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## FINANCE

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The Finance Department is comprised of four divisions that are responsible for the financial activities of the City. This includes administration of sales and use tax, special districts, and all accounting functions including payroll, accounts payable, accounts receivable, and financial reporting. The Department also manages the City's debt issuance, investment portfolios, pension plans, procurement process, and utility billing operation.

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### OVERVIEW

**Administration Division:** The Administration Division oversees the functions of the Finance Department; provides financial management services to all City departments; administers the City's defined contribution retirement plans and procurement process; and coordinates contracts, grants, and agreements.

**Accounting Division:** The Accounting Division administers the centralized processing, recording, and reporting of all the City's financial transactions through the financial management system and payroll, accounts payable, accounts receivable and fixed asset subsidiary systems. The Accounting Division also manages the annual financial audit, internal audit function, and supplemental budget administration.

**Sales Tax Division:** The Sales Tax Division administers all provisions of the Westminster Municipal Code pertaining to sales and use taxes, admissions tax, accommodations tax, and franchise fees; conducts field audits of businesses that are engaged in business within the City; and processes tax receipts and handles taxpayer inquiries. The Division also accounts for the special districts within the City, including preparation of all the special districts' budgets.

**Treasury Division:** The Treasury Division manages the investment portfolio for the City and administers the central cashing program for city revenues; the City's purchasing card program and other financial services contracts; the debt and lease purchase portfolio; and the utility billing services for the City's Utility Enterprise.

### Total Budget by Category

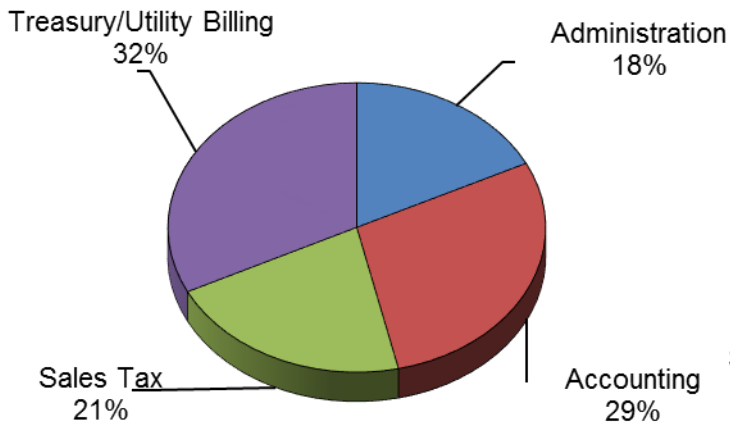
	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
Personnel	\$2,193,688	\$2,369,512	\$2,363,594	\$2,582,935	\$2,608,589
Contractual	\$564,427	\$611,796	\$617,958	\$651,302	\$674,622
Commodities	\$37,796	\$45,040	\$47,715	\$48,215	\$48,465
Capital Outlay	\$8,349	\$4,495	\$1,820	\$10,265	\$1,820
<b>TOTAL</b>	<b>\$2,804,260</b>	<b>\$3,030,843</b>	<b>\$3,031,087</b>	<b>\$3,292,717</b>	<b>\$3,333,496</b>

**Total Budget by Division**

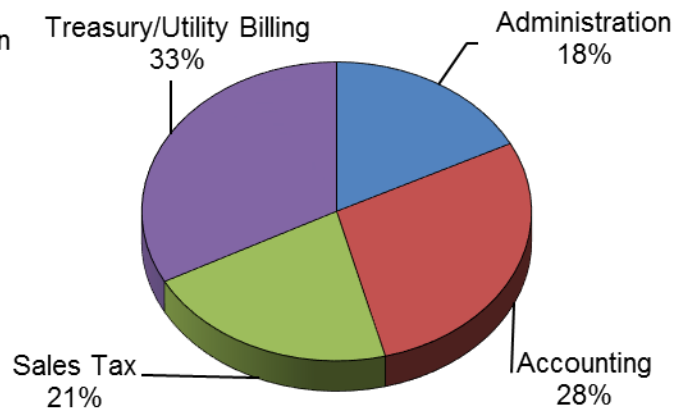
	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
<b>Administration</b>	\$486,145	\$542,286	\$542,076	\$582,801	\$583,664
<b>Accounting</b>	\$817,975	\$877,868	\$911,857	\$946,802	\$949,007
<b>Sales Tax</b>	\$575,010	\$623,802	\$623,602	\$698,332	\$707,960
<b>Treasury/Utility Billing</b>	\$925,130	\$986,887	\$953,552	\$1,064,782	\$1,092,865
<b>TOTAL</b>	<b>\$2,804,260</b>	<b>\$3,030,843</b>	<b>\$3,031,087</b>	<b>\$3,292,717</b>	<b>\$3,333,496</b>

