			
Principal payments		710,936	
Amortization of prepaid bond sale expense		(2,901)	
Amortization of premiums and discounts		9,245	
Amortization of loss on refunding		(4,418)	
Accrued interest adjustment		9,784	
Capital assets			
Acquisitions		32,397	
Depreciation		(713,368)	
Inventories			
		60,163	
Personnel services accruals			
		(32,224)	
Change in net position, GAAP basis		<u>\$ (17,192)</u>	

Internal Service Funds

Medical and Dental Self-Insurance Fund - accounts for the resources and payment of dental and medical claims of employees and their covered dependents.

Workers' Compensation Self-Insurance Fund - accounts for the resources and payment of workers' compensation claims of employees.

Property and Liability Self-Insurance Fund - accounts for the payment of property and liability claims against the City from resources accumulated for this purpose.

General Capital Outlay Replacement Fund – accounts for the replacement of the City's fleet and other capital assets.

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2018

	Internal Service Funds				Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 743,103	\$ 946,400	\$ 478,654	\$ 625,162	\$ 2,793,319
Cash and cash equivalents with fiscal agent	257,153	-	-	-	257,153
Investments	5,108,103	6,505,569	3,290,275	4,297,375	19,201,322
Receivables:					
Accounts	583,403	-	-	-	583,403
Interest	18,766	23,920	12,081	15,544	70,311
Prepaid items	-	2,700	15,636	-	18,336
Total current assets	<u>6,710,528</u>	<u>7,478,589</u>	<u>3,796,646</u>	<u>4,938,081</u>	<u>22,923,844</u>
Noncurrent assets:					
Capital assets:					
Depreciable assets, net	-	-	-	8,005,241	8,005,241
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,005,241</u>	<u>8,005,241</u>
Total assets	<u>6,710,528</u>	<u>7,478,589</u>	<u>3,796,646</u>	<u>12,943,322</u>	<u>30,929,085</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other	316,044	36,685	35,308	2,560	390,597
Accrued liabilities	4,296	-	5,396	-	9,692
Lease payable, current portion	-	-	-	208,742	208,742
Other liabilities, current portion	1,359	-	6,474	-	7,833
Accrued interest	-	-	-	11,218	11,218
Estimated claims	1,435,659	128,955	1,257,604	-	2,822,218
Total current liabilities	<u>1,757,358</u>	<u>165,640</u>	<u>1,304,782</u>	<u>222,520</u>	<u>3,450,300</u>
Noncurrent liabilities:					
Leases payable	-	-	-	680,401	680,401
Other liabilities payable	22,890	-	15,845	-	38,735
Total noncurrent liabilities	<u>22,890</u>	<u>-</u>	<u>15,845</u>	<u>680,401</u>	<u>719,136</u>
Total liabilities	<u>1,780,248</u>	<u>165,640</u>	<u>1,320,627</u>	<u>902,921</u>	<u>4,169,436</u>
NET POSITION					
Net investment in capital assets	-	-	-	7,113,537	7,113,537
Unrestricted	4,930,280	7,312,949	2,476,019	4,926,864	19,646,112
Total net position	<u>\$ 4,930,280</u>	<u>\$ 7,312,949</u>	<u>\$ 2,476,019</u>	<u>\$ 12,040,401</u>	<u>\$ 26,759,649</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Governmental Activities				Total
	Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
Operating revenues					
Charges for services	\$ 15,747,069	\$ 1,120,192	\$ 1,513,835	\$ 3,575,052	\$ 21,956,148
Other	95,557	1,482	7,706	-	104,745
Total operating revenues	<u>15,842,626</u>	<u>1,121,674</u>	<u>1,521,541</u>	<u>3,575,052</u>	<u>22,060,893</u>
Operating expenses					
Personnel services	199,078	5,422	216,545	-	421,045
Contractual services	2,348,191	204,380	633,732	-	3,186,303
Commodities	15,095	25,808	3,028	-	43,931
Capital expense	-	-	1,657	512,380	514,037
Insurance and other expenses	13,739,062	472,966	1,440,419	-	15,652,447
Depreciation	-	-	-	2,394,747	2,394,747
Total operating expenses	<u>16,301,426</u>	<u>708,576</u>	<u>2,295,381</u>	<u>2,907,127</u>	<u>22,212,510</u>
Operating income (loss)	<u>(458,800)</u>	<u>413,098</u>	<u>(773,840)</u>	<u>667,925</u>	<u>(151,617)</u>
Nonoperating revenues (expenses)					
Income on investments	94,091	110,669	61,538	58,105	324,403
Interest expense	-	-	-	(23,176)	(23,176)
Grants	-	-	-	-	-
Gain on disposition of capital assets	-	-	-	87,142	87,142
Contributions	-	-	-	25,910	25,910
Total nonoperating revenues	<u>94,091</u>	<u>110,669</u>	<u>61,538</u>	<u>147,981</u>	<u>414,279</u>
Change in net position	<u>(364,709)</u>	<u>523,767</u>	<u>(712,302)</u>	<u>815,906</u>	<u>262,662</u>
Net position - beginning	5,294,989	6,789,182	3,188,321	11,224,495	26,496,987
Net position - ending	<u>\$ 4,930,280</u>	<u>\$ 7,312,949</u>	<u>\$ 2,476,019</u>	<u>\$ 12,040,401</u>	<u>\$ 26,759,649</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Governmental Activities				Total
	Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
Cash flows from operating activities:					
Receipts from interfund charges for risk management services	\$ 15,163,666	\$ 125,138	\$ 161,883	\$ -	\$ 15,450,687
Receipts from interfund charges for capital outlay replacement	-	-	-	3,624,939	3,624,939
Cash payments to employees for services	(196,619)	(5,423)	(213,871)	-	(415,913)
Cash payments to suppliers for goods and services	(15,450,744)	(744,968)	(1,499,179)	(523,909)	(18,218,800)
Payments from other funds	-	995,055	1,359,658	-	2,354,713
Other operating revenues	95,557	1,482	-	-	97,039
Net cash provided by (used in) operating activities	<u>(388,140)</u>	<u>371,284</u>	<u>(191,509)</u>	<u>3,101,030</u>	<u>2,892,665</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(308,243)	(308,243)
Interest paid on long term debt	-	-	-	(26,464)	(26,464)
Acquisition and construction of capital assets	-	-	-	(1,809,553)	(1,809,553)
Proceeds from sale of capital assets	-	-	-	78,348	78,348
Net cash provided (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,065,912)</u>	<u>(2,065,912)</u>
Cash flow from investing activities:					
Proceeds from sale of investments	3,610,923	3,427,874	2,291,289	2,009,220	11,339,306
Purchases of investments	(3,132,967)	(3,593,958)	(2,039,553)	(2,829,308)	(11,595,786)
Interest received on investments	98,023	106,763	63,659	61,339	329,784
Net cash provided by (used in) investing activities	<u>575,979</u>	<u>(59,321)</u>	<u>315,395</u>	<u>(758,749)</u>	<u>73,304</u>
Net increase (decrease) in cash and cash equivalents	187,839	311,963	123,886	276,369	900,057
Cash and cash equivalents - beginning of year	812,417	634,437	354,768	348,793	2,150,415
Cash and cash equivalents - end of year	<u>\$ 1,000,256</u>	<u>\$ 946,400</u>	<u>\$ 478,654</u>	<u>\$ 625,162</u>	<u>\$ 3,050,472</u>
Reconciliation of cash and cash equivalents to Statement of Net Position					
Unrestricted cash and cash equivalents	\$ 743,103	\$ 946,400	\$ 478,654	\$ 625,162	\$ 2,793,319
Unrestricted cash and cash equivalents with fiscal agent	257,153	-	-	-	257,153
Total Cash and Cash Equivalents	<u>\$ 1,000,256</u>	<u>\$ 946,400</u>	<u>\$ 478,654</u>	<u>\$ 625,162</u>	<u>\$ 3,050,472</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (458,800)	\$ 413,098	\$ (773,840)	\$ 667,925	\$ (151,617)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	2,394,747	2,394,747
(Increase) decrease in accounts receivable	(583,403)	-	-	49,887	(533,516)
(Increase) decrease in prepaid items	-	(2,700)	6,524	-	3,824
Increase (decrease) in accounts payable and other	(258,426)	34,449	(16,130)	(11,529)	(251,636)
Increase (decrease) in accrued liabilities	2,459	-	2,674	-	5,133
Increase (decrease) in estimated claims	910,030	(73,563)	589,263	-	1,425,730
Total adjustments	<u>70,660</u>	<u>(41,814)</u>	<u>582,331</u>	<u>2,433,105</u>	<u>3,044,282</u>
Net cash provided by (used in) operating activities	<u>\$ (388,140)</u>	<u>\$ 371,284</u>	<u>\$ (191,509)</u>	<u>\$ 3,101,030</u>	<u>\$ 2,892,665</u>

Noncash investing, capital and financing activities Internal Service Funds:

- * The change in unrecognized loss recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$3,913.
- * Accounts payable used to acquire capital assets decreased by \$67 for the General Capital Outlay Replacement Internal Service Fund.
- * The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$8,794.
- * Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$25,910.

