



CITY COUNCIL AGENDA

NOTICE TO READERS: City Council meeting packets are prepared several days prior to the meetings. Timely action and short discussion on agenda items is reflective of Council's prior review of each issue with time, thought and analysis given.

Members of the audience are invited to speak at the Council meeting. Citizen Communication (Section 7) and Citizen Presentations (Section 12) are reserved for comments on any issues or items pertaining to City business except those for which a formal public hearing is scheduled under Section 10 when the Mayor will call for public testimony. Please limit comments to no more than 5 minutes duration except when addressing the City Council during Section 12 of the agenda.

1. Pledge of Allegiance
2. Roll Call
3. Consideration of Minutes of Preceding Meetings
4. Report of City Officials
 - A. City Manager's Report
5. City Council Comments
6. Presentations
 - A. Certificate of Achievement for Excellence in Financial Reporting
7. Citizen Communication (5 minutes or less)

The "Consent Agenda" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to remove an item for separate discussion. Items removed from the consent agenda will be considered immediately following adoption of the amended Consent Agenda.

8. Consent Agenda
 - A. Financial Report for May 2010
 - B. Standley Lake Modeling Contract Substitution
 - C. Adams County Collaborative Transportation Planning Agreement
 - D. 2009 Comprehensive Annual Financial Report
 - E. Bond, Disclosure and Special Counsel for Sales Tax Revenue Refunding Bonds and COP Refunding, Series 2010
 - F. Second Reading of Councillor's Bill No. 31 re Westminster Municipal Code Revision re Cash Handling Policy
9. Appointments and Resignations
 - A. Resolution No. 21 re Appointments to Fill a Vacancy on the Environmental Advisory Board
10. Public Hearings and Other New Business
 - A. Continued Public Hearing from 5/10/10 re Annexation, CLUP and Zoning re 144th Ave. and Tejon St. Property
 - B. Resolution No. 14 re Annexation Finding re the 144th Avenue and Tejon Street Property
 - C. Councillor's Bill No. 18 re Annexation of the 144th Avenue and Tejon Street Property
 - D. Councillor's Bill No. 19 re CLUP Amendment for the 144th Avenue and Tejon Street Property
 - E. Councillor's Bill No. 20 re Rezone of the 144th Avenue and Tejon Street Property
 - F. Continued Public Hearing from 5/10/10 re Annexation, CLUP and Zoning re 144th Ave. and Zuni St. Property
 - G. Resolution No. 15 re Annexation Finding re the 144th Avenue and Zuni Street Property
 - H. Councillor's Bill No. 21 re Annexation of the 144th Avenue and Zuni Street Property
 - I. Councillor's Bill No. 22 re CLUP Amendment for the 144th Avenue and Zuni Street Property
 - J. Councillor's Bill No. 23 re Rezone of the 144th Avenue and Zuni Street Property
 - K. Councillor's Bill No. 32 re W.M.C. Title XI Revisions re Screening of Trash Storage and Off Street Parking Standards
 - L. Councillor's Bill No. 33 re Lease of City Property
 - M. Councillor's Bill No. 34 re Lease Purchase of City Office Equipment
 - N. Purchase of Eight Copiers for City Offices
 - O. Councillor's Bill No. 35 re Refunding of Series 2001 and 2002 Sales and Use Tax Revenue Bonds
 - P. Councillor's Bill No. 36 re Refunding of Series 1998 Golf Course Enterprise Revenue Bonds and Series 2001 COP's
 - Q. Councillor's Bill No. 37 re W.M.C. Title VI New Chapter 17 re Residency of Sexually Violent Predators
 - R. Resolution No. 22 re Xcel Energy Street Lighting and Traffic Signal Lighting Service Agreement
 - S. Resolution No. 23 re One-Year Focused Workweek Trial
 - T. Resolution No. 24 re General Leave Benefits Modifications
11. Old Business and Passage of Ordinances on Second Reading
12. Citizen Presentations (longer than 5 minutes), Miscellaneous Business, and Executive Session
 - A. City Council
13. Adjournment

GENERAL PUBLIC HEARING PROCEDURES ON LAND USE MATTERS

- A.** The meeting shall be chaired by the Mayor or designated alternate. The hearing shall be conducted to provide for a reasonable opportunity for all interested parties to express themselves, as long as the testimony or evidence being given is reasonably related to the purpose of the public hearing. The Chair has the authority to limit debate to a reasonable length of time to be equal for both positions.
- B.** Any person wishing to speak other than the applicant will be required to fill out a “Request to Speak or Request to have Name Entered into the Record” form indicating whether they wish to comment during the public hearing or would like to have their name recorded as having an opinion on the public hearing issue. Any person speaking may be questioned by a member of Council or by appropriate members of City Staff.
- C.** The Chair shall rule upon all disputed matters of procedure, unless, on motion duly made, the Chair is overruled by a majority vote of Councillors present.
- D.** The ordinary rules of evidence shall not apply, and Council may receive petitions, exhibits and other relevant documents without formal identification or introduction.
- E.** When the number of persons wishing to speak threatens to unduly prolong the hearing, the Council may establish a time limit upon each speaker.
- F.** City Staff enters a copy of public notice as published in newspaper; all application documents for the proposed project and a copy of any other written documents that are an appropriate part of the public hearing record;
- G.** The property owner or representative(s) present slides and describe the nature of the request (maximum of 10 minutes);
- H.** Staff presents any additional clarification necessary and states the Planning Commission recommendation;
- I.** All testimony is received from the audience, in support, in opposition or asking questions. All questions will be directed through the Chair who will then direct the appropriate person to respond.
- J.** Final comments/rebuttal received from property owner;
- K.** Final comments from City Staff and Staff recommendation.
- L.** Public hearing is closed.
- M.** If final action is not to be taken on the same evening as the public hearing, the Chair will advise the audience when the matter will be considered. Councillors not present at the public hearing will be allowed to vote on the matter only if they listen to the tape recording of the public hearing prior to voting.

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE CITY COUNCIL MEETING
HELD ON MONDAY, JUNE 14, 2010 AT 7:00 P.M.

PLEDGE OF ALLEGIANCE

Mayor McNally led the Council, staff and audience in the Pledge of Allegiance.

ROLL CALL

Mayor Nancy McNally and Councillors Bob Briggs, Mark Kaiser, Scott Major, and Faith Winter were present at roll call. Mayor Pro Tem Dittman and Councillor Mary Lindsey were absent and excused. J. Brent McFall, City Manager, Martin McCullough, City Attorney, and Linda Yeager, City Clerk, also were present.

CONSIDERATION OF MINUTES

Councillor Kaiser moved, seconded by Winter, to approve the minutes of the regular meeting of May 24, 2010, as distributed. The motion passed unanimously.

CITY MANAGER'S REPORT

Mr. McFall announced planned activities for the City's annual July 4th Celebration that would culminate with an outstanding fireworks display at City Park. This event was jointly sponsored by the City, Hyland Hills Recreation District, and Adams County School District 50. He encouraged everyone to attend.

Mr. McFall noted that July 4th would fall on Sunday and observed on Monday the 5th. City Hall would be closed on Monday, July 5, and City Council would not meet that day.

Following the City Council meeting, the Council would convene a meeting of the Westminster Housing Authority.

CITY COUNCIL COMMENTS

Councillor Winter reported that the first Historic Westminster Arts Festival had been held over the weekend with lots of fun activities, marvelous art works, and entertainment. In addition to the festival activities, art galleries within the district had been open and joined in the overall festivities.

CITIZEN COMMUNICATION

Larry Dean Valente, 3755 West 81st Avenue, objected to the City's plan to implement a Focused Work Week where City Hall and other administrative offices would be open four 10-hour days from Monday through Thursday and closed on Fridays. He was concerned about the reduction in City services, as well as the inability to conduct business with City officials on Fridays, noting that not all services could be obtained online.

CONSENT AGENDA

The following items were submitted for Council's consideration on the consent agenda: authorize the City Manager to execute a contract with Playthewhistle.com, LLC, for officiating and related services in an amount not to exceed \$85,000 for a one-year contract; authorize the City Manager to execute a contract with the lowest responsible bidder, Mendoza Demolition Services, Inc., in the amount of \$239,900 for the Open Space Demolition Project, and authorize a construction contingency in the amount of \$24,000; authorize the City Manager to execute a contract with 53 Corporation, the lowest responsible bidder, in the amount of \$204,693 for the construction of the 2010 Small Drainage Projects, and authorize a construction contingency in the amount of \$30,703; based on the City Manager's recommendation, find that the public interest would best be served by authorizing the City Manager to execute an agreement with Garney Companies, Inc. as the sole source for final design and construction of the Northwest Water Treatment Facility expansion, in an amount of \$2,847,600 and authorize a 10% contingency of \$285,000; based on the City Manager's recommendation, find that the public interest would best be served by authorizing the City Manager to execute a \$73,083 contract with Black & Veatch Corporation for engineering

services for improvements to the Big Dry Creek Wastewater Treatment Facility solids processing and handling facilities, authorize a 10% contingency in the amount of \$7,308, and authorize the transfer of \$80,391 from the Sewer Open Cut capital project account to fund this project; and final passage of Councillor's Bill No. 29 on second reading authorizing the City Manager to sign a 25-year lease agreement with Adams County School District 50 for the use of the England Park Softball Field.

No items were removed for individual consideration, and it was moved by Councillor Major, seconded by Councillor Kaiser, to approve the consent agenda as presented. The motion carried with everyone voting yes.

METRO WASTEWATER RECLAMATION DISTRICT BOARD OF DIRECTORS REAPPOINTMENT

It was moved by Councillor Kaiser and seconded by Councillor Major to reappoint Curtis Aldstadt to the Metro Wastewater Reclamation District's Board of Directors, with a term of office effective through June 30, 2012. The motion carried unanimously.

PUBLIC MEETING ON 2011 AND 2012 CITY BUDGET

At 7:08 p.m. the Mayor opened a public meeting to receive citizen comment on the 2011 and 2012 City Budget. Mr. McFall reported that staff was in the process of preparing the proposed budget. This was one of two opportunities Council would provide to citizens to obtain input about what they would and would not like to have funded. Council was aware of the poor economic conditions and reduced sales tax collections the City had realized the past two years. Following a thorough evaluation of programs offered and the magnitude of their costs, the proposed budget would reflect a 6% reduction in funding and would be tied to Council's strategic plan goal of a sustainable community served by an appropriately sized staff.

Mayor McNally announced that Council and staff would be taking notes and listening, not engaging in dialogue. She invited public comment.

All comments received were about the proposed elimination of the Municipal Court's fast track Domestic Violence Program. Those who spoke were: Dave Garrison of 4167 West 107th Place, a domestic violence counselor; Carolyn Corbett, 2510 West 108th Avenue, a survivor of domestic violence and a volunteer with the City's Domestic Violence Victim Advocates; Carl Everhart, 1143 West 124th Court also a volunteer with the City's Domestic Violence Victim Advocates; Sheri Wand of 8471 Turnpike Drive and a psychotherapist for domestic violence victims; Susan Giragsian, 8501 Turnpike Drive and a therapist for domestic violence victims; and John Cardon, 8120 Sheridan Boulevard, a domestic violence counselor. The City's program enhanced safety of the community and its residents and was ranked among the best in the metro Denver area. Eliminating the program would channel offenders into the already overcrowded County Courts, delaying intervention and treatment. A suggested alternative was to increase fines and penalties and to apply for VALE grants so the program would be self-funded, as originally intended.

No others wished to comment and the Mayor closed the public comment period at 7:35 p.m. There would be a second opportunity for the public to comment on July 26.

RESOLUTION NO. 19 ALLOCATING 2010 HOME FUNDING

Upon a motion by Councillor Briggs, seconded by Councillor Winter, the Council voted unanimously on roll call vote to adopt Resolution No. 19 allocating the balance of HOME funds being administered per agreement by Adams County.

RESOLUTION NO. 20 AWARDED RESIDENTIAL COMPETITION SERVICE COMMITMENTS

It was moved by Councillor Winter, seconded by Kaiser, to adopt Resolution No. 20 awarding Category B-1 Service Commitments to the Loon Lake single-family detached project. At roll call, the motion passed unanimously.

COUNCILLOR’S BILL NO. 31 AMENDING THE CASH HANDLING POLICY IN THE W.M.C

Councillor Major moved to pass Councillor’s Bill No. 31 on first reading, making revisions to the Westminster Municipal Code regarding the Cash Handling Policy. The motion was seconded by Councillor Kaiser and passed unanimously at roll call.

ADJOURNMENT

There being no further business to come before the Council, the meeting adjourned at 7:38 p.m.

ATTEST:

City Clerk

Mayor



Agenda Item 6 A

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Certificate of Achievement for Excellence in Financial Reporting

Prepared By: Tammy Hitchens, Finance Director

Recommended City Council Action

Kathy Barta, Colorado Government Finance Officer Association Administrator, will present the Government Finance Officer's Certificate of Achievement for Excellence in Financial Reporting to the City's Comprehensive Annual Financial Report (CAFR) project team.

Summary Statement

- The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster for its comprehensive annual financial report for the fiscal year ended December 31, 2008.
- The CAFR is judged by an impartial review panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.
- The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.
- This is the twenty-sixth consecutive year the City has received this prestigious award from GFOA. As one of Council's primary goals is a Financially Sustainable City Government Providing Exceptional Services, staff is honored to receive this award.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

None identified

Alternative

None identified

Background Information

The Certificate of Achievement is conferred by the GFOA of the United States and Canada, and is the highest form of recognition in the area of governmental accounting and financial reporting. Its attainment represents a significant accomplishment by a government and its management.

To satisfy the requirements of the Certificate program, a CAFR must be easily readable and understandable based on a defined reporting framework that incorporates relevant Generally Accepted Accounting Principles and applicable GFOA program policies. Additionally, the information must be reliable as indicated by an unqualified opinion of the City's independent auditor.

Audit reports qualifying for the Certificate of Achievement provide a clear and complete financial story to be utilized by citizens, City Council, and various oversight groups as an accountability mechanism, by investors and creditors as a credit analysis tool, and by others as a reference to the financial operation and position of the City.

Westminster's report was evaluated by GFOA's special review committee comprised of government finance officers, independent CPAs, educators and others with particular expertise in governmental accounting and financial reporting from across the nation. The award acknowledges that Westminster fulfills the spirit of full disclosure in communicating its financial story.

Special thanks go to Accounting Manager Cherie Sanchez, Accountants Karen Creager, Gary Newcomb, Sherri Rickard, Retirement Administrator Kim McDaniel, and Accounting Specialist Leslie Krough who were primarily instrumental in achieving the certificate. Other Finance Staff who provided vital assistance includes Senior Financial Analyst Bob Byerhof, Internal Auditor Michele Trujillo, and Administrative Secretary Maggie Hunter. The Certificate of Achievement Award reflects the hard work and commitment to excellence of the CAFR project team, and the overall commitment of the City to being financially accountable.

Respectfully submitted,

J. Brent McFall
City Manager



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Financial Report for May 2010
Prepared By: Tammy Hitchens, Finance Director

Recommended City Council Action

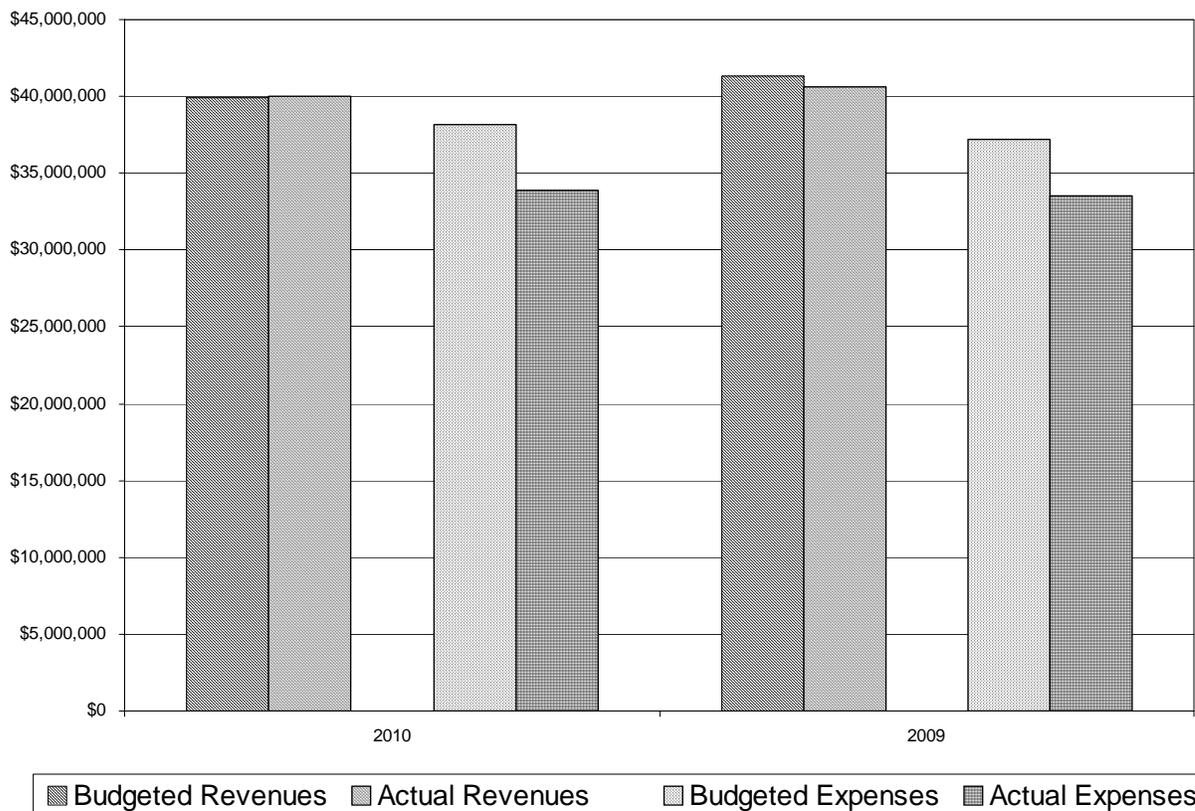
Accept the Financial Report for May as presented.

Summary Statement

City Council is requested to review and accept the attached monthly financial statement. The Shopping Center Report is also attached. Unless otherwise indicated, “budget” refers to the pro-rated budget. Revenues also include carryover where applicable. The revenues are pro-rated based on 10-year historical averages. Expenses are also pro-rated based on 5-year historical averages.

The General Fund revenues exceed expenditures by \$6,148,121. The following graph represents Budget vs. Actual for 2009-2010.

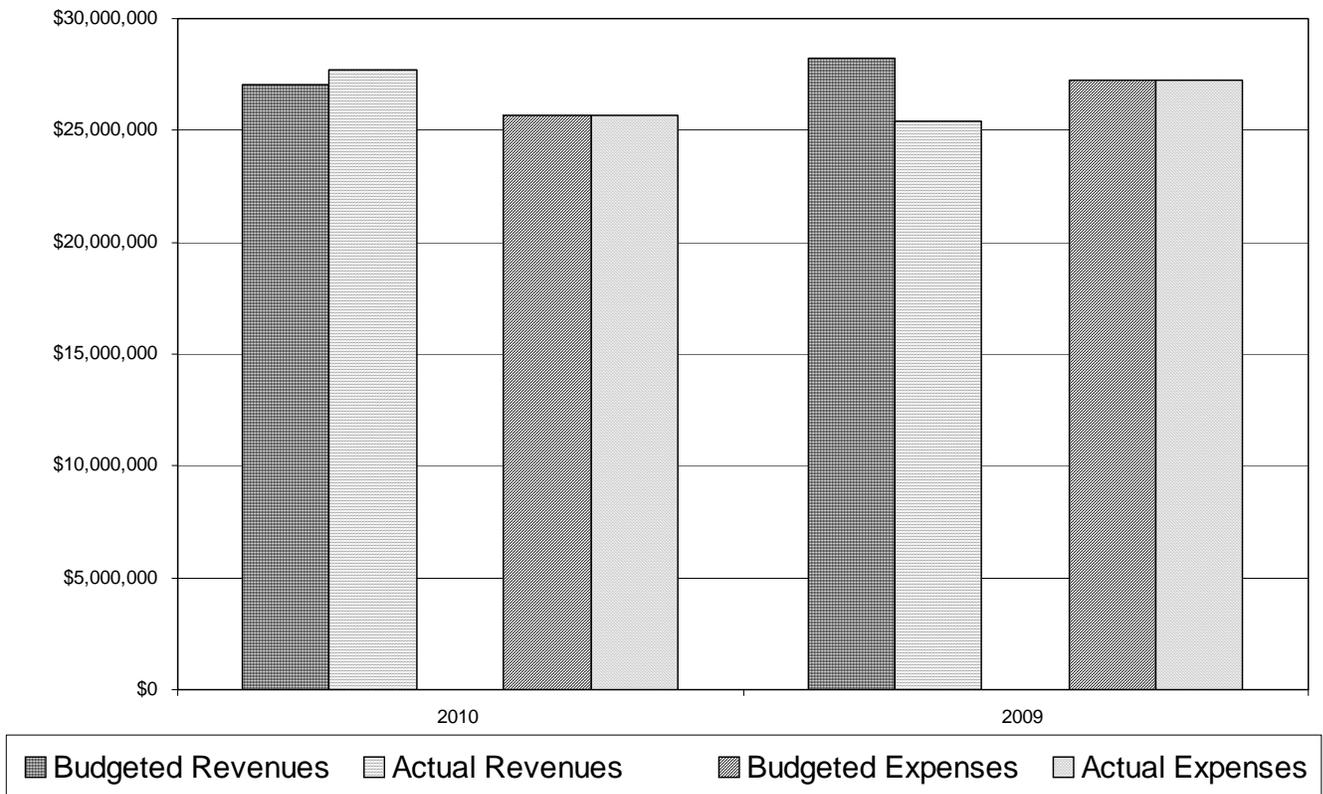
**General Fund
Budget vs Actual**



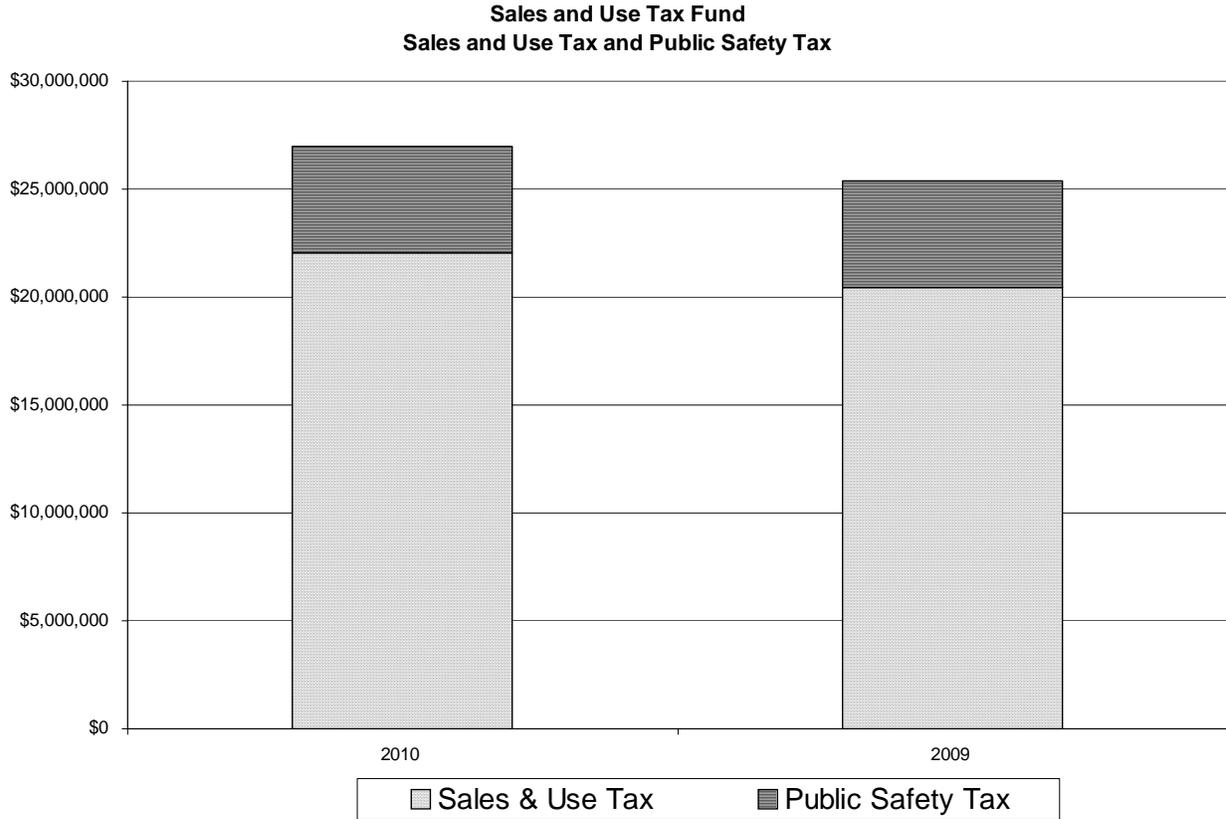
The Sales and Use Tax Fund revenues and carryover exceed expenditures by \$2,019,055.

- On a year-to-date cash basis, sales and use tax returns are up 8.8% from 2009.
- On a year-to-date basis, across the top 25 shopping centers before including urban renewal area adjustments, total sales and use tax receipts are down 3.2% from the prior year. With the urban renewal area, sales and use tax receipts are up 8.4%.
- Sales and use tax receipts from the top 50 Sales Taxpayers, representing about 62% of all collections, are up 15.2% after urban renewal area adjustments.
- Urban renewal areas make up 42.2% of gross sales tax collections. After urban renewal area and economic development assistance adjustments, 15.2% of this money is available for General Fund use.
- The Westminster Mall is down 38.0% on a year-to-date basis.
- Building use tax is up 6.9% year-to-date from 2009.

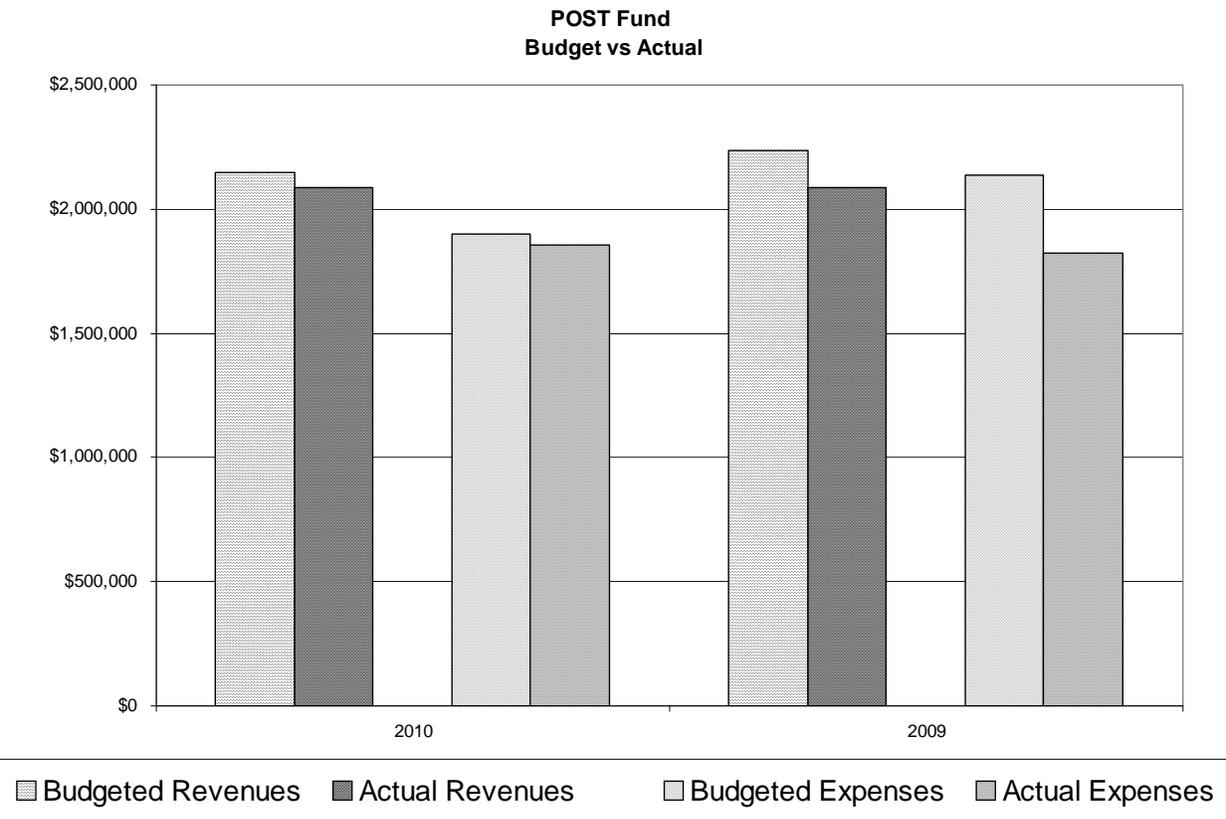
**Sales & Use Tax Fund
Budget vs Actual**



The graph below reflects the contribution of the Public Safety Tax to the overall Sales and Use Tax revenue.

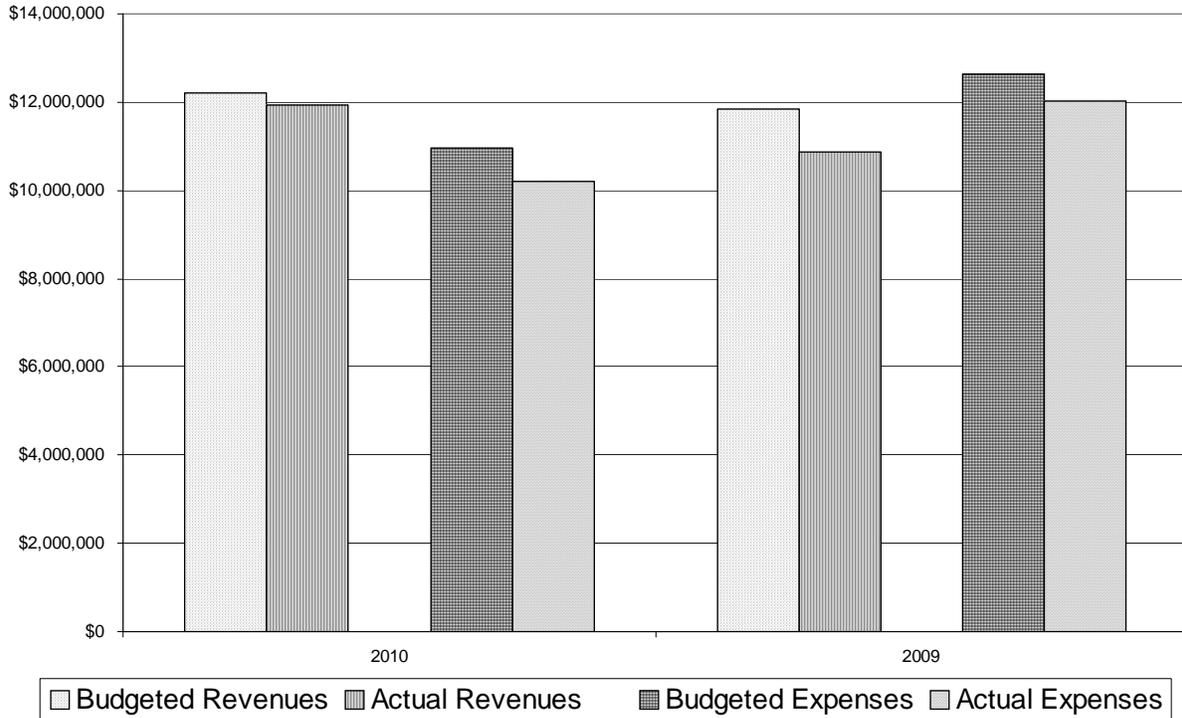


The Parks Open Space and Trails Fund revenues exceed expenditures by \$230,180.