**Total Budget by Division**

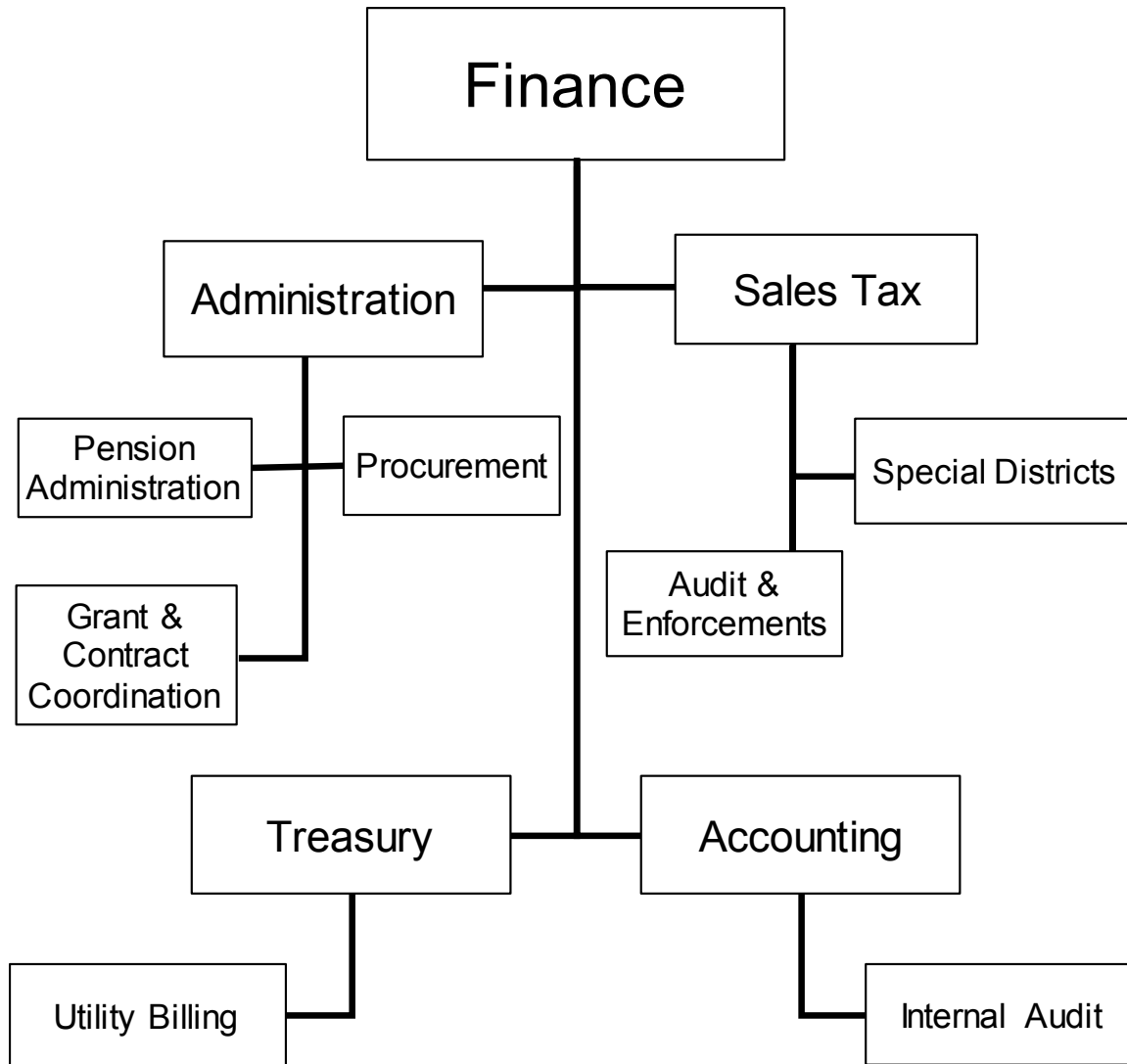
**Adopted 2017**



**Adopted 2018**



The 2007D Parks, Open Space, and Trails bonds were refunded in 2015, generating a savings of \$2,431,772 over the remaining life of the bonds.