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BUDGETARY COMPARISON SCHEDULES

INTERNAL SERVICE FUNDS

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 3,502,612	\$ 3,575,052	\$ 72,440
Total operating revenues	<u>3,502,612</u>	<u>3,575,052</u>	<u>72,440</u>
Operating expenses			
Capital expense	7,036,590	2,321,933	4,714,657
Total operating expenses	<u>7,036,590</u>	<u>2,321,933</u>	<u>4,714,657</u>
Operating income	<u>(3,533,978)</u>	<u>1,253,119</u>	<u>4,787,097</u>
Nonoperating revenues (expenses)			
Income on investments	-	58,105	58,105
Debt service	(334,709)	(334,707)	2
Disposition of assets	-	93,448	93,448
Total nonoperating revenues (expenses)	<u>(334,709)</u>	<u>(183,154)</u>	<u>151,555</u>
Change in net position	<u>\$ (3,868,687)</u>	<u>1,069,965</u>	<u>\$ 4,938,652</u>
Adjustments to GAAP basis			
Debt			
Principal payments		308,243	
Accrued interest adjustment		3,288	
Capital assets			
Acquisitions		1,809,553	
Net book value of disposals		(6,306)	
Capital contributions		25,910	
Depreciation		(2,394,747)	
Change in Net Position, GAAP Basis		<u>\$ 815,906</u>	

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Statistics

STATISTICAL SECTION (Unaudited)

Table

Financial Trends Information

These schedules contain trend information to help the reader understand how the city's financial performance and wellbeing are changed over time.

Net Position by Component	1
Changes in Net Position	2
Fund Balance of Governmental Funds	3
Changes in Fund Balances of Governmental Funds	4

Revenue Capacity Information

These schedules contain information to help the reader assess the city's most significant local revenue source, the sales and use tax.

Sales and Use Tax Revenue	5
Direct and Overlapping Sales and Use Tax Rates	6
Principal Sales and Use Taxpayers by Industry	7

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	8
Direct and Overlapping Governmental Activities Debt	9
Legal Debt Margin Information	10
Pledged Revenue Coverage	11

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within the city's financial activity take place.

Demographic and Economic Statistics	12
Principal Employers	13

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

Full Time Equivalent City Government Employees by Function/Program	14
Operating Indicators by Function/Program	15
Capital Asset Statistics by Function/Program	16

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Table 1
City of Westminster

Net Position by Component
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net Investment in capital assets	\$ 298,581,511	\$ 284,051,559	\$ 262,972,719	\$ 233,726,088	\$ 203,103,757	\$ 181,518,179	\$ 176,064,347	\$ 167,459,905	\$ 166,119,255	\$ 158,875,846
Restricted	50,047,232	44,958,563	35,829,766	31,977,574	27,825,584	34,508,098	32,889,201	35,378,439	32,828,397	36,445,526
Unrestricted	141,137,700	129,559,139	125,748,290	118,916,142	118,324,325	107,275,937	96,304,116	91,201,675	78,848,530	67,848,480
Total governmental activities net position	\$ 489,766,443	\$ 458,569,261	\$ 424,550,775	\$ 384,619,804	\$ 349,253,666	\$ 323,302,214	\$ 305,257,664	\$ 294,040,019	\$ 277,796,182	\$ 263,169,852
Business-type activities										
Net Investment in capital assets	\$ 422,842,682	\$ 397,726,132	\$ 385,909,492	\$ 375,115,816	\$ 353,498,654	\$ 343,060,522	\$ 336,924,153	\$ 337,605,101	\$ 336,344,413	\$ 329,710,391
Restricted	3,476,326	3,427,214	5,135,850	5,133,269	5,132,572	5,207,324	5,206,778	5,484,664	5,483,098	5,486,422
Unrestricted	113,325,081	113,763,592	106,406,204	87,632,673	89,037,701	86,956,838	81,540,256	64,814,804	55,893,678	58,676,671
Total business-type activities net position	\$ 539,644,089	\$ 514,916,938	\$ 497,451,546	\$ 467,881,758	\$ 447,668,927	\$ 435,224,684	\$ 423,671,187	\$ 407,904,569	\$ 397,721,189	\$ 393,873,484
Total										
Net Investment in capital assets	\$ 721,424,193	\$ 681,777,691	\$ 648,882,211	\$ 608,841,904	\$ 556,602,411	\$ 524,578,701	\$ 512,988,500	\$ 505,065,006	\$ 502,463,668	\$ 488,586,237
Restricted	53,523,558	48,385,777	40,965,616	37,110,843	32,958,156	39,715,422	38,095,979	40,863,103	38,311,495	41,931,948
Unrestricted	254,462,781	243,322,731	232,154,494	206,548,815	207,362,026	194,232,775	177,844,372	156,016,479	134,742,208	126,525,151
Total net position	\$ 1,029,410,532	\$ 973,486,199	\$ 922,002,321	\$ 852,501,562	\$ 796,922,593	\$ 758,526,898	\$ 728,928,851	\$ 701,944,588	\$ 675,517,371	\$ 657,043,336