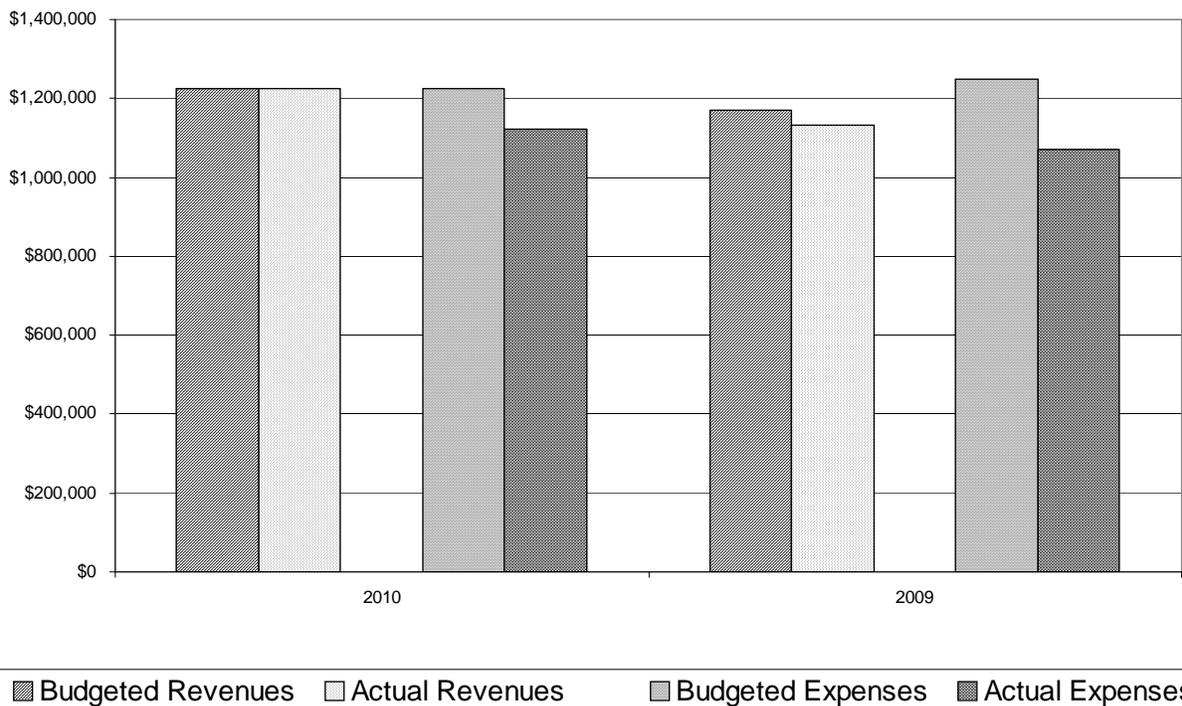
The combined Water & Wastewater Fund revenues exceed expenses by \$32,691,904, which includes \$29,505,000 in revenue bond proceeds. \$38,438,000 is budgeted for capital projects and reserves. Operating revenues exceed expenses by \$1,734,742. Also included in the miscellaneous category is \$731,000 from the City of Brighton for the purchase/lease of effluent water.

**Combined Water and Wastewater Funds
Operating Budget vs Actual**



The combined Golf Course Fund revenues exceed expenses by \$102,890.

**Golf Course Enterprise
Budget vs Actual**



Policy Issue

A monthly review of the City’s financial position is the standard City Council practice; the City Charter requires the City Manager to report to City Council on a quarterly basis.

Alternative

Conduct a quarterly review. This is not recommended, as the City’s budget and financial position are large and complex, warranting a monthly review by the City Council.

Background Information

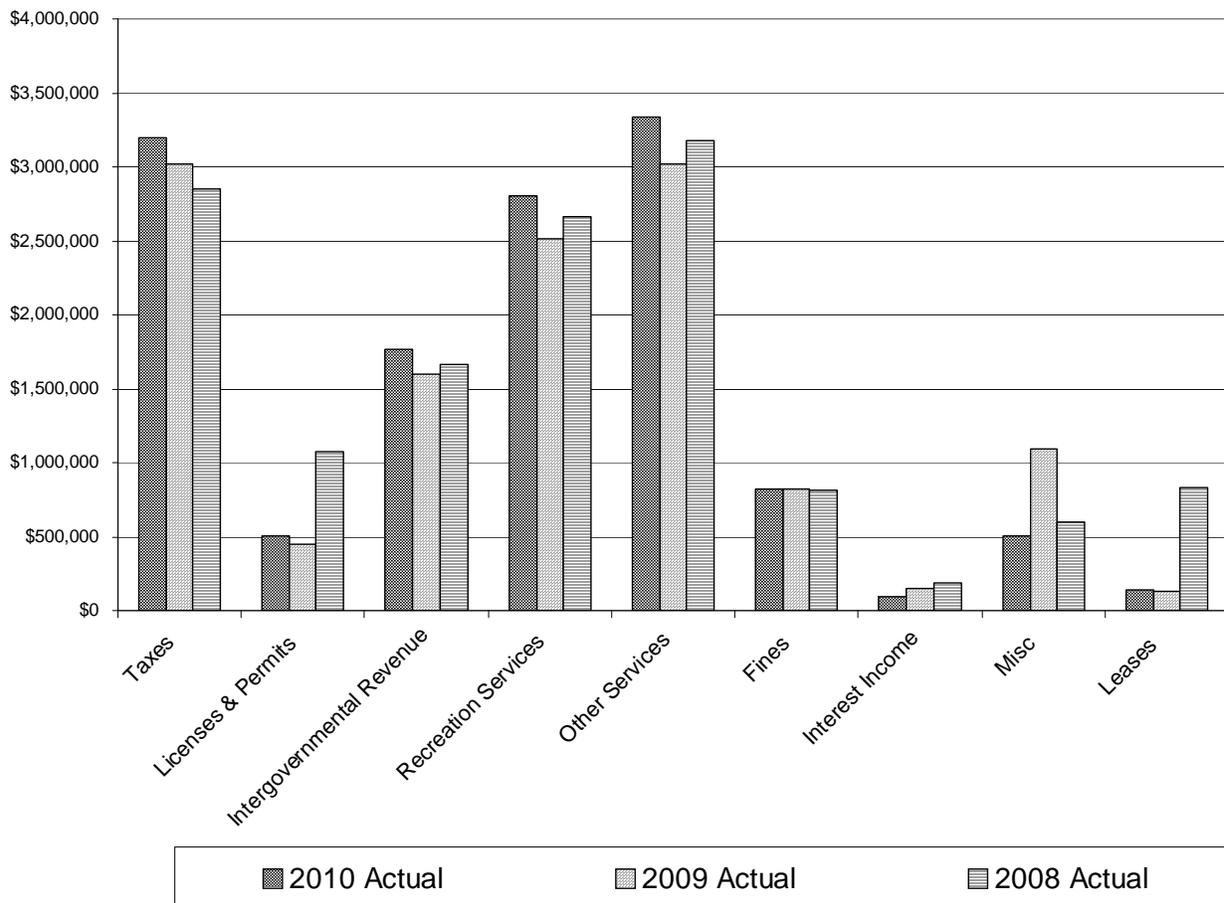
This section includes a discussion of highlights of each fund presented.

General Fund

This fund reflects the result of the City’s operating departments: Police, Fire, Public Works (Streets, etc.), Parks Recreation and Libraries, Community Development, and the internal service functions: City Manager, City Attorney, Finance, and General Services.

The following chart represents the trend in actual revenues from 2008 – 2010 year-to-date.

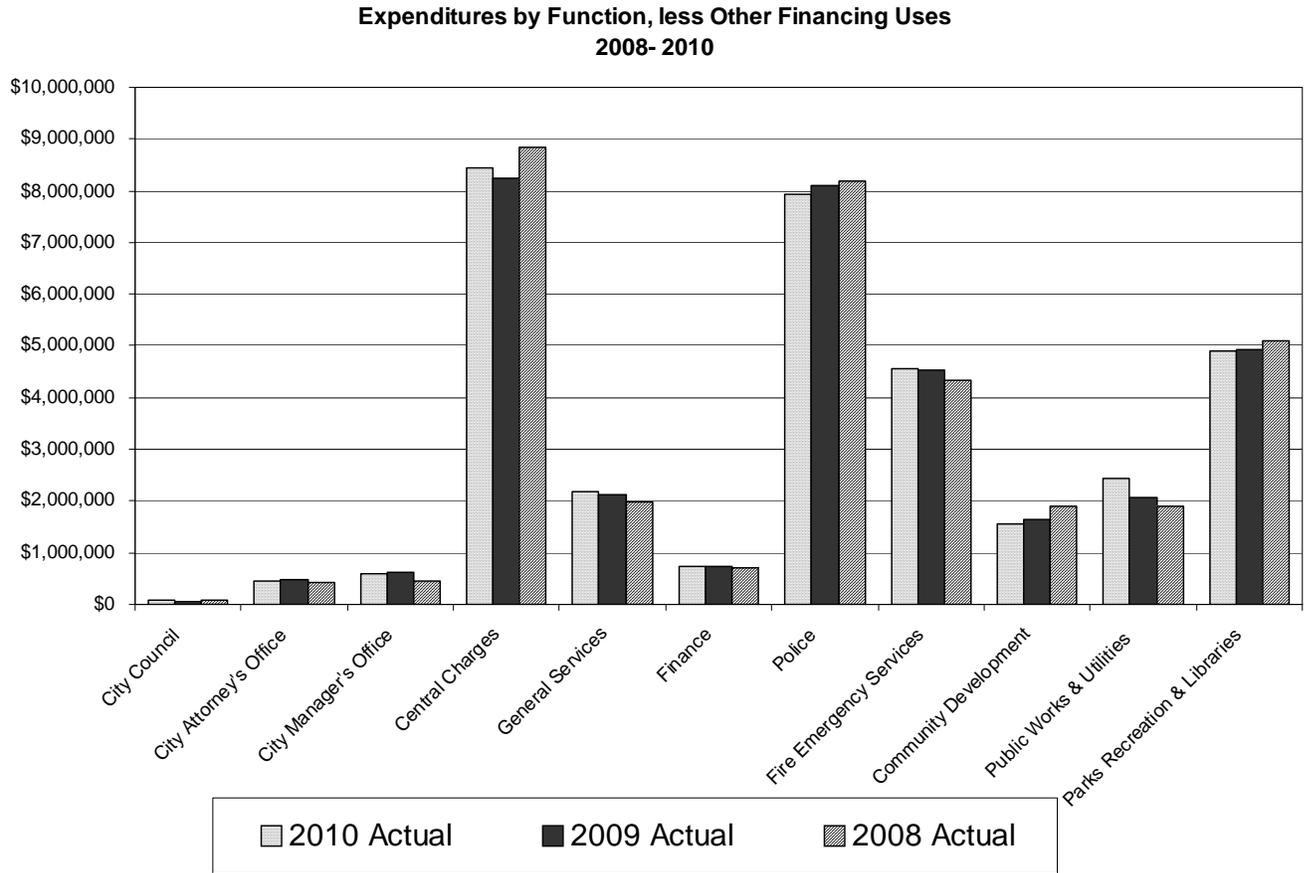
**General Fund Revenues without Transfers, Carryover, and Other Financing Sources
2008-2010**



Significant differences between years in General Fund revenue categories are explained as follows:

- Tax revenue is up primarily due to property and admissions taxes.
- Intergovernmental revenue is up due primarily to Highway Users Tax Fund distributions.
- Recreation Services is up due mostly to facility and program fees as well as the timing of certain cost sharing reimbursement receipts.
- Other Services is up due mostly to franchise, emergency management service and street cut fees.
- Miscellaneous revenue is down mostly as a result of variances in reimbursements.

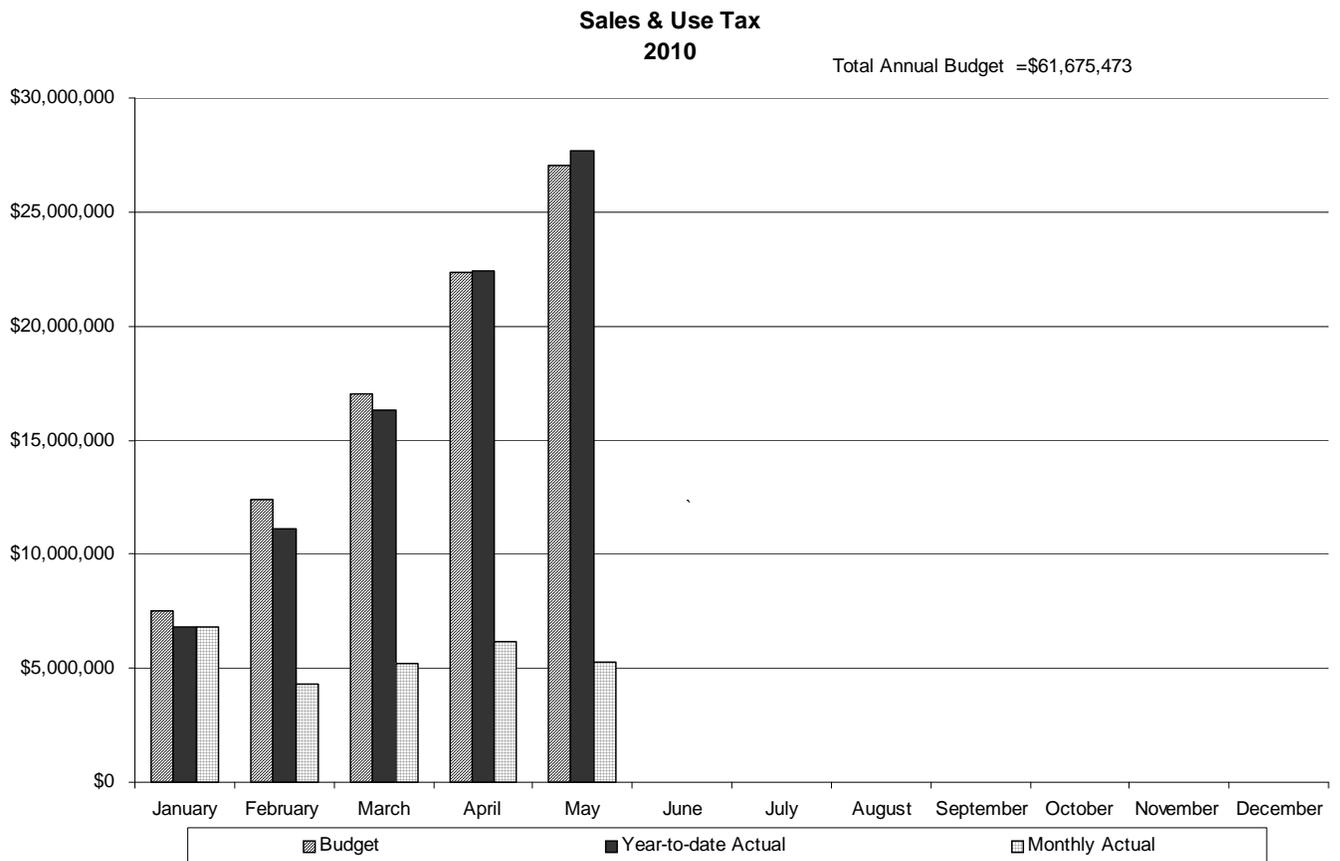
The following chart identifies where the City is focusing its resources. The chart shows year-to-date spending for 2008 –2010.



Sales and Use Tax Funds (Sales & Use Tax Fund and Parks Open Space and Trails Sales & Use Tax Fund)

These funds are the repositories for the 3.85% City Sales & Use Tax for the City. The Sales & Use Tax Fund provides monies for the General Fund, the General Capital Improvement Fund, the Debt Service Fund and the Heritage Golf Course Fund. The Parks, Open Space, and Trails Sales & Use Tax Fund revenues are pledged to meet debt service on the POST bonds, buy open space land, and make park improvements on a pay-as-you-go basis. The Public Safety Tax (PST) is a 0.6% sales and use tax to be used to fund public safety-related expenses.

This chart indicates how the City’s Sales and Use Tax revenues are being collected on a monthly basis. This chart does not include Parks, Open Space, and Trails Sales & Use Tax.

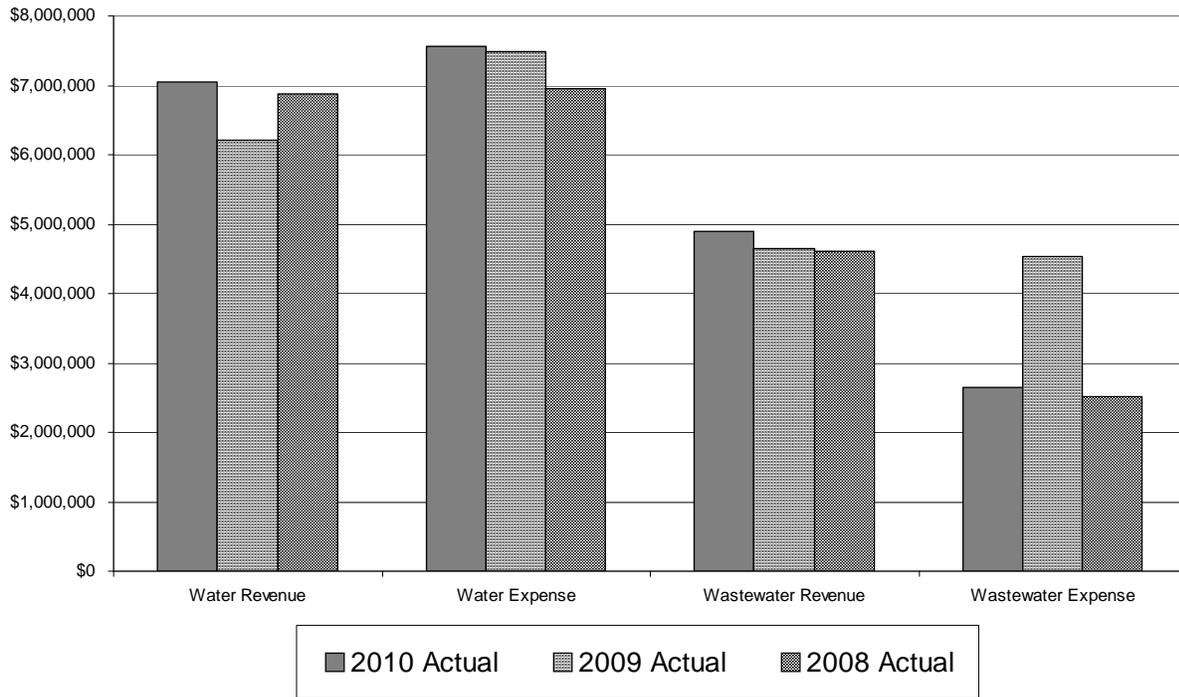


Water, Wastewater and Storm Water Drainage Funds (The Utility Enterprise)

This fund reflects the operating results of the City’s water, wastewater and storm water systems. It is important to note that net operating revenues are used to fund capital projects and reserves.

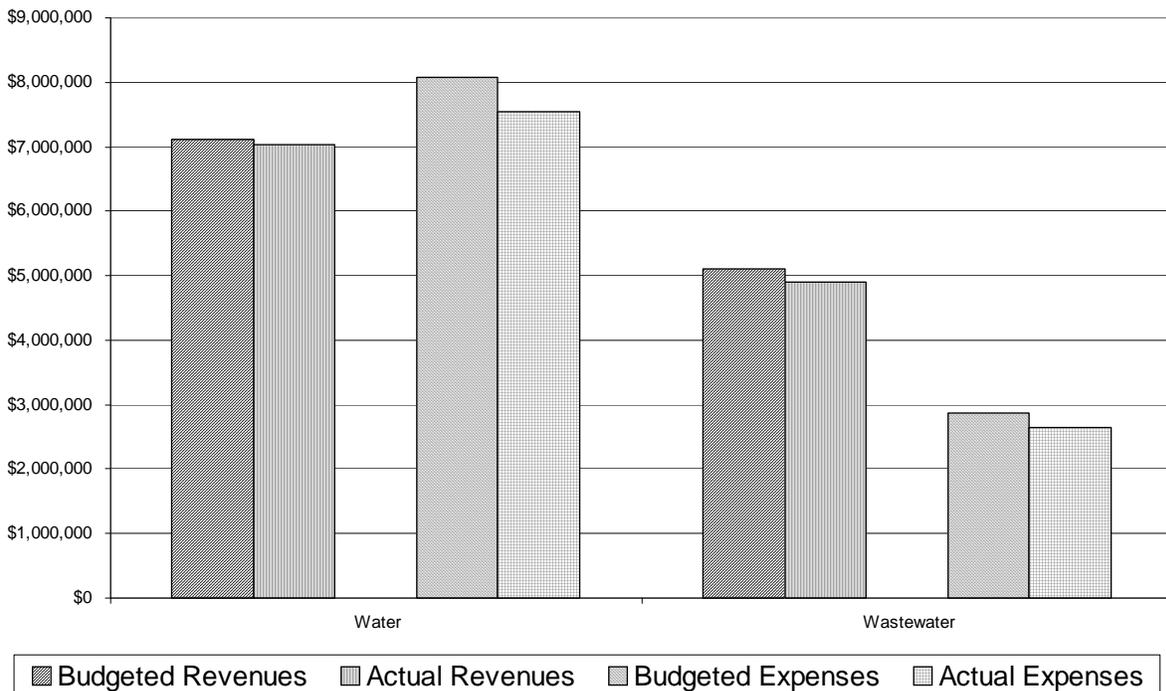
These graphs represent the segment information for the Water and Wastewater funds.

**Water and Wastewater Funds
Operating Revenue and Expenses 2008-2010**



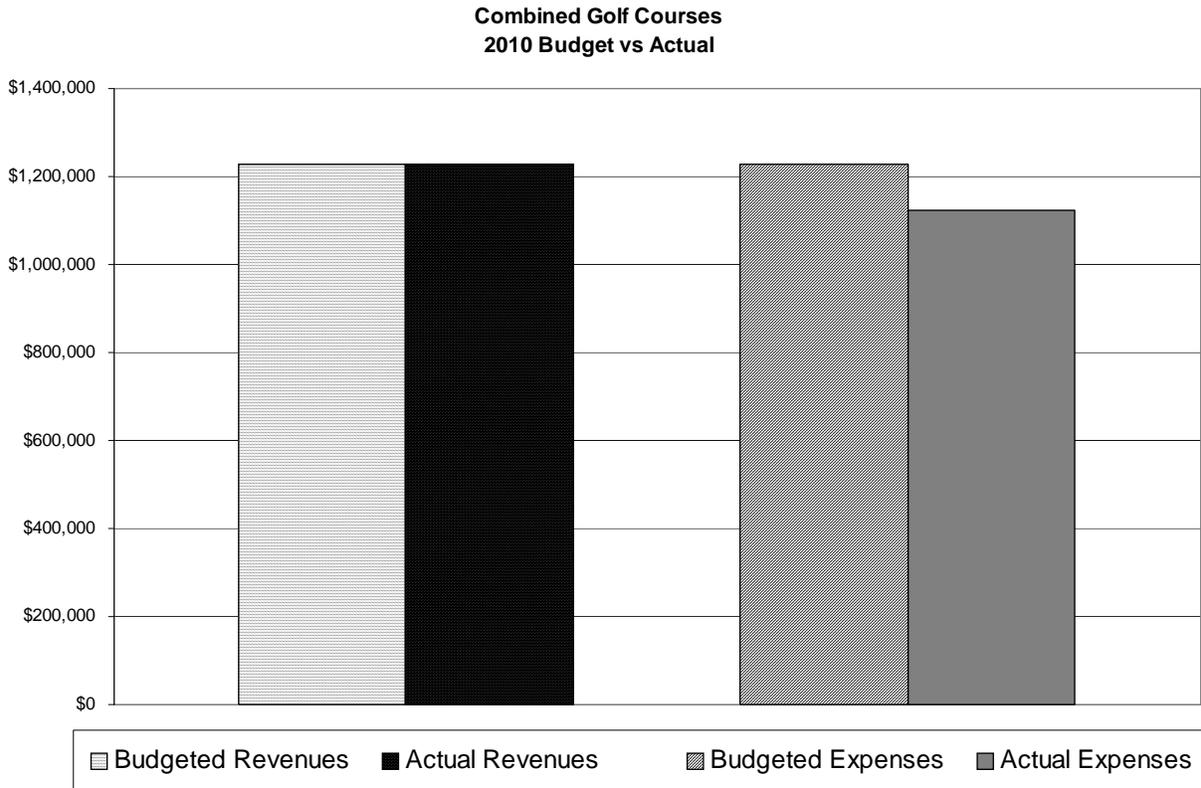
A one-time vendor payment of \$1.9 M to bring wastewater treatment in-house is reflected in the 2009 Wastewater Fund expense.

**Water and Wastewater Funds
2010 Operating Budget vs Actual**

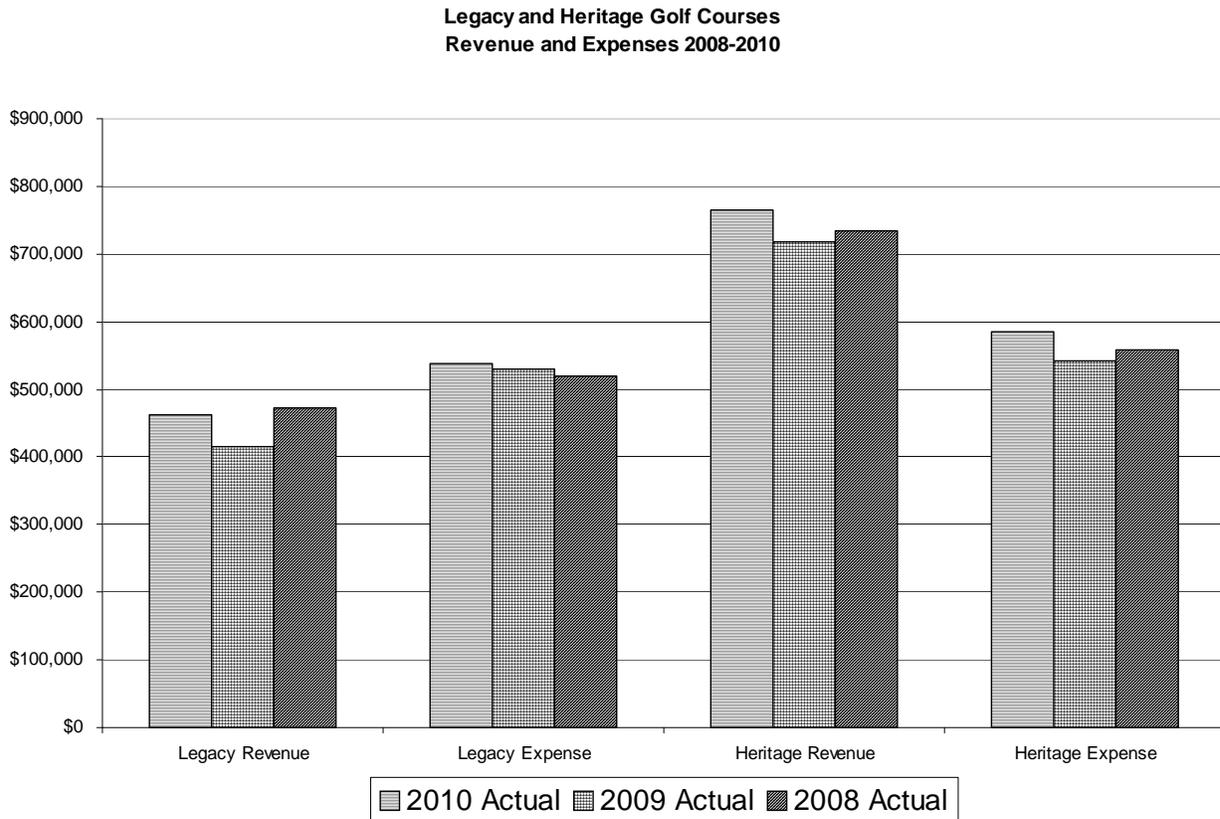


Golf Course Enterprise (Legacy and Heritage Golf Courses)

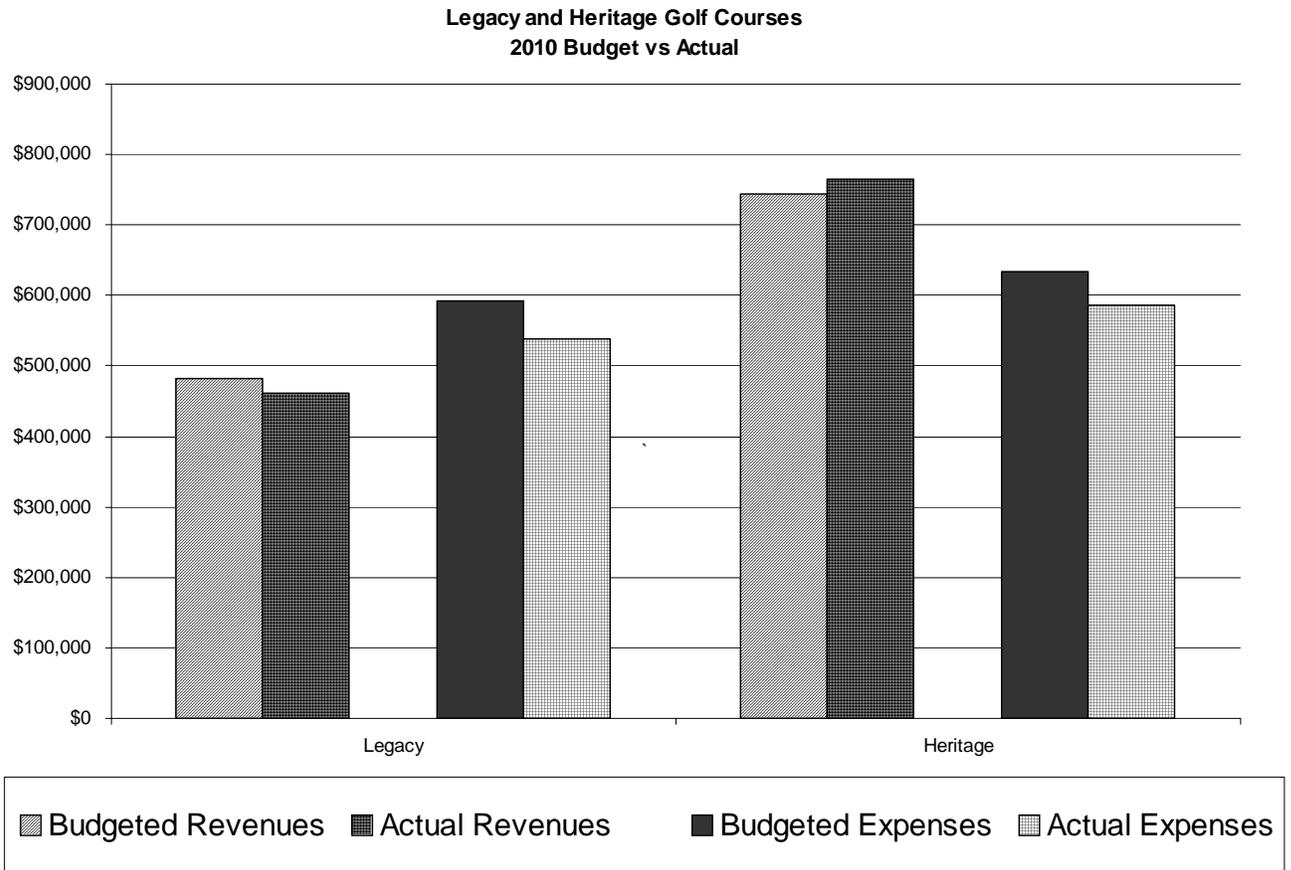
This enterprise reflects the operations of the City's two municipal golf courses.