**Staffing (Full-Time Equivalent Employees)**

	2016 Authorized	2017 Authorized	2018 Authorized
<b>Administration</b>	5.50	5.50	5.50
<b>Accounting</b>	10.50	10.50	10.50
<b>Sales Tax</b>	8.50	9.50	9.50
<b>Treasury/Utility Billing</b>	8.00	9.00	9.00
<b>TOTAL</b>	<b>32.50</b>	<b>34.50</b>	<b>34.50</b>

Note: Staffing totals include positions in the General and Utility funds.

## Administration

### Overview:

- Assists in the development of the City’s strategic financial goals and financial management.
- Oversees the functions of the Finance Department and provides clerical support for all Finance Divisions.
- Manages and administers the City's defined contribution retirement plans.
- Provides financial management services to all City departments.
- Assists staff with the development and solicitation of request for proposal and invitation to bid documents, including managing the City's electronic bid platform.
- Regularly monitors/audits purchases greater than \$7,500 but less than \$75,000, for compliance to policies and procedures related to the competitive purchasing process; conducts an annual audit of all expenditures over \$75,000 for compliance related to City Council approval.
- Handles inquires from vendors in regards to conducting business with the City.
- Assists in ensuring City purchases are made through a competitive purchasing process.
- Handles disposal of City surplus through trade, sale, public auction, or donation.
- Assists in the acquisition of vehicles and heavy equipment purchased by the City.

### 2017 Objectives:

- Review fee payment methodologies for the deferred compensation plan.
- Review third party administrator services for the deferred compensation plan.
- Develop citywide purchasing training to assist staff in better understanding the process associated with purchasing goods and services on behalf of the City.
- Implement the results of the 15-year vehicle replacement project, which includes an increase or “catch up” in funding, budgeting, and ordering of replacement vehicles and equipment.
- Effectively and efficiently dispose of City surplus at public auction.
- Provide expertise in financing Phase 1 of the Westminster Center Urban Reinvestment Project and the Transit Oriented Development project.

### 2018 Objectives:

- Investigate retirement income products for the City’s pension plans.
- Continue to implement the results of the 15-year vehicle replacement project.
- Conduct annual purchasing audit to ensure compliance with the City’s purchasing policies.
- Effectively and efficiently dispose of City surplus at public auction.