Table 2
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Governmental activities:										
General government	\$ 51,245,789	\$ 50,382,503	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	\$ 35,878,873	\$ 35,365,276	\$ 37,650,090	\$ 36,876,436
Public safety	40,662,978	39,908,597	36,274,992	34,620,914	33,917,996	34,701,963	32,690,106	31,572,328	31,705,261	31,552,454
Public works	15,393,799	13,475,717	13,459,466	13,490,199	14,967,446	14,526,130	14,484,672	10,278,949	14,468,243	13,941,301
Community development	13,734,388	15,565,417	14,174,997	13,136,180	9,253,118	10,053,995	10,294,204	14,367,026	12,014,109	12,454,872
Economic development	1,752,565	-	-	-	-	-	-	-	-	-
Culture and recreation	25,638,240	24,625,914	24,576,687	21,506,116	23,345,230	20,547,209	21,450,331	17,403,563	17,608,348	20,368,098
Interest and fiscal charges	3,569,427	3,838,725	6,637,408	7,326,033	6,586,443	7,012,596	6,697,736	6,952,116	7,803,642	8,449,810
Refunding issuance costs	-	-	191,082	-	-	157,626	-	-	-	-
Unallocated depreciation	230,339	230,867	232,974	271,497	304,769	308,894	309,553	347,847	443,359	479,427
Total governmental activities expenses	152,227,525	148,027,740	145,112,517	131,616,187	125,600,376	125,404,425	121,805,475	116,287,105	121,693,052	124,122,398
Business-type activities:										
Utility	55,545,014	53,216,225	50,691,118	48,485,130	44,811,783	43,302,750	44,861,022	42,845,082	44,664,016	48,678,931
Golf	4,384,036	4,054,852	3,579,035	3,530,467	3,528,224	3,809,085	3,354,014	3,389,873	3,526,264	4,017,357
Westminster Housing Authority	-	-	70,770	125,491	84,666	106,956	696,930	792,691	1,243,300	922,689
Total business-type activities expenses	59,929,050	57,271,077	54,340,923	52,141,088	48,424,673	47,218,791	48,911,966	47,027,646	49,433,580	53,618,977
Total primary government expenses	212,156,575	205,298,817	199,453,440	183,757,275	174,025,049	172,623,216	170,717,441	163,314,751	171,126,632	177,741,375
Program Revenues										
Governmental activities:										
Charges for services:										
General government	4,797,788	5,237,623	6,105,832	4,856,467	4,150,020	4,883,189	4,055,921	3,737,240	6,116,547	4,497,892
Public safety	4,605,643	3,709,546	3,972,310	4,138,624	4,031,642	4,204,733	4,507,902	4,550,427	4,160,047	4,225,333
Public works	2,756,068	2,824,964	2,548,173	2,439,228	2,026,345	1,630,161	1,810,028	1,744,118	1,419,414	1,777,317
Community development	243,737	228,383	801,191	206,671	358,835	190,322	(12,469)	186,524	297,219	400,784
Culture and recreation	7,948,709	7,506,249	7,746,111	7,476,626	7,368,157	6,765,100	6,747,706	6,550,418	7,139,822	6,249,434
Operating grants and contributions	10,932,984	9,484,810	9,273,135	8,279,617	7,792,918	6,266,173	6,669,118	6,550,602	4,496,790	4,300,000
Capital grants and contributions	14,039,483	10,959,356	26,547,690	15,799,445	14,107,955	15,133,416	9,309,177	9,094,638	11,701,408	7,113,267
Total program revenues	45,324,412	39,950,931	56,994,442	43,196,678	39,835,872	39,073,094	33,087,383	32,413,967	35,331,247	28,564,027
Business-type activities:										
Charges for services:										
Utility	63,758,787	57,918,080	55,326,918	50,580,355	47,890,317	45,097,929	49,243,639	44,227,706	43,638,168	37,785,693
Golf	3,655,051	3,748,446	3,529,970	3,483,098	3,427,107	3,090,119	3,141,318	2,679,816	2,682,977	2,730,028
Westminster Housing Authority	-	-	-	-	-	-	723,307	944,917	942,564	920,327
Operating grants and contributions	1,400	1,500	700	-	-	1,695	36,435	-	1,972	-
Capital grants and contributions	14,474,171	12,800,673	24,125,580	16,731,575	7,060,781	9,313,996	5,460,466	7,589,453	4,221,676	3,534,458
Total business-type activities program revenues	81,889,409	74,468,699	82,983,168	70,795,028	58,378,205	57,503,739	58,605,165	55,441,892	51,487,357	44,970,506
Total revenues	127,213,821	114,419,630	139,977,610	113,991,706	98,214,077	96,576,833	91,692,548	87,855,859	86,818,604	73,534,533
Net (expense)/revenue										
Governmental activities	(106,903,113)	(108,076,809)	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	(88,718,092)	(83,873,138)	(86,361,805)	(95,558,371)
Business-type activities	21,960,359	17,197,622	28,642,245	18,653,940	9,953,532	10,284,948	9,693,199	8,414,246	2,053,777	(8,648,471)
Total primary government net expense	(84,942,754)	(90,879,187)	(59,475,830)	(69,765,569)	(75,810,972)	(76,046,383)	(79,024,893)	(75,458,892)	(84,308,028)	(104,206,842)

Table 2 (continued)
City of Westminster

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	17,691,457	15,799,702	15,090,147	13,461,402	13,535,334	12,947,197	12,891,503	13,334,499	13,326,123	10,737,251
Sales taxes	88,708,382	84,790,732	80,283,226	76,576,042	72,699,403	68,712,125	65,544,298	64,746,106	66,078,878	63,634,222
Use taxes	18,590,498	19,861,540	19,824,648	17,498,401	14,797,452	14,110,138	11,946,218	11,614,468	11,432,450	10,382,385
Business fees and other taxes	5,480,552	5,381,255	5,373,974	5,636,924	5,745,800	5,587,433	5,275,222	5,342,892	5,092,047	4,797,606
Accommodations taxes	4,782,173	4,463,046	4,258,630	4,005,426	3,478,033	2,905,893	2,427,226	2,365,444	2,231,693	2,045,874
Intergovernmental not restricted to a specific pur	285,165	249,184	241,386	393,033	224,580	672,693	672,172	673,423	1,612,345	1,360,925
Assessments	-	-	-	-	-	2,000	6,000	2,000	-	-
Interest	2,423,030	1,018,194	1,298,621	739,407	996,457	139,218	811,117	913,339	1,261,427	1,979,580
Rentals	334,627	443,624	443,074	419,137	409,143	409,789	470,674	569,867	-	-
Other	1,508,051	8,288,774	30,561	6,862	257,781	1,084,214	35,000	273,002	-	597,423
Gain on Sale of Assets	87,142	227,523	156,319	1,651,759	71,130	-	21,879	632,142	809,511	-
Special Item	-	-	-	-	-	-	-	-	-	-
Transfers	71,000	(356,098)	1,028,460	(757)	(499,157)	(774,544)	(165,572)	(350,207)	(856,339)	(748,349)
Total governmental activities	139,962,077	140,167,476	128,029,046	120,387,636	111,715,956	105,796,156	99,935,737	100,116,975	100,988,135	94,786,917
Business-type activities:										
Interest	2,135,610	1,045,374	958,005	634,166	860,924	32,742	840,406	901,668	670,337	1,177,710
Rentals	-	-	10	10	20	587	839	-	-	-
Other	892,376	845,666	931,015	911,961	948,874	883,951	1,190,155	517,259	267,252	-
Gain on Sale of Assets	-	345,328	66,973	11,997	181,736	98,245	-	-	-	1,019
Special Item	-	-	-	-	-	-	3,876,447	-	-	-
Transfers	(71,000)	356,098	(1,028,460)	757	499,157	774,544	165,572	350,207	856,339	748,349
Total business-type activities	2,956,986	2,592,466	927,543	1,558,891	2,490,711	1,790,069	6,073,419	1,769,134	1,793,928	1,927,078
Total	142,919,063	142,759,942	128,956,589	121,946,527	114,206,667	107,586,225	106,009,156	101,886,109	102,782,063	96,713,995
Change in net position										
Governmental activities	33,058,964	32,090,667	39,910,971	31,968,127	25,951,452	19,464,825	11,217,645	16,243,837	14,626,330	(771,454)
Adjustment for accounting change	(1,861,782)	-	-	3,418,011	-	(1,420,275)	-	-	-	-
Business-type activities	24,917,345	19,790,088	29,569,788	20,212,831	12,444,243	12,075,017	15,766,618	10,183,380	3,847,705	(6,721,393)
Adjustment for accounting change	(190,194)	-	-	-	-	(521,520)	-	-	-	-
Total	\$ 55,924,333	\$ 51,880,755	\$ 69,480,759	\$ 55,598,969	\$ 38,395,695	\$ 29,598,047	\$ 26,984,263	\$ 26,427,217	\$ 18,474,035	\$ (7,492,847)

Note: 2013: Adjustment for accounting change due to implementation of GASB 65.
2015: Adjustment for accounting change due to implementation of GASB 68.
2017: Westminster Housing Authority change from a proprietary to a governmental fund.
2018: Adjustment for accounting change due to implementation of GASB 75.