The following graphs represent the information for each of the golf courses.



Inter-fund transfers impact this revenue representation. Isolating Charges for Services revenue indicates decreases in year to date operating revenues at Legacy and Heritage by \$39,593 and \$17,289, respectively, compared to the same period for 2009.



Respectfully submitted,

J. Brent McFall
City Manager

Attachments

CITY OF WESTMINSTER
 GENERAL RECEIPTS BY CENTER
 MONTH and YEAR-TO-DATE MAY 2010

Center Location Major Tenant	Current Month General Sales	Current Month General Use	Total	Last Year General Sales	Last Year General Use	Total Sales	%Change	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	309,003	19,858	328,861	300,808	6,252	307,060	3	218	7
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	270,009	15,491	285,501	259,227	15,469	274,697	4	0	4
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	215,727	332	216,059	213,539	687	214,226	1	-52	1
SHOPS AT WALNUT CREEK 104TH & REED TARGET	197,925	1,775	199,700	179,576	2,890	182,466	10	-39	9
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	182,793	2,132	184,926	172,215	1,774	173,989	6	20	6
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	178,689	165	178,854	182,377	3,109	185,486	-2	-95	-4
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	176,925	369	177,294	165,978	0	165,978	7	*****	7
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	141,719	308	142,027	141,709	999	142,707	0	-69	0
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	111,011	26,740	137,751	113,068	10,099	123,167	-2	165	12
WESTMINSTER MALL 88TH & SHERIDAN 3 DEPARTMENT STORES	120,334	1,121	121,455	158,571	757	159,327	-24	48	-24
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	115,344	414	115,758	153,974	793	154,768	-25	-48	-25
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	97,789	293	98,082	98,278	97	98,375	-1	202	0
COUNTRYDALE BUSINESS PARK S SIDE 108TH & WADSWORTH BALL CORPORATION	92	95,021	95,113	110	11,468	11,578	-16	729	722
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	83,863	637	84,500	74,359	327	74,686	13	95	13
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	76,111	126	76,237	68,592	992	69,585	11	-87	10

CITY OF WESTMINSTER
 GENERAL RECEIPTS BY CENTER
 MONTH and YEAR-TO-DATE MAY 2010

Center Location Major Tenant	Current Month			Last Year			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	68,698	194	68,893	64,945	144	65,089	6	35	6
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	64,508	1,779	66,287	55,184	218	55,402	17	717	20
BROOKHILL IV E SIDE WADS 90TH-92ND HANCOCK FABRICS	34,300	16,635	50,935	15,799	42	15,841	117	39517	222
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	46,818	156	46,975	47,950	309	48,259	-2	-49	-3
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	43,266	174	43,440	42,443	110	42,553	2	57	2
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	41,182	258	41,441	42,991	105	43,097	-4	145	-4
LUCENT/KAISER CORRIDOR 112-120 HURON - FEDERAL LUCENT TECHNOLOGY	3,475	34,866	38,342	5,724	25,024	30,749	-39	39	25
WILLOW RUN 128TH & ZUNI SAFEWAY	34,363	184	34,547	41,769	219	41,988	-18	-16	-18
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	31,689	0	31,689	28,885	24,750	53,635	10	*****	-41
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	24,100	355	24,455	21,600	209	21,809	12	70	12
	2,669,734	219,384	2,889,118	2,649,672	106,844	2,756,516	1	105	5

CITY OF WESTMINSTER
 GENERAL RECEIPTS BY CENTER
 MONTH and YEAR-TO-DATE MAY 2010

Center Location Major Tenant	YTD 2010			YTD 2009			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	1,846,676	30,272	1,876,947	1,821,431	45,889	1,867,320	1	-34	1
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	1,649,548	101,041	1,750,588	1,430,809	80,532	1,511,341	15	25	16
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	1,141,913	2,030	1,143,942	1,162,326	15,950	1,178,276	-2	-87	-3
SHOPS AT WALNUT CREEK 104TH & REED TARGET	1,141,500	7,198	1,148,697	1,062,682	12,880	1,075,562	7	-44	7
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	987,239	1,572	988,811	978,589	7,420	986,009	1	-79	0
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	930,674	2,096	932,770	886,875	5,221	892,097	5	-60	5
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	818,223	6,296	824,518	834,732	13,134	847,866	-2	-52	-3
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	790,218	3,792	794,009	784,551	11,086	795,638	1	-66	0
WESTMINSTER MALL 88TH & SHERIDAN 3 DEPARTMENT STORES	764,449	6,228	770,677	1,241,822	6,117	1,247,939	-38	2	-38
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	620,638	2,855	623,492	924,390	4,236	928,626	-33	-33	-33
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	585,979	162,737	748,716	612,381	70,598	682,978	-4	131	10
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	567,899	2,341	570,240	585,813	3,061	588,874	-3	-24	-3
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	417,917	1,603	419,520	444,252	2,145	446,397	-6	-25	-6
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	393,874	657	394,532	383,552	1,077	384,630	3	-39	3
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	348,728	3,198	351,926	294,263	1,448	295,711	19	121	19

CITY OF WESTMINSTER
GENERAL RECEIPTS BY CENTER
MONTH and YEAR-TO-DATE MAY 2010

Center Location Major Tenant	YTD 2010			YTD 2009			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	291,520	304	291,824	283,639	4,798	288,436	3	-94	1
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	234,477	12,170	246,647	248,873	1,276	250,149	-6	854	-1
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	208,361	1,267	209,627	237,352	2,793	240,144	-12	-55	-13
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	200,229	1,530	201,760	208,142	1,338	209,480	-4	14	-4
WILLOW RUN 128TH & ZUNI SAFEWAY	172,422	2,949	175,371	232,928	1,214	234,142	-26	143	-25
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	163,917	666	164,583	108,021	24,750	132,771	52	-97	24
MISSION COMMONS W SIDE WADSWORTH 88-90TH BIG 5 SPORTS	122,698	358	123,056	121,095	593	121,688	1	-40	1
NORTHVIEW 92ND AVE YATES TO SHERIDAN SALTGRASS	113,872	637	114,509	110,322	47,028	157,350	3	-99	-27
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	106,743	2,375	109,118	116,045	2,472	118,516	-8	-4	-8
STANDLEY PLAZA SW CORNER 88TH & WADS WALGREENS	101,811	1,826	103,637	88,066	2,256	90,322	16	-19	15
	<u>14,721,523</u>	<u>357,995</u>	<u>15,079,518</u>	<u>15,202,951</u>	<u>369,311</u>	<u>15,572,262</u>	<u>-3</u>	<u>-3</u>	<u>-3</u>

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	%
General Fund						
Revenues						
Taxes	5,678,400	2,954,042		3,193,619	239,577	108.1%
Licenses & Permits	1,371,178	563,751		504,998	(58,753)	89.6%
Intergovernmental Revenue	5,248,002	1,808,179		1,763,600	(44,579)	97.5%
Charges for Services						
Recreation Services	6,219,206	2,552,669		2,802,724	250,055	109.8%
Other Services	8,757,562	3,338,660		3,335,692	(2,968)	99.9%
Fines	2,262,105	930,498		826,652	(103,846)	88.8%
Interest Income	425,000	146,840		94,072	(52,768)	64.1%
Misc	1,625,161	570,453		502,495	(67,958)	88.1%
Leases	328,023	136,630		136,630	0	100.0%
Interfund Transfers	64,517,612	26,882,338		26,882,338	0	100.0%
Other Financing Sources	2,517,094	0		0	0	
Revenues	<u>98,949,343</u>	<u>39,884,060</u>		<u>40,042,820</u>	<u>158,760</u>	<u>100.4%</u>
Expenditures						
City Council	222,312	84,432		77,658	(6,774)	92.0%
City Attorney's Office	1,156,960	487,051		460,532	(26,519)	94.6%
City Manager's Office	1,611,334	665,785		601,624	(64,161)	90.4%
Central Charges	27,745,727	9,700,297		8,437,686	(1,262,611)	87.0%
General Services	5,937,816	2,418,614		2,177,646	(240,968)	90.0%
Finance	2,027,516	847,404		739,003	(108,401)	87.2%
Police	20,808,419	8,729,313		7,931,957	(797,356)	90.9%
Fire Emergency Services	11,847,237	4,947,303		4,573,262	(374,041)	92.4%
Community Development	4,273,620	1,794,545		1,570,334	(224,211)	87.5%
Public Works & Utilities	7,798,534	2,399,544		2,429,767	30,223	101.3%
Parks, Recreation & Libraries	15,519,868	6,057,425		4,895,230	(1,162,195)	80.8%
Total Expenditures	<u>98,949,343</u>	<u>38,131,713</u>		<u>33,894,699</u>	<u>(4,237,014)</u>	<u>88.9%</u>
Revenues Over(Under)						
Expenditures	<u>0</u>	<u>1,752,347</u>		<u>6,148,121</u>	<u>4,395,774</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Sales and Use Tax Fund						
Revenues and Carryover						
Sales Tax						
Sales Tax Returns	40,321,375	17,864,319		18,428,776	564,457	103.2%
Sales Tx Audit Revenues	711,876	347,821		252,613	(95,208)	72.6%
S-T Rev. STX	<u>41,033,251</u>	<u>18,212,140</u>		<u>18,681,389</u>	<u>469,249</u>	102.6%
Use Tax						
Use Tax Returns	7,010,205	2,616,413		2,683,635	67,222	102.6%
Use Tax Audit Revenues	785,000	393,285		697,142	303,857	177.3%
S-T Rev. UTX	<u>7,795,205</u>	<u>3,009,698</u>		<u>3,380,777</u>	<u>371,079</u>	112.3%
Total STX and UTX	<u><u>48,828,456</u></u>	<u><u>21,221,838</u></u>		<u><u>22,062,166</u></u>	<u><u>840,328</u></u>	104.0%
Public Safety Tax						
PST Tax Returns	11,616,517	4,919,254		4,743,200	(176,054)	96.4%
PST Audit Revenues	315,500	113,741		189,878	76,137	166.9%
Total Rev. PST	<u>11,932,017</u>	<u>5,032,995</u>		<u>4,933,078</u>	<u>(99,917)</u>	98.0%
Total Interest Income	235,000	97,917		41,925	(55,992)	42.8%
Carryover	680,000	680,000		680,000	0	100.0%
Total Revenues and Carryover	<u>61,675,473</u>	<u>27,032,750</u>		<u>27,717,169</u>	<u>684,419</u>	102.5%
Expenditures						
Central Charges	<u>61,675,473</u>	<u>25,698,114</u>		<u>25,698,114</u>	<u>0</u>	100.0%
Revenues and Carryover Over(Under) Expenditures	<u><u>0</u></u>	<u><u>1,334,636</u></u>		<u><u>2,019,055</u></u>	<u><u>684,419</u></u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description POST Fund	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Revenues						
Sales & Use Tax	4,865,857	2,081,199		2,054,921	(26,278)	98.7%
Intergovernmental Revenue	1,635,000	0		0	0	
Interest Income	55,000	22,917		29,290	6,373	127.8%
Miscellaneous	83,977	41,989		558	(41,431)	1.3%
Interfund Transfers	209,000	0		0	0	
Total Revenues	<u>6,848,834</u>	<u>2,146,105</u>		<u>2,084,769</u>	<u>(61,336)</u>	97.1%
Expenditures						
Central Charges	6,499,646	1,782,844		1,787,507	4,663	100.3%
Park Services	349,188	115,418		67,082	(48,336)	58.1%
	<u>6,848,834</u>	<u>1,898,262</u>		<u>1,854,589</u>	<u>(43,673)</u>	97.7%
Over(Under) Expenditures	<u>0</u>	<u>247,843</u>		<u>230,180</u>	<u>(17,663)</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Water and Wastewater Funds - Combined						
Operating Revenues						
License & Permits	75,000	31,250		40,870	9,620	130.8%
Intergovernmental Revenue	4,727	0		0	0	
Rates and Charges	41,600,438	11,998,545		11,112,722	(885,823)	92.6%
Miscellaneous	435,000	181,250		779,449	598,199	430.0%
Total Operating Revenues	<u>42,115,165</u>	<u>12,211,045</u>		<u>11,933,041</u>	<u>(278,004)</u>	97.7%
Operating Expenses						
Central Charges	6,051,028	2,521,262		2,506,072	(15,190)	99.4%
Finance	705,372	272,979		272,597	(382)	99.9%
Public Works & Utilities	20,136,660	6,955,905		6,297,738	(658,167)	90.5%
Parks, Recreation & Libraries	147,979	61,658		28,352	(33,306)	46.0%
Information Technology	2,821,595	1,137,103		1,093,861	(43,242)	96.2%
Total Operating Expenses	<u>29,862,634</u>	<u>10,948,907</u>		<u>10,198,620</u>	<u>(750,287)</u>	93.1%
Operating Income (Loss)	<u>12,252,531</u>	<u>1,262,138</u>		<u>1,734,421</u>	<u>472,283</u>	
Other Revenue and Expenses						
Tap Fees	3,193,061	1,436,341		1,065,176	(371,165)	74.2%
Interest Income	1,450,000	604,166		387,307	(216,859)	64.1%
Other Financing Sources	28,300,000	28,300,000		29,505,000	1,205,000	104.3%
Debt Service	(6,757,592)	0		0	0	
Total Other Revenue (Expenses)	<u>26,185,469</u>	<u>30,340,507</u>		<u>30,957,483</u>	<u>616,976</u>	102.0%
	<u>38,438,000</u>	<u>31,602,645</u>		<u>32,691,904</u>	<u>1,089,259</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Water Fund						
Operating Revenues						
License & Permits	75,000	31,250		40,870	9,620	130.8%
Intergovernmental Revenue	4,727	0		0	0	
Rates and Charges	29,360,461	6,895,549		6,224,194	(671,355)	90.3%
Miscellaneous	425,000	177,083		776,674	599,591	438.6%
Total Operating Revenues	<u>29,865,188</u>	<u>7,103,882</u>		<u>7,041,738</u>	<u>(62,144)</u>	99.1%
Operating Expenses						
Central Charges	4,258,103	1,774,210		1,770,284	(3,926)	99.8%
Finance	705,372	272,979		272,597	(382)	99.9%
Public Works & Utilities	13,806,351	4,823,548		4,387,651	(435,897)	91.0%
PR&L Standley Lake	147,979	61,658		28,352	(33,306)	46.0%
Information Technology	2,821,595	1,137,103		1,093,861	(43,242)	96.2%
Total Operating Expenses	<u>21,739,400</u>	<u>8,069,498</u>		<u>7,552,745</u>	<u>(516,753)</u>	93.6%
Operating Income (Loss)	<u>8,125,788</u>	<u>(965,616)</u>		<u>(511,007)</u>	<u>454,609</u>	
Other Revenue and Expenses						
Tap Fees	2,600,000	1,162,400		828,944	(333,456)	71.3%
Interest Income	800,000	333,333		308,365	(24,968)	92.5%
Other Financing Sources	28,300,000	28,300,000		29,505,000	1,205,000	104.3%
Debt Service	(5,253,788)	0		0	0	
Total Other Revenues (Expenses)	<u>26,446,212</u>	<u>29,795,733</u>		<u>30,642,309</u>	<u>846,576</u>	102.8%
Increase (Decrease) in Net Assets	<u>34,572,000</u>	<u>28,830,117</u>		<u>30,131,302</u>	<u>1,301,185</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Wastewater Fund						
Operating Revenues						
Rates and Charges	12,239,977	5,102,996		4,888,528	(214,468)	95.8%
Miscellaneous	10,000	4,167		2,775	(1,392)	66.6%
Total Operating Revenues	<u>12,249,977</u>	<u>5,107,163</u>		<u>4,891,303</u>	<u>(215,860)</u>	95.8%
Operating Expenses						
Central Charges	1,792,925	747,052		735,788	(11,264)	98.5%
Public Works & Utilities	6,330,309	2,132,357		1,910,087	(222,270)	89.6%
Total Operating Expenses	<u>8,123,234</u>	<u>2,879,409</u>		<u>2,645,875</u>	<u>(233,534)</u>	91.9%
Operating Income (Loss)	<u>4,126,743</u>	<u>2,227,754</u>		<u>2,245,428</u>	<u>17,674</u>	
Other Revenue and Expenses						
Tap Fees	593,061	273,941		236,232	(37,709)	86.2%
Interest Income	650,000	270,833		78,942	(191,891)	29.1%
Debt Service	(1,503,804)	0		0	0	
Total Other Revenues (Expenses)	<u>(260,743)</u>	<u>544,774</u>		<u>315,174</u>	<u>(229,600)</u>	57.9%
Increase (Decrease) in Net Assets	<u>3,866,000</u>	<u>2,772,528</u>		<u>2,560,602</u>	<u>(211,926)</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Storm Drainage Fund						
Revenues						
Charges for Services	2,000,000	833,333		811,130	(22,203)	97.3%
Interest Income	80,000	33,333		33,272	(61)	99.8%
Miscellaneous	0	0		420	420	
Total Revenues	<u>2,080,000</u>	<u>866,666</u>		<u>844,822</u>	<u>(21,844)</u>	97.5%
Expenses						
General Services	92,000	23,092		9,617	(13,475)	41.6%
Community Development	147,000	59,388		51,629	(7,759)	86.9%
PR&L Park Services	200,000	83,333		26,802	(56,531)	32.2%
Public Works & Utilities	291,000	99,231		72,081	(27,150)	72.6%
Total Expenses	<u>730,000</u>	<u>265,044</u>		<u>160,129</u>	<u>(104,915)</u>	60.4%
Increase (Decrease) in Net Assets	<u>1,350,000</u>	<u>601,622</u>		<u>684,693</u>	<u>83,071</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Golf Course Funds - Combined						
Operating Revenues						
Charges for Services	2,970,719	891,243		887,622	(3,621)	99.6%
Interest Income	0	0		3,631	3,631	
Interfund Transfers	804,591	335,247		335,247	0	100.0%
Total Operating Revenues	<u>3,775,310</u>	<u>1,226,490</u>		<u>1,226,500</u>	<u>10</u>	<u>100.0%</u>
Operating Expenses						
Central Charges	230,085	94,254		90,653	(3,601)	96.2%
Recreation Facilities	3,047,135	1,132,440		1,032,957	(99,483)	91.2%
Total Operating Expenses	<u>3,277,220</u>	<u>1,226,694</u>		<u>1,123,610</u>	<u>(103,084)</u>	<u>91.6%</u>
Operating Income (Loss)	498,090	(204)		102,890	103,094	
Other Expense						
Debt Service	498,090	0		0	0	
Increase (Decrease) in Net Assets	<u>0</u>	<u>(204)</u>		<u>102,890</u>	<u>103,094</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Legacy Ridge Fund						
Operating Revenues						
Charges for Services	1,597,500	469,665		446,443	(23,222)	95.1%
Interest Income	0	0		3,631	3,631	
Interfund Transfers	29,433	12,264		12,264	0	100.0%
Total Operating Revenues	<u>1,626,933</u>	<u>481,929</u>		<u>462,338</u>	<u>(19,591)</u>	95.9%
Operating Expenses						
Central Charges	122,030	50,276		48,347	(1,929)	96.2%
Recreation Facilities	1,504,903	541,765		490,115	(51,650)	90.5%
Total Operating Expenses	<u>1,626,933</u>	<u>592,041</u>		<u>538,462</u>	<u>(53,579)</u>	91.0%
Increase (Decrease) in Net Assets	<u>0</u>	<u>(110,112)</u>		<u>(76,124)</u>	<u>33,988</u>	

**City of Westminster
Financial Report
For Five Months Ending May 31, 2010**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Heritage at Westmoor Fund						
Operating Revenues						
Charges for Services	1,373,219	421,578		441,179	19,601	104.6%
Interfund Transfers	775,158	322,983		322,983	0	100.0%
Total Operating Revenues	<u>2,148,377</u>	<u>744,561</u>		<u>764,162</u>	<u>19,601</u>	102.6%
Operating Expenses						
Central Charges	108,055	43,978		42,306	(1,672)	96.2%
Recreation Facilities	1,542,232	590,675		542,842	(47,833)	91.9%
Total Operating Expenses	<u>1,650,287</u>	<u>634,653</u>		<u>585,148</u>	<u>(49,505)</u>	92.2%
Operating Income	498,090	109,908		179,014	69,106	
Other Expense						
Debt Service	<u>498,090</u>	<u>0</u>		<u>0</u>	<u>0</u>	
Increase (Decrease) in Net Assets	<u>0</u>	<u>109,908</u>		<u>179,014</u>	<u>69,106</u>	



Agenda Item 8 B

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Standley Lake Modeling Contract Substitution

Prepared By: Mary Fabisiak, Water Quality Administrator

Recommended City Council Action

Based on a recommendation of the City Manager, City Council finds the public interest will best be served by authorizing the City Manager to substitute Hydros Consulting, Inc. for AMEC Earth and Environmental, Inc. with approval to execute a sole source professional services agreement for the Update and Refinement of the Standley Lake Water Quality Models, authorized by City Council on May 24, 2010, Agenda Item 8E.

Summary Statement

- Council previously approved a services agreement with AMEC Earth and Environmental, Inc. (AMEC) on May 24, 2010, Agenda Item 8E.
- After the Council approval, but prior to the execution of the AMEC services agreement, staff was notified that key personnel at AMEC were terminating their employment with AMEC and forming a new consulting firm called Hydros Consulting, Inc. (Hydros).
- These key staff members at Hydros have thorough knowledge of the City's water supply system having developed the Watershed Analysis Risk Management Framework (WARMF) model and linking it to the Standley Lake Eutrophication Model to understand watershed and lake dynamics. These two models together make up the Standley Lake Water Quality Models.
- If the substitution is approved, this service agreement with Hydros will continue with the update and refinement of the Standley Lake Water Quality Models.
- All terms and costs of the contract with Hydros are the same as previously approved in the AMEC contract.
- The City has not entered into a contract with AMEC and staff has communicated with the company in regard to the City's intention to substitute Hydros Consulting Inc. for this work.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Should the Council substitute Hydros Consulting, Inc. for AMEC?

Alternatives

As an alternative to substituting the award to Hydros, the City could choose to leave the contract with AMEC as originally authorized. Staff does not recommend this option. Staff, along with the newly formed Hydros Consulting, Inc., created both of the models and therefore, has a unique understanding of the City of Westminster's requirements. There would be an additional expense associated with educating AMEC staff about the background and specific needs for the Standley Lake models.

A second alternative would be to delay or not utilize the data and models to understand lake dynamics. This alternative is also not recommended as delaying or not utilizing the data would significantly restrict the City's water supply protection efforts.

Background Information

City Council previously approved a service agreement to update and refine the Standley Lake models on May 24, 2010, Agenda Item 8E. The contractor assignment for the sole source service agreement is being re-submitted for approval as the key consultants who created and currently utilize these models are leaving the company with whom Council originally approved the contract (AMEC) to form their own company (Hydros). Due to these consultants' knowledge of the models, staff would like to enter into the Water Quality update and refinement contract with the new Hydros company.

Based on all the factors detailed in this memorandum, staff believes it is in the best interest of the City to substitute the approval to Hydros from AMEC for the update and refinement of the Water Quality Models. The staff at Hydros have a thorough knowledge of the City's water supply having developed, calibrated and run these models. The Hydros staff has developed a relationship with the Standley Lake Cities' staff, and they have an intimate knowledge of the Standley Lake system.

This contract will allow Hydros to update and refine both models using current information from the watershed and lake monitoring programs. This information is important in assessing the health of the lake and attainment of the chlorophyll standard. The data generated from both the WARMF and the Lake Model will also aid in negotiations with the Upper Clear Creek Basin towards improving water quality.

This recommendation supports City Council's Goals and Objectives to provide a Financially Sustainable City Government Providing Exceptional Services and a Beautiful and Environmentally Sensitive City by securing and developing a long-term water supply and providing energy efficient, environmentally sensitive city operations by protecting Standley Lake.

Respectfully submitted,

J. Brent McFall
City Manager



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Adams County Collaborative Transportation Planning Agreement

Prepared By: Dave Downing, City Engineer

Recommended City Council Action

Authorize the Mayor to execute the renewal of the Adams County Collaborative Transportation Planning Agreement.

Summary Statement

- In October of 2000, the City Council authorized the City's participation in a transportation planning intergovernmental agreement (IGA) among the cities of Adams County and the County. That IGA expired at the end of 2008.
- The purpose of this collaborative agreement is to ensure that the jurisdictions of Adams County coordinate their efforts in the pursuit of state and federal funding for transportation improvement projects that are of a regional nature.
- Representatives of the Colorado Department of Transportation (CDOT), the usual coordinating agency for state and federal transportation funding, prefer such a County-wide, collaborative approach to the application for these grants. Over the past decade, the support afforded by the City's partners within Adams County has served the City well as evidenced by the successful lobbying efforts for transportation improvements at the intersection of 80th Avenue/Federal Boulevard and the 120th Avenue Bridge over I-25. City staff recommends Council approval of the renewal of this IGA to ensure that the County-wide collaboration on regional transportation planning continues into the future.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Should the City collaborate with the other jurisdictions of Adams County to evaluate and prioritize regional transportation projects within the County in the pursuit of state and federal funding for those desired improvements?

Alternative

The City Council could elect to not participate in such a County-wide lobbying process. Naturally, transportation planning collaboration with other jurisdictions could result in a higher prioritization for regional projects located outside of Westminster and a lower prioritization for projects located within the City. This has occurred during the past decade. Nonetheless, staff believes that the collaborative approach has still served Westminster citizens well in the past and allows staff to look beyond jurisdictional boundaries to best serve the transportation needs of the entire region.

Background Information

Approximately once every two years, elected officials and staff of all of the jurisdictions of Adams County meet with CDOT Transportation Commissioners, the Executive Director and other officials of the Department to present a “wish list” of desired transportation improvements to the State Highway System located within the County. Jefferson County jurisdictions conduct a similar meeting on the same approximate schedule. This “County hearing” process is encouraged by the State because it allows the CDOT representatives to ascertain the consensus desires of several governmental entities within a particular geographic region. This approach to the identification of potential transportation improvement projects is also beneficial in that it requires staff of the various jurisdictions to look beyond the boundaries of their own cities and address traffic congestion issues from a more regional perspective.

The next bi-annual Adams County hearing with CDOT is scheduled to occur on July 7, 2010. In conjunction with that hearing, the Adams County Commissioners have proposed that a Collaborative Transportation Planning Agreement that was initially executed in October of 2000 be reinstated. The original agreement expired at the end of 2008, which was after the date of the last County hearing with CDOT. This intergovernmental agreement calls for the jurisdictions of Adams County to collaborate in the identification of priority corridors and specific projects within those corridors during the development of a prioritized list of proposed State Highway System transportation improvement projects. The updated version of this IGA has been slightly modified to place particular emphasis upon multi-modal projects. The proposed term of the new agreement is to last through the end of 2028.

It is important to note that the City’s participation in this IGA in no way prevents Council and staff from making applications for federal funding for specific projects located within Westminster during the bi-annual Denver Regional Council of Governments (DRCOG) Transportation Improvement Project (TIP) preparation process. Instead, the County hearing process is intended to be a means of communicating to CDOT those State Highway improvements that the local entities wish for the State to undertake and fund. Depending upon the availability of funding, the State will occasionally fully sponsor such requested projects (e.g. the 120th Avenue Bridge over I-25, although the City did voluntarily contribute money to this project for certain aesthetic enhancements), and in other instances (e.g. 80th Avenue/Federal Boulevard Intersection Improvements) CDOT will financially participate with the local jurisdiction in a DRCOG TIP application.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

**ADAMS COUNTY
COLLABORATIVE TRANSPORTATION PLANNING
AGREEMENT**

**INTERGOVERNMENTAL AGREEMENT
AMONG**

**THE CITY OF ARVADA
THE TOWN OF BENNETT
THE CITY OF BRIGHTON
THE CITY OF COMMERCE CITY
THE CITY OF FEDERAL HEIGHTS
THE CITY OF NORTHGLENN
THE CITY OF THORNTON
THE CITY OF WESTMINSTER
AND
ADAMS COUNTY**

THIS AGREEMENT is entered into effective as of the ____ day of _____, 2010, by and among Adams County, the City of Arvada, the Town of Bennett, the City of Brighton, the City of Commerce City, the City of Federal Heights, the City of Northglenn, the City of Thornton, and the City of Westminster, all of said parties being referred to collectively herein as the “Agencies.”

WITNESSETH

WHEREAS, the Agencies are authorized by the provisions of Colo. Const. art. XIV, § 18(2)(a) and §§ 29-1-201, *et. seq.*, C.R.S., to enter into contracts with each other for the performance of functions that they are authorized by law to perform on their own; and

WHEREAS, the coordinated efforts of all Adams County communities is necessary to implement the Adams County Transportation Plan, and to ensure an adequate transportation infrastructure to meet the needs of Adams County residents currently and for years to come; and

WHEREAS, the Agencies have a mutual interest in the coordination of current and future transportation planning within Adams County; and

WHEREAS, Adams County communities will benefit from the collective planning efforts of the Agencies working together to implement a transportation system to ensure the efficient movement of people and goods; and

WHEREAS, the Agencies wish to set forth their understanding of how the transportation planning efforts in Adams County will be coordinated for purposes of submitting project funding requests to the Colorado Department of Transportation (“CDOT”) and the Denver Regional Council of Governments (“DRCOG”) for consideration in the Transportation Improvement Plan (“TIP”).

NOW, THEREFORE, THE AGENCIES AGREE TO COOPERATE AS FOLLOWS:

1. State Highway System Projects. The Executive Committee of the Adams County Council of Governments (“ADCOG”) of the participating Agencies will use good faith efforts to collaborate in identifying priority corridors and in the development of a prioritized countywide list for state highway system transportation projects. These priority corridors and list will be presented to CDOT representing Adams County communities for consideration in the TIP.
2. Federal/State/Local Match Transportation Projects. ADCOG will review and coordinate transportation projects submitted to DRCOG, which require federal, state and/or local matching funds for consideration in the TIP, prior to submittal of each Agency’s project request to DRCOG. Project

submittals will focus primarily on road and bridge projects, but may also include transit, bike and pedestrian projects, and Transportation Demand Management “(TDM)” projects. The purpose of this review is to provide ADCOG an opportunity to coordinate and collaborate on multi-modal transportation project submittals and provide multi-jurisdictional support on projects.