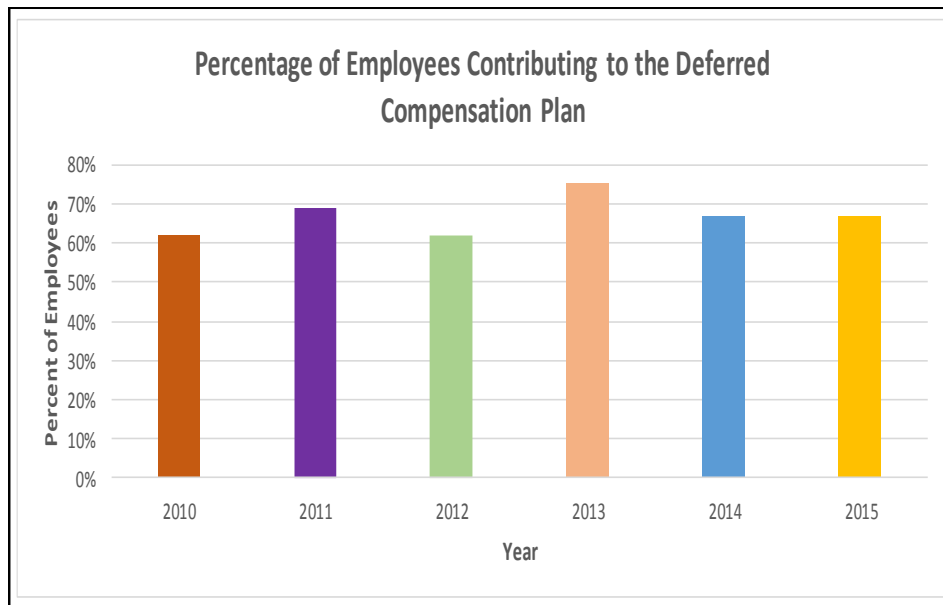
### Total Budget by Category

	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
<b>Personnel</b>	\$445,940	\$497,898	\$499,318	\$542,036	\$542,036
<b>Contractual</b>	\$26,270	\$30,440	\$28,810	\$27,032	\$27,180
<b>Commodities</b>	\$7,765	\$9,953	\$12,628	\$12,628	\$13,128
<b>Capital Outlay</b>	\$6,170	\$3,995	\$1,320	\$1,105	\$1,320
<b>TOTAL</b>	<b>\$486,145</b>	<b>\$542,286</b>	<b>\$542,076</b>	<b>\$582,801</b>	<b>\$583,664</b>



**2015/2016 Achievements:**

- Reviewed third party administrator services for the pension plan to ensure that the plan is administered at an appropriate cost and that high quality customer service is provided to employees.
- Implemented a new method for allocating revenue sharing and fees within the pension plan.
- Completed, with the help of other Finance staff and IT staff, the development of a purchasing analytic to track cumulative spending in the JD Edwards financial system.
- Acted as lead on a consortium made up of nine fire agencies and fire districts for the purchase of fire apparatus.
- Completed update of spending thresholds in City’s purchasing ordinance and, along with staff from the City Manager’s Office and the City Attorney’s Office, completed organization-wide trainings related to the update.
- Completed and met with individual departments regarding the 15-year vehicle replacement project creating an all-encompassing list of vehicles and subsequent replacement schedule.
- Explored hiring a third party administrator to review reimbursement claims within the Retirement Medical Savings Account program.



**Performance Measure Snapshot....**

Employee participation in the City's deferred compensation plan continues to be well above the national average. At the end of 2015, 67% of benefited employees voluntarily participated in the deferred compensation plan. The National Association of Government Defined Contribution Administrators, Inc. (NAGDCA) reported the average participation rate within a deferred compensation plan was 40% in 2015. The high participation rate within the City can be attributed to the extensive education program offered to employees that focus on the importance of saving for retirement.

## Accounting

### Overview:

- Supports the organization in the administration of the City's financial resources.
- Accounts for all financial transactions of the City.
- Administers the general ledger, payroll, accounts payable, accounts receivable, fixed assets, and grants.
- Provides financial information to City departments to support decision-making.
- Performs internal audit function and administers internal controls.

### 2017 Objectives:

- Receive unmodified audit opinion from the City's independent audit firm on the City's Comprehensive Annual Financial Report.
- Implement applicable Governmental Accounting Standards Board Statements (GASB): GASB No. 73 Pension Accounting and Financial Reporting standards amendments and GASB No. 82 Pension Issues.
- Design comprehensive plan to electronically archive historical accounting records.
- Develop concept and design for Accounting Division operations manual.
- Continue critical functions documentation and cross training efforts.
- Develop additional end user JD Edwards training modules.
- Continue effort to automate accounting processes including electronic routing and archiving of budget revisions, online access to W2s/W4s, personal banking information, and aspects of the accounts payable process.

### 2018 Objectives:

- Receive unmodified audit opinion from the City's independent audit firm on the City's Comprehensive Annual Financial Report.
- Implement applicable Governmental Accounting Standards Board Statements: GASB No. 75 Financial Reporting for Postemployment Benefits Other Than Pension.
- Implement comprehensive plan to electronically archive historical accounting records.
- Begin development of Accounting Division operations manual.
- Continue critical functions documentation and cross training efforts.
- Evaluate expanding application of Automated Clearing House vendor payments.
- Continue automation of accounting processes.