Table 3
City of Westminster

Fund Balances, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,220,548	\$ 4,971,225
Unreserved	-	-	-	-	-	-	-	-	11,628,557	14,873,895
Nonspendable	1,062,036	1,149,356	1,115,952	1,000,834	934,588	887,569	943,056	1,060,299	-	-
Restricted	6,306,526	6,205,516	6,227,738	5,699,348	5,145,534	5,177,644	4,849,535	4,822,404	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	8,052,727	6,836,562	6,492,595	5,915,385	6,118,523	5,732,552	5,843,851	5,802,983	-	-
Unassigned	35,004,249	33,655,936	29,970,602	31,869,732	25,115,741	18,960,092	17,795,609	15,243,510	-	-
Total general fund	\$50,425,538	\$47,847,370	\$43,806,887	\$44,485,299	\$37,314,386	\$30,757,857	\$29,432,051	\$26,929,196	\$18,849,105	\$19,845,120
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,287,957	\$ 32,504,877
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	11,702,434	9,959,421
Capital project funds	-	-	-	-	-	-	-	-	17,652,289	35,179,303
Nonspendable	-	16,648,057	20,776,055	20,776,315	31,630,640	31,226,133	32,351,416	27,391,523	-	-
Restricted	38,148,501	37,372,256	38,803,425	60,767,096	22,539,782	29,425,771	30,475,367	32,119,519	-	-
Committed	57,985,681	52,930,080	41,415,625	37,721,829	36,473,901	34,204,717	29,391,324	24,387,010	-	-
Assigned	16,909,975	3,467,415	551,520	398,546	279,822	306,482	460,677	338,688	-	-
Unassigned	(56,924)	(196,189)	1,605,617	(581,144)	(455,532)	(621,910)	(382,694)	(754,471)	-	-
Total all other governmental funds	\$112,987,233	\$110,221,619	\$103,152,242	\$119,082,642	\$90,468,613	\$94,541,193	\$92,296,090	\$83,482,269	\$82,642,680	\$77,643,601

Note: In 2011 GASB 54 was implemented with new fund balance classifications.

Table 4
City of Westminster

Changes in Fund Balance, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Taxes and business fees	\$ 135,253,062	\$ 130,296,275	\$ 124,830,625	\$ 117,178,195	\$ 110,256,022	\$ 104,262,786	\$ 98,084,467	\$ 97,403,409	\$ 98,161,191	\$ 91,597,338
Intergovernmental	16,710,544	17,197,954	18,835,428	14,621,889	14,666,756	13,444,290	13,363,386	14,690,316	14,485,838	13,354,111
Assessments	-	-	-	41,662	39,444	41,199	45,935	43,361	41,905	46,471
Licenses and permits	3,280,098	3,563,800	4,278,584	2,923,276	2,459,437	2,653,281	2,006,610	1,824,264	1,708,941	1,127,900
Interest	2,147,241	906,697	1,135,671	755,385	830,006	139,740	828,450	937,931	1,265,429	2,029,458
Rentals	334,627	443,624	443,074	419,137	409,143	425,569	476,399	569,867	-	-
Contributions	1,036,410	3,759,405	14,996,774	6,584,703	2,561,733	3,389,088	2,846,572	2,893,030	2,444,022	341,739
Recreation fees	7,704,447	7,583,862	7,605,943	7,569,719	7,379,510	6,788,407	6,751,616	6,443,748	6,372,404	5,766,441
Fines and forfeits	1,685,247	1,239,978	1,377,401	1,657,240	1,587,334	1,868,695	2,010,118	2,251,882	2,077,598	2,066,013
Fleet maintenance billings and other	4,945,591	5,151,565	5,326,371	4,920,307	4,374,067	4,508,886	4,529,238	4,442,594	5,427,769	6,544,888
EMS billings	3,179,449	2,410,270	2,503,787	2,362,530	2,178,911	2,173,899	2,357,911	2,016,677	2,031,040	1,858,670
Miscellaneous and other	1,284,054	4,931,886	589,913	65,761	358,555	810,454	127,277	317,947	128,456	336,893
Total revenues	177,560,770	177,485,316	181,923,571	159,099,804	147,100,918	140,506,294	133,427,979	133,835,026	134,144,593	125,069,922
Expenditures										
Current:										
General government	54,222,455	54,426,899	49,618,140	45,752,230	42,189,889	42,191,325	41,025,193	40,160,148	39,544,389	38,893,287
Public safety	39,791,231	38,084,423	34,987,444	33,409,984	32,882,207	33,173,549	31,434,925	30,521,418	30,409,003	30,241,887
Public works	8,711,852	8,646,817	8,488,590	7,812,814	7,589,559	7,398,650	7,210,468	3,280,134	7,391,466	6,754,884
Community development	7,036,989	10,241,109	6,077,910	6,007,219	5,442,684	5,746,886	5,416,821	8,948,499	7,090,959	4,647,250
Economic development	1,754,838	-	-	-	-	-	-	-	-	-
Culture and recreation	17,314,204	16,374,128	15,930,277	15,741,361	14,964,860	14,186,013	13,674,664	13,047,644	13,771,317	14,036,487
Capital projects	32,357,524	27,422,712	63,965,424	45,074,138	25,199,894	17,487,657	11,361,038	13,070,798	19,731,978	32,958,628
Debt service:										
Principal	7,585,000	8,042,000	12,018,000	11,775,000	10,790,000	14,651,000	11,635,000	12,585,000	8,720,000	15,538,875
Interest and fiscal charges	3,567,493	3,818,063	5,914,294	5,483,247	5,313,893	5,769,157	9,816,176	6,584,681	6,973,932	7,883,680
Issuance costs	-	-	191,082	532,288	-	157,626	383,516	-	483,318	1,003,757
Total expenditures	172,341,586	167,056,151	197,191,161	171,588,281	144,372,986	140,761,863	131,957,801	128,198,322	134,116,362	151,958,735
Excess of revenues over (under) expenditures	5,219,184	10,429,165	(15,267,590)	(12,488,477)	2,727,932	(255,569)	1,470,178	5,636,704	28,231	(26,888,813)
Other financing Sources (Uses)										
Issuance of bonds	-	-	-	-	-	11,095,000	5,812,724	-	1,134,410	535,337
Issuance of notes	-	-	-	-	-	-	-	3,500,000	-	-
Issuance of leases	-	-	-	40,577,946	-	-	-	-	2,575,190	562,530
Issuance of refunding debt	-	-	14,995,000	18,500,000	-	-	96,366,606	-	-	-
Premium on debt	-	-	1,550,018	5,074,187	-	1,167,165	1,756,197	-	-	-
Discount on debt	-	-	-	(137,068)	-	-	(67,028)	-	-	-
Payment to refunded bond escrow agent	-	-	(18,978,975)	(20,451,328)	-	(12,065,594)	(94,287,102)	-	-	-
Sale of capital asset	53,598	34,901	32,952	4,678,053	57,990	848,454	43,519	50,770	1,121,572	169,464
Transfers in	31,657,554	31,101,861	35,831,912	23,439,943	19,439,703	23,123,984	15,240,547	21,348,099	92,160,117	67,485,765
Transfers (out)	(31,586,554)	(31,445,264)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)	(15,018,965)	(21,615,893)	(93,016,456)	(68,234,114)
Total other financing sources (uses)	124,598	(308,502)	(1,341,222)	48,273,419	(243,983)	3,826,478	9,846,498	3,282,976	3,974,833	518,982
Net change in fund balances	\$ 5,343,782	\$ 10,120,663	\$ (16,608,812)	\$ 35,784,942	\$ 2,483,949	\$ 3,570,909	\$ 11,316,676	\$ 8,919,680	\$ 4,003,064	\$ (26,369,831)
Debt Service as a percentage of noncapital expenditures	7.1%	8.0%	12.2%	12.9%	12.9%	16.0%	17.2%	16.4%	13.4%	18.4%

Table 5
City of Westminster

Sales and Use Tax Revenue
Last ten fiscal years

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate
2009	57,689,143	11,526,170	4,801,294	3.85%
2010	60,677,400	11,832,426	5,001,503	3.85%
2011	59,520,797	11,887,799	4,951,978	3.85%
2012	60,408,927	12,058,508	5,023,081	3.85%
2013	64,567,678	12,886,561	5,368,023	3.85%
2014	68,180,777	13,635,955	5,680,123	3.85%
2015	73,302,649	14,663,545	6,108,251	3.85%
2016	78,019,813	15,590,932	6,497,129	3.85%
2017	81,491,695	16,349,963	6,810,615	3.85%
2018	83,620,682	16,715,283	6,962,914	3.85%

Source: City Sales Tax Division

¹ The Public Safety Sales and Use Tax was implemented January 1, 2004.

² The Open Space Sales and Use Tax was implemented January 1, 1985.