3. Coordination Support. The Adams County Transportation Coordination Committee (“Adams Movers Group”), which consists of staff representatives from each Agency, will assemble the project information and may utilize the Adams County Ranking Criteria and/or the DRCOG Project Ranking Criteria to initially rank the projects submitted by the Agencies for State Highway System funding. This ranking will be presented to the Mayors and Commissioners for their consideration.
4. Planning Timeline. The review and prioritization of transportation projects will coincide with the bi-annual DRCOG TIP planning process timeline and the CDOT/ Transportation Commission planning timeline.
5. Benefits Inure to Agencies Only. It is expressly understood and agreed that the enforcement of terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned parties and nothing in this Agreement shall give or allow any claim or right of action whatsoever by any other person not included in this Agreement. It is the express intention of this Agreement that any entity, other than the Agencies that are parties to this Agreement, that receives services or benefits as a result of this Agreement shall be an incidental beneficiary only.
6. Government Immunity. No portion of this Agreement shall be deemed to constitute a waiver of any immunities the Agencies or their officers or employees may possess, nor shall any portion of this Agreement be deemed to have created a duty of care which did not previously exist with respect to any person not a party to this Agreement.
7. Term. The term of the Agreement is through December 31, 2028.

By signing this Agreement, the Agencies acknowledge and represent to one another that all procedures necessary to validly contract and execute this Agreement have been performed, and that the persons signing for each Agency have been duly authorized by such Agency to do so.

**ADAMS COUNTY
BOARD OF COUNTY COMMISSIONERS**

Alice J. Nichol, Chairman

Date

ATTEST:

APPROVED AS TO FORM:

County Clerk

County Attorney’s Office

CITY OF ARVADA

(), Mayor

Date

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney's Office

TOWN OF BENNETT

(), Mayor

Date

ATTEST:

APPROVED AS TO FORM:

Town Clerk

Town Attorney's Office

CITY OF BRIGHTON

(), Mayor

Date

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney's Office

CITY OF COMMERCE CITY

(), Mayor

Date

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney's Office

CITY OF FEDERAL HEIGHTS

(), Mayor

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

City Attorney's Office

CITY OF NORTHGLENN

(), Mayor

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

City Attorney's Office

CITY OF THORNTON

(), Mayor

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

City Attorney's Office

CITY OF WESTMINSTER

(), Mayor

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

City Attorney's Office



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: 2009 Comprehensive Annual Financial Report

Prepared By: Tammy Hitchens, Finance Director

Recommended City Council Action

Accept the 2009 Comprehensive Annual Financial Report.

Summary Statement

- The 2009 Comprehensive Annual Financial Report (CAFR) represents the summary of the City's financial transactions that occurred during 2009 and its financial position as of December 31, 2009. The financial statements can be used by Citizens, City Council, investors, creditors, and others in assessing the City's financial and economic condition.
- Section 9.10 of the City Charter mandates an annual audit of the City's financial statements by certified public accountants, experienced in municipal accounting. This audit was performed by the City's independent audit firm, Swanhorst & Company LLC. Swanhorst rendered an unqualified opinion on the City's financial statements. An unqualified opinion means that the City's financial statements are fairly presented in all material respects in conformity with Generally Accepted Accounting Principles (GAAP).
- Staff primarily responsible for completing the 2009 CAFR include Accounting Manager Cherie Sanchez, Accountants Karen Creager, Gary Newcomb, Sherri Rickard, and Vicki Adams, Accounting Specialist Leslie Krough, Retirement Administrator Kim McDaniel, and Financial Analyst Rachel Price. Other Finance Staff that provided vital assistance include Treasury Manager, Bob Smith, Senior Financial Analyst Bob Byerhof and Administrative Secretary Maggie Hunter. The hard work and dedication of this highly qualified team on the 2009 CAFR exemplifies the City's SPIRIT values.
- This report is a key document that reflects achievement of Council's goal of Financially Sustainable City Government Providing Exceptional Services.
- Staff reviewed the CAFR with Council at the June 21, 2010 Study Session.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Should Council accept the 2009 Comprehensive Annual Financial Report as presented?

Alternative

Postpone acceptance of the 2009 Comprehensive Annual Financial Report to a later City Council meeting. Postponing the acceptance is not recommended due to the upcoming June 30 deadline to comply with Colorado State Statutes (section 29-1-606) on audits of local governments. Consequences for not complying with the State mandate range from receiving delinquent notices to deferment of tax distributions from the counties.

Background Information

The 2009 Comprehensive Annual Financial Report contains an abundance of information that can be utilized to evaluate the City's financial condition and its operational and fiscal accountability for the year. The Comprehensive Annual Financial Report provides a comprehensive summary of the City's finances and other relevant information for the 2009 audit year, including economic overviews, financial analyses, financial statements, note disclosure, budgetary compliance schedules, trend information and single audit information.

In compliance with the Section 9.10 of the City Charter, Swanhorst & Company LLC, conducted an independent audit of the City's financial statements for all funds reported in the Comprehensive Annual Financial Report and gave an unqualified opinion.

A financial analysis of the 2009 CAFR was presented to Council at the June 21, 2010 Study Session, at which time representatives from Swanhorst & Company were on hand to answer Council's questions and to discuss their recommendations to management. Council is now requested to officially accept the City's 2009 Comprehensive Annual Financial Report as presented.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment
- CAFR available electronically



WESTMINSTER

COLORADO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2009

Prepared by:

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

www.ci.westminster.co.us

Centrally located between Denver and Boulder, Colorado, on the US Highway 36 high-tech corridor, is the City of Westminster, a beautiful, growing suburban community designed for exceptional quality of life. Over 109,000 residents enjoy superb recreation amenities, beautiful neighborhoods and numerous entertainment and shopping opportunities. The City has preserved 2,848 acres, 13.2% of the City's land area, for natural open space. Many areas in the City boast a majestic view of the Colorado Rocky Mountains. The community is nationally recognized, with a reputation for innovation and progressive management in local government.

On the front cover:

Images of Westminster showcase our community's unique beauty and natural settings, including the delicate, beautiful state flower – the Rocky Mountain Columbine. Colorado is the only known native state to the lavender and white, rare and protected flower. Westminster incorporates high development standards and encourages partnerships between the City and the development community. As a result of these initiatives, the City showcases state of the art facilities. The facilities shown on the cover include the Shops at Walnut Creek (2004), the Public Safety Center (2003) and City Hall (1988) with its pyramid shaped steel mesh 14-story bell tower structure. The 130-foot spire has inspired the City's logo and slogans and is a widely known community landmark synonymous with our City.

Westminster is a place for fun. The Butterfly Pavilion and Insect Center offers the unique experience of interacting with more than 1,000 live butterflies living in an indoor rainforest, a real hands-on learning experience for children and adults. The perfect place to spend time with family and friends is the Westminster Promenade, an outdoor pedestrian entertainment and business-oriented development positioned in an attractive, resort-like setting. The Promenade includes areas for children to play, including pop jets for a hot day; small performance areas; outdoor restaurants and cafes; a lake; trails; and sculptures to enjoy. The Westminster Westin at the Westminster Promenade offers a full service conference center. Other hotels in the City also have available space for meetings and special events. The City provides many community activities, including award winning swimming pools and recreation centers, a yearly community fair, the 3-sheet Ice Center at the Promenade, 2 libraries, a nationally recognized volunteer program and much more.

The City of Westminster's Public Art Program represents the evolution of public and private investment, consistently high development standards and the continual establishment of partnerships between the City and the development community. There are currently more than 100 individual works of art included in the City's public art program. Pictured here are "Dolly"/2009, named for the Dolly Madison Ice Cream company that operated at the Shoenberg Farm (northwest corner of West 72nd Avenue and Sheridan Boulevard) from 1941 to 2001; the Westminster City Center Marketplace "Dolphins" fountain/1996 at 92nd and Sheridan (one of 35 public art pieces at the Marketplace, including hand painted frescos, shown); "Precious Moments"/1996 at City Hall, a bronze statue of a little girl marveling at a family of rabbits; the majestic elk "Challenge"/1981 located at the Yates entrance to City Hall and the Public Safety Center; "Jungle Gym"/1995, a celebration of children playing located in the City Hall Sculpture Garden; and "Promise of the Prairie"/1993, also located at City Hall, displaying the inscription "Our hope, our vision of tomorrow is only fulfilled by the strong resolve of our families".

The City has established a historic preservation program in order to protect local historic landmarks and the City's rich heritage so they may continue to be a source of visual interest and education for the public. The Westminster University/Pillar of Fire Church/Belleview College building (completed in 1908) is located at 84th and Lowell, and can be seen high atop a hillside for miles. The Bowles House (homesteaded in 1871) located on 72nd Avenue between Sheridan and Lowell Boulevard, is listed on the National Register of Historic Places. The Westminster Historical Society has preserved it as a museum, which is open to the public for tours.

On the back cover:

A Westminster, Colorado open space pond shimmers as the sun descends into the Rocky Mountain horizon.

CITY OF WESTMINSTER, COLORADO

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WESTMINSTER
COLORADO

June 14, 2010

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

It is with great pride that we present to you the 2009 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's effective government operations.

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

Westminster had many successes to celebrate during 2009, as well as challenges to weather the "Great Recession". While Colorado fared better than most of the nation with respect to unemployment and housing prices, Westminster still felt the impacts of the recession. Westminster was in a financially strong position entering the recession. Past strategic moves to diversify the sales tax base around the City and attract discount retailers proved to be beneficial. The City used a combination of one time revenues and conservative spending to help offset the reduction of sales and use tax, other revenues and development and building related fees.

In April, City Council designated the Westminster Mall site as an urban renewal area known as the Westminster Center Urban Reinvestment Project (WURP) area. This action set the stage for the Westminster Economic Development Authority (WEDA) to initiate the redevelopment efforts for the Westminster Mall area. In July, the WEDA Board approved the WURP project description so that all parties are clear about the Urban Renewal Authority vision for the project. The project is described as a dense mixed use project similar in form to an urban downtown. It will have a strong retail base complimented by office, residential and entertainment type uses. Development is anticipated to occur over a 15 to 20 year period of time.

Led by the City Manager's office, significant activity that has occurred since July includes: the selection of Steiner & Associates to enter into an exclusive negotiating agreement as the redeveloper of the area, the purchase and demolition of an abandoned restaurant, and the purchase of one of the anchor buildings and site.

Starting in December of 2008 and finishing in September 2009, the Finance Department led the effort for the City to redeem or refinance five different variable rate bond issues. The refinancings were necessitated by the downgrade of the direct pay letter of credit banks in the fall of 2008, which subsequently led investors to tender the bonds back to the bank. The Finance Department also upgraded its cashiering and utility billing systems.

In the Community Development Department, staff led the efforts for the City to purchase 18.8 acres of open space. These additions move the City closer to fulfilling the goal of protecting at least 15% of the City as open space.

The City also acquired the historic core of the Shoenberg farm. The City received \$801,125 in grants from the State Historical Fund to purchase the 1911 brick buildings and rehabilitate the dairy barn.

The Fire Department completed the integration of two emergency coordination centers at the Municipal Service Center and City Hall to enhance community emergency preparedness. The Fire Department also lowered their average response time by 5 seconds.

The golf staff from the Parks, Recreation and Libraries Department rented a booth at the Golf Expo event in February. More than 11,000 golf enthusiasts attended the event. Staff sold 355 discount coupons that brought over \$35,000 to the City in a typically low revenue month. The marketing efforts are geared for attracting golfers during non-peak times.

The library staff introduced citizenship classes, taught by trained volunteers, at the Irving Street Library. Those in the community interested in becoming United States citizens now have an opportunity to learn with others making the same decision and working toward the same goal.

The Police Department had continued success with the graffiti program. The program, which emphasizes enforcement, eradication and education continues to prove that it is a successful model to attack this social problem. The number of public graffiti vandalism reports dropped 12% and removal dropped 44%, reflecting the amount needing removal was down. Also, despite several serious critical incidents involving lethal use of force, no officers were seriously injured or killed. The Police Department also saw a decrease in response times for priority one calls.

The Public Works and Utilities Department was able to eliminate a sewage lift station. Rather than making continual and expensive repairs to the lift station for pumping flows to another District, the lift station was eliminated and the area's wastewater will be re-directed via gravity to the City's Big Dry Creek Wastewater Treatment Facility for treatment. This is estimated to save the City \$1.4 million dollars over a 20 year period.

The Information Technology Department purchased and implemented both a new storage area network and new data backup system. The new backup system eliminated unreliable tape backups and provides the ability to automatically back up data to the disaster recovery hot site.

In the General Services Department, Fleet Maintenance staff began providing maintenance on the Harley Davidson motorcycles used by the Police Department. This provides for quicker turn around and is a less expensive solution for the City.

Building Operations and Maintenance staff managed the installation of solar power on four City buildings helping to offset energy costs and "green" up operations. They also managed several capital improvement projects such as replacing roofs on both City Hall and the Municipal Court buildings.

The City Attorney's Office played an instrumental role in several key projects including WURP, sales and use tax collections, construction contracts, personnel issues and intergovernmental agreements.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2010. In an effort to help ensure long term financial sustainability, one of the City's main goals for 2010 will be to identify and prioritize the core services provided to citizens and customers.

The community celebrated a re-grand opening of the City Park Recreation Center aquatics center in March after approximately \$6,500,000 of upgrades, remodeling and renovations. The new pool features slides, a water playground, current channel, climbing wall, jumping platform, rope swing and family changing rooms.

Public Works and Utilities completed the South Pressure Zone 1 Waterline Project. Nearly two miles of large diameter water transmission main has been placed in 88th Avenue, Harlan Street and 91st Avenue. The construction project, which began in September 2009, included installation of valves and other improvements that will provide additional long-term reliability and improved water pressure to Westminster's distribution system, especially in the southern part of Westminster.

The City is proud to announce the completion of Westminster Center Park. The Park is a 10 acre urban park complete with a small amphitheater, playground and picnic amenities.

Westminster is an active participant in the US 36 Mayors/Commissioners Coalition (Coalition) The Coalition has been activity seeking funding for US 36 improvements. In the later part of 2009, the Colorado Department of Transportation (CDOT) submitted an application for a federal grant for US 36 under the American Recovery and Reinvestment Act. In February, 2010 the US 36 project was awarded \$10 Million due to the fact that, when the award is combined with other resources, this project will have a significant regional impact. The Grant award coincides with the opportunity to leverage other State and Regional funds through a federal loan program. CDOT is currently soliciting for design/build contracts. The project would begin in mid-2011 and would be completed in two years. If they are successful in these efforts, the high occupancy vehicle lanes that currently end in Westminster would be extended as managed lanes to the 120th and Wadsworth Interchange in Broomfield and perhaps even further.

Westminster's south rail station was approved as a spur that leads to the larger gold line of the Regional Transportation District's (RTD) FasTracks program. Staff continues to work with the RTD and other entities to develop around the transit station. In addition, Council and staff are working with other entities to develop strategies for the completion of the Northwest line which is currently not funded.

The number one priority of City Council and staff is continuing efforts to redevelop the WURP area. It is anticipated that a preliminary and final development agreement will be reached by the end of 2010.

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, Swanhorst & Company, LLC. Their report is 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 Judge; all other staff are appointed or hired by the City Manager.

With a population of approximately 109,000, the City is approximately 94% built out, with just over 6% of its remaining area to be developed. The City is a full service City, providing police, fire and

emergency medical service, court system, parks, recreation facilities and programs, libraries, planning and development, water and wastewater treatment, street construction and maintenance and a variety of services related to these 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), the owner and manager of the City's senior housing project named Westminster Commons and other housing initiatives,
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections,
- Six General Improvement Districts that were created for infrastructure improvements and maintenance.
 - Amherst General Improvement District
 - Sheridan Crossing General Improvement District
 - 136th Avenue General Improvement District
 - Mandalay Town Center General Improvement District
 - Promenade Parking Garage General Improvement District
 - 144th Avenue General Improvement District

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 and to appoint or designate new management in the case of the WHA.

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 policies and 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 policies and 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,
 - Independent checks on the system and transactions by internal audit staff, supervised by the Accounting Manager, reporting directly to the City Manager and Finance Director, with an approved internal audit program for the year.

As with any system, the inherent limitations of the system make it imperative that the City rely on review and revision of programs when weaknesses are discovered; SAS99 reporting by the City's audit firm; and constant diligence on the part of management and employees for preventing and correcting errors or other weaknesses when reviewed.

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, 2008. 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 conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last twenty-six 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 due to Cherie Sanchez, Accounting Manager; Sherri Rickard, Accountant; Vicki Adams, Accountant; Karen Creager, Accountant; Gary Newcomb, Accountant; Leslie Krough, Accounting Technician; Karen Elrod, Accounting Technician; Kim McDaniel, Retirement Administrator; Rachel Price, Financial Analyst; Bob Byerhof, Senior Financial Analyst; Chad Smith, Sales Tax Auditor; Barb Dolan, Sales Tax Manager; Bob Smith, Treasury Manager; and Maggie Hunter, Administrative Secretary. Thank you for your dedication, hard work and another excellent annual report.

In addition, the City's auditors, Swanhorst & Company, 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,

J. Brent McFall
City Manager

Tammy Hitchens
Director of Finance

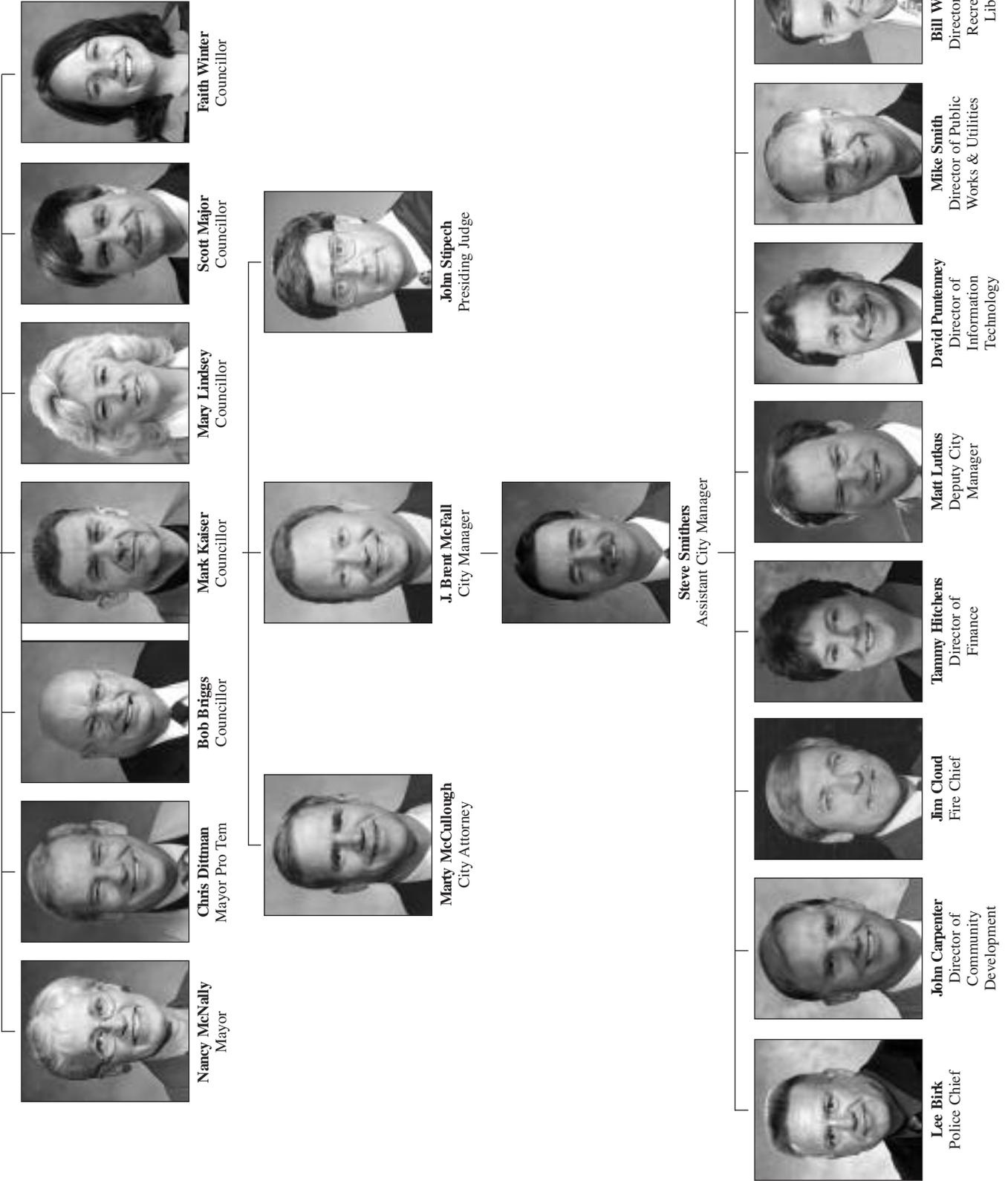
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WESTMINSTER
COLORADO

ORGANIZATIONAL CHART

Citizens



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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

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

INDEPENDENT AUDITORS' REPORT

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 as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the City of Westminster, as listed in the table of contents. These financial statements are the responsibility of the City of Westminster's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Volunteer Firefighter Pension Fund, a pension trust fund of the City of Westminster. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to amounts included for the Volunteer Firefighter Pension Fund, is based solely upon the report of other auditors.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 of Westminster as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2010, on our consideration of the City of Westminster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

Swanlund & Company, LLC

June 2, 2010



WESTMINSTER
COLORADO

City of Westminster, Colorado

Management's Discussion and Analysis

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2009 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 17.

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 Judge; all other staff are appointed or hired by the City Manager. The City Manager has served Westminster since 2001 and continues to promote a spirit of pride, quality, and innovation throughout the organization. The City Manager directs eight departments, including Community Development, Finance, Fire, General Services, 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 109,300, the City is approximately 94% built out, with just about 6% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 52 developed parks and 7 undeveloped parks, 2,848 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 54.0% of the City's governmental activities revenues. Sales tax increment contributes an additional 5.6%. Property taxes comprise approximately 3.8% of the City's governmental activities revenues. Property tax increment contributes an additional 4.9%. 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

During 2009, WEDA refinanced four different bond issues. The issues were all variable rate debt. As a result of the economic and banking crisis, the letter of credit (LOC) provider for three of the issues was downgraded. The LOC provider on the fourth issue decided to not renew the LOC. Although there was no change in the underlying credits, the downgrade of the LOC provider had a negative impact on the City. The most significant impact was that the principal was required to be paid back quarterly over a 10 year period rather than an annual principal payment over at least a 20 year period. This required WEDA to look for different alternatives for the variable rate debt. Please see the debt refinancing note on pages 67 and 68 for more details.

The City was affected by the economic downturn in several ways. The City relies on Sales and Use tax as a major revenue source. Sales and Use tax was down over \$4 million. In addition, new development all but stopped. This decreased the revenues that the City normally receives as a result of development. This includes permit fees, plan review fees, tap fees and building use tax. Golf rounds and sales were also down. On the positive side, the City was able to get very favorable pricing on several capital projects.

The City utilized 2008 General Fund carryover of \$5.2 million to establish a General Fund stabilization reserve. This reserve was established to be utilized to buffer economic ups and downs.

The City also experienced an unusually wet and rainy year. Water consumption was down over 16% causing charges for services to show a significant decline in the Utility Fund.

The City made one prior period adjustment as identified in the notes on page 68. This prior period adjustment relates to deeding over assets in the Utility Fund to the Woman Creek Reservoir Authority (WCRA). The assets were constructed to ensure the water in Standley Lake was protected from run-off from a former nuclear weapons manufacturing facility. For more information on the WCRA, please see the note on page 64. All analysis is made utilizing the restated numbers for 2008.

- The assets of the City exceed its liabilities at the close of 2009 by \$657.0 million (\$263.2 million in governmental activity net assets and \$393.8 million in business-type activity net assets). Of the governmental activities net asset total, \$67.8 million, or 25.8%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$58.6 million, or 14.9%, of business-type activities net assets are unrestricted.
- Total net assets of the City decreased \$7.5 million, or 1.1%, compared to 2008. Net assets of the City's governmental activities decreased \$0.7 million, which represents a decrease of 0.3% from 2008. Net assets of the City's business-type activities decreased \$6.8 million, or 1.7%, from 2008.
- The total cost of all the City's programs increased \$0.4 million, or 0.2%, compared to 2008. The cost of governmental activities program expenses decreased \$2.5 million, or 2.0%, to \$124.2 million, while the cost of business-type activities increased \$2.9 million, or 5.7%, to \$53.6 million from 2008.
- Total revenues, excluding special items and transfers, decreased \$29.0 million, or 14.6%, compared to 2008. Governmental activities revenues decreased \$12.2 million, or 8.9%, to \$124.2 million, while revenues of business-type activities decreased \$16.8 million, or 26.7%, to \$46.1 million compared to 2008.
- As of December 31, 2009, the City's governmental funds reported a combined ending fund balance of \$97.5 million. Approximately 61.6%, or \$60.0 million, is unreserved 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 \$19.8 million as of December 31, 2009, of which \$14.9 million was unreserved.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities

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

The **Statement of Net Assets** presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 Assets 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 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, golf courses, and Westminster Housing Authority activities are reported here.

FUND FINANCIAL STATEMENTS

Governmental and Business-type Funds 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 three categories: governmental funds, proprietary funds and fiduciary (Pension Trust) 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 *balances of spendable resources* available at the end of the fiscal year. Financial information based on spendable 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 15 individual governmental funds. Information is presented separately in the governmental balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund, the Sales & Use Tax Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are considered major funds for the City. Financial information for the other 11 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual fund statements elsewhere in 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, Golf Course Enterprise, and Westminster Housing Authority. All of the funds are considered major funds of the City.
- **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 elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties external to the City. The City is the trustee, or fiduciary, for three pension plans: General, Police, and Volunteer Fire. The City's fiduciary activities related to the General, Police and Volunteer Fire pension plans are reported in the notes to the financial statements on pages 58-62. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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 beginning on page 33 of this report.

Other information is presented as required supplementary information. This information includes budgetary comparison schedules for the major governmental funds and the City's progress in funding the volunteer firefighter pension plan and post employment benefits other than pension (OPEB).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Assets

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

Table 1 presents an analysis of the City's net assets as of December 31. The City's assets exceeded its liabilities by \$657.0 million at December 31, 2009. Governmental activities make up \$263.2 million (40.1%) of these assets, with business-type activities making up the remaining \$393.8 million (59.9%). Total net assets decreased by \$7.5 million in 2009. The decrease is comprised of the following:

- Total assets decreased \$28.3 million, or 2.8%, to \$997.4 million. This included an increase in capital assets of \$10.9 million and a decrease in current and other assets of \$39.2 million. The decrease in current and other assets was primarily due to a decrease of \$18.5 million of restricted cash and investments related to the proceeds of debt financed projects for WEDA and the Parks, Open Space and Trails bond issues. In addition, an acceleration of debt payments occurred in WEDA. Unrestricted cash and investments decreased \$24.7 million, primarily due to a \$9.6 million operating loss in the proprietary funds and \$9.1 million spent in the General Capital Improvement Fund on capital projects.
- Total liabilities decreased \$20.8 million, or 5.8%, to \$340.4 million. Debt decreased approximately \$24.0 million as a result of servicing the debt. Unearned revenue increased \$2.7 million due primarily to an increase in the property taxes receivable in the urban renewal areas.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	restated 2008	2009	restated 2008
Current and other assets	\$ 150.5	\$ 174.9	\$ 69.8	\$ 84.6	\$ 220.3	\$ 259.5
Capital Assets	398.4	391.1	378.7	375.1	777.1	766.2
Total Assets	548.9	566.0	448.5	459.7	997.4	1,025.7
Current and other liabilities	30.2	27.2	3.9	4.0	34.1	31.2
Long-term liabilities	255.5	274.9	50.8	55.1	306.3	330.0
Total liabilities	285.7	302.1	54.7	59.1	340.4	361.2
Net assets:						
Invested in capital assets, net of debt	158.9	161.0	329.7	324.0	488.6	485.0
Restricted	36.5	30.6	5.5	3.4	42.0	34.0
Unrestricted	67.8	72.3	58.6	73.2	126.4	145.5
Total net assets	\$ 263.2	\$ 263.9	\$ 393.8	\$ 400.6	\$ 657.0	\$ 664.5

By far the largest portion of the City's assets (77.9%) reflects its investment of \$777.1 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net capital assets are reported less any related debt used to acquire those assets that is still

outstanding. The City uses these capital assets to provide services to the public; consequently, these assets 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.

An additional portion of the City's net assets, \$42.0 million (6.4%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net assets, \$126.4 million (19.1%) may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$58.6 million in unrestricted net assets of the City's business-type activities may not be used to fund governmental activities.

Analysis of Changes in Net Assets

As can be seen from Table 2, the City's net assets decreased \$7.5 million during 2009. This decrease is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net assets of governmental activities decreased by \$0.7 million during 2009. This was \$4.9 million less than the decrease of \$5.6 million in 2008; however, had the City not had a special item loss of \$14.8 in 2008, the difference between 2009 and 2008 would have reflected a decrease of \$9.9 million. The \$9.9 million difference can be attributed to a decrease in the amount of revenues in general of \$11.6 million, including sales tax, use tax, interest earnings and grants and contributions. The decreases were mostly as a result of the economy.

Governmental revenues decreased \$12.2 million (8.9%) compared to 2008. This decrease was due primarily to the decline in the economy.

Governmental expenses decreased \$2.5 million (2.0%) from 2008. Most of the decrease is attributable to increased expenses in Culture and Recreation, offset by a decrease in expenses in Community Development.