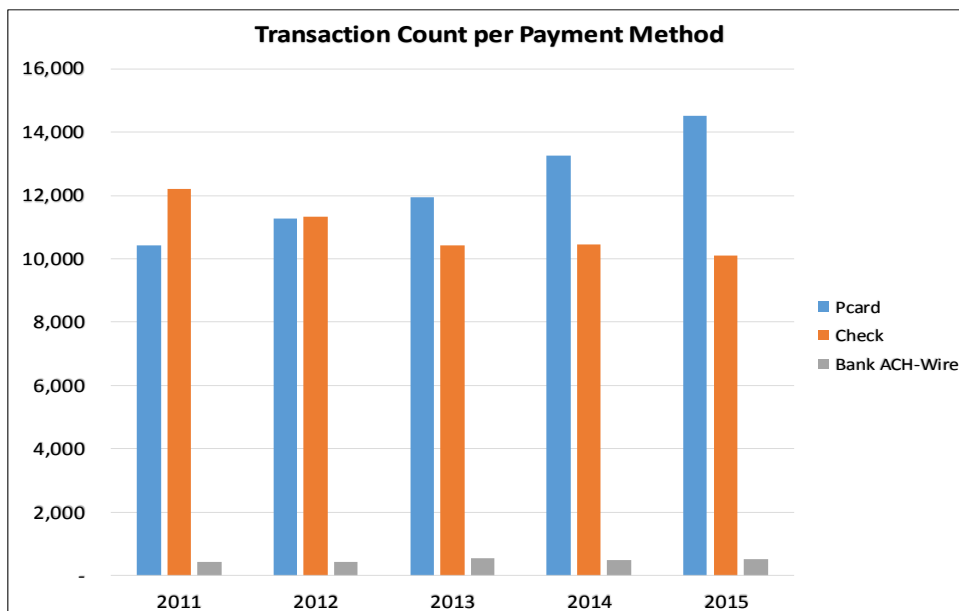
### Total Budget by Category

	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
<b>Personnel</b>	\$682,853	\$731,372	\$754,034	\$771,779	\$771,779
<b>Contractual</b>	\$133,062	\$144,436	\$155,763	\$170,478	\$175,168
<b>Commodities</b>	\$2,060	\$2,060	\$2,060	\$2,060	\$2,060
<b>Capital Outlay</b>	\$0	\$0	\$0	\$2,485	\$0
<b>TOTAL</b>	<b>\$817,975</b>	<b>\$877,868</b>	<b>\$911,857</b>	<b>\$946,802</b>	<b>\$949,007</b>



**2015/2016 Achievements:**

- Received unmodified audit opinion for 2014 and 2015 financial audits, meaning that there were no significant findings with the City’s financials.
- Received Certificate of Achievement for Excellence in Financial Reporting Award from the Government Finance Officers Association of the United States and Canada for the City’s 2014 and 2015 Comprehensive Annual Financial Reports.
- Implemented GASB Statements: No. 67, Accounting and Financial Reporting for Pension Plans, No. 68 Accounting and Financial Reporting for Pensions, No. 70 Accounting and Financial Reporting for Non-exchange Financial Guarantees, No. 72 Fair Value Measurement and Application, No. 77 Tax Abatement Disclosures, and No. 82 Pension Issues.
- Updated and communicated changes to grant policy and organizational resources to comply with new Uniform Guidance on administering and accounting for federal grant awards.
- Administered audit firm request for proposal.
- Implemented the City’s fraud hotline.
- Implemented staffing realignment as part of the Division’s resiliency initiative.
- Developed accounting policy to provide for definitions, recording, and reporting of capital and fixed assets.
- Developed an array of financial resources and guidance for end users.
- Presented trainings on accounts payable, payroll, purchasing cards, year-end accounting, and navigating the JD Edwards financial system.
- Fulfilled proactive internal audit program goals including an audit using data analytics of accounts payable vouchers.
- Conducted recruitments and training for Accounting Technician and ERP Business Coordinator positions.
- Updated administrative memos for taxable fringe benefits, gift cards, and travel.
- Established Accounting Division presence on the City’s Intranet and utilized forums to communicate with employees about relevant accounting matters.
- Facilitated JD Edwards financial system upgrades and enhancements and participated in several subsidiary financial system implementations.
- Initiated inter-departmental meetings to facilitate increased internal communications and collaboration.



**Performance Measure Snapshot...**

Purchasing card payments have increased an average of 9% each year. The City receives a rebate for the use of the purchasing cards, so it is the preferred method of payment; even so, it is primarily utilized for small dollar purchases. For 2015, the City’s rebate was \$45K, an increase of roughly 9% over the prior year.