Table 6
City of Westminster

Direct and Overlapping Sales and Use Tax Rates
Last ten fiscal years

Fiscal Year	City Direct Rates				Overlapping Rates ³			
	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate	State of Colorado	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
2009	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2010	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2011	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2012	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2013	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2014	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2015	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2016	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2017	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2018	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%

Source: City Sales Tax Division

¹ The Public Safety Sales and Use Tax was implemented January 1, 2004.

² The Open Space Sales and Use Tax was implemented January 1, 1985.

³ Overlapping rates are those of county governments and tax districts within the City of Westminster. Not all overlapping rates apply to all sales transactions.

Table 7
City of Westminster

Principal Sales and Use Tax Payers by Category
Current Year and Nine Years Ago

Category	Fiscal Year 2018			Fiscal Year 2009		
	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax
Department and Discount Stores	\$ 20,953,424	1	19.5%	\$ 20,007,091	1	27.0%
Restaurants	12,796,138	2	11.9%	7,814,379	3	10.6%
Utility/Telecommunications	9,923,527	3	9.2%	8,178,109	2	11.0%
Building/Home Improvement	9,679,839	4	9.0%	3,924,860	6	5.3%
Automobile	9,400,579	5	8.8%	5,346,836	4	7.2%
Grocery	6,424,530	6	6.0%	4,893,153	5	6.6%

Source: City Sales Tax Division

Note: Due to requirements under the City Code, the names of the largest revenue payers are held as confidential.
The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Table 8
City of Westminster

Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Per Capita ¹
	Revenue Bonds	Tax Increment Bonds	Notes	Capital Leases	Revenue Bonds	Notes	Capital Leases		
2009	65,625,270	108,568,501	-	76,193,389	14,328,466	33,932,956	1,075,366	299,723,948	2,741
2010	61,109,196	104,883,171	-	75,754,921	37,291,914	31,790,310	5,450,956	316,280,468	2,724
2011	56,202,915	100,713,157	-	71,210,191	35,460,361	29,141,172	4,989,583	297,717,379	2,715
2012	51,151,751	97,880,475	1,612,724	65,433,763	33,558,808	24,123,395	4,427,856	278,188,772	2,577
2013	47,001,480	93,599,570	1,612,724	62,880,551	31,577,255	21,077,341	4,516,937	262,265,858	2,396
2014	41,214,039	88,185,621	1,612,724	56,474,766	29,505,000	18,374,433	5,064,654	240,431,237	2,167
2015	36,429,070	82,594,672	1,159,724	93,027,440	32,291,867	15,581,464	4,304,841	265,389,078	2,368
2016	29,892,252	76,807,723	929,724	87,080,858	81,444,004	12,656,181	3,631,794	292,442,536	2,585
2017	27,467,417	70,846,774	817,000	79,377,924	77,759,407	9,736,204	3,556,337	269,561,063	2,329
2018	24,934,193	65,457,826	817,000	71,515,263	73,125,093	7,908,512	2,836,156	246,594,045	2,106

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

¹Personal income and population data can be found on Table 12.

Table 9
City of Westminster

Direct and Overlapping Governmental Activities Debt
As of December 31, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County Fire Protection District	\$ 2,016,287	0.05%	\$ 1,008
Adams County School District #12	527,295,000	26.32%	138,784,044
Apex Park & Rec District	25,000,000	7.07%	1,767,500
Arvada Fire Protection District	6,139,348	0.05%	3,070
Bradburn Metro #2	4,294,220	100.00%	4,294,220
Bradburn Metro #3	14,625,650	100.00%	14,625,650
Church Ranch Metro District	1,405,000	116.57%	1,637,809
Country Club Highlands Metro District	2,055,000	100.00%	2,055,000
Country Club Village Metro District	2,500,000	100.00%	2,500,000
Countrydale Metropolitan District	20,540,000	100.00%	20,540,000
Huntington Trails Metro District	6,645,000	100.00%	6,645,000
Hyland Hills Park & Recreation	5,215,000	54.07%	2,819,751
Hyland Village Metro District	5,400,000	100.00%	5,400,000
Jefferson County	92,905,000	6.66%	6,187,473
Jefferson County School District R-1	657,285,000	6.66%	43,775,181
NBC Metropolitan District	4,730,000	98.42%	4,655,266
North Metro Fire and Rescue	15,685,000	0.51%	79,994
Westglenn Metro District	2,833,000	97.91%	2,773,790
Westminster Public Schools	58,440,000	46.32%	27,069,408
Subtotal, overlapping debt			\$ 285,614,164
City Direct debt			162,724,282
Total direct and overlapping debt			\$ 448,338,446

Source: Assessed value data used to estimate applicable percentages provided by Adams County and Jefferson County Governments. Debt outstanding data provided by each governmental unit. City direct debt details can be found on Table 8.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. How ever, this does not imply that every taxpayer is a resident. And therefore responsible for repaying the debt, of each overlapping government.

Table 10
City of Westminster

Legal Debt Margin Information
Last ten fiscal years

Legal Debt Margin Calculation for Fiscal Year 2018

Actual value of taxable property ¹		
Adams County portion of the City	\$ 8,708,167,130	
Jefferson County portion of the City	6,368,185,663	
Total actual value		<u>\$ 15,076,352,793</u>
Debt limit (3% of actual value ²)		\$ 452,290,584
Debt applicable to limit:		
Bonded debt - general obligation only	\$ -	
Installment of lease/purchase contracts for purchase of property or equipment ³	<u>69,885,802</u>	
	69,885,802	
Less deductions allowed by law:	<u>-</u>	
Total net debt applicable to limit		<u>69,885,802</u>
Legal debt margin		<u>\$ 382,404,782</u>

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt limit	\$ 452,290,584	\$ 445,262,890	\$ 344,518,254	\$ 344,518,254	\$ 297,497,248	\$ 298,199,061	\$ 294,623,453	\$ 296,197,301	\$ 305,686,451	\$ 306,001,998
Total net debt applicable to limit	69,885,802	78,031,919	85,448,873	93,102,037	59,711,741	65,341,824	70,496,233	76,942,093	82,058,107	77,901,812
Legal debt margin	<u>\$ 382,404,782</u>	<u>\$ 367,230,971</u>	<u>\$ 259,069,381</u>	<u>\$ 251,416,217</u>	<u>\$ 237,785,507</u>	<u>\$ 232,857,237</u>	<u>\$ 224,127,220</u>	<u>\$ 219,255,208</u>	<u>\$ 223,628,344</u>	<u>\$ 228,100,186</u>
Total net debt applicable to the limit as a percentage of debt limit	15.45%	17.52%	24.80%	27.02%	20.07%	21.91%	23.93%	25.98%	26.84%	25.46%

¹ Source Adams County and Jefferson County Assessors' Offices

² CRS 31-15-302 (3% limit)

³ Included in general obligation indebtedness per Section 11.1 of City Charter

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Utilities Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:	Net Pledged Revenue	Debt Service		Coverage
		Operating Expenses		Principal	Interest	
2009	38,962,225	(34,914,945)	4,047,280	3,913,088	1,821,361	0.71
2010	45,945,519	(29,813,687)	16,131,832	4,055,665	2,446,814	2.48
2011	50,529,479	(27,931,057)	22,598,422	4,190,557	3,006,017	3.14
2012	54,605,982	(29,478,283)	25,127,699	4,337,883	2,852,651	3.49
2013	52,903,911	(27,684,633)	25,219,278	4,501,875	2,690,433	3.51
2014	53,326,893	(29,817,470)	23,509,423	4,678,308	2,509,611	3.27
2015	65,683,761	(33,884,996)	31,798,765	4,652,930	2,352,949	4.54
2016	77,302,486	(35,226,787)	42,075,699	4,779,791	3,045,426	5.38
2017	70,329,299	(37,392,699)	32,936,600	6,054,011	3,682,728	3.38
2018	79,123,434	(38,663,747)	40,459,687	5,999,029	3,533,838	4.24

Golf Course Enterprise Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:	Net Pledged Revenue	Debt Service		Coverage
		Operating Expenses		Principal	Interest	
*2009	2,730,028	(3,174,737)	(444,709)	225,000	274,415	(0.89)
2010	-	-	-	-	-	N/A
2011	-	-	-	-	-	N/A
2012	-	-	-	-	-	N/A
2013	-	-	-	-	-	N/A
2014	-	-	-	-	-	N/A
2015	-	-	-	-	-	N/A
2016	-	-	-	-	-	N/A
2017	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A

Notes: * Refunded in 2010 as part of the 2010 COPs issue.
 Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 Sales and Use Tax and Parks Open Space Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.