Table 2: Changes in Net Assets (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Charges for Service	\$ 17.1	\$ 18.5	\$ 41.4	\$ 45.4	\$ 58.5	\$ 63.9
Operating Grants and Contributions	4.3	5.5	-	-	4.3	5.5
Capital Grants and Contributions	7.1	8.7	3.5	12.6	10.6	21.3
General Revenues						
Property Taxes	4.7	4.6	-	-	4.7	4.6
Sales Taxes	56.7	59.1	-	-	56.7	59.1
Use Taxes	10.4	12.4	-	-	10.4	12.4
Property Tax Increment	6.1	4.4	-	-	6.1	4.4
Sales Tax Increment	6.9	6.3	-	-	6.9	6.3
Business Fees and Other Taxes	4.8	5.1	-	-	4.8	5.1
Accommodations Taxes	2.1	2.6	-	-	2.1	2.6
Intergovernmental	1.4	1.1	-	-	1.4	1.1
Interest	2.0	6.1	1.2	4.0	3.2	10.1
Other	0.6	1.4	-	-	0.6	1.4
Gain (loss on sale of land)	-	0.6	-	0.9	-	1.5
Total Revenues	124.2	136.4	46.1	62.9	170.3	199.3
Program Expenses						
General Government	36.9	37.8	-	-	36.9	37.8
Public Safety	31.6	31.8	-	-	31.6	31.8
Public Works	13.9	13.7	-	-	13.9	13.7
Community Development	12.5	17.7	-	-	12.5	17.7
Culture and Recreation	20.4	17.3	-	-	20.4	17.3
Utility	-	-	48.7	45.6	48.7	45.6
Golf	-	-	4.0	4.1	4.0	4.1
Housing Authority	-	-	0.9	1.0	0.9	1.0
Interest and Fiscal Charges	8.4	7.9	-	-	8.4	7.9
Unallocated Depreciation	0.5	0.5	-	-	0.5	0.5
Total Expenses	124.2	126.7	53.6	50.7	177.8	177.4
Excess (Deficiency) before						
Special Items and Transfers	-	9.7	(7.5)	12.2	(7.5)	21.9
Transfers	(0.7)	(0.5)	0.7	0.5	-	-
Increase (decrease) in Net Assets	\$ (0.7)	\$ (5.6)	\$ (6.8)	\$ 12.7	\$ (7.5)	\$ 7.1

Charts 2 and 3 illustrate the City's governmental expenses and revenues by function and its revenues by source. As can be seen in Chart 2, Public Safety expenditures accounted for 25.3% of expenditures net of depreciation. General Government, which includes all benefits, insurances and lease payments as well as the City Council and four departments' (City Manager's Office, City Attorney's Office, General Services and Finance) accounted for 29.5% of the expenditures. Culture and Recreation accounted for 16.3%, Community Development 10.0%, and Public Works 11.1% of total expenditures net of depreciation.

General Revenues such as sales and use taxes, property and other taxes are not shown in Chart 3 by program. These revenues 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 (54.0%), followed by charges for services (13.8%).

Chart 2: Expenses and Program Revenues - Governmental Activities

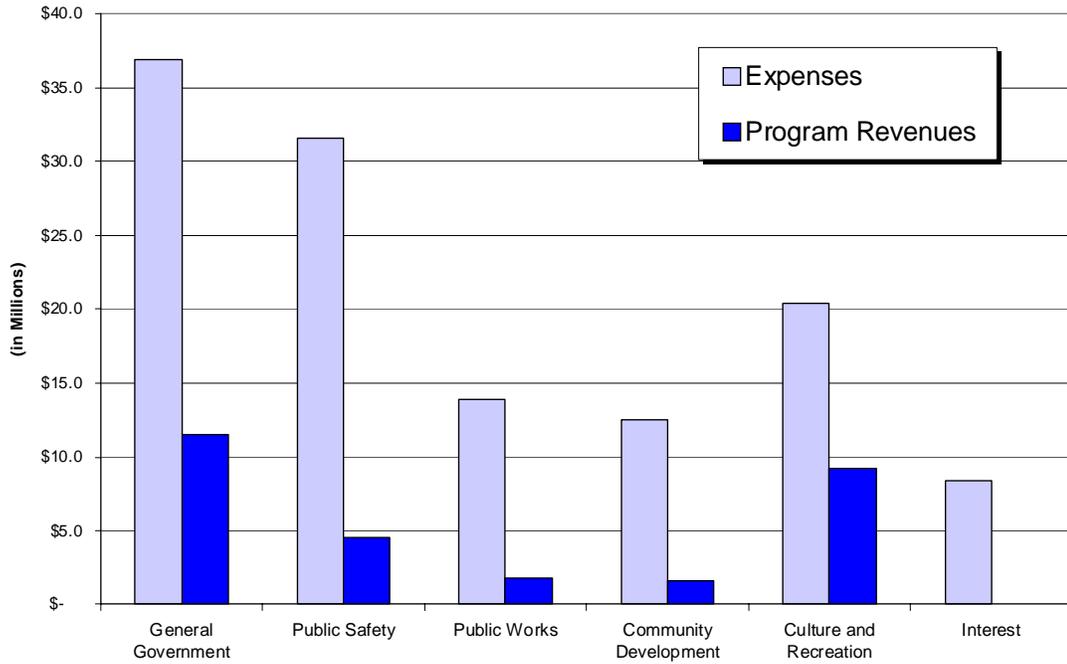
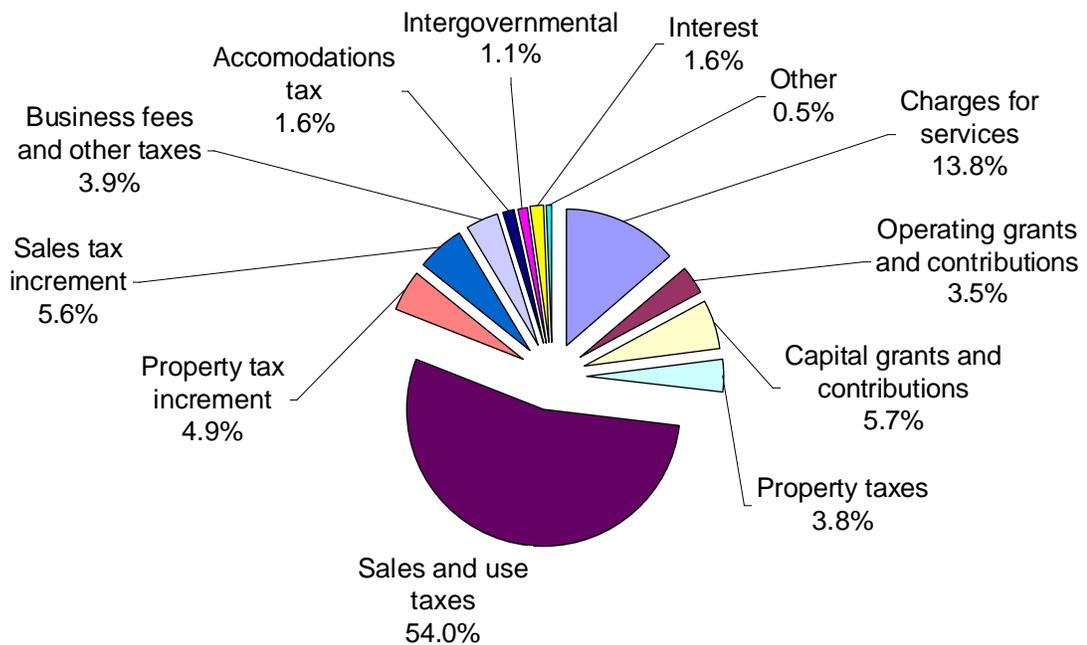


Chart 3: Revenues by Source - Governmental Activities



Business-type Activities

Net assets in business-type activities decreased \$6.8 million in 2009. This is \$19.5 million, or 153.5%, less than the increase of \$12.7 million in 2008. In 2009, the City received \$9.1 million less in tap fees and contributed lines, as well as, for \$4.0 million less in charges for services.

Chart 4: Expenses and Program Revenues - Business Type Activities

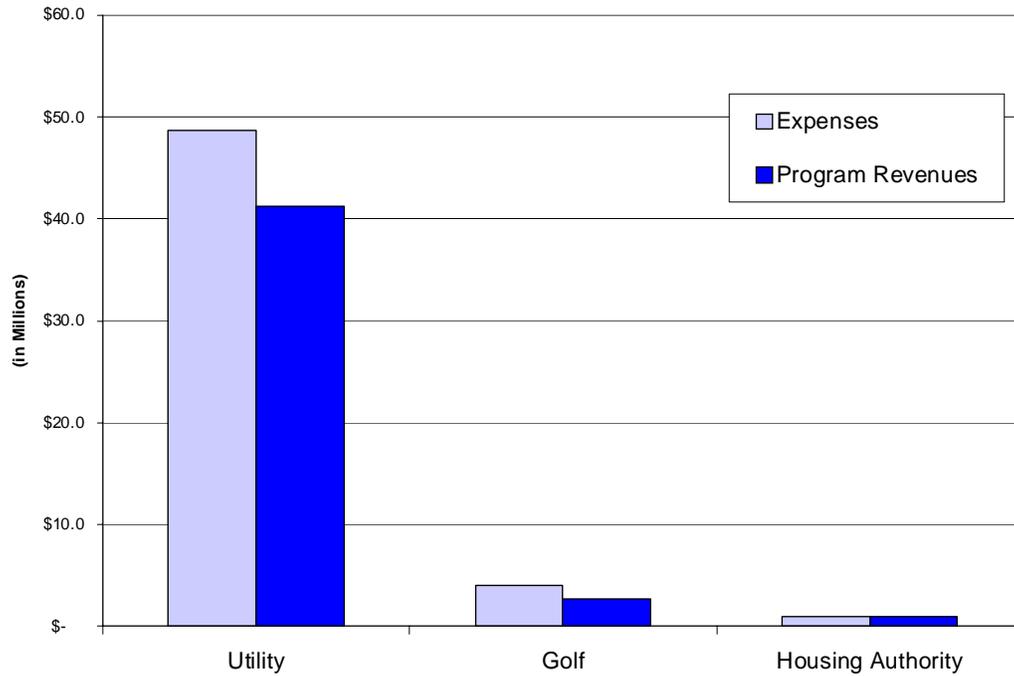
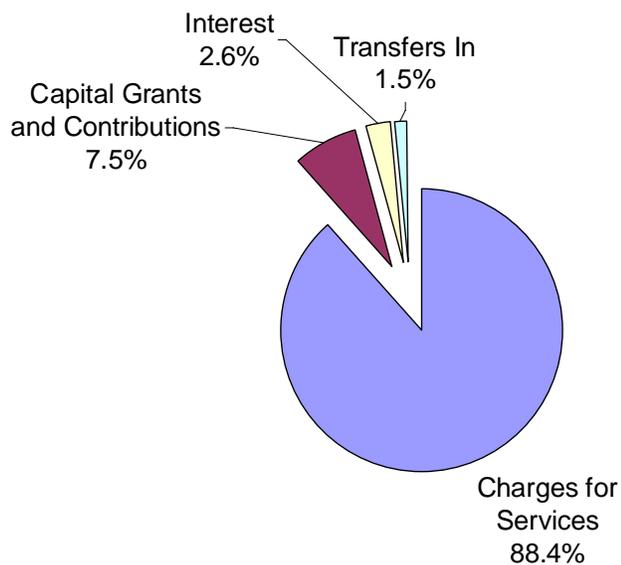


Chart 5: Revenues by Source - Business-type Activities



Total business-type revenues decreased \$16.8 million, or 26.7%, compared to 2008. This decrease was due primarily to a decrease of \$9.1 million, or 72.2%, in Capital Grants and Contributions, a \$4.0 million, or 8.8%, decrease in charges for services, and a \$2.8 million, or 70.0% loss in interest earnings.

Expenses of business-type activities increased \$2.9 million, or 5.7%, compared to 2008. The increase was due primarily to an increase in costs associated with providing utility services.

As can be seen from Charts 4 and 5, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 90.9% of total business-type expenses, and charges for services provides the largest share of revenues (88.4%), followed by Capital Grants and Contributions (7.5%).

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 in short-term inflows, outflows, and balances of spendable 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 Project Funds.

At December 31, 2009, the City's governmental funds reported a combined ending fund balance of \$97.5 million, a decrease of \$26.4 million, or 21.3%, compared to 2008. The reserved fund balance for capital projects decreased \$16.7 million which reflects the spend down of bond proceeds.

The unreserved fund balance decreased \$9.1 million, or 13.2%, to \$60.0 million compared to 2008. The decrease is predominately in the General Capital Improvement Fund and reflects money that is being used for capital projects. Unreserved fund balance is available for spending at the City's discretion within the purposes specified for the City's funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the primary operating fund of the City. At the end of 2009, the unreserved fund balance of the General Fund was \$14.9 million, while total fund balance was \$19.8 million. Total fund balance increased in the General Fund by \$2.5 million, or 14.4%, compared to 2008. The unreserved fund balance represents 16.9% 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 \$93.7 million and was adopted in late 2008. Based on new revenue projections predicated on the downturn in the economy, the City reduced the budget \$0.7 million during 2009 to \$93.0 million. \$5.2 million of carryover from 2008 was put into the General Fund Stabilization Reserve and is included in ending fund balance. Actual General Fund expenditures and transfers out totaled \$88.2 million.

Charts 6 and 7 illustrate the Budget and Actual Revenue and Expenditures less transfers for the General Fund.

Chart 6: Budget and Actual Revenue by Source, less Transfers - General Fund

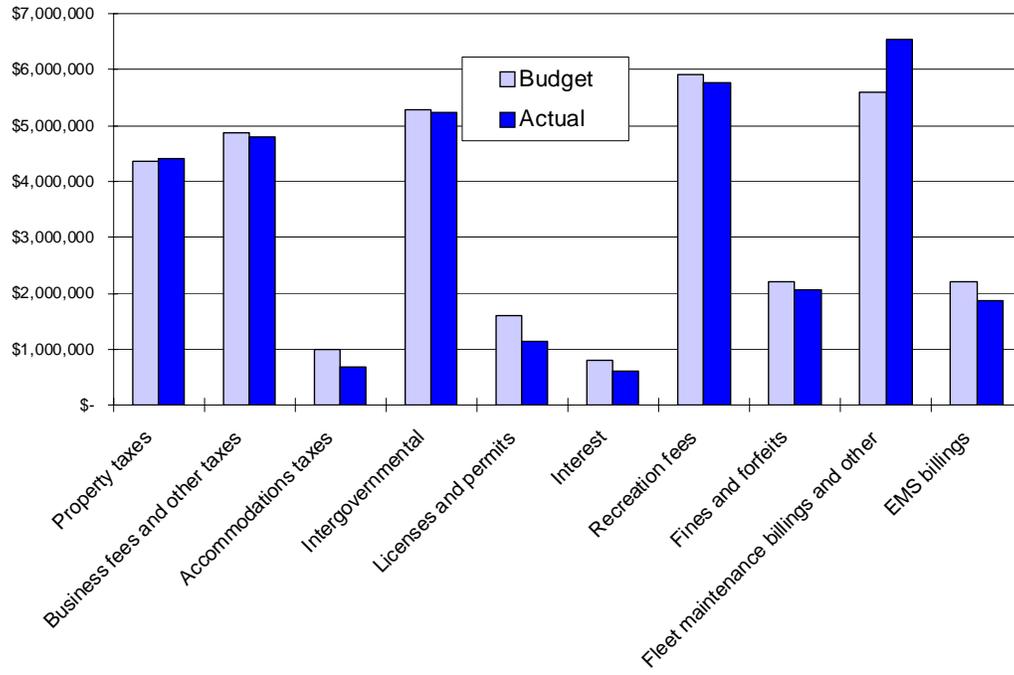
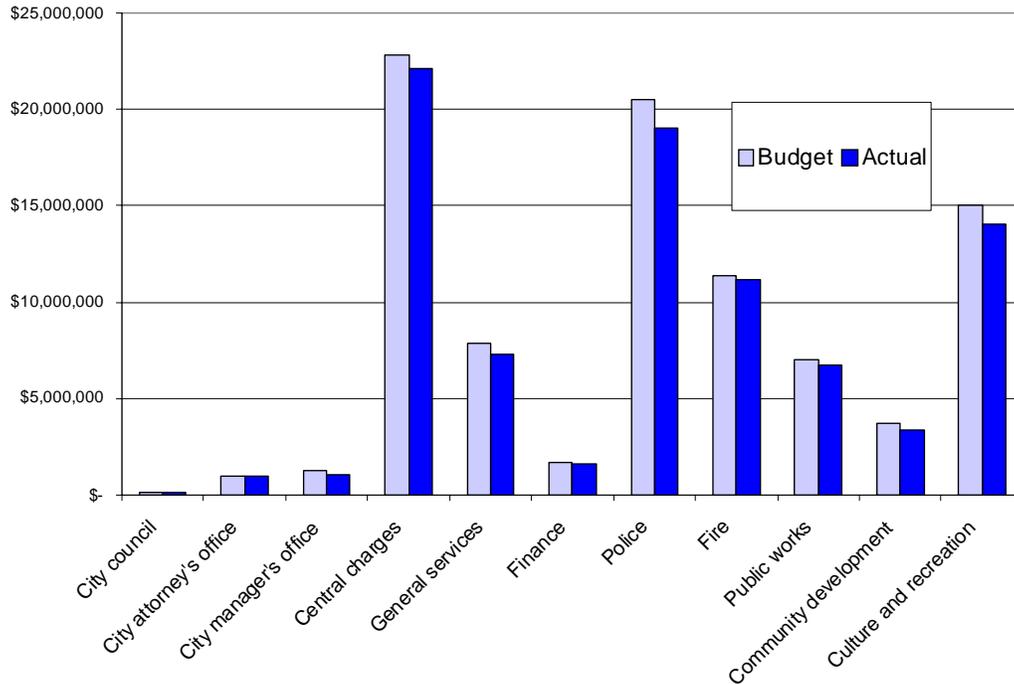


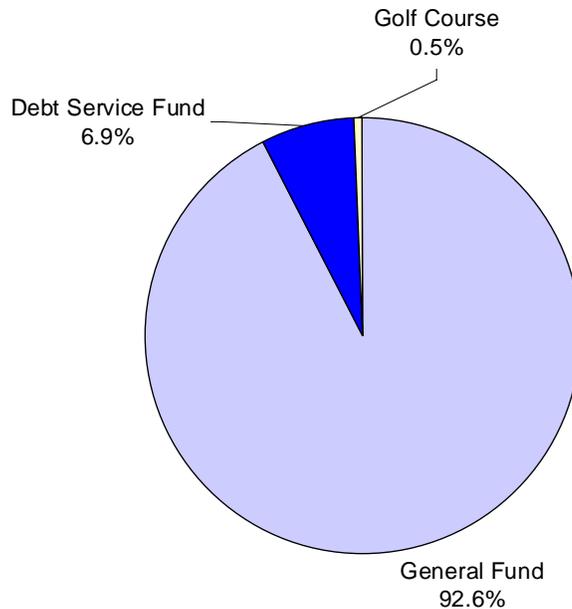
Chart 7: Budget and Actual Expenditures by Department, less Transfers - General Fund



The Sales and Use Tax Fund was established to collect the City's sales and use tax. 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 8 illustrates, the majority (92.6%) of the sales and use tax is transferred to the General Fund.

Sales and use tax decreased \$4.4 million, or 6.1%, compared to 2008.

Chart 8: Transfers from Sales and Use Tax Fund



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, 2009, the fund had a fund balance of \$37.6 million.

The General Capital Improvement Fund revenues include accommodations taxes, interest, revenues from other governments, and transfers from other funds. The fund's revenues decreased by \$5.4 million. Intergovernmental revenues decreased \$1.5 million and accommodation taxes decreased \$1.3 million due to recording a portion of accommodations tax in the General Fund as well as the downturn in the economy. Interest also decreased \$1.6 million due to interest rates and spending down cash. Expenditures totaling \$25.1 million were \$7.1 million more than 2008.

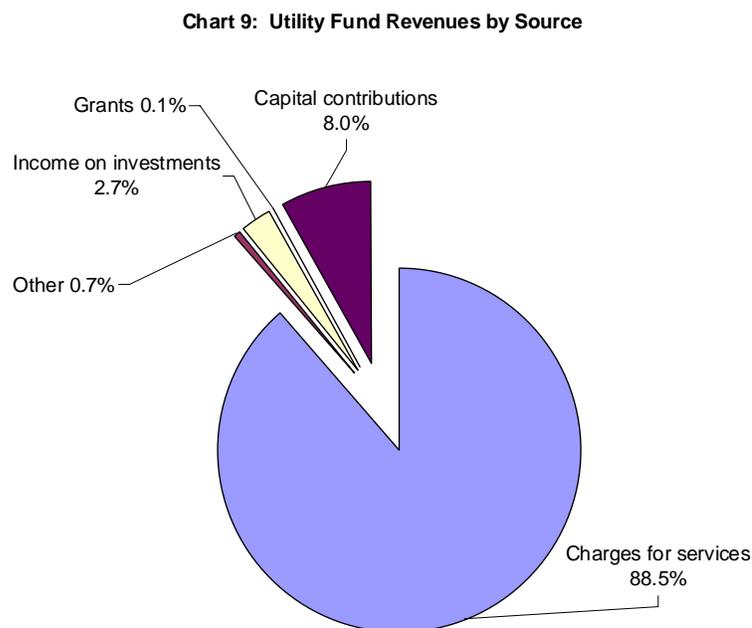
The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance decreased \$7.0 million from 2008. As of December 31, 2009, Fund Balance was \$23.2 million.

Revenue for the Westminster Economic Development Authority increased by \$1.3 million, or 11.2%, compared to 2008. This was primarily because of an increase in both property and sales tax increment. This was offset by a decrease in interest earnings.

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 activity, ended 2009 with net assets equal to \$382.4 million. Of that amount, \$58.5 million is unrestricted. Net assets decreased \$6.5 million, or 1.7%, compared to 2008.

Operating revenues decreased \$3.6 million, or 8.6%, compared to 2008. Chart 9 illustrates both operating and non-operating revenues by source. The primary reason for the decrease in operating revenues is due to a wet and rainy summer.



Utility Fund operating expenses increased \$3.4 million, or 7.8%, compared to 2008. The primary reason is an increase in the expensing of costs associated with capital projects that did not meet the criteria to capitalize and the increase in the cost of contractual services.

The Golf Course Fund accounts for the City's two championship golf courses. Operating expenses exceeded operating revenues by \$1.0 million. The Golf Course Fund net assets decreased \$0.4 million, or 3.5%, to \$10.8 million.

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, 2009, amounts to \$777.1 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

\$10.9 million, or 1.4%. Net capital assets of governmental activities increased \$7.3 million, or 1.9%, and business-type activities increased \$3.6 million, or 1.0%.

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

	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	restated	2009	restated
				2008		2008
Land and Property Rights	\$ 107.3	\$ 104.1	\$ 93.0	\$ 92.6	\$ 200.3	\$ 196.7
Buildings	39.7	40.9	154.5	156.0	194.2	196.9
Improvements Other than Buildings	26.1	27.0	114.5	110.8	140.6	137.8
Machinery	10.7	11.2	8.1	7.1	18.8	18.3
Parks	27.4	29.6	0.8	0.9	28.2	30.5
Ice Center	5.4	5.5	-	-	5.4	5.5
Construction in Progress	9.3	5.1	7.8	7.7	17.1	12.8
Infrastructure	172.5	167.7	-	-	172.5	167.7
Totals	<u>\$ 398.4</u>	<u>\$ 391.1</u>	<u>\$ 378.7</u>	<u>\$ 375.1</u>	<u>\$ 777.1</u>	<u>\$ 766.2</u>

Major capital asset activity during 2009 included the following:

Governmental Activities

- \$1.2 million for improvements on 112th Avenue – Federal Boulevard to Huron Street
- \$1.3 million for open space property
- \$3.4 million for improvements on 144th Avenue – Huron Street to Zuni Street
- \$4.9 million for the Big Dry Creek trail improvements at Wadsworth Boulevard

Business-type activities

- \$1.2 million for Zone 14 pump station
- \$1.8 million for 94th Avenue and Quitman lift station
- \$2.9 million for reclaimed raw water – system interconnection

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

Debt Administration

At December 31, 2009, the City's bond ratings carry investment grade ratings as follows (numbers in parentheses indicate the current rating after general recalibration as of May 3, 2010):

<u>Bond Issue</u>	<u>Standard & Poors</u>	<u>Fitch Ratings</u>	<u>Moody's</u>
Sales Tax Revenue	AA+	AA (AA+)	Not Requested
Sales Tax Revenue - POST	AA-	A+ (AA-)	Not Requested
General Obligation	Not Requested	Not Requested	Not Requested
Utility Enterprise	AA	AA+ (AAA)	A1 (Aa2)
Golf Course Enterprise	BBB	Not Requested	Not Requested
COPs-Ice Centre	AA-	Not Requested	Not Requested
COPs-All Others	AA-	Not Requested	Not Requested

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 \$465.6 million state-imposed limit. See page 115 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	
	2009	2008	2009	2008	2009	2008
Revenue Bonds (backed by specific tax and fee revenues)	\$ 65.0	\$ 69.7	\$ 14.1	\$ 16.0	\$ 79.1	\$ 85.7
WEDA Tax Increment Revenue Bonds	40.9	120.2	-	-	40.9	120.2
Notes and Mortgages	69.2	-	33.4	0.8	102.6	0.8
Leases	76.8	80.6	1.1	35.9	77.9	116.5
Total	<u>\$251.9</u>	<u>\$ 270.5</u>	<u>\$ 48.6</u>	<u>\$ 52.7</u>	<u>\$ 300.5</u>	<u>\$ 323.2</u>

Additional information on significant debt activity is disclosed in Management's Discussion and Analysis, Financial Highlights on page 2. Further information on the City's debt can be found in Note 21 on pages 49-51.

NEXT YEAR'S BUDGETS AND RATES

Budgets and Plans for 2010. In April, 2009, the City Council met in its annual 2-day strategic planning retreat, and accomplished the following:

- Affirmation of the City's Strategic Goals for the next five years, 2010-2014.
 1. Financially Sustainable City Government Providing Exceptional Services
 2. Safe and Secure Community
 3. Vibrant Neighborhoods and Commercial Areas
 4. Strong, Balanced Local Economy
 5. Beautiful and Environmentally Sensitive City

In addition, City Council met in September, 2009 to review adjustments to the 2010 budget

presented by staff. The product of the City Council's budget review was an amendment to the 2010 budget on October 26, 2009. Highlights of the 2010 budget include the following:

- The 2010 General Fund operating expenditures are budgeted at \$96.4 million (including contingencies).
- The 2010 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$57.4 million, which is a 0.7% increase over the 2009 transfer payment of \$57.0 million.
- In 2010, the Contingency account is \$1 million in the General Fund. The 2010 General Reserve Fund is projected to be \$9.5 million, the General Fund Stabilization Reserve is projected to be \$2.8 million, the Utility Capital Project Reserve Fund is projected to be \$9.3 million and the Utility Rate Stabilization Reserve is projected to be \$7.3 million.
- The total number of full-time equivalent (FTE) staffing in 2010 is 982.674 FTE, a net decrease of 1.25 FTE. Although 982.674 FTE are authorized, the City is on a selective hiring freeze.
- 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 2010 Budget. The total capital improvements for 2010 are \$9.1 million. 100% of the 2010 CIP will be funded 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 Ave
Westminster, CO 80031
303-658-2036
thitchen@cityofwestminster.us

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 7,274,814	\$ 4,935,676	\$ 12,210,490
Cash and cash equivalents with fiscal agent	115,217	-	115,217
Investments	74,464,638	49,222,496	123,687,134
Receivables:			
Taxes	21,559,644	-	21,559,644
Accounts	3,281,498	3,490,899	6,772,397
Note and leases	5,283,847	371,223	5,655,070
Grants	1,552,413	-	1,552,413
Interest	696,557	492,844	1,189,401
Internal balances	(2,057,628)	2,057,628	-
Inventory	2,383,105	1,348,918	3,732,023
Bond costs and other prepaid items	3,280,458	1,415,556	4,696,014
Deferred outflow of resources	441,000	-	441,000
Restricted assets:			
Cash and cash equivalents	271,541	789,740	1,061,281
Cash and cash equivalents with fiscal agent	23,904,582	-	23,904,582
Investments	2,779,477	4,771,701	7,551,178
Investments with fiscal agent	4,687,567	-	4,687,567
Capital assets:			
Non-depreciable assets	116,655,814	100,894,922	217,550,736
Depreciable assets, net	281,710,058	277,858,500	559,568,558
Other assets	-	916,734	916,734
Investment in joint venture	615,648	-	615,648
Total assets	<u>548,900,250</u>	<u>448,566,837</u>	<u>997,467,087</u>
LIABILITIES			
Accounts payable and other	12,211,701	3,288,455	15,500,156
Accrued liabilities	1,601,663	304,905	1,906,568
Unearned revenue	13,891,773	57,729	13,949,502
Accrued interest	948,952	200,601	1,149,553
Estimated claims	1,549,673	-	1,549,673
Non-current liabilities:			
Due within one year:	13,679,708	4,936,985	18,616,693
Due in more than one year:	241,846,928	45,904,678	287,751,606
Total liabilities	<u>285,730,398</u>	<u>54,693,353</u>	<u>340,423,751</u>
NET ASSETS			
Invested in capital assets, net of related debt	158,875,846	329,710,391	488,586,237
Restricted for:			
Emergencies	3,077,816	-	3,077,816
Capital projects	2,073,700	-	2,073,700
Open space conservation and improvements	9,811,256	-	9,811,256
Debt service	21,399,762	5,237,872	26,637,634
Other purposes	82,992	248,550	331,542
Unrestricted	67,848,480	58,676,671	126,525,151
Total net assets	<u>\$ 263,169,852</u>	<u>\$ 393,873,484</u>	<u>\$ 657,043,336</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, 2009

	Program Revenues			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Expenses				
Function/Program Activities				
Governmental activities:				
General government	\$ 36,876,436	\$ 4,497,892	\$ 3,972,454	\$ 3,014,877
Public safety	31,552,454	4,225,333	289,663	-
Public works	13,941,301	1,777,317	-	-
Community development	12,454,872	400,784	-	1,222,580
Culture and recreation	20,368,098	6,249,434	37,883	2,875,810
Interest and fiscal charges	8,449,810	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	479,427	-	-	-
Total governmental activities	124,122,398	17,150,760	4,300,000	7,113,267
Business-type activities:				
Utility	48,678,931	37,785,693	-	3,418,904
Golf	4,017,357	2,730,028	-	-
Westminster Housing Authority	922,689	920,327	-	115,554
Total business-type activities	53,618,977	41,436,048	-	3,534,458
Total primary government	\$ 177,741,375	\$ 58,586,808	\$ 4,300,000	\$ 10,647,725

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
Other

TRANSFERS

Total general revenues and transfers

Change in net assets

Net assets - beginning, as restated

Net assets - ending

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (25,391,213)	\$ -	\$ (25,391,213)
(27,037,458)	-	(27,037,458)
(12,163,984)	-	(12,163,984)
(10,831,508)	-	(10,831,508)
(11,204,971)	-	(11,204,971)
(8,449,810)	-	(8,449,810)
<u>(479,427)</u>	<u>-</u>	<u>(479,427)</u>
<u>(95,558,371)</u>	<u>-</u>	<u>(95,558,371)</u>
-	(7,474,334)	(7,474,334)
-	(1,287,329)	(1,287,329)
-	113,192	113,192
<u>-</u>	<u>(8,648,471)</u>	<u>(8,648,471)</u>
<u>(95,558,371)</u>	<u>(8,648,471)</u>	<u>(104,206,842)</u>
4,669,293	-	4,669,293
56,734,904	-	56,734,904
10,382,385	-	10,382,385
6,067,958	-	6,067,958
6,899,318	-	6,899,318
4,797,606	-	4,797,606
2,045,874	-	2,045,874
1,360,925	-	1,360,925
1,979,580	1,177,710	3,157,290
597,423	1,019	598,442
<u>(748,349)</u>	<u>748,349</u>	<u>-</u>
<u>94,786,917</u>	<u>1,927,078</u>	<u>96,713,995</u>
<u>(771,454)</u>	<u>(6,721,393)</u>	<u>(7,492,847)</u>
<u>263,941,306</u>	<u>400,594,877</u>	<u>664,536,183</u>
<u>\$ 263,169,852</u>	<u>\$ 393,873,484</u>	<u>\$ 657,043,336</u>

**CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009**

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
ASSETS				
Cash and cash equivalents	\$ 1,984,752	\$ 285,692	\$ 3,313,272	\$ 342,936
Cash and cash equivalents with fiscal agent	1,005	-	-	-
Investments	20,315,835	2,924,330	33,914,499	3,510,276
Receivables:				
Taxes	4,403,582	6,384,481	-	9,061,632
Accounts	2,515,694	-	693,321	35,543
Notes and leases	4,755,000	-	194,847	334,000
Grants	7,690	-	721,550	-
Interest	180,543	26,334	299,249	36,646
Due from other funds	301,160	-	-	-
Inventory	804,680	-	-	1,578,425
Prepaid items	58,728	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	58,309
Cash and cash equivalents with fiscal agent	927,369	-	243,948	21,707,149
Investments	-	-	-	596,842
Investments with fiscal agent	-	-	900,367	-
Loans to other funds	120,000	-	1,125,000	-
Total assets	<u>\$ 36,376,038</u>	<u>\$ 9,620,837</u>	<u>\$ 41,406,053</u>	<u>\$ 37,261,758</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other	\$ 5,040,043	\$ 2,649,228	\$ 2,821,588	\$ 1,248,830
Accrued liabilities	1,559,324	-	26,776	-
Due to other funds	-	-	-	-
Loans from other funds	-	-	-	3,445,000
Deferred revenue	9,931,551	-	946,397	9,395,632
Total liabilities	<u>16,530,918</u>	<u>2,649,228</u>	<u>3,794,761</u>	<u>14,089,462</u>
Fund balances:				
Reserved for:				
Emergencies	3,060,448	-	-	-
Debt service	927,369	-	-	20,472,393
Capital projects	-	-	1,144,315	1,754,196
Loans to other funds	120,000	-	1,125,000	-
Inventory and prepaids	863,408	-	-	1,578,425
Unreserved, reported in:				
General fund	14,873,895	-	-	-
Special revenue funds	-	6,971,609	-	(632,718)
Capital project funds	-	-	35,341,977	-
Total fund balances	<u>19,845,120</u>	<u>6,971,609</u>	<u>37,611,292</u>	<u>23,172,296</u>
Total liabilities and fund balances	<u>\$ 36,376,038</u>	<u>\$ 9,620,837</u>	<u>\$ 41,406,053</u>	<u>\$ 37,261,758</u>

Other Governmental Funds	Total Governmental Funds
\$ 121,946	\$ 6,048,598
-	1,005
1,248,211	61,913,151
1,709,949	21,559,644
6,775	3,251,333
-	5,283,847
823,173	1,552,413
41,317	584,089
-	301,160
-	2,383,105
-	58,728
213,232	271,541
1,026,116	23,904,582
2,182,635	2,779,477
3,787,200	4,687,567
-	1,245,000
<u>\$ 11,160,554</u>	<u>\$ 135,825,240</u>

\$ 50,050	\$ 11,809,739
8,427	1,594,527
158,788	158,788
-	3,445,000
<u>1,054,885</u>	<u>21,328,465</u>
<u>1,272,150</u>	<u>38,336,519</u>

17,368	3,077,816
159,864	21,559,626
6,253,316	9,151,827
-	1,245,000
-	2,441,833
-	14,873,895
3,620,530	9,959,421
(162,674)	35,179,303
<u>9,888,404</u>	<u>97,488,721</u>
<u>\$ 11,160,554</u>	<u>\$ 135,825,240</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2009

Fund balances - total government funds \$ 97,488,721

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	638,592,450	
Less accumulated depreciation	<u>(245,613,928)</u>	392,978,522

Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Bond costs	3,121,730	
Investment in joint venture	<u>615,648</u>	3,737,378

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Accrued interest	(939,511)	
Premiums/Discounts on long term debt payable	1,448,286	
Governmental long term debt payable	(250,682,290)	
Compensated absences	(4,350,672)	
Post employment benefits	<u>(325,513)</u>	(254,849,700)

Certain revenue earned but not available classified as deferred revenue in governmental funds is susceptible to full accrual on the entity-wide statements.