## Sales Tax

### Overview:

- Processes all City sales, use, admissions, accommodations, and conference center fee returns.
- Performs routine audits of taxpayers doing business in the City.
- Enforces collection of City taxes.
- Provides taxpayer education to maximize voluntary compliance with the City's tax laws.
- Administers economic development agreements.
- Provides accounting, budgeting, and oversight services for all special districts.

### 2017 Objectives:

- Meet 2017 Audit/Enforcement budget.
- Recruit, hire, and train new Accounting Specialist.
- Maintain sales/use tax delinquency rate below 2%.
- Continue to increase utilization of electronic filing by taxpayers.
- Continue to document procedures related to critical functions for sales tax return processing, special district administration, and audit.
- Continue to utilize technology to improve and streamline internal processes.
- Continue accounting responsibilities for North Metro Task Force and receive unmodified opinion for financial report.
- Assimilate and train new Auditor and Accounting Technician.
- Implement new uniform sales and use tax definitions as recommended by Colorado Municipal League upon adoption by City Council.
- Coordinate with Information Technology Department to complete Phase I of Fast Filing application, including a credit card payment option.
- Provide support to City of Aurora in preparing and presenting tax appeal case in District Court.
- Provide accounting support to the Westminster Center Urban Reinvestment and Transit Oriented Development projects.

### 2018 Objectives:

- Meet 2018 Audit/Enforcement budget.
- Maintain sales/use tax delinquency rate below 2%.
- Continue to increase utilization of electronic filing by taxpayers.
- Continue to document procedures related to critical functions for sales tax return processing, special district administration, and audit.
- Continue to utilize technology to improve and streamline internal processes.
- Receive unmodified opinion for North Metro Task Force financial report.
- Continue enhancing Fast Filing application with design of Phase II.
- Finalize audit manual.
- Enhance taxpayer education and outreach efforts by updating taxpayer compliance guides, developing electronic filing tutorials, and reviewing available tax information resources.

### Total Budget by Category

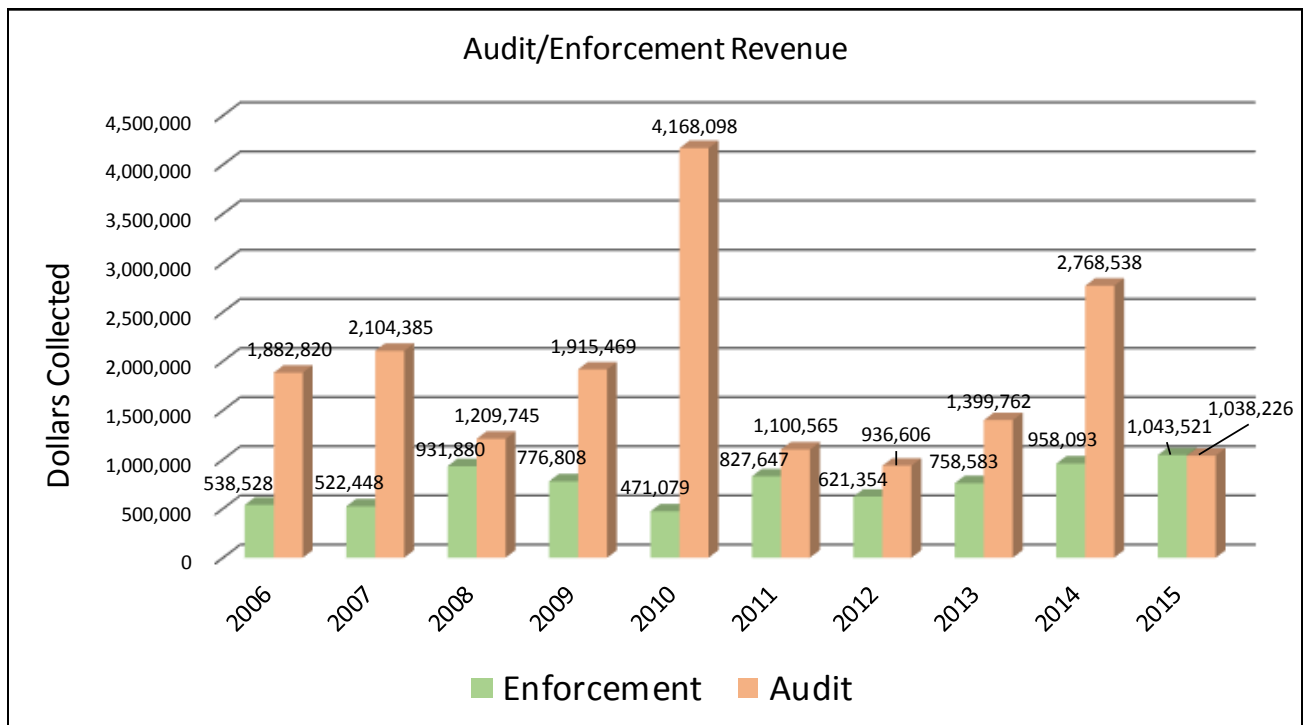
	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
<b>Personnel</b>	\$562,576	\$608,667	\$608,667	\$674,837	\$688,590
<b>Contractual</b>	\$12,434	\$15,135	\$14,935	\$17,920	\$19,370
<b>Commodities</b>	\$0	\$0	\$0	\$0	\$0
<b>Capital Outlay</b>	\$0	\$0	\$0	\$5,575	\$0
<b>TOTAL</b>	<b>\$575,010</b>	<b>\$623,802</b>	<b>\$623,602</b>	<b>\$698,332</b>	<b>\$707,960</b>