Source: City's Treasury Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	Sales and Use Tax Revenue Bonds					
	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
2009	47,712,522	(434,255)	47,278,267	3,605,000	1,747,921	8.83
2010	53,964,035	(439,522)	53,524,513	3,220,000	2,347,240	9.61
2011	54,419,273	(434,196)	53,985,077	3,345,000	1,348,146	11.50
2012	56,057,366	(448,515)	55,608,851	3,435,000	1,211,039	11.97
2013	59,734,283	(454,483)	59,279,800	3,545,000	1,172,826	12.57
2014	63,933,137	(452,233)	63,480,904	3,805,000	904,026	13.48
2015	68,723,743	(448,060)	68,275,683	4,080,000	744,345	14.15
2016	71,194,240	(446,034)	70,748,206	4,255,000	558,845	14.70
2017	74,824,655	(519,697)	74,304,958	1,225,000	374,600	46.45
2018	77,481,002	(549,687)	76,931,315	2,300,000	334,250	29.20

Fiscal Year	Parks Open Space Trails Sales and Use Tax Revenue Bonds					
	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
2009	4,823,367	(36,165)	4,787,202	1,180,000	1,494,038	1.79
2010	4,998,817	(36,603)	4,962,214	1,435,000	1,466,838	1.71
2011	4,930,898	(36,160)	4,894,738	1,490,000	1,389,438	1.70
2012	5,039,265	(37,352)	5,001,913	1,545,000	1,329,837	1.74
2013	5,346,716	(37,849)	5,308,867	1,610,000	1,268,038	1.84
2014	5,625,403	(37,686)	5,587,717	1,675,000	1,203,638	1.94
2015	6,084,365	(37,338)	6,047,027	1,755,000	1,119,888	2.10
2016	6,453,721	(37,169)	6,416,552	1,850,000	817,676	2.41
2017	6,767,505	(43,308)	6,724,197	960,000	757,119	3.92
*2018	-	-	-	-	-	N/A

Notes: * No principal balance outstanding as of December 31, 2017.
 Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 Sales and Use Tax and Parks Open Space Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.

Source: City's Treasury Division

**Table 11 (continued)
City of Westminster**

**Pledged Revenue Coverage
Last ten fiscal years**

1997 Westminster Economic Development Authority (WEDA) Revenue Bonds (Westminster Plaza Urban Reinvestment Project)							
Fiscal Year	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
*2009	262,399	(3,254)	259,145	-	33,436	33,436	7.75
2010	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	N/A

*Refunded in June 2009 as WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009.

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2005 (North Huron Project)									
	Gross Pledged Revenues	Less:		Capitalized Interest	Total Revenues Available for Debt Service	Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
*2009	2,245,860	(42,450)	2,203,410	-	2,203,410	5,925,000	792,075	6,717,075	0.33
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	-	-	N/A

*Refunded in May 2009 with WEDA Tax Increment Loan Series 2009 (North Huron Project).

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2006 (Mandalay Gardens Project)									
	Less:				Debt Service				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage
*2009	2,798,958	(27,004)	2,771,954	-	2,771,954	2,857,875	1,056,631	3,914,506	0.71
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	-	-	N/A

*Refunded in September 2009 with WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009.

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2007 (South Sheridan Project)									
	Less:				Debt Service				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage
*2009	563,172	(401,776)	161,396	156,055	317,451	416,000	128,584	544,584	0.58
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	-	-	N/A

*Refunded in June 2009 with WEDA Tax Increment Loan Series 2009 (South Sheridan Project).

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009									
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
*2009	269,431	(3,341)	266,090	97,929	364,019	265,000	121,697	386,697	0.94
2010	379,965	(5,601)	374,364	373,106	747,470	555,000	192,470	747,470	1.00
2011	408,035	(5,948)	402,087	344,293	746,380	575,000	171,380	746,380	1.00
2012	469,479	(6,081)	463,398	281,132	744,530	595,000	149,530	744,530	1.00
2013	469,946	(6,390)	463,556	283,364	746,920	620,000	126,920	746,920	1.00
2014	286,639	(4,253)	282,386	465,974	748,360	645,000	103,360	748,360	1.00
2015	326,466	(3,594)	322,872	421,813	744,685	665,000	78,850	743,850	1.00
2016	545,321	(4,046)	541,275	202,305	743,580	690,000	53,580	743,580	1.00
2017	716,627	(4,832)	711,795	35,565	747,360	720,000	27,360	747,360	1.00
2018	-	-	-	-	-	-	-	-	N/A

*Bonds issued in June 2009 to refund the WEDA Series 1997 Revenue Bonds.

Source: City's Administration Division

WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009 (Mandalay Gardens Project)							
	Less:		Net Pledged Revenue	Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses		Principal	Interest and Fees		
*2009	803,667	(6)	803,661	-	376,662	376,662	2.13
2010	2,697,327	(31,954)	2,665,373	1,125,000	614,960	1,739,960	1.53
2011	2,175,755	(31,752)	2,144,003	1,185,000	589,869	1,774,869	1.21
2012	1,830,823	(27,462)	1,803,361	-	392,699	392,699	4.59
2013	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	N/A

*Bonds were issued in September 2009 to refund the WEDA Series 2006 Revenue Refunding Bonds and were subsequently refunded in 2012.

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2009 (North Huron Project)							
	Gross Pledged Revenues	Less:	Net Pledged Revenue	Debt Service		Total Debt Service	Coverage
		Operating Expenses		Principal	Interest and Fees		
*2009	4,529,320	(40,366)	4,488,954	1,170,000	1,911,157	3,081,157	1.46
2010	5,993,927	(81,617)	5,912,310	2,125,000	2,760,466	4,885,466	1.21
2011	5,352,616	(82,240)	5,270,376	2,215,000	2,664,608	4,879,608	1.08
2012	5,326,071	(82,895)	5,243,176	-	1,627,997	1,627,997	3.22
2013	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	N/A

*Loan was entered into May 2009 to refund the WEDA Series 2005 Revenue Refunding Bonds and was subsequently refunded in 2012.

WEDA Tax Increment Loan Series 2009 (South Sheridan Project)							
	Gross Pledged Revenues	Less:	Net Pledged Revenue	Debt Service		Total Debt Service	Coverage
		Operating Expenses		Principal	Interest and Fees		
*2009	1,429,709	(637,131)	792,578	120,000	220,579	340,579	2.33
2010	2,368,657	(1,090,879)	1,277,778	260,000	399,282	659,282	1.94
2011	2,087,819	(1,204,614)	883,205	275,000	386,265	661,265	1.34
2012	1,153,846	(845,516)	308,330	-	252,923	252,923	1.22
2013	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	N/A
2017	-	-	-	-	-	-	N/A
2018	-	-	-	-	-	-	N/A

*Loan was entered into June 2009 to refund the WEDA Series 2007 Revenue Refunding Bonds and was subsequently refunded in 2012.

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)									Coverage
Gross Pledged Revenues	Less:		Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Total Debt Service	
	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees			
2009	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
*2012	125,145	(1,022)	124,123	1,306,770	1,430,893	1,150,000	280,893	1,430,893	1.00
2013	1,795,005	(26,105)	1,768,900	565,075	2,333,975	1,390,000	943,975	2,333,975	1.00
2014	2,062,679	(27,550)	2,035,129	295,096	2,330,225	1,400,000	930,225	2,330,225	1.00
2015	2,371,195	(27,420)	2,343,775	-	2,343,775	1,445,000	888,225	2,333,225	1.00
2016	2,459,290	(27,441)	2,431,849	-	2,431,849	1,490,000	844,875	2,334,875	1.04
2017	2,449,719	(27,298)	2,422,421	-	2,422,421	1,515,000	815,075	2,330,075	1.04
2018	2,596,428	(30,217)	2,566,211	-	2,566,211	1,570,000	762,050	2,332,050	1.10

*Bonds were issued in August 2012 to refund the WEDA Series 2009 Revenue Refunding Bonds with pledged revenues transferred from 2009 Bond account to meet debt service.