Deferred revenue		7,436,692
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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 assets.

		<u>16,378,239</u>
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Net assets of governmental activities		<u><u>\$ 263,169,852</u></u>
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CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
REVENUES				
Property taxes	\$ 4,407,801	\$ -	\$ -	\$ -
Sales taxes	-	52,609,957	-	-
Use taxes	-	9,706,038	-	-
Property tax increment	-	-	-	6,067,958
Sales tax increment	-	-	-	6,899,318
Business fees and other taxes	4,797,606	-	-	-
Accommodations taxes	676,157	-	1,369,717	-
Intergovernmental	5,237,324	-	5,413,165	91,439
Assessments	-	-	42,471	-
Licenses and permits	1,127,900	-	-	-
Interest	618,091	69,945	993,613	211,353
Contributions	-	-	341,739	-
Recreation fees	5,766,441	-	-	-
Fines and forfeitures	2,062,964	-	-	-
Fleet maintenance billings and other	6,544,888	-	-	-
EMS billings	1,858,670	-	-	-
Other	-	-	290,727	13,423
Total revenues	33,097,842	62,385,940	8,451,432	13,283,491
EXPENDITURES				
Governmental activities:				
General government	33,152,173	3,308,517	232,761	1,663,723
Public safety	30,217,929	-	-	-
Public works	6,754,884	-	-	-
Community development	3,381,262	-	-	-
Culture and recreation	14,036,487	-	-	-
Capital projects	-	-	24,835,374	4,127,100
Debt service:				
Principal	-	-	-	10,753,875
Interest and fiscal charges	-	-	-	4,640,821
Refunding bond issuance costs	-	-	-	1,003,757
Total expenditures	87,542,735	3,308,517	25,068,135	22,189,276
Excess of revenues over (under) expenditures	(54,444,893)	59,077,423	(16,616,703)	(8,905,785)
OTHER FINANCING SOURCES (USES)				
Issuance of leases	562,530	-	-	-
Issuance of refunding debt	-	-	-	111,610,000
Payment to refunded bond escrow agent	-	-	-	(111,074,663)
Sale of capital asset	26,151	-	-	-
Transfers in	57,005,029	-	1,424,694	1,396,175
Transfers (out)	(648,000)	(61,516,757)	(1,447,382)	-
Total other financing sources (uses):	56,945,710	(61,516,757)	(22,688)	1,931,512
Net change in fund balances	2,500,817	(2,439,334)	(16,639,391)	(6,974,273)
Fund balances, beginning	17,344,303	9,410,943	54,250,683	30,146,569
Fund balances, ending	\$ 19,845,120	\$ 6,971,609	\$ 37,611,292	\$ 23,172,296

Other Governmental Funds	Total Governmental Funds
\$ 261,492	\$ 4,669,293
4,124,947	56,734,904
676,347	10,382,385
-	6,067,958
-	6,899,318
-	4,797,606
-	2,045,874
2,612,183	13,354,111
4,000	46,471
-	1,127,900
136,456	2,029,458
-	341,739
-	5,766,441
3,049	2,066,013
-	6,544,888
-	1,858,670
32,743	336,893
<u>7,851,217</u>	<u>125,069,922</u>
536,113	38,893,287
23,958	30,241,887
-	6,754,884
1,265,988	4,647,250
-	14,036,487
3,996,154	32,958,628
4,785,000	15,538,875
3,242,859	7,883,680
-	1,003,757
<u>13,850,072</u>	<u>151,958,735</u>
<u>(5,998,855)</u>	<u>(26,888,813)</u>
-	562,530
-	111,610,000
-	(111,074,663)
143,313	169,464
7,659,867	67,485,765
(4,621,975)	(68,234,114)
<u>3,181,205</u>	<u>518,982</u>
(2,817,650)	(26,369,831)
12,706,054	123,858,552
<u>\$ 9,888,404</u>	<u>\$ 97,488,721</u>

The accompanying notes are an integral part of the financial statements

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, 2009

Net Changes in fund balances - total government funds \$ (26,369,831)

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 are the differences in the treatment of capital assets.

Expenditures for capital assets	24,362,004	
Less current year depreciation	<u>(16,614,003)</u>	7,748,001

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 are the differences in the treatment of the transactions involving capital assets.

Proceeds from sale of capital asset	(169,464)	
Loss on sale of capital assets	<u>(64,504)</u>	(233,968)

In governmental funds, issuance of long-term debt provide and principal repayments and bond issuance costs consume current financial resources and are reported as revenues and expenditures, while in government-wide reporting, these transactions are reported as adjustments to non-current liabilities, having no effect on net assets. These amounts are the differences in the treatment of long-term debt.

Issuance of lease	(562,530)	
Issuance of refunding debt	(111,610,000)	
Bond issuance costs	1,003,757	
Payments to refunding escrow agent - Other financing use	111,074,663	
Payments to refunding escrow agent - Interest and fiscal charges	59,928	
Principal payments	<u>19,597,009</u>	19,562,827

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 and issuance costs	(380,266)	
Accrual of interest expense	(245,792)	
Adjustment to long-term compensated absences liability	(3,694)	
Adjustment to post employment benefit obligation	<u>121,898</u>	(507,854)

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.

Intergovernmental revenue	(614,802)	
Fines and forfeitures	58,302	
Recreation fees	<u>3,110</u>	(553,390)

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.

(417,239)

Change in net assets of governmental activities \$ (771,454)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2009

	Business-type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Utility		Westminster Housing Authority	Total	
	Enterprise		Golf		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 4,790,285	\$ 3,000	\$ 142,391	\$ 4,935,676	\$ 1,226,215
Cash and cash equivalents with fiscal agent	-	-	-	-	114,213
Investments	49,033,148	-	189,348	49,222,496	12,551,487
Receivables	3,972,091	5,235	377,640	4,354,966	142,633
Inventory	1,118,336	230,582	-	1,348,918	-
Bond costs and other prepaid items	1,344,038	59,640	11,878	1,415,556	100,000
Total current assets	<u>60,257,898</u>	<u>298,457</u>	<u>721,257</u>	<u>61,277,612</u>	<u>14,134,548</u>
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	496,534	44,656	248,550	789,740	-
Investments	4,314,607	457,094	-	4,771,701	-
Loans to other funds	2,200,000	-	-	2,200,000	-
Capital assets:					
Non-depreciable assets	89,428,216	11,101,327	365,379	100,894,922	-
Depreciable assets, net	270,365,081	5,265,671	2,227,748	277,858,500	5,387,350
Other assets	906,090	-	10,644	916,734	-
Total non-current assets	<u>367,710,528</u>	<u>16,868,748</u>	<u>2,852,321</u>	<u>387,431,597</u>	<u>5,387,350</u>
Total assets	<u>427,968,426</u>	<u>17,167,205</u>	<u>3,573,578</u>	<u>448,709,209</u>	<u>19,521,898</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other	3,198,459	29,847	60,149	3,288,455	401,962
Accrued liabilities	272,559	32,346	-	304,905	7,136
Due to other funds	-	142,372	-	142,372	-
Deferred revenues	-	57,729	-	57,729	-
Bonds payable, current portion	1,761,553	235,000	-	1,996,553	-
Notes payable, current portion	2,383,571	-	184,070	2,567,641	-
Lease payable, current portion	-	248,573	-	248,573	296,368
Other liabilities, current portion	115,726	8,492	-	124,218	875
Accrued interest	156,655	32,033	11,913	200,601	9,441
Estimated claims	-	-	-	-	1,549,673
Total current liabilities	<u>7,888,523</u>	<u>786,392</u>	<u>256,132</u>	<u>8,931,047</u>	<u>2,265,455</u>
Non-current liabilities:					
Bonds payable	7,786,914	4,545,000	-	12,331,914	-
Notes payable	28,692,521	-	2,672,793	31,365,314	-
Leases payable	-	826,793	-	826,793	856,788
Other liabilities	1,168,936	211,721	-	1,380,657	21,416
Total non-current liabilities	<u>37,648,371</u>	<u>5,583,514</u>	<u>2,672,793</u>	<u>45,904,678</u>	<u>878,204</u>
Total liabilities	<u>45,536,894</u>	<u>6,369,906</u>	<u>2,928,925</u>	<u>54,835,725</u>	<u>3,143,659</u>
NET ASSETS					
Invested in capital assets, net of related debt	319,168,738	10,511,632	30,021	329,710,391	4,234,194
Restricted for:					
Debt service	4,736,122	501,750	-	5,237,872	-
Other purposes	-	-	248,550	248,550	-
Unrestricted	58,526,672	(216,083)	366,082	58,676,671	12,144,045
Total net assets	<u>\$ 382,431,532</u>	<u>\$ 10,797,299</u>	<u>\$ 644,653</u>	<u>\$ 393,873,484</u>	<u>\$ 16,378,239</u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities Enterprise Funds				Governmental
	Utility Enterprise	Golf	Westminster	Total	Activities
			Housing Authority		Internal Service Funds
Operating revenues					
Charges for services	\$ 37,476,945	\$ 2,728,363	\$ 920,327	\$ 41,125,635	\$ 13,011,356
Other	308,748	1,665	-	310,413	-
Total operating revenues	<u>37,785,693</u>	<u>2,730,028</u>	<u>920,327</u>	<u>41,436,048</u>	<u>13,011,356</u>
Operating expenses					
Personnel services	14,807,638	1,638,287	156,322	16,602,247	247,688
Contractual services	13,430,073	618,943	261,183	14,310,199	1,686,306
Commodities	1,171,390	517,117	163,911	1,852,418	2,024
Capital expense	6,182,127	410,756	-	6,592,883	118,386
Insurance and other expenses	47,502	-	29,063	76,565	10,820,857
Depreciation expense	10,842,313	554,228	171,830	11,568,371	1,002,692
Total operating expenses	<u>46,481,043</u>	<u>3,739,331</u>	<u>782,309</u>	<u>51,002,683</u>	<u>13,877,953</u>
Operating income (loss)	<u>(8,695,350)</u>	<u>(1,009,303)</u>	<u>138,018</u>	<u>(9,566,635)</u>	<u>(866,597)</u>
Non-operating revenues (expenses)					
Income on investments	1,152,830	17,191	7,689	1,177,710	294,379
Interest expense	(1,720,193)	(278,026)	(98,474)	(2,096,693)	(49,001)
Grants	17,238	-	-	17,238	-
Gain (loss) on disposition of capital assets	(255,997)	1,019	-	(254,978)	31,861
Other	(221,698)	-	(41,906)	(263,604)	107,293
Total non-operating revenues (expenses)	<u>(1,027,820)</u>	<u>(259,816)</u>	<u>(132,691)</u>	<u>(1,420,327)</u>	<u>384,532</u>
Income (loss) before contributions and transfers	<u>(9,723,170)</u>	<u>(1,269,119)</u>	<u>5,327</u>	<u>(10,986,962)</u>	<u>(482,065)</u>
Capital contributions	3,401,666	-	115,554	3,517,220	64,826
Transfers in	-	881,330	-	881,330	-
Transfers (out)	(132,981)	-	-	(132,981)	-
Change in net assets	<u>(6,454,485)</u>	<u>(387,789)</u>	<u>120,881</u>	<u>(6,721,393)</u>	<u>(417,239)</u>
Net assets - beginning , as restated	388,886,017	11,185,088	523,772	400,594,877	16,795,478
Net assets - ending	<u>\$ 382,431,532</u>	<u>\$ 10,797,299</u>	<u>\$ 644,653</u>	<u>\$ 393,873,484</u>	<u>\$ 16,378,239</u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities Enterprise Funds			Total	Governmental Activities
	Utility Enterprise	Golf	Westminster Housing Authority		Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	\$ 37,528,024	\$ 2,729,699	\$ 918,532	\$ 41,176,255	\$ 12,999,102
Cash payments to employees for services	(14,705,627)	(1,621,675)	-	(16,327,302)	(237,297)
Cash payments to suppliers for goods and services	(21,517,831)	(1,520,933)	(586,772)	(23,625,536)	(12,616,044)
Other operating revenues (expenses)	308,748	-	-	308,748	-
Net cash provided by (used in) operating activities	<u>1,613,314</u>	<u>(412,909)</u>	<u>331,760</u>	<u>1,532,165</u>	<u>145,761</u>
Cash flows from noncapital financing activities:					
Payment on interfund loans	-	(174,976)	-	(174,976)	-
Transfer in	-	881,330	-	881,330	-
Transfer out	(132,981)	-	-	(132,981)	-
Net cash provided by (used in) noncapital financing activities	<u>(132,981)</u>	<u>706,354</u>	<u>-</u>	<u>573,373</u>	<u>107,293</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	(3,913,088)	(424,678)	(281,715)	(4,619,481)	(306,667)
Interest paid on long term debt	(1,821,361)	(272,592)	(95,786)	(2,189,739)	(50,174)
Acquisition and construction of capital assets	(14,151,619)	(58,078)	-	(14,209,697)	(748,800)
Proceeds from sale of capital assets	56,683	-	-	56,683	57,760
Contributions	2,112,021	-	-	2,112,021	-
Proceeds from grant/notes	17,238	-	-	17,238	-
Proceeds from lease	-	439,745	-	439,745	-
Net cash used in capital and related financing activities	<u>(17,700,126)</u>	<u>(315,603)</u>	<u>(377,501)</u>	<u>(18,393,230)</u>	<u>(1,047,881)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	12,587,952	(7,025)	132,714	12,713,641	336,383
Interest received on investments	1,370,413	22,159	9,289	1,401,861	318,995
Net cash provided by (used in) investing activities	<u>13,958,365</u>	<u>15,134</u>	<u>142,003</u>	<u>14,115,502</u>	<u>655,378</u>
Net increase (decrease) in cash and cash equivalents	(2,261,428)	(7,024)	96,262	(2,172,190)	(139,449)
Cash and cash equivalents - beginning of year	<u>7,548,247</u>	<u>54,680</u>	<u>294,679</u>	<u>7,897,606</u>	<u>1,479,877</u>
Cash and cash equivalents - end of year	<u>\$ 5,286,819</u>	<u>\$ 47,656</u>	<u>\$ 390,941</u>	<u>\$ 5,725,416</u>	<u>\$ 1,340,428</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009
(Continued)

	Business-type Activities Enterprise Funds				Governmental Activities
	Utility Enterprise	Golf	Westminster Housing Authority	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (8,695,350)	\$ (1,009,303)	\$ 138,018	\$ (9,566,635)	\$ (866,597)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	10,842,313	554,228	171,830	11,568,371	1,002,692
(Increase) decrease in accounts receivable	51,079	(329)	(1,795)	48,955	(12,255)
(Increase) decrease in inventory	(438,054)	40,516	-	(397,538)	-
(Increase) decrease in prepaid items	999	-	18,228	19,227	(97,300)
Increase (decrease) in deferred revenue	-	(8,359)	-	(8,359)	-
Increase (decrease) in accounts payable and other	(427,756)	(6,273)	5,479	(428,550)	(17,634)
Increase (decrease) in accrued liabilities	280,083	16,611	-	296,694	1,244
Increase (decrease) in estimated claims	-	-	-	-	135,611
Total adjustments	<u>10,308,664</u>	<u>596,394</u>	<u>193,742</u>	<u>11,098,800</u>	<u>1,012,358</u>
Net cash provided by (used in) operating activities	<u>\$ 1,613,314</u>	<u>\$ (412,909)</u>	<u>\$ 331,760</u>	<u>\$ 1,532,165</u>	<u>\$ 145,761</u>

Non-cash investing, capital, and financing activities:

- Developers contributed capital assets consisting of water and sewer lines of \$434,218
- A contribution of \$33,078 was reported in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority
- The unrecognized gain (loss) recorded to value the non-cash investments of the City's enterprise funds to fair value was \$1,061,767
- A capital contribution of \$115,554 was received by the Westminster Housing Authority from the General Government

**CITY OF WESTMINSTER, COLORADO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2009**

	Volunteer Fire Pension
ASSETS	
Investments with fiscal agent	<u>\$ 2,458,162</u>
NET ASSETS	
Held in trust for pension benefits	<u><u>\$ 2,458,162</u></u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

		Volunteer Fire Pension
ADDITIONS		
Net investment income (loss)	\$	429,573
Total additions		<u>429,573</u>
 DEDUCTIONS		
Benefits		212,240
Administrative expense		17,585
Total deductions		<u>229,825</u>
 Change in net assets		 199,748
 Net assets - beginning		 2,258,414
 Net assets - ending	 \$	 <u><u>2,458,162</u></u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City (primary government) is a municipality governed by an elected mayor and six additional members of Council. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 14 are separate organizations that are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Blended component units are, in substance, part of the City's operations, therefore data from these units are combined with the data of the City. The City's component units are all blended. All component units have a December 31 year-end.

Blended Component Units

The Westminster Housing Authority (WHA) (Enterprise Fund), Amherst General Improvement District (Special Revenue Fund), Sheridan Crossing General Improvement District (Special Revenue Fund), Westminster Economic Development Authority (WEDA) Fund (Special Revenue Fund), 136th Avenue General Improvement District (Special Revenue Fund), Mandalay Town Center General Improvement District (Special Revenue Fund), 144th Avenue General Improvement District (Special Revenue Fund), and the Promenade Parking Garage General Improvement District (Special Revenue Fund) are all governed by boards comprised of the City's elected officials. Each component unit governing body is substantially the same as the governing body of the City. In addition, the City has the ability to modify or approve the budgets of these entities and to appoint or designate new management in the case of the WHA.

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 assigned its right to receive and enforce payments relating to debt service of these financial benefits to a trustee. WBA is not presented in the financial statements because it had no activity for the year ended December 31, 2009.

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, as well as the fiduciary funds. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Fiduciary activities are excluded from the government-wide financial statements. 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.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

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 Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and 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 costs 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; however, transfers between governmental funds and enterprise funds 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 cost (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 statement emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category) are summarized into a single column.

The governmental funds major fund statements 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 adjustment necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

Reporting of Internal Service and Fiduciary 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 assets of internal service funds are 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 as either

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

an expense or charge for services of the general government and are therefore not eliminated in the consolidation of interfund services provided and used.

The Volunteer Firefighter Pension Fund is presented in the Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets. Since these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, it is not incorporated into the government-wide statements.

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, liabilities, reserves, fund equity, net assets, revenues and expenditures or expenses. The various funds are reported by generic classification within the financial statements.

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City has chosen to present additional funds as major funds, as allowed by GASB Statement 34. The non-major 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 un-matured 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.

Sales and Use Tax Special Revenue Fund accounts for revenue from the City's 3% sales and use tax which was approved by Westminster voters. These funds are the primary funding

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

source for the City's governmental operations and are pledged for various sales and use tax revenue bond issues subject to certain bond covenants. The fund also accounts for the .6% public safety tax, which was approved by Westminster voters in November 2003. Revenues from this tax must be used to improve and enhance the safety and security of Westminster residents.

General Capital Improvements 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 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, revenues, expenses, and transfers relating to the government's business and quasi-business activities—where *net income and capital maintenance are measured*—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 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's proprietary funds apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) opinions, and Accounting Research Bulletins (ARB) of the committee on accounting procedures issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

The following is a description of the major proprietary funds of the City:

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.

Golf Course accounts for all activities necessary to operate and maintain two championship golf courses and finance the related debt service.

The City reports the following non-major proprietary fund:

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Westminster Housing Authority accounts for the operation of an apartment complex of 130 units, under Section 8 of the National Housing Act, including rental income, operational costs and debt service as well as other various low income housing redevelopment projects.

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.

Trust Funds account for assets held by the City in a trustee capacity on behalf of others under the terms of a formal trust agreement. Trust funds use the same measurement focus and basis of accounting as proprietary funds. The City has one pension trust fund that accounts for the assets of the City's volunteer firefighter pension plan.

D. Assets and Liabilities

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 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.

Receivables and Payables

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 revenue 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 expenditures/expenses when consumed, rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Assets and Fund Statement Balance Sheets because their use is limited by

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applicable debt covenants. The General Fund; General Capital Improvement Capital Projects Fund; Westminster Economic Development Authority Special Revenue Fund; Parks, Open Space & Trails Special Revenue Fund; Golf Course Enterprise 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 Westminster Housing Authority Fund has cash and deposits that are restricted due to the Department of Housing and Urban Development and/or debt requirements. The Conservation Trust Fund has restricted cash that are restricted due to the legal requirements of the program.

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 estimated fair 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 generally over the following estimated useful lives:

<u>Capital Asset</u>	<u>Life Months</u>
Buildings and plants	360-480
Machinery and equipment	36-240
Improvements other than buildings	240-600
Parks	240
Infrastructure	120-600

Bond Premiums, Discounts, Deferred Loss on Refundings, and Issuance Costs

In the governmental funds, bond premiums, discounts, deferred loss on refundings and issuance 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 premiums, discounts, deferred loss on refundings and issue costs are deferred and amortized over the term of the bonds.

Other Long Term Liabilities

Compensated absences, post employment benefits other than pension (OPEB), and pollution remediation obligations are reported as Other Liabilities in the proprietary fund financial statements. In proprietary funds and in the government-wide statements, these liabilities are accrued when incurred.

In governmental funds, compensated absences and OPEB are considered long-term and therefore 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. Governmental funds typically used to liquidate these liabilities include the General; Parks, Open Space & Trails; General Capital Improvement; Community Development Block Grant; Medical Dental Self Insurance; and Property & Liability Self Insurance Funds. Pollution remediation obligations are liquidated by the fund responsible for the remediation activity.

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

E. Interfund Transactions

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 reservation of fund balance to indicate that resources are not available for appropriation. 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.

NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

The bank balance of the City's cash deposits at December 31, 2009 was \$3,751,112, of which \$750,000 was covered by Federal Deposit Insurance and \$3,001,112 was uninsured but collateralized in accordance with provision of the Colorado Public Deposit Protection Act (PDPA). An additional \$750,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The collateral is pooled and held in trust for all uninsured deposits as a group.

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.

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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 and further defined below and in the Investment policy.

The City's securities at December 31, 2009, are rated AAA by Standard and Poor's and AAA by Moody's Investors Services for its Agency securities. Corporate debt is rated at least AA- by Standard and Poor's and Aa3 by Moody's Investors Services. Commercial Paper is rated at least A-1 + by Standard and Poor's and P1 by Moody's Investors Services.

The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes relative to repurchase agreements. Collateral must have an original minimum fair value (including accrued interest) of 102% of the dollar value of the transaction; if the collateralized value drops below 101%, it is immediately restored to 102%. Collateral is held by the City's custodian bank as the safekeeping agent and marked to market daily.

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.

Local Government Investment Pools. At December 31, 2009, the City had invested \$1,244,447 in the Colorado Government Liquid Asset Trust (COLOTRUST) and \$1,163,960 in Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools.

COLOTRUST and CSAFE operate similar to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pooled shares. The pools are rated AAA by Standard and Poor's.

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The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank.

The custodian's internal records identify the investments owned by the pool. Investments of the pool comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits, and Money Market Funds.

Cash and Investments as reported on the financial statements at December 31, 2009.

Cash and cash equivalents	\$ 12,210,490
Cash and cash equivalents with agent	115,217
Investments	123,687,134
Restricted cash and cash equivalents	1,061,281
Restricted cash with agent	23,904,582
Restricted investments	7,551,178
Restricted investments with agent	4,687,567
Total per Statement of Net Assets:	<u><u>\$ 173,217,449</u></u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S & P Rating</u>	<u>% of Total</u>
Local Investment - CSAFE	AAA	0.68%
Local Investment - COLOTRUST	AAA	0.73%
Commercial Paper	A-1+	0.00%
Corporate GE Capital	AA+	1.23%
Corporate New York Life Global Funding	AAA	1.19%
Corporate Metropolitan Life Global Funding	AA-	1.18%
Corporate Walmart	AA	1.81%
Corporate John Hancock GLOB FDG II	AA+	1.51%
Municipal - Westminster EDA	NR	2.96%
US Treasury Securities	N/A	10.86%
Federal Farm Credit Banks	AAA	18.64%
Federal Home Loan Bank System	AAA	25.69%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AAA	6.42%
Fannie Mae (Federal National Mortgage Association)	AAA	13.09%
First American Money Market Fund	AAAm	13.27%
First American Treasury Obligation	AAAm	0.74%

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<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average to Maturity (years)</u>
Colorado Liquid Asset Trust (COLOTRUST)	\$ 1,244,447	-
Colorado Surplus Asset Fund (CSAFE)	1,163,960	-
Repurchase Agreements (FHLB)	8,879,246	-
Commercial Paper	-	-
US Treasuries	18,596,599	1.17
US Instrumentalities	95,689,138	1.36
Domestic Corporate Securities	11,854,917	0.72
Municipal	5,065,000	4.10
First American Money Market Fund	23,980,605	-
US Instrumentalities with Fiscal Agent	4,687,567	0.50
 Total Investments controlled by City	<u>\$ 171,161,479</u>	
Portfolio weighted average maturity		1.77

B. Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2009 and the changes in fair value of such derivative instruments for the year then ended as reported in the 2009 financial statements are as follows:

	<u>Changes in Fair Value</u>		<u>Fair Value at December 31, 2009</u>		<u>Notional</u>
	<u>Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>	
Governmental activities					
Cash flow hedges					
Pay-fixed interest rate swap	Deferred outflow of resources	\$ 441,000	Debt	\$ 441,000	\$ 61,205,000

The fair value of the interest rate swap is estimated using the zero-coupon method. This method calculates future net settlement payments required by the swap, assuming that the current forward rates implied by the 3 month Libor yield curve as of December 31, 2009 correctly anticipates future spot interest rates. These payments are then discounted using the spot rates implied by the then current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. The fair value calculation was completed by a consultant retained by the Westminster Economic Development Authority ("Authority") using a proprietary model.

Objective and Terms of Hedging Derivative Instruments

The following table displays the objective and terms of the Authority's hedging derivative instrument outstanding at December 31, 2009, along with the credit rating of the associated counterparty.

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<u>Type</u>	<u>Objective</u>	<u>Notional Amount</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Terms</u>	<u>Counterparty Credit Rating</u>
Pay-fixed interest rate swap	Hedge of changes in cash flows on the 2009 Bank Loan (North Huron Urban Renewal)	\$ 61,205,000	5/8/2009	6/1/2016	Pay 4.51%; receive 65% of 1 month Libor + 2.30%	AA/Aa

Throughout the term of the interest rate swap the notional amount of the swap is identical to the outstanding principal balance of the loan and the settlement dates of the swap are the same as the interest payment dates (June 1, December 1) of the loan.

Risks

Credit risk. The Authority is exposed to credit risk on the hedging derivative instrument that is in asset positions. The counterparty for the interest rate swap is currently rated AA/Aa. The Authority does not require counterparty collateral to be posted in the event the counterparty's credit rating declines. At this time the derivative instrument is not in an asset position.

Interest rate risk. The Authority is exposed to interest rate risk on the pay fixed receive variable rate interest rate swap if the 1 month London Interbank Offered Rate (LIBOR) reference rate were to decline. If that were to happen the Authority's net payment on the swap would increase; however as this is an effective hedge, the interest rate paid on the loan would decline by a like amount.