**2015/2016 Achievements:**

- Collected over \$2.0 million in audit and enforcement revenue in 2015.
- Maintained low sales/use tax delinquency rate in both 2015 and 2016.
- Successfully integrated new Accounting Technician and new Auditor into Sales Tax Team.
- Continued to increase usage of electronic sales/use tax filing by taxpayers.
- Continued to standardize administration and tracking of economic development agreements.
- Received unmodified opinion for first North Metro Drug Task Force financial report prepared and presented as the host agency.
- Assumed administrative responsibility for two new General Improvement Districts.
- Implemented additional financial compliance processes for North Metro Task Force, converted Task Force from fiscal year to calendar year, and developed comprehensive Financial Procedures Guide.
- Coordinated with the Information Technology Department to initiate full redesign of electronic tax return filing and payment applications.
- Laid groundwork for additional electronic filing and payment options for sales and use tax returns.
- Participated on Colorado Municipal League Sales Tax Steering Committee to develop uniform sales and use tax definitions among home rule cities as directed by Senate Joint Resolution 14-038.
- Utilized new technology to facilitate retrieval of large electronic files from taxpayers under audit.
- Provided legal and technical support as needed to City of Aurora in preparing and presenting tax appeal case in District Court.
- Provided accounting and tax related support related to the Downtown Westminster and Transit Oriented Development projects as redevelopment proceeded.



**Performance Measure Snapshot...**

The Sales Tax Division administers audit and enforcement programs to collect revenue due and maximize voluntary compliance. Over \$2 million in audit and enforcement revenue has been collected in each of the past ten years.

## Treasury

### Overview:

- Manages the City’s debt obligations.
- Coordinates citywide revenue collection and cash management.
- Administers the City’s utility billing operations.
- Oversees the City’s financial assets through portfolio management.
- Provides financial analysis support to all City departments.

### 2017 Objectives:

- Provide financial and analytical support related to the Downtown Westminster and Transit Oriented Development projects.
- Provide ongoing administrative support for the City’s purchasing card program.
- Present semi-annual Westminster Economic Development Authority revenue forecasts to the City Manager’s Office.
- Complete conversion for a new utility billing and cashiering system.
- Complete low-income program guidelines and implementation.
- Update utility billing webpage.

### 2018 Objectives:

- Continue to provide financial and analytical support related to the Downtown Westminster and Transit Oriented Development projects.
- Continue to provide ongoing administrative support for the City’s purchasing card program.
- Continue to provide semi-annual Westminster Economic Development Authority revenue forecasts to the City Manager’s Office.