WEDA Tax Increment Loan Series 2012 (North Huron Project)									Coverage
Gross Pledged Revenues	Less:		Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Total Debt Service	
	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees			
2009	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
*2012	26,490	(388)	26,102	508,941	535,043	-	535,043	535,043	1.00
2013	5,620,846	(301,220)	5,319,626	-	5,319,626	2,811,000	2,071,163	4,882,163	1.09
2014	6,072,318	(425,753)	5,646,565	-	5,646,565	2,910,000	1,972,514	4,882,514	1.16
2015	6,043,551	(388,377)	5,655,174	-	5,655,174	3,012,000	1,870,103	4,882,103	1.16
2016	6,966,179	(291,459)	6,674,720	-	6,674,720	3,118,000	1,764,394	4,882,394	1.37
2017	7,556,140	(484,838)	7,071,302	-	7,071,302	3,227,000	1,654,952	4,881,952	1.45
2018	7,593,615	(528,299)	7,065,316	-	7,065,316	3,340,000	1,541,669	4,881,669	1.45

*Loan was entered into August 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

	WEDA Tax Increment Loan Series 2012 (South Sheridan Project)					Debt Service			Coverage
	Gross Pledged Revenues	Less: Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	
2009	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
*2012	263,400	(286,612)	(23,212)	358,834	335,622	290,000	45,622	335,622	1.00
2013	614,018	(90,586)	523,432	29,083	552,515	350,000	202,515	552,515	1.00
2014	510,298	(7,634)	502,664	44,892	547,556	355,000	192,556	547,556	1.00
2015	525,707	(7,868)	517,839	29,651	547,490	365,000	182,490	547,490	1.00
2016	586,198	(8,783)	577,415	-	577,415	385,000	172,612	557,612	1.04
2017	579,970	(8,689)	571,281	-	571,281	395,000	168,307	563,307	1.01
2018	677,673	(10,152)	667,521	-	667,521	375,000	189,404	564,404	1.18

*Loan was entered into September 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

Source: City's Administration Division

Table 12
City of Westminster

Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population ¹	Total Personal Income ²	Per Capita Personal Income (Weighted Avg.) ³	Unemployment Rate ⁴
2009	109,353	4,238,522,280	38,760	7.7%
2010	106,114	4,574,427,144	43,109	9.0%
2011	109,652	4,475,336,728	40,814	8.9%
2012	107,967	4,477,067,589	41,467	8.0%
2013	109,456	4,511,010,128	41,213	6.0%
2014	110,946	4,630,553,202	41,737	4.1%
2015	112,090	4,941,599,740	44,086	3.4%
2016	113,130	5,092,094,430	45,011	2.8%
2017	115,732	5,384,894,228	46,529	3.0%
2018	117,094	5,657,045,328	48,312	3.9%

Source:

¹ 2018 Population - ESRI Community Analyst, 2018

² Total Personal Income - Product of Per Capita Personal Income by Population

³ Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Jefferson County figures for 2017.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for December, 2018, and calculated as a weighted average of rates

Table 13
City of Westminster

Principal Private Sector Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2018			Fiscal Year 2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	1,182	1	2.46%	628	3	1.69%
Alliance Data Systems	1,045	2	2.18%	428	6	1.15%
St. Anthony North Hospital	915	3	1.91%	799	2	2.15%
DigitalGlobe	809	4	1.69%			
Trimble Navigation	600	5	1.25%	290	8	0.78%
Tri State Generation	550	6	1.15%	400	7	1.07%
Reed Group	477	7	0.99%			
Mtech Mechanical Technologies Group	460	8	0.96%			
Kaiser Permanente	441	9	0.92%	275	9	0.0074
LGS Innovations	373	10	0.78%			
Avaya				1,200	1	3.22%
McKesson Information Systems				475	5	1.28%
LPS Asset Management Solutions				500	4	1.34%
Kaiser Permanente (Sheridan)				263	10	0.71%

Note: Total employment in Westminster businesses was 47,966 in 2017 and 37,163 in 2009.
Source: Westminster Economic Development Department

Table 14
City of Westminster

Full-time Equivalent City Employees by Function/Program
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government										
City Attorney's Office	15.700	15.700	14.700	13.700	13.700	13.700	13.700	13.700	13.950	13.950
City Manager's Office	20.550	29.500	23.000	17.500	15.500	15.500	15.500	14.800	16.900	16.900
Finance	30.000	29.500	28.500	28.500	27.500	27.500	26.750	26.750	29.000	29.000
General Services	56.716	71.466	74.516	71.766	72.766	72.766	71.766	71.766	78.326	76.326
Human Resources	19.500									
Public Safety										
Fire Department	143.000	139.500	136.300	135.300	135.300	135.300	135.300	135.300	143.500	142.500
Police Department	265.600	265.600	263.600	263.600	261.600	261.600	262.600	262.600	274.800	275.300
Public Works										
Street Maintenance	26.000	25.000	24.000	24.000	24.000	24.000	24.000	24.000	26.000	26.000
Community Development										
Administration	7.100	7.600	7.600	6.100	6.100	6.100	6.100	6.100	7.600	7.600
Planning Division	17.000	17.000	17.000	14.500	14.200	14.200	14.200	14.200	14.200	14.700
Building Division	18.500	18.500	18.000	16.100	16.100	16.000	16.000	16.000	16.500	18.500
Engineering Division	18.250	17.000	15.750	13.000	13.000	13.000	13.000	13.000	14.500	14.500
Open Space	22.000	16.300	12.500	6.500	2.500	2.500	2.500	2.500	2.500	2.500
Economic Development										
Administration	11.500									
Culture and Recreation										
Administration	19.500	19.000	19.000	17.200	17.200	15.200	15.200	15.200	16.200	10.200
Parks Services	35.000	35.000	34.800	33.800	35.800	35.800	35.800	35.800	42.400	49.400
Aquatics	15.600	15.600	16.300	15.800	14.800	0.000	0.000	0.000	0.000	0.000
Library Services	41.975	41.975	41.975	39.275	39.275	40.275	40.275	40.275	42.200	42.200
Recreation Programs	10.300	10.300	14.900	17.300	15.600	15.600	15.000	15.000	16.500	16.500
Recreation Facilities	42.300	42.300	37.000	35.500	35.500	50.300	50.300	50.300	64.048	65.298
Utilities										
Administration	50.500	49.500	45.500	45.300	41.800	41.800	41.800	42.300	44.300	46.800
Water Resources & Treatment	57.500	56.000	56.000	56.000	56.000	54.750	53.750	52.750	53.750	52.750
Field Operations	51.000	50.500	46.500	45.500	42.500	42.500	38.500	38.500	44.500	42.000
Golf Courses										
Legacy Ridge	8.500	8.000	8.000	8.500	9.000	10.000	10.000	9.000	10.500	10.500
The Heritage	8.500	8.000	8.000	8.500	9.000	9.000	9.000	10.000	10.500	10.500
Total	1012.091	988.841	963.441	933.241	918.741	917.391	911.041	909.841	982.674	983.924