Basis risk. The Authority is not exposed to basis risk on its pay fixed interest rate swap. This is because the reference rate that the authority pays on its variable rate loan is exactly the same as the variable reference rate the authority receives under the interest rate swap.

Termination risk. The Authority or its counterparty may terminate the derivative instrument if the other party fails to perform under the terms of the contract. If at the time of termination, a derivative instrument is in a liability position, the Authority then would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

Rollover risk. The Authority is exposed to rollover risk on hedging derivative instruments used as hedges of debt that mature or may be terminated prior to the maturity of the debt. Currently both the pay variable loan and the derivative instrument have the same maturity date and therefore no rollover risk occurs. However, should the derivative instrument be subject to early termination for any reason, there would be rollover risk to the hedgeable item. It is the Authority's intention to hold the derivative to maturity.

Derivative Instrument Payments and Hedged Debt

As of December 31, 2009, aggregate debt service requirements of the Authority's hedged debt (fixed-rate and variable-rate) and net receipts/payments on associated hedging derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable rate bonds and net receipts/payments on the hedging derivative instruments will vary.

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Fiscal Year Ending December 31	Principal	Interest	Hedging Derivative Instrument, Net	Total
2010	\$ 2,125,000	\$ 1,520,418	\$ 1,239,927	\$ 4,885,346
2011	2,215,000	1,467,630	1,196,878	4,879,508
2012	2,315,000	1,416,477	1,148,135	4,879,612
2013	2,415,000	1,355,099	1,105,106	4,875,205
2014	2,525,000	1,295,107	1,056,182	4,876,289
2015	2,635,000	1,232,382	1,005,029	4,872,411
2016	46,975,000	585,061	474,225	48,034,286
Total:	<u>\$ 61,205,000</u>	<u>\$ 8,872,173</u>	<u>\$ 7,225,483</u>	<u>\$ 77,302,656</u>

C. Disaggregation of Receivables

	Taxes	Accounts	Leases and Notes	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 4,403,582	\$ 3,445,226	\$ 4,755,000	\$ 7,690	\$ 180,543	\$ 12,792,041
Sales and Use Tax	6,384,481	-	-	-	26,334	6,410,815
GCIF	-	693,321	194,847	721,550	299,249	1,908,967
WEDA	9,061,632	35,543	334,000	-	36,646	9,467,821
Other Governmental	1,709,949	6,775	-	823,173	41,317	2,581,214
Less: Allowance for Doubtful Accounts	-	(929,532)	-	-	-	(929,532)
Subtotal	21,559,644	3,251,333	5,283,847	1,552,413	584,089	32,231,326
Reconciliation of balances in fund financial statements to government wide financial statements						
	-	30,165	-	-	112,468	142,633
Total - Governmental Activities	<u>\$ 21,559,644</u>	<u>\$ 3,281,498</u>	<u>\$ 5,283,847</u>	<u>\$ 1,552,413</u>	<u>\$ 696,557</u>	<u>\$ 32,373,959</u>
Business-type Activities:						
Utilities	\$ -	\$ 3,484,105	\$ -	\$ -	\$ 487,986	\$ 3,972,091
Golf Course	-	-	2,223	-	3,012	5,235
Housing Authority	-	6,794	369,000	-	1,846	377,640
Total - Business-type Activities:	<u>\$ -</u>	<u>\$ 3,490,899</u>	<u>\$ 371,223</u>	<u>\$ -</u>	<u>\$ 492,844</u>	<u>\$ 4,354,966</u>

D. Leases and Notes Receivable

Description of notes and leases receivable

	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
PRIMARY GOVERNMENT					
Government Activities					
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time pymt	2010
Hyland Hills Park and Recreation District	Ice Centre Development Corp Building	6,997,500	4,755,000	semi-annually	Dec-2022
Colorado Rural Housing	Construction	334,000	334,000	annually	2011
Total Governmental Activities		<u>\$ 7,526,347</u>	<u>\$ 5,283,847</u>		

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Notes become receivable as the income is earned. 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 capital lease with Hyland Hills Parks and Recreation District represents a sub-lease for an undivided fifty percent interest in the Ice Arena 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 5.247%.

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

The note with Colorado Rural 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 minimum annual payments of interest and 20% of any surplus cash flow. It is anticipated that the loan will be repaid in 2011.

Annual Leases and Notes Payment Schedule

Capital Leases and Notes Receivable

Year Ending	Catellus	Hyland Hills	Colorado Rural Housing	Total
2010	\$ 194,847	\$ 265,000	\$ 334,000	\$ 793,847
2011	-	277,500	-	277,500
2012	-	292,500	-	292,500
2013	-	307,500	-	307,500
2014-2018	-	1,795,000	-	1,795,000
2019-2022	-	1,817,500	-	1,817,500
	<u>\$ 194,847</u>	<u>\$ 4,755,000</u>	<u>\$ 334,000</u>	<u>\$ 5,283,847</u>

E. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2009, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Due to/from other funds:		
General Fund	Golf Course	\$ 142,372
General Fund	CDBG	158,788
Loans from/to other funds:		
General Fund	Westminster Economic Development Authority	120,000
General Capital Improvement	Westminster Economic Development Authority	1,125,000
Utility Fund	Westminster Economic Development Authority	<u>2,200,000</u>
	Total	<u>\$ 3,746,160</u>

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At December 31, 2009, the General Fund covered the overdrawn cash balance of the Golf Course Fund.

At December 31, 2009, the General Fund covered the overdrawn cash balance of the Community Development Block Grant Fund.

The loans to the WEDA Fund of \$3,445,000 were used to 1) pay for the redevelopment and revitalization of the Westminster Plaza Shopping Center and 2) 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 subsequent years.

For budget purposes, interfund loans are appropriated as "Other Financing Use" in the payor fund. On an actual basis, the interfund loan is only a balance sheet transaction; therefore, interfund loan transactions show a budget to actual variance in the budget comparison financial statements.

F. Capital Assets

	Primary Government			Ending Balance
	Beginning Balance	Additions	Deletions	
Governmental Activities				
Land	\$ 98,685,222	\$ 3,490,763	\$ (142,996)	\$ 102,032,989
Joint Venture	5,361,000	-	-	5,361,000
Construction in progress	5,048,022	4,213,803	-	9,261,825
Total non-depreciable assets	<u>109,094,244</u>	<u>7,704,566</u>	<u>(142,996)</u>	<u>116,655,814</u>
Buildings	74,432,475	1,200,858	-	75,633,333
Machinery and equipment	35,852,144	2,354,458	(797,435)	37,409,167
Improvements other than buildings	39,154,355	952,871	-	40,107,226
Parks	51,384,571	-	-	51,384,571
Ice Center	6,972,384	-	-	6,972,384
Infrastructure	311,155,591	12,944,208	-	324,099,799
Total depreciable assets	<u>518,951,520</u>	<u>17,452,395</u>	<u>(797,435)</u>	<u>535,606,480</u>
Less accumulated depreciation for:				
Buildings	(33,524,520)	(2,386,559)	-	(35,911,079)
Machinery and equipment	(24,609,771)	(2,819,298)	699,232	(26,729,837)
Improvements other than buildings	(12,108,537)	(1,932,186)	-	(14,040,723)
Parks	(21,782,417)	(2,206,927)	-	(23,989,344)
Ice Center	(1,452,580)	(145,258)	-	(1,597,838)
Infrastructure	(143,501,134)	(8,126,467)	-	(151,627,601)
Total accumulated depreciation	<u>(236,978,959)</u>	<u>(17,616,695)</u>	<u>699,232</u>	<u>(253,896,422)</u>
Net total depreciable assets	<u>281,972,561</u>	<u>(164,300)</u>	<u>(98,203)</u>	<u>281,710,058</u>
Governmental activities capital assets, net	<u>\$ 391,066,805</u>	<u>\$ 7,540,266</u>	<u>\$ (241,199)</u>	<u>\$ 398,365,872</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,334,442
Public safety	2,098,040
Public works	6,591,140
Community development	2,060,179
Culture and Recreation	5,053,467
Unallocated depreciation-Internal Service Funds	479,427
Total Depreciation expense	<u>\$ 17,616,695</u>

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	Primary Government (continued)			
	Beginning Balance as Restated	Additions	Deletions	Ending Balance
Business-type activities:				
Land	\$ 20,041,766	\$ -	\$ -	\$ 20,041,766
Water rights	72,525,397	518,334	-	73,043,731
Construction in progress	7,728,879	80,546	-	7,809,425
Total non-depreciable assets	<u>100,296,042</u>	<u>598,880</u>	<u>-</u>	<u>100,894,922</u>
Buildings and plants	223,173,952	4,515,696	-	227,689,648
Improvements other than buildings	162,121,365	7,389,683	(33,853)	169,477,195
Parks	1,551,253	-	-	1,551,253
Machinery and equipment	15,538,277	2,839,888	(571,720)	17,806,445
Total depreciable assets	<u>402,384,847</u>	<u>14,745,267</u>	<u>(605,573)</u>	<u>416,524,541</u>
Less accumulated depreciation for:				
Buildings and plants	(67,174,577)	(6,013,417)	-	(73,187,994)
Improvements other than buildings	(51,281,307)	(3,715,228)	2,230	(54,994,305)
Parks	(673,733)	(77,562)	-	(751,295)
Machinery and equipment	(8,499,638)	(1,762,164)	529,355	(9,732,447)
Total accumulated depreciation	<u>(127,629,255)</u>	<u>(11,568,371)</u>	<u>531,585</u>	<u>(138,666,041)</u>
Net total depreciable assets	<u>274,755,592</u>	<u>3,176,896</u>	<u>(73,988)</u>	<u>277,858,500</u>
Business-type activities capital assets, net	<u>\$ 375,051,634</u>	<u>\$ 3,775,776</u>	<u>\$ (73,988)</u>	<u>\$ 378,753,422</u>

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

Utility	\$ 10,842,313
Golf	554,228
Westminster Housing Authority	171,830
Total Depreciation expense	<u>\$ 11,568,371</u>

The following is a summary of the machinery and equipment purchased by capital lease with a liability outstanding as of December 31, 2009.

2009 Leased Assets

	Historical Cost	Accumulated Depreciation	Net Book Value
General Capital Outlay Replacement	\$ 2,895,789	\$ (652,647)	\$ 2,243,142
General Government	3,064,047	(502,789)	2,561,258
Golf Course Enterprises	1,245,659	(623,456)	622,203
Unallocated	4,920,000	-	4,920,000
Total	<u>\$ 12,125,495</u>	<u>\$ (1,778,892)</u>	<u>\$ 10,346,603</u>

**CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2009**

G. Disaggregation of Payables

Payables at December 31, 2009, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Activities:					
General	\$ 2,744,188	\$ 2,295,855	\$ 1,559,324	\$ -	\$ 6,599,367
Sales and Use Tax	478,320	2,170,908	-	-	2,649,228
GCIF	2,661,599	159,989	26,776	-	2,848,364
WEDA	300,580	948,250	-	-	1,248,830
Other Governmental	50,050	-	8,427	-	58,477
Subtotal	<u>6,234,737</u>	<u>5,575,002</u>	<u>1,594,527</u>	<u>-</u>	<u>13,404,266</u>
Reconciliation of balances in fund financial statements to government wide financial statements					
Internal service funds	401,962	-	7,136	9,441	418,539
Total - Governmental Activities	<u>\$ 6,636,699</u>	<u>\$ 5,575,002</u>	<u>\$ 1,601,663</u>	<u>\$ 948,952</u>	<u>\$ 13,822,805</u>
Business-type Activities:					
Utilities	\$ 3,042,218	\$ 156,241	\$ 272,559	\$ 156,655	\$ 3,627,673
Golf Course	26,261	3,586	32,346	32,033	94,226
Housing Authority	60,149	-	-	11,913	72,062
Total - Business-type Activities	<u>\$ 3,128,628</u>	<u>\$ 159,827</u>	<u>\$ 304,905</u>	<u>\$ 200,601</u>	<u>\$ 3,793,961</u>

H. Interfund Transfers

Transfers are indicative of funding for City operations, capital projects, debt service, or governmental subsidies. The following schedule briefly summarizes the City's transfer activity:

TRANSFERS FROM OTHER FUNDS	TRANSFERS TO OTHER FUNDS					Totals
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Non-Major Governmental Funds	Golf Course Fund	
General Fund	\$ -	\$ 80,000	\$ 200,000	\$ -	\$ 368,000	\$ 648,000
Sales Tax Fund	56,979,880	-	-	4,251,877	285,000	61,516,757
General Capital Improvement Fund	25,149	-	1,196,175	180,000	46,058	1,447,382
Non-Major Governmental Funds	-	1,211,713	-	3,227,990	182,272	4,621,975
Utility Fund		132,981				132,981
Totals	<u>\$ 57,005,029</u>	<u>\$ 1,424,694</u>	<u>\$ 1,396,175</u>	<u>\$ 7,659,867</u>	<u>\$ 881,330</u>	<u>\$ 68,367,095</u>

Reconciliation of Transfers between Governmental and Business-Type Activities:

From the Utility Fund to the General Capital Improvement Fund for Tap Fees	\$ (132,981)
From the General Fund to the Golf Course Fund for relief of interfund loans	(368,000)
From the General Capital Improvement Fund to the Golf Course Fund for relief of interfund loans	(46,058)
From the Sales Tax Fund to the Golf Course Fund to assist with debt service obligations	(285,000)
From the Open Space Fund to the Golf Course Fund to assist with debt service obligations	(182,272)
Total transfers between Governmental and Business Type Activities Funds	<u>\$ (1,014,311)</u>

CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2009

I. Long Term Debt

Long-term liability activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds and leases payable:					
Revenue bonds	\$ 69,740,000	\$ -	\$ (4,785,000)	\$ 64,955,000	\$ 4,655,000
Tax increment bonds	120,155,000	41,160,000	(120,420,000)	40,895,000	1,680,000
Loans	-	70,450,000	(1,290,000)	69,160,000	2,385,000
Capital leases	80,627,717	562,530	(4,364,801)	76,825,446	4,980,913
	<u>270,522,717</u>	<u>112,172,530</u>	<u>(130,859,801)</u>	<u>251,835,446</u>	<u>13,700,913</u>
Add:					
Bond premium	3,468,342	-	(328,799)	3,139,543	271,365
Bond discount and deferred amount on refundings	<u>(3,898,490)</u>	<u>(1,117,517)</u>	<u>428,178</u>	<u>(4,587,829)</u>	<u>(319,783)</u>
Total bonds and leases payable	<u>270,092,569</u>	<u>111,055,013</u>	<u>(130,760,422)</u>	<u>250,387,160</u>	<u>13,652,495</u>
Other liabilities:					
Compensated absences	4,366,851	6,679,319	(6,676,545)	4,369,625	27,213
OPEB	448,581	356,873	(476,603)	328,851	-
Derivative	-	441,000	-	441,000	-
Total other liabilities	<u>4,815,432</u>	<u>7,477,192</u>	<u>(7,153,148)</u>	<u>5,139,476</u>	<u>27,213</u>
Governmental activities long-term liabilities	<u>\$ 274,908,001</u>	<u>\$ 118,532,205</u>	<u>\$ (137,913,570)</u>	<u>\$ 255,526,636</u>	<u>\$ 13,679,708</u>
	Beginning Balance as restated	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds, notes and leases payable:					
Revenue bonds	\$ 15,945,000	\$ -	\$ (1,870,000)	\$ 14,075,000	\$ 1,945,000
Notes	35,915,842	-	(2,549,802)	33,366,040	2,532,644
Capital leases	835,300	439,745	(199,679)	1,075,366	248,573
	<u>52,696,142</u>	<u>439,745</u>	<u>(4,619,481)</u>	<u>48,516,406</u>	<u>4,726,216</u>
Add:					
Bond/Notes premium	989,190	-	(93,229)	895,961	93,228
Bond discount and deferred amount on refundings	<u>(82,256)</u>	<u>-</u>	<u>6,677</u>	<u>(75,579)</u>	<u>(6,677)</u>
Total bonds, notes and leases payable	<u>53,603,076</u>	<u>439,745</u>	<u>(4,706,033)</u>	<u>49,336,788</u>	<u>4,812,767</u>
Other liabilities:					
Compensated absences	919,337	1,398,137	(1,365,634)	951,840	9,718
OPEB	83,634	70,681	(10,071)	144,244	-
Pollution Remediation	495,362	-	(86,571)	408,791	114,500
Total other liabilities	<u>1,498,333</u>	<u>1,468,818</u>	<u>(1,462,276)</u>	<u>1,504,875</u>	<u>124,218</u>
Business-type activities long-term liabilities	<u>\$ 55,101,409</u>	<u>\$ 1,908,563</u>	<u>\$ (6,168,309)</u>	<u>\$ 50,841,663</u>	<u>\$ 4,936,985</u>

CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2009

Description of Individual Debt Issues Outstanding - Summarized below are the City's debt issues outstanding at December 31, 2009.

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	\$ 2,910,000	4.0% - 5.0%	12/01/21
Sales and Use Tax Revenue Series 2002	136th Avenue & I-25 Interchange	15,090,000	11,935,000	3.40% - 5.25%	12/01/22
Sales and Use Tax Revenue Series 2007A	Refunding/Street Improvements	10,715,000	9,195,000	4.0% - 5.5%	12/01/16
Sales and Use Tax POST Series 2007B	Refunding/Open Space Purchases	13,680,000	11,360,000	4.0% - 5.5%	12/01/16
Sales and Use Tax Refunding Series 2007C	Refunding/Street Improvements	10,910,000	9,555,000	4.0% - 5.25%	12/01/16
Sales and Use Tax POST Series 2007D	Open Space Purchases/Facility Improv	20,000,000	<u>20,000,000</u>	4.0% - 5.0%	12/01/31
Total Governmental Activities			<u>64,955,000</u>		
Water/Wastewater Revenue Series 2001	Refunding	20,990,000	9,295,000	3.6% - 5.5%	12/01/14
Golf Course Revenue Bonds Series 1998	Heritage Golf Course Construction	6,300,000	<u>4,780,000</u>	5.0% - 5.55%	12/01/23
Total Business-type Activities			<u>14,075,000</u>		
Total Revenue bonds			<u>\$ 79,030,000</u>		

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

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2010	\$ 4,655,000	\$ 3,050,404	\$ 7,705,404	2010	\$ 1,945,000	\$ 689,040	\$ 2,634,040
2011	4,835,000	2,862,929	7,697,929	2011	2,030,000	607,950	2,637,950
2012	5,040,000	2,666,221	7,706,221	2012	2,115,000	523,250	2,638,250
2013	5,260,000	2,438,659	7,698,659	2013	2,205,000	430,315	2,635,315
2014	5,490,000	2,203,614	7,693,614	2014	2,315,000	318,965	2,633,965
2015-2019	18,610,000	7,273,115	25,883,115	2015-2019	1,715,000	779,175	2,494,175
2020-2024	10,015,000	3,936,675	13,951,675	2020-2024	1,750,000	249,750	1,999,750
2025-2029	7,520,000	1,942,288	9,462,288	Total	<u>\$ 14,075,000</u>	<u>\$ 3,598,445</u>	<u>\$ 17,673,445</u>
2030-2031	3,530,000	253,413	3,783,413				
Total	<u>\$ 64,955,000</u>	<u>\$ 26,627,318</u>	<u>\$ 91,582,318</u>				

Tax Increment Bonds and Loans	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
WEDA Revenue Refunding Bonds Series 2009	Westminster Plaza Redevelopment	\$ 5,330,000	\$ 5,065,000	3.800%	12/01/17
WEDA Revenue Refunding Bonds Series 2009	Mandalay Gardens Urban Renewal	35,830,000	<u>35,830,000</u>	(1)	12/01/28
Total Tax Increment Bonds			<u>\$ 40,895,000</u>		
WEDA Revenue Loan Series 2009	North Huron Urban Renewal	62,375,000	61,205,000	4.510%	12/01/16
WEDA Revenue Loan Series 2009	South Sheridan Urban Renewal	8,075,000	<u>7,955,000</u>	4.950%	12/01/28
Total Tax Increment Loans			<u>69,160,000</u>		
Total Governmental Activities			<u>\$ 110,055,000</u>		

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

Year	Governmental Activities		
	Principal	Interest	Total
2010	\$ 4,065,000	\$ 4,799,694	\$ 8,864,694
2011	4,250,000	4,624,272	8,874,272
2013	4,450,000	4,444,579	8,894,579
2013	4,655,000	4,248,788	8,903,788
2014	4,880,000	4,047,883	8,927,883
2015-2019	61,685,000	10,264,235	71,949,235
2019-2023	12,965,000	4,464,181	17,429,181
2024-2028	13,105,000	1,417,066	14,522,066
Total	<u>\$ 110,055,000</u>	<u>\$ 38,310,698</u>	<u>\$ 148,365,698</u>

(1) The Series 2009 WEDA Mandalay Gardens Renewal Refunding Bonds have a variable interest rate is based on LIBOR. The interest rate as of 12/31/09 is 0.25%

CITY OF WESTMINSTER, COLORADO
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Capital Leases	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Capital lease	09 Copier Portion of Joint Lease	\$ 34,990	\$ 23,902	4.850%	10/15/10
Capital lease	09 Parks Equipment	527,540	433,070	4.85%	10/15/14
Capital lease	05 Energy Saving Equipment	2,262,993	1,514,257	4.029%	10/15/16
Capital lease	03 Fire truck	288,476	74,068	3.20%	10/15/10
Capital lease	05 Fire truck	472,039	184,692	4.27%	10/15/12
Capital lease	07 Fire truck	396,932	242,025	4.10%	01/15/14
Capital lease	07 Bobcat	40,626	16,061	4.64%	04/15/11
Capital lease	08 Fire truck	603,450	464,858	3.52%	01/15/15
Capital lease	08 Pumper Truck	216,475	187,513	3.48%	10/15/15
Capital lease - Certificates of Participation 98	Ice Centre	13,995,000	9,510,000	4.65% - 5.4%	01/15/23
Capital lease - Certificates of Participation 01	Public Safety Building	18,740,000	13,875,000	4.15% - 5.25%	11/15/22
Capital lease - Certificates of Participation 05	144th & I-25 interchange	17,130,000	15,210,000	3.25% - 5.0%	11/15/25
Capital lease - Broomfield/Westminster Foundation	Metzger Farm Open Space	4,920,000	3,330,000	4.0% - 5.0%	11/15/16
Capital lease - Certificates of Participation 07	Refunding/Cap Fac & Streets	32,210,000	31,760,000	4.0% - 5.0%	11/15/25
Total Governmental Activities			<u>76,825,446</u>		
Golf Course capital lease	09 Golf Portion of Joint Lease	439,745	392,911	4.85%	04/15/14
Golf Course capital lease	06 Maintenance Equipment	582,144	312,918	4.32%	04/15/13
Golf Course capital lease	07 Maintenance Equipment	547,000	369,537	4.85%	04/15/14
Total Business-type Activities			<u>1,075,366</u>		
Total Capital Leases			<u>\$ 77,900,812</u>		

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2010	\$ 4,980,913	\$ 3,504,034	\$ 8,484,947	2010	\$ 248,573	\$ 44,131	\$ 292,704
2011	5,073,403	3,292,840	8,366,243	2011	285,071	33,059	318,130
2012	5,289,359	3,079,021	8,368,380	2012	298,253	19,879	318,132
2013	5,444,695	2,847,191	8,291,886	2013	198,324	6,712	205,036
2014	5,632,104	2,613,220	8,245,324	2014	45,145	826	45,971
2015-2019	28,324,972	9,334,168	37,659,140	Total	<u>\$ 1,075,366</u>	<u>\$ 104,607</u>	<u>\$ 1,179,973</u>
2020-2024	19,245,000	3,164,190	22,409,190				
2025	2,835,000	128,363	2,963,363				
Total	<u>\$ 76,825,446</u>	<u>\$ 27,963,027</u>	<u>\$ 104,788,473</u>				

Notes	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Colorado Water Power Authority Note 97	Reclamation Facility	\$ 13,246,525	\$ 6,718,258	4.54%	06/01/17
Colorado Water Power Authority Note 98	Reclamation Facility	4,085,697	1,865,210	3.96%	06/01/17
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	9,019,135	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	12,692,500	3.32%	06/01/25
Housing Authority Mortgage	Refinance/Capital Projects	3,600,000	2,606,169	(2)	01/09/22
Brownfields Note	Remediation of South Westminster Property	413,000	293,757	2%	02/01/16
Rehfeld Note	Purchase of water shares	180,000	171,011	4%	03/31/23
Total Business-type Activities			<u>\$ 33,366,040</u>		

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

Business-Type Activities			
Year	Principal	Interest	Total
2010	\$ 2,532,644	\$ 1,345,394	\$ 3,878,038
2011	2,614,146	1,256,850	3,870,996
2012	2,699,492	1,170,049	3,869,541
2013	2,790,244	1,079,697	3,869,941
2014	2,878,657	987,420	3,866,077
2015-2019	13,422,766	3,151,918	16,574,684
2020-2024	5,903,091	1,012,034	6,915,125
2025-2029	525,000	36,138	561,138
Total	<u>\$ 33,366,040</u>	<u>\$ 10,039,500</u>	<u>\$ 43,405,540</u>

(2) The Housing Authority Mortgage bears interest at a variable yearly rate based on the Prime Rate. The interest rate as of 12/31/09 is 3.25%.

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J. Net Assets

The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Investment in Capital Assets, Net of Related Debt is intended to reflect the portion of net assets which are 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 Assets are liquid assets which have third party limitations on their use. Restricted net assets are reported by major category, which include Emergencies; Capital projects; Open space conservation and improvements; and Debt service. Non major categories have been aggregated as Restricted for Other.

Unrestricted Net Assets represent 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.

Governmental activities:

Capital Assets \$ 398,365,872

Issue	Amount Outstanding	Premiums/ (Discounts)/ (Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Related Debt					
2001 sales tax revenue bond	\$ 2,910,000	\$ 133,157	\$ 3,043,157	\$ -	\$ 3,043,157
2002 sales tax revenue bond	11,935,000	273,952	12,208,952	-	12,208,952
2007A sales tax revenue refunding bond	9,195,000	(33,721)	9,161,279	-	9,161,279
2007B open space sales tax refunding bond	11,360,000	8,444	11,368,444	-	11,368,444
2007C sales tax revenue refunding bond	9,555,000	(89,657)	9,465,343	-	9,465,343
2007D open space revenue bond	20,000,000	378,096	20,378,096	5,957,631	14,420,465
2009 WEDA Mandalay Gardens	35,830,000	(766,450)	35,063,550	-	35,063,550
2009 WEDA North Huron	61,205,000	(437,236)	60,767,764	-	60,767,764
2009 WEDA South Sheridan	7,955,000	(157,316)	7,797,684	-	7,797,684
Capital Lease	76,825,446	(632,058)	76,193,388	-	76,193,388
Total Governmental Activities	<u>\$ 246,770,446</u>	<u>\$ (1,322,789)</u>	<u>\$ 245,447,657</u>	<u>\$ 5,957,631</u>	<u>239,490,026</u>

Invested in capital assets, net of related debt \$ 158,875,846

Business-type activities:

Capital Assets \$ 378,753,422

Related Debt					
2001 Utility Refunding Revenue Bonds	\$ 9,295,000	\$ 253,466	\$ 9,548,466	\$ -	\$ 9,548,466
1998 Golf Course Revenue Bonds	4,780,000	-	4,780,000	-	4,780,000
Water Notes	30,466,114	609,979	31,076,093	-	31,076,093
Capital Leases	1,075,366	-	1,075,366	-	1,075,366
2002 Mortgage Note	2,606,169	(43,063)	2,563,106	-	2,563,106
Total Business Type Activities	<u>\$ 48,222,649</u>	<u>\$ 820,382</u>	<u>\$ 49,043,031</u>	<u>\$ -</u>	<u>49,043,031</u>

Invested in capital assets, net of related debt \$ 329,710,391

CITY OF WESTMINSTER, COLORADO
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K. 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 for capital improvements.
- \$15,090,000 issued in December 2002 to finance its portion of a joint construction project with the City of Thornton for an interchange at 136th Avenue and Interstate 25.
- \$10,715,000 issued in March 2007 to provide new funding for street improvements and to refund certain of the City's outstanding Series 1997A sales and use tax revenue refunding and improvement bonds, originally issued to refund certain outstanding 1992A sales and use tax revenue bonds, originally issued for capital improvements.
- \$10,910,000 issued in October 2007 to provide new funding for street improvements and to refund certain of the City's outstanding Series 1997A sales and use tax revenue refunding and improvement bonds.
- \$13,680,000 issued in March 2007 to refund certain of the City's outstanding series 1997B sales and use tax revenue bonds originally issued for public improvements.
- \$20,000,000 issued in December 2007 to finance the acquisition, development, enhancement, and maintenance of open space and parkland throughout the City.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$8,026,959 were paid from sales and use tax revenue totaling \$52,065,469. Total principal and interest payments remaining on the bonds is \$91,582,318 payable through December 2031.

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

- \$6,460,000 originally issued in 1997 to finance the redevelopment in the South Westminster Urban Renewal Area. The bonds were refunded in 2009 to tax increment revenue refunding bonds.
- \$38,455,000 originally issued in 2003 to finance redevelopment in the Mandalay Gardens Urban Renewal Area. The bonds were refunded in 2006 to tax-exempt tax increment revenue bonds and again in 2009 as tax increment adjustable rate Revenue Refund bonds.
- \$68,300,000 originally issued in 2005 to finance new development in the North Huron Urban Renewal Area. The bonds were refunded in 2009 with a loan.
- \$8,320,000 originally issued in 2007 to finance the redevelopment in the South Sheridan Urban Renewal Area. The bonds were refunded in 2009 with a loan.

Tax increment variable rate 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. Current year, principal, interest and fees of \$15,394,696 were paid with incremental net pledged revenues totaling \$11,196,111. Total principal and interest remaining on the bonds is \$148,365,698, payable through December 1, 2018.

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

Colorado Water Resource and Power Development Authority Notes:

- \$13,246,525 issued in May 1997 to construct a Reclamation Facility
- \$4,085,697 issued in April 1998 to construct a reclamation facility
- \$14,998,357 issued in April 2000 to construct the NW Water Treatment Facility
- \$15,400,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

Revenue Bonds

- \$20,990,000 issued in December 2001 to refund 1992 and 1994 General Obligation bonds

The notes and bonds are payable solely from water and waste water net revenues. For the current year, principal and interest paid totaled \$5,734,448 and water and waste water net revenues totaled \$4,047,280. Total principal and interest payments remaining on the bonds and notes is \$50,349,264, payable through December 2025.

The City has pledged has pledged future golf course facilities revenues, net of specified operating expenses, as follows:

- \$6,300,000 issued in July 1998. Proceeds from the bonds provided financing for the acquisition, construction, and purchase of equipment for Legacy Ridge Golf Course, the Heritage at Westmoor Golf Course, and any subsequent golf course facilities acquired by the City after the issuance of the bonds.

These bonds are payable solely from golf course facilities net revenues. For the current year, principal and interest paid totaled \$499,415 and net golf course revenues totaled (\$455,075). Total principal and interest payments remaining on the bonds is \$6,988,895, payable through December 2023.