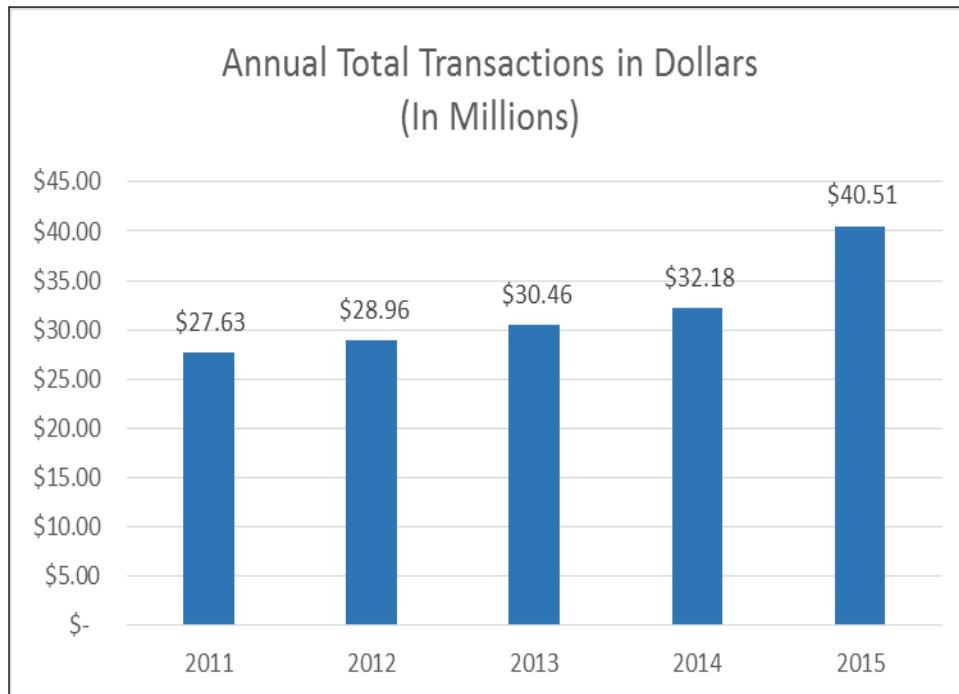
### Total Budget by Category

	2015 Actual	2016 Amended	2016 Estimated	2017 Adopted	2018 Adopted
<b>Personnel</b>	\$502,319	\$531,575	\$501,575	\$594,283	\$606,184
<b>Contractual</b>	\$392,661	\$421,785	\$418,450	\$435,872	\$452,904
<b>Commodities</b>	\$27,971	\$33,027	\$33,027	\$33,527	\$33,277
<b>Capital Outlay</b>	\$2,179	\$500	\$500	\$1,100	\$500
<b>TOTAL</b>	<b>\$925,130</b>	<b>\$986,887</b>	<b>\$953,552</b>	<b>\$1,064,782</b>	<b>\$1,092,865</b>



**2015/2016 Achievements:**

- Issued the Stormwater revenue bonds for the Little Dry Creek drainage way improvement project.
- Refunded the 2007D POST Revenue Bonds, resulting in over \$2.4 million in savings over the remaining life of the bonds through 2031.
- Refunded the 2007 Certificates of Participation, resulting in an estimated \$1.8 million in savings over the remaining life of the certificates through 2025.
- Issued the 2015 Certificates of Participation Series A and B for the Westminster Downtown project.
- Secured lease financing for parks equipment and two fire trucks.
- Released an RFP for the City’s purchasing card program and selected the vendor with the most favorable rates and cash-back policy; converted over 300 users to a new online reconciliation system.
- Released an RFP for the City’s Investment Advisor and selected the vendor with the most favorable fees, comprehensive investment strategy, and state-of-the-art reporting capabilities.
- Released RFPs for the City’s Financial Advisor and Underwriter and selected the vendors with greatest depth of knowledge, large market exposure, and most competitive fees.
- Released RFPs for the City’s armored car service, banking and lockbox services, and selected vendors with the most favorable fees, quality customer service, highest earnings credits, and comprehensive online reporting capabilities.
- Completed Continuing Disclosure Report related to the City’s bond compliance requirements.
- Successful replacement of Revenue Service Representative positions.
- Completed migration of Teleworks to Paymentus payment website platform; completed e-billing and online bill inquiry functions in Paymentus.
- Automated final reads from manual service orders.
- Automated a bankruptcy function on an account in CIS billing system.
- Released RFPs for utility billing, cashier system, and printing and mailing of utility statements.



**Performance Measure Snapshot...**

This table shows the total dollar volume of transactions collected at the City Hall main cashier station during the past five years. In 2015, over 43,000 transactions were processed. More significant than the total dollar or number of transactions is the ability of the cashiers to complete this task accurately. Over the course of the year, the cashiers were never out of balance at the end of the day.



WESTMINSTER