Table 15
City of Westminster

Operating Indicators by Function/Program
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public Safety										
Total Fire/EMS Incidents	11,924	11,559	10,699	10,226	9,968	6,709	9,267	8,834	8,288	7,980
EMS Transports by fire department	6,140	6,019	5,619	5,497	5,314	6,589	5,166	4,804	4,710	4,493
Police emergency responses	445	635	870	935	965	1,049	874	964	1,142	1,361
Traffic Citations (municipal)	8,281	5,506	5,454	7,117	7,791	8,325	9,190	11,528	11,739	10,536
Public Works										
Curb miles swept	3,711	4,101	3,430	3,051	3,281	3,258	4,426	3,112	4,001	8,004
Lane miles rehabilitated	67	74	80	88	71	103	101	103	104	98
Community Development										
Official Development Plans processed	153	177	142	136	130	129	120	92	137	123
Building Permits issued	7,672	6,937	6,890	4,976	5,999	4,994	5,456	5,079	6,007	5,978
Culture and Recreation										
Library circulation	672,108	964,606	746,113	844,001	941,256	1,015,864	1,102,660	1,183,780	1,403,597	1,533,879
Facility participants	1,112,121	1,092,832	1,079,685	1,025,625	986,153	955,079	943,876	918,842	918,842	675,855
Program registrants	214,321	200,206	178,038	172,257	103,704	97,325	91,397	97,447	97,447	91,640
Utilities										
Water gallons treated (in millions)	6,641	5,795	6,128	5,883	5,827	5,873	6,867	6,244	6,298	5,825
Water customers	33,016	32,825	32,587	32,322	32,227	32,163	32,040	31,938	31,815	31,659
Wastewater gallons treated (in millions)	2,409	2,460	2,586	2,684	2,488	2,508	2,603	3,681	2,746	2,470
Wastewater customers	31,465	30,347	30,904	30,586	30,803	30,726	30,626	30,526	30,042	30,299
Golf Courses										
Paid golf rounds played	80,354	70,613	76,684	71,750	67,728	61,899	61,439	58,382	54,792	51,825
Golf course acres maintained	414	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Note: Library circulation for prior years updated with revised data

Table 16
City of Westminster

Capital Asset Statistics by Function/Program
Last ten fiscal years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	89	79	71	71	71	71	71	71	70	62
Public Works										
Total Lane Miles	1,128	1,126	1,116	1,101	1,101	1,100	1,099	1,099	1,106	1,061
Community Development										
Traffic Signals	115	113	113	113	113	111	111	111	110	109
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	220	219	218	215	212	212	200	196	194	188
Neighborhood, community & citywide parks	64	58	54	53	53	53	53	53	53	52
Utilities										
Water mains	550	550	531	544	516	509	508	509	509	508
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4	4	4
Golf Courses										
Golf Courses	2	2	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team



Compliance Section

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of the Financial Statements Performed in Accordance with
Government Auditing Standards**

Honorable Mayor and Members of City Council
City of Westminster, Colorado
Westminster, Colorado

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 16, 2019, which contained an Emphasis of Matter paragraph regarding a change in accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and Members of City Council
City of Westminster, Colorado

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Denver, Colorado
May 16, 2019

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Honorable Mayor and Members of City Council
City of Westminster, Colorado
Westminster, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Westminster, Colorado's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2018. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Honorable Mayor and Members of City Council
City of Westminster, Colorado

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2018.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Denver, Colorado
May 16, 2019

City of Westminster
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2018

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Westminster
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2018

Reference Number	Summary of Finding	Status
No matters are reportable.		

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CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Number	Passed-through to Subrecipients	Total Federal Program Expenditures
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants (CDBG -Entitlements Grants)			14.218	\$ 55,152	\$ 180,497
<u>Department of Justice</u>					
Missing Children's Assistance (ICAC)	City of Colorado Springs Police	2015-MC-FX-K030	16.543	-	4,916
Edward Byrne Memorial Justice Assistance Grant Program			16.738	-	52,313
Crime Victim Assistance	Colorado Department of Public Safety-Division of Criminal Justice	2015-VA-16-013876-17	16.575	-	63,072
Equitable Sharing Program			16.922	-	22,859
Subtotal				-	143,160
<u>Department of Homeland Security</u>					
National Urban Search and Rescue (US&R) Response System	West Metro Fire Protection District/Colorado Department of Local Affairs	None Provided	97.025	-	66,621
Emergency Management Performance Grant	Colorado Division of Homeland Security & Emergency Management/Colorado Department of Local Affairs	17EM-18-94	97.042	-	45,000
Staffing for Adequate Fire and Emergency Response (SAFER)			97.083	-	146,234
Hazard Mitigation Grant	Colorado Department of Public Safety-Division of Homeland Security and Emergency Management/Colorado Department of Public Safety	HMGP-4229 17-D4229-18P	97.039	-	24,195
Subtotal				-	282,050
<u>Executive Office of the President</u>					
High Intensity Drug Trafficking Areas Program			95.001	401,274	401,274
<u>Department of Transportation</u>					
Highway Planning and Construction (Highway Planning and Construction Cluster)	Regional Air Quality	PO 954	20.205	-	6,260
TOTAL FEDERAL ASSISTANCE	Total Federal Assistance			\$ 456,426	\$ 1,013,241

The accompanying notes are an integral part of this schedule.

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2019

NOTE 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position or cash flows of the City.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2: Department of Housing and Urban Development, HUD Section 108 Loan Guarantee

The original note was issued on October 05, 2012, for \$1,500,000. The outstanding loan balance as of December 31, 2018, is \$817,000. The terms of the loan are a 20-year repayment with the first 15 years set at interest-only payments, and the principal to be repaid in the remaining 5 years. A prepayment was made in 2015 and 2016 toward the loan principal balance that had originally been scheduled with due dates of August 1, 2028, August 1, 2029, and August 1, 2030. The final maturity date is August 1, 2032. The 2012 Section 108 Housing and Urban Development Loan has a variable interest rate based on 3 month LIBOR plus 0.20%, adjusted monthly on the first day of each month. The 3 month LIBOR as of December 31, 2018 is 2.8076. The Community Development Block Grant allocation is pledged as security for repayment in the event of a default on the note.

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2018

This Information From The Records Of (example - City of _ or County of _	Prepared By: Lore Nusser Accountant Phone: 303.658.2365
--	--

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	7,621,736
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,270,432
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,075,688
2. General fund appropriations	36,776,967	b. Snow and ice removal	688,765
3. Other local imposts (from page 2)	22,686,543	c. Other	2,566,224
4. Miscellaneous local receipts (from page 2)	2,672,432	d. Total (a. through c.)	6,330,677
5. Transfers from toll facilities		4. General administration & miscellaneous	0
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	20,222,845
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	1,560,822
7. Total (1 through 6)	62,135,942	b. Redemption	3,492,450
B. Private Contributions	0	c. Total (a. + b.)	5,053,272
C. Receipts from State government (from page 2)	4,876,020	2. Notes:	
D. Receipts from Federal Government (from page 2)	307,048	a. Interest	1,223,561
E. Total receipts (A.7 + B + C + D)	67,319,010	b. Redemption	1,324,759
		c. Total (a. + b.)	2,548,320
		3. Total (1.c + 2.c)	7,601,592
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	27,824,437

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	9,761,500		1,445,500	8,316,000
1. Bonds (Refunding Portion)				
B. Notes (Total)	55,297,300		3,041,950	52,255,350

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	106,221,793	67,319,010	27,824,437	145,716,366	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2018

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	17,691,457	a. Interest on investments	141,674
b. Other local imposts:		b. Traffic Fines & Penalties	1,534,959
1. Sales Taxes	3,479,863	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	
5. Specific Ownership &/or Other	1,515,223	g. Other Misc. Receipts	995,799
6. Total (1. through 5.)	4,995,086	h. Other	0
c. Total (a. + b.)	22,686,543	i. Total (a. through h.)	2,672,432
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	4,462,381	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	307,048
c. Motor Vehicle Registrations	391,859	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	21,780	f. Other Federal	0
f. Total (a. through e.)	413,639	g. Total (a. through f.)	307,048
4. Total (1. + 2. + 3.f)	4,876,020	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	0	0
b. Engineering Costs	0	477,471	477,471
c. Construction:			
(1). New Facilities	0	1,098,735	1,098,735
(2). Capacity Improvements	425,000	4,844,221	5,269,221
(3). System Preservation	397,007	0	397,007
(4). System Enhancement & Operation	0	379,302	379,302
(5). Total Construction (1) + (2) + (3) + (4)	822,007	6,322,258	7,144,265
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	822,007	6,799,729	7,621,736
			(Carry forward to page 1)

Notes and Comments:

SPIRIT OF FULL DISCLOSURE RESULTS THAT COUNT

Service Pride Integrity Responsibility Innovation Teamwork



WESTMINSTER
COLORADO

City of Westminster | 4800 West 92nd Avenue | Westminster, CO 80031
(303) 658-2400 www.cityofwestminster.us