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 2008 to 2009. The City has never had any settlements that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

The City established a dental program effective January 1, 1984. The purpose of this program is to pay the dental claims of eligible City employees and their covered dependents. As of January 1, 2003, the City entered into an Administrative Service Only (ASO) with Great West Healthcare ("GW"), whereby the City pays GW a separate amount for administrative costs, insurance taxes, and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The program covers individual losses up to \$2,000,000 lifetime benefit for the PPO and for out-of-network POS plan services. The lifetime benefit for POS in-network services is unlimited. The program provides a

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specific stop loss of \$150,000 per individual per year. The City has recorded a liability in this fund totaling \$757,591 for open and estimated claims not yet reported at December 31, 2009.

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. The program covers individual losses up to \$350,000 per claim plus \$100,000 corridor deductible. 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 \$552,597 for open claims and estimated claims not yet reported at December 31, 2009.

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 property losses for the total insured value of all property owned by the City up to a maximum of \$501,000,000 and in-state liability losses of up to \$150,000 per person with a \$600,000 per occurrence limit as set forth by statutory liability limits for public jurisdictions. For losses in excess of program limits, the City carries excess liability coverage that also covers the City for federal acts and out-of-state claims. In addition to property insurance including boiler and machinery, the program covers automobile liability, general liability, police professional, error and omissions, crime, fiduciary liability.

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$239,485 for open claims at December 31, 2009.

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

Year	Beginning Balance		Incurred Claims	Cumulative Claim Payments	Ending Balance	
	Unpaid Claims				Unpaid Claims	
2008	\$ 1,135,049	\$	8,144,334	\$ 7,865,321	\$	1,414,062
2009	1,414,062		7,813,997	7,678,386		1,549,673

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 casualty coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2009, there were 196 member municipalities and 25 special districts, 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 which might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police

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professional, and errors and omissions. The deductible amount paid by the City per each incident in 2009 was \$250,000 for property and \$250,000 for liability. Coverages are as follows.

- 1) Property/excess property: total insured value for City property up to the \$501,000,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence. (Claims not subject to Government Immunity Act up to \$500,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$1,500,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage: to \$5,000,000.
- 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.

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 two-year terms, governs CIRSA. All actions of the membership require a majority vote for all 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 government 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, 2009. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that

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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, 2009, 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; and Community Development Block 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 12/31/2009	Cumulative Expenditures 12/31/2009	Authorized Available 12/31/2009
Governmental activities:			
General Capital Improvement Fund	\$ 42,363,892	\$ 8,951,992	\$ 33,411,900
Westminster Economic Development Authority	1,750,554	-	1,750,554
Non-major governmental funds	16,295,865	9,320,889	6,974,976
General Capital Outlay Replacement Fund	3,009,923	-	3,009,923
Total Governmental activities	<u>\$ 63,420,234</u>	<u>\$ 18,272,881</u>	<u>\$ 45,147,353</u>
Business-type activities			
Utility Fund	\$ 44,866,498	\$ 7,809,452	\$ 37,057,046

E. Denver Water Board Raw Water Leases

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from the Denver Water Board. The fiscal period for each year's water usage runs from July 1 to June 30. Permitted usage varies from month-to-month and peaks during the summer months. The 2009 rate charged per acre-foot by the Denver Water Board is \$237.87. The 2009 annual lease cost based on this rate was \$425,000.

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 can perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. Westminster has the option to purchase up to 2.7 millions gallons per day. The agreement stipulates that Westminster shall pay for treated water delivered to it at a rate equal to the lowest rate charged by Thornton for treated water to any water utility customer within the City of Thornton. The rate at December 31, 2009, was \$3.28 per thousand gallons for an annual cost of \$2,154,960.

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G. Employee Retirement Plans

Plan Description The City provides pension benefits, through two defined contribution pension plans, for all of its regular full-time employees and part-time employees who work at least 20 hours per week and are over age 18. The Police Plan includes Police Officers. The General Employee Plan includes all other employees.

Both employee plans are established by separate ordinances as single-employer, defined contribution plans, qualified under IRS guidelines. When employees change job status, their pension balance is moved from their old plan to the appropriate new plan through a transfer. The City does not participate in Social Security.

Long-term disability and death benefits are provided as employee benefits apart from the Pension Plans.

The Plan provisions and requirements are established by Municipal Ordinance and determined to be a qualified Pension Plan by the Internal Revenue Service. The Plan Ordinance grants the Pension Board members and Trustee the authority to administer, interpret, and apply the requirements of the Plan document. Any changes to the Plan Document are subject to City Council approval and require Internal Revenue Service determination of qualification.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. 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.

Eligible employees hired on or after January 6, 1986 must participate from the date of employment. Employees hired before that date were given the option to begin participation on January 6, 1986 or wait until they had completed 22 months of service with the City. Before January 6, 1986, employees could not participate until completing 22 months of service, at which time participation was mandatory.

Contributions and plan provisions of the two plans are the same. 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. 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.

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.

Summary of Contributions For the year ended December 31, 2009, contributions actually made to the two plans equaled required contributions and were as follows:

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Required contributions to the two plans, and contributions actually made were as follows:

	Police Pension Plan	General Employee Pension Plan	Total
City contributions at 10.25%	\$ 1,143,782	\$ 3,267,569	\$ 4,411,351
Mandatory employee contributions at 10%	1,213,117	3,533,998	4,747,115
Voluntary employee contributions up to 10%	11,539	75,519	87,058
Rollover contributions	-	34,069	34,069

H. State Fire and Police Pension Plan (FPPA Defined Benefit Plan)

Effective September 1, 2004, the City of Westminster began contributing to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan 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 of Westminster are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit 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.

The contribution requirements of plan members and the City of Westminster are established by statute. The contribution rate for the last three years to the Statewide Defined Benefit Plan for active plan members was either 8% or 10% of covered salary depending on date of hire, and for the employer was either 8% or 10% of covered salary, again depending on date of hire.

The City of Westminster's contributions to the Statewide Defined Benefit Plan for the years ending December 31, 2009, 2008, 2007 were \$1,708,355, \$1,637,615, and \$1,547,993, respectively, equal to the required contributions for each year. The following exhibit shows a detailed history of Annual Required Contributions (ARC) and actual contributions made to the plan:

Description	2007	2008	2009	Total
Employee Contribution 10%	\$ 588,171	\$ 606,866	\$ 609,913	\$ 1,804,950
Employee Contribution 8%	178,893	206,765	234,969	620,627
Employee Drop Program 10% *	13,865	10,353	18,592	42,810
Employer Contribution 10%	588,171	606,866	609,913	1,804,950
Employer Contribution 8%	178,893	206,765	234,968	620,626
Total	<u>\$ 1,547,993</u>	<u>\$ 1,637,615</u>	<u>\$ 1,708,355</u>	<u>\$ 4,893,963</u>

*The FPPA Deferred Retirement Option Plan (DROP) is part of the Statewide Defined Benefit Plan designed for members who are eligible to retire, but instead choose to continue employment for a specified period of time not to exceed five years. The City has no liability to match DROP program employee contributions.

Prior to 1997, the State of Colorado made a one-time contribution to fund future service costs for all firefighters hired prior to January 1, 1997. These members do not make contributions to the Statewide Death and Disability Plan. Aggregate contributions totaling 2.6% of payroll were made

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to the Statewide Death and Disability Plan in 2009 for firefighters hired on or after January 1, 1997, of which 1.9% and 0.7% were funded by the City and plan members, respectively. The contribution rate may vary from year to year, depending on actuarial experience.

I. Volunteer Firefighter Pension Fund

The City has fiduciary responsibility for a single-employer defined benefit retirement system (“the plan”) established by the Volunteers, which is included in the City’s financial reports as a pension trust fund.

Summary of Significant Accounting Policies

Basis of Accounting. Financial statements of the plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

Plan Description and Contribution Information

At December 31, 2009, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	32
Terminated volunteers entitled to benefits but not receiving them	0
Active plan members	<u>0</u>
Total	<u>32</u>

Plan Description. The plan provides retirement benefits as well as death and disability 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.

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.

Contributions. An actuarial study performed on January 1, 2009, 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 \$734,385. Therefore, no additional contributions are required at this time by either the Volunteers or the City. State statutes govern contribution requirements. For 2009, the City’s annual pension cost of \$0 for the Volunteer Firefighter Pension Plan was equal to the City’s required and actual contributions. The required

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contribution was determined as part of the 2009 actuarial valuation using the entry age actuarial cost method. The following exhibit shows a history of Annual Required Contributions (ARC) and Actual Contributions made to the plan:

Year Ended 31-Dec	Required Contribution	Actual Contribution	Percentage Contributed
2004	-	-	100%
2005	-	-	100%
2006	-	-	100%
2007	-	-	100%
2008	-	-	100%
2009	-	-	100%

(Note: From 2004 – 2009, there was no active plan members and therefore, no actual or required contributions.)

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. No annual employer contributions have been required. Therefore, the pension liability for the plan, determined in accordance with Statement No. 27 of the Government Accounting Standards Board (GASB), “*Accounting for Pensions by State and Local Government Employer*,” is zero, as it was previously reported prior to implementation of GASB Statement 27. Since Volunteers do not contribute to the plan, no plan assets are distributed if a volunteer is terminated prior to vesting.

Current Status of the Plan. 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, Council prior to dissolving the plan 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 Fire and Police Pension Association of Colorado (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. 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 FPPA audited annual financial report may be obtained by calling 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

Funded Status and Funding Progress-Volunteer Firefighter Pension Plan

Based on an amortization period of twenty years using the entry age actuarial cost method on an open level dollar amount basis, expected contributions exceed the amount recommended to fund the plan. The entry age actuarial cost method does not yield an unfunded actuarial liability.

Because Volunteers are not paid, no projected salary increases or cost-of-living adjustments are included in the actuarial assumptions.

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The schedule of funding progress presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

	2009
Actuarial Value of Assets	\$ 2,710,097
Actuarial Accrued Liability (AAL)	1,975,712
Excess/(Shortfall) of Assets over AAL	734,385
Funded Ratio	137%

Actuarial Methods and Assumptions

The actuarial valuation and annual required contributions (ARC) were determined using the entry age actuarial cost method since the plan has been dissolved and benefits capped. The actuarial assumptions used in the 2009 actuarial valuation included:

- a) Actuarial cost method: Entry Age
- b) Amortization method: Level Dollar – Open
- c) Remaining amortization period: 20 years
- d) Asset valuation method: Actuarial Value, based on a three-year moving average of expected and actual market values
- e) Investment rate of return: 8.0%
- f) No projected salary increases
- g) No cost of living increases
- h) Inflation rate: 3.5%

J. Retiree Health Program

Program Description. The Retiree Health Program (Program) is a single-employer defined benefit healthcare plan administered by the City of Westminster. The Program provides medical, dental, and vision insurance benefits to eligible retirees and their dependents until age 65 or upon becoming Medicare eligible. Benefits are provided for active employees and retirees under the same health care plan.

The Program offers self funded PPO and POS programs as well as a fully funded HMO. The dental benefit component is self funded and the vision benefit is paid solely by the participants in the Program.

Funding Policy. The Program provisions and requirements are established and may be amended by Council policy. The City funds OPEB expense on a pay-as-you-go basis. Program claims and fees for the self funded plan, and expected premiums for the fully funded plan totaled \$714,100 during 2009. Program members receiving benefits contributed \$227,426 in actual premiums equal to 100% of the equivalent premium recognized for active employees. The City’s pay-as-you-go program funding totaled \$486,674 during the year.

Annual OPEB Cost and Net OPEB Obligation. The City’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 45).

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The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover current year costs plus amortization for a portion of the unfunded accrued actuarial liability for Program benefits. The City implemented GASB 45 prospectively on January 1, 2007, and reports the net OPEB obligation at transition as zero in accordance with the provisions of the statement. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the Program, and changes in the City's net OPEB obligation.

Annual Required Contribution	\$ 427,554
Contributions made	(486,674)
Increase (Decrease) in net OPEB obligation	<u>(59,120)</u>
Net OPEB obligation - beginning of year	532,215
Net OPEB obligation - end of year	<u><u>\$ 473,095</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for years 2007-2009 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	\$ 360,000	44.20%	\$ 159,034
12/31/2008	391,882	4.80%	532,215
12/31/2009	427,554	113.83%	473,095

Funded Status and Funding Progress. As of January 1, 2009, the most recent actuarial valuation date, the Program was not funded. The unfunded actuarial accrued liability (UAAL) was \$4,000,000. The covered payroll (annual payroll of active employees covered by the Program) was \$52,697,614. The ratio of the UAAL to covered payroll was 7.6 percent.

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial accrued liability for benefits relative to the covered payroll of employees covered by the Program.

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the City and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the City and Program members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long term perspective of the calculations.

In the January 1, 2009 valuation, the projected Unit Credit with benefits attribution method was used. The actuarial assumptions included a 5.25 percent investment rate of return to calculate

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the ARC on a pay-as-you-go basis, which is the rate expected on short-term liquid investments. The Unfunded Actuarial Accrued Liability is amortized over the maximum acceptable period of 30 years. It is calculated assuming a level percentage of projected payroll on an open basis. Payroll is assumed to increase at 3.5% per year. The annual trend rates for health care costs applied on a select and ultimate basis are 11% and 5%, respectively. Select trends are reduced 0.5% each year until reaching the ultimate trend.

A separate financial report is not issued for the Retiree Medical Program.

K. 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, 2009, amounts required as Emergency Reserves in compliance with the Amendment total \$3,060,448 for the general government and an aggregate of \$17,368 for applicable component units. These amounts are shown as reservations of fund balance in the General and respective non-major funds as well as a restriction of Net Assets on the Statement of Net Assets.

L. 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.

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M. 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 sub-lease. The sub-lease 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. The City receives one-half of the net revenues received from the operation of the Ice Centre. 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 cities agree to their share of payments as set forth in the By-Laws of the Foundation. The City accrues one-half ownership interest in the property based on annual lease rental payments set forth in the financing document. The City records its interest in the Metzger Farm as a capital lease payable and as Joint Venture Land valued at \$4,920,000. At December 31, 2009, the City's fifty percent equity interest in the Foundation is \$615,648.

Financial statements for the Broomfield-Westminster Open Space Foundation may be obtained by contacting the City of Westminster Finance Department, 303-430-2400, extension 2040.

N. 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 assets as "Other Assets" in the Utility Fund.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009**

O. 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. 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 2 years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

P. 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, 2009, Industrial Revenue Bonds outstanding aggregated \$14,675,000.

Q. 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.

R. Property Held for Resale

WEDA acquired the abandoned portions of a townhome project within the Holly Park urban renewal area with the intention to clean-up the abandoned areas and ready the land for sale. The demolition of the uncompleted buildings and re-grading as well as improving the landscaping, restoring the irrigation system and general maintenance and upkeep of the property has yielded a redevelopment site of approximately 5.7 acres. At December 31, 2009, the property was reported as inventory in the financial statements at the fair market value of \$850,000. In December, 2009, WEDA also acquired an abandoned restaurant site in the Westminster Center Urban Reinvestment Plan Area as part of the overall reinvestment project. It is anticipated that the building will be demolished in 2010. No further activity on the site will occur until disposal and use of the property is determined as part of the final development agreement for the project area. At December 31, 2009, the property was reported as inventory in the financial statements at the fair market value of \$728,425.

S. Pollution Remediation

The State of Colorado, Department of Labor and Employment, Division of Oil and Public Safety 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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

discovered in 1986. A feasibility study performed by a consultant estimated the value of recovery costs on January 1, 2008 at \$550,000 for the remediation method selected by the City, Mobil Enhanced Fluid Recovery.

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 13-15 year period. At December 31, 2009, the pollution remediation liability was \$408,791. Changes in the cost elements are likely to occur as a result of new information and data collected. The cost estimation is between -30% and +50%.

T. Debt Refinancings

On May 08, 2009 the Westminster Economic Development Authority (WEDA) entered into a \$62,375,000 7-year term loan to advance refund \$64,885,000 of outstanding WEDA Tax Increment Adjustable Rate Revenue Bonds, Series 2005. The interest rate on the loan is determined as 60% of one-month LIBOR plus a margin of 2.30%. It is swapped into a fixed rate of 4.51% by an exchange rate agreement. The net proceeds of the Loan were used to immediately redeem the 2005 bonds plus accrued interest. As a result, the 2005 Series bonds are fully redeemed and the liability for those bonds has been removed from the City's ledgers.

The City advance refunded the 2005 Series bonds due to a credit downgrade of the direct pay Letter of Credit bank in the fall of 2008, which subsequently led investors to tender bonds back to the Bank.

On June 5, 2009 the Westminster Economic Development Authority (WEDA) issued \$5,330,000 of WEDA Tax Increment Revenue Refunding Bonds, Series 2009 with a coupon rate of 3.80% to advance refund \$5,330,000 of outstanding WEDA Tax Increment Revenue Bonds, Series 1997. The net proceeds of \$5,330,000 were used to immediately redeem the 1997 bonds. As a result, the 1997 Series bonds are considered to be fully redeemed and the liability for those bonds has been removed from the City's ledgers. The City then purchased all of the Series 2009 bonds as an eight-year investment.

The City advance refunded the 1997 Series bonds due to the bank choosing not to renew the direct pay Letter of Credit agreement.

On June 16, 2009 the Westminster Economic Development Authority (WEDA) entered into a \$8,075,000 fixed 3-year loan with a coupon rate of 4.95% to advance refund \$7,904,000 of outstanding WEDA Tax Increment Adjustable Rate Revenue Bonds, Series 2007. After the initial 3-year period, the interest rate will be reset. The net proceeds of \$8,075,000 were used to immediately redeem the 2007 bonds plus accrued interest. As a result, the 2007 Series bonds are considered to be fully redeemed and the liability for those bonds has been removed from the City's ledgers.

The City advance refunded the 2007 Series bonds due to a downgrade of the direct pay Letter of Credit bank in the fall of 2008, which subsequently led investors to tender bonds back to the Bank.

On September 23, 2009 the Westminster Economic Development Authority (WEDA) issued \$35,830,000 of WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds, Series 2009 with a weekly interest rate reset mode to advance refund \$35,347,125 of outstanding WEDA Tax Increment Adjustable Rate Revenue Bonds, Series 2006. The net proceeds of

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009**

\$35,830,000 were used to immediately redeem the 2006 bonds plus accrued interest. As a result, the 2006 Series bonds are considered to be fully redeemed and the liability for those bonds has been removed from the City's ledgers.

The City advance refunded the 2006 Series bonds due to a downgrade of the direct pay Letter of Credit bank in the fall of 2008, which subsequently led investors to tender bonds back to the Bank.

U. Restatements

Beginning Net Assets for the Utility Enterprise Statement of Revenues, Expenditures, and Changes in Net Assets has been restated to reflect a prior year transfer of capital improvements to the Woman Creek Reservoir Authority, as follows:

Net Assets - Utility Enterprise	
December 31, 2008, as originally stated	\$ 408,508,563
Decrease in net capital assets, net of related debt	(19,622,546)
Net Assets - Utility Enterprise	
December 31, 2008, as restated	<u><u>\$ 388,886,017</u></u>

Beginning Net Assets for the Government-wide, Statement of Activities, Business-type activities has been restated to reflect a prior year transfer of capital improvements to the Woman Creek Reservoir Authority, as follows:

Net Assets - Business-type activities	
December 31, 2008, as originally stated	\$ 420,217,423
Decrease in net capital assets, net of related debt	(19,622,546)
Net Assets - Business-type activities	
December 31, 2008, as restated	<u><u>\$ 400,594,877</u></u>

V. Subsequent Events

On April 8, 2010 the City entered into a \$117,000 loan with the Colorado Historical Foundation Revolving Loan Fund, the proceeds of which in part were used for rehabilitation of the Shoenberg Farm barn. The provisions of this loan call for the City to pay a fixed rate of interest calculated as 3% per annum. Interest payments are made on a semi-annual basis on April 1 and October 1 of each year beginning on October 1, 2010. All unpaid principal, accrued and unpaid interest, and all other sums due are payable in full at the maturity date of April 1 2015.

On May 25, 2010, the City's Utility Enterprise issued \$29.505 million in revenue bonds. Council previously approved a Reimbursement Resolution in August 2009 to reimburse expenses incurred for various capital projects prior to the bond sale.

W. Accountability

At December 31, 2009 the Community Development Block Grant Fund had a negative fund balance of \$162,674. Management expects this negative balance to be eliminated upon reimbursement by the Department of Housing and Urban Development for program expenditures.

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Property taxes	\$ 4,374,017	\$ 4,374,017	\$ 4,407,801	\$ 33,784
Business fees and other taxes	4,865,305	4,865,305	4,797,606	(67,699)
Accommodations taxes	995,500	995,500	676,157	(319,343)
Intergovernmental	5,034,622	5,289,349	5,237,324	(52,025)
Licenses and permits	1,597,600	1,597,600	1,127,900	(469,700)
Interest	799,989	799,989	618,091	(181,898)
Recreation fees	5,910,792	5,913,569	5,766,441	(147,128)
Fines and forfeits	2,211,050	2,211,050	2,062,964	(148,086)
Fleet maintenance billings and other	5,315,381	5,597,331	6,544,888	947,557
EMS billings	2,220,434	2,220,434	1,858,670	(361,764)
Total revenues	<u>33,324,690</u>	<u>33,864,144</u>	<u>33,097,842</u>	<u>(766,302)</u>
EXPENDITURES				
Governmental activities:				
General government				
City council	159,659	130,234	119,416	10,818
City attorney's office	956,270	952,614	933,188	19,426
City manager's office	1,201,582	1,253,678	1,071,344	182,334
Central charges	23,925,189	22,855,254	22,109,460	745,794
General services	7,850,458	7,824,003	7,307,870	516,133
Finance	1,647,225	1,638,775	1,610,895	27,880
Public safety				
Police	20,378,884	20,540,705	19,048,984	1,491,721
Fire	11,473,157	11,365,007	11,168,945	196,062
Public works				
Community development	7,133,147	7,005,518	6,754,884	250,634
Culture and recreation	3,702,889	3,700,662	3,381,262	319,400
Total governmental activities	<u>93,669,150</u>	<u>92,316,488</u>	<u>87,542,735</u>	<u>4,773,753</u>
Excess of revenues over (under) expenditures	<u>(60,344,460)</u>	<u>(58,452,344)</u>	<u>(54,444,893)</u>	<u>4,007,451</u>
OTHER FINANCING SOURCES (USES)				
Issuance of leases	-	562,530	562,530	-
Sale of capital asset	-	-	26,151	26,151
Transfers in	59,709,449	57,005,029	57,005,029	-
Transfers (out)	(80,000)	(648,000)	(648,000)	-
Total other financing sources (uses):	<u>59,629,449</u>	<u>56,919,559</u>	<u>56,945,710</u>	<u>26,151</u>
Net change in fund balance	(715,011)	(1,532,785)	2,500,817	4,033,602
Fund balances, beginning	715,011	1,532,785	17,344,303	15,811,518
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,845,120</u>	<u>\$ 19,845,120</u>

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes	\$ 53,337,125	\$ 55,401,001	\$ 52,609,957	\$ (2,791,044)
Use taxes	11,801,700	6,836,384	9,706,038	2,869,654
Interest	230,000	230,000	69,945	(160,055)
Total revenues	<u>65,368,825</u>	<u>62,467,385</u>	<u>62,385,940</u>	<u>(81,445)</u>
EXPENDITURES				
Governmental activities:				
General government	-	3,308,517	3,308,517	-
Total expenditures	<u>-</u>	<u>3,308,517</u>	<u>3,308,517</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(65,368,825)	(61,516,757)	(61,516,757)	-
Total other financing sources (uses):	<u>(65,368,825)</u>	<u>(61,516,757)</u>	<u>(61,516,757)</u>	<u>-</u>
Net change in fund balance	-	(2,357,889)	(2,439,334)	(81,445)
Fund balances, beginning	-	2,357,889	9,410,943	7,053,054
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,971,609</u>	<u>\$ 6,971,609</u>

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property tax increment	\$ 6,011,038	\$ 6,219,492	\$ 6,067,958	\$ (151,534)
Sales tax increment	9,065,075	7,494,159	6,899,318	(594,841)
Intergovernmental	-	93,000	91,439	(1,561)
Interest	-	131,038	211,353	80,315
Other	57	57	13,423	13,366
Total revenues	<u>15,076,170</u>	<u>13,937,746</u>	<u>13,283,491</u>	<u>(654,255)</u>
EXPENDITURES				
Governmental activities:				
General government	2,209,762	3,216,641	1,663,723	1,552,918
Capital projects	9,547,512	5,877,653	4,127,100	1,750,553
Debt service:				
Principal	4,319,496	11,682,371	10,753,875	928,496
Interest and fiscal charges	4,971,183	5,877,632	4,640,821	1,236,811
Bond issuance costs	-	1,062,799	1,003,757	59,042
Total expenditures	<u>21,047,953</u>	<u>27,717,096</u>	<u>22,189,276</u>	<u>5,527,820</u>
Excess of revenues over (under) expenditures	<u>(5,971,783)</u>	<u>(13,779,350)</u>	<u>(8,905,785)</u>	<u>4,873,565</u>
OTHER FINANCING SOURCES (USES)				
Issuance of refunding debt	-	118,260,000	111,610,000	(6,650,000)
Payment to bond escrow agent	-	(117,181,664)	(111,074,663)	6,107,001
Transfers in	293,000	1,196,176	1,396,175	199,999
Total other financing sources (uses):	<u>293,000</u>	<u>2,274,512</u>	<u>1,931,512</u>	<u>(343,000)</u>
Net change in fund balance	(5,678,783)	(11,504,838)	(6,974,273)	4,530,565
Fund balances, beginning	26,304,124	26,304,124	30,146,569	3,842,445
Fund balances, ending	<u>\$ 20,625,341</u>	<u>\$ 14,799,286</u>	<u>\$ 23,172,296</u>	<u>\$ 8,373,010</u>

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CITY OF WESTMINSTER, COLORADO
Schedules of Funding Progress
December 31, 2009

Retiree Health Program

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost		Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
		Method	Method				
1/1/2007 (a)	\$ -	\$	3,198,000	\$ 3,198,000	0%	\$ 48,655,116	6.6%
1/1/2009	-		4,000,000	4,000,000	0%	52,697,614	7.6%

(a) GASB 45 was implemented as of January 1, 2007; therefore, actuarial information on the Retiree Health Program is not available prior to that date

Volunteer Firefighter Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age Actuarial Cost		Overfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
		Method	Method				
12/31/2003	\$ 3,012,526	\$	2,343,745	\$ 668,781	128.50%	(a)	NA
12/31/2005	2,910,768		2,259,116	651,652	128.80%	(a)	NA
12/31/2007	3,213,932		2,100,669	1,113,263	153.00%	(a)	NA
12/31/2009	2,710,097		1,975,712	734,385	137.00%	(a)	NA

(a) Volunteer firefighters are not paid; therefore comparison of the over-funded actuarial accrued liability to covered payroll is not applicable.

CITY OF WESTMINSTER, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2009

Budgetary Information

A biennial city budget is legally adopted according to applicable generally accepted accounting principles for each fund type, except for the Investigation Recovery Special Revenue Fund, Volunteer Firefighter Pension Fund, internal service self insurance funds, and capital projects funds. 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, Parks, Open Space and Trails Fund, Conservation Trust Fund, and the Utility Enterprise 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 57 for detail on the continuing appropriations for capital project and project length budgets.

NON-MAJOR FUNDS

Governmental Activities 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.

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

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

136th Avenue General Improvement District (GID) 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.

Promenade Parking Garage General Improvement District (GID) Fund – accounts for revenues provided for and expenditures associated with the operation and maintenance of a parking garage within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

Mandalay Town Center General Improvement District (GID) 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 (GID) 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.

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.

Debt Service Funds

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 due in annual installments through December 1, 2021; interest at 4.0 to 5.0 percent. Financing is provided by the City's 3 percent sales and use tax.
- b) 2002 Sales and Use Tax Revenue Bonds of \$15,090,000 due in annual installments through December 1, 2022, interest at 3.40 to 5.25 percent. Financing is provided by the City's 3 percent sales and use tax.
- c) 2007A Sales and Use Tax Revenue Refunding Bonds of \$10,715,000 due in annual installments through December 1, 2016; interest at 4.0 to 5.50 percent. Financing is provided by the City's 3 percent sales and use tax.
- d) 2007B Special Purpose Sales and Use Tax Revenue Refunding Bonds of \$13,680,000 due in annual installments through December 1, 2016, interest at 4.0 to 5.5 percent. Financing is provided by the City's .25 percent open space sales and use tax.
- e) 2007C Sales and Use Tax Revenue Refunding Bonds of \$10,910,000 due in annual installments through December 1, 2016; interest at 4.0 to 5.25 percent. Financing is provided by the City's 3 percent sales and use tax.
- f) 2007D Special Purpose Sales and Use Tax Revenue Bonds of \$20,000,000 due in annual installments through December 1, 2031, interest at 4.0 to 5.0 percent. Financing is provided by the City's .25% percent open space sales and use tax.

Capital Projects Funds

Community Development Block Grant Fund - accounts for monies received from the Federal government through Community Development Block Grant entitlements. Funds are used to finance low income and senior housing. Additional financing is provided by General Fund revenues and investment earnings.

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 BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	Special Revenue Funds			
	Parks Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID
ASSETS				
Cash and cash equivalents	\$ 16,154	\$ 68,116	\$ 17,151	\$ 663
Investments	165,348	697,228	175,558	6,783
Receivables:				
Taxes	1,478,237	103,589	61,294	10,198
Accounts	-	499	315	1,119
Grants	540,000	-	-	-
Interest	16,607	6,266	1,576	176
Restricted assets:				
Cash and cash equivalents	128,160	-	-	-
Cash and cash equivalents with fiscal agent	1,026,116	-	-	-
Investments	1,311,840	-	-	-
Investments with fiscal agent	3,787,200	-	-	-
Total assets	<u>\$ 8,469,662</u>	<u>\$ 875,698</u>	<u>\$ 255,894</u>	<u>\$ 18,939</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other	\$ 47,673	\$ 301	\$ 724	\$ -
Accrued liabilities	4,541	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	540,000	103,589	61,294	10,198
Total liabilities	<u>592,214</u>	<u>103,890</u>	<u>62,018</u>	<u>10,198</u>
Fund balances:				
Reserved for:				
Emergencies	-	3,744	2,171	7,048
Debt service	-	-	-	331
Capital projects	6,253,316	-	-	-
Unreserved, reported in:				
Special revenue funds	1,624,132	768,064	191,705	1,362
Capital project funds	-	-	-	-
Total fund balances	<u>7,877,448</u>	<u>771,808</u>	<u>193,876</u>	<u>8,741</u>
Total liabilities and fund balances	<u>\$ 8,469,662</u>	<u>\$ 875,698</u>	<u>\$ 255,894</u>	<u>\$ 18,939</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Avenue GID	Conservation Trust	Investigation Recovery	Total
\$ 39	\$ 289	\$ 188	\$ -	\$ 5,496	\$ 108,096
394	2,954	1,921	-	56,261	1,106,447
157	27,912	28,562	-	-	1,709,949
-	3,020	1,688	-	134	6,775
-	-	-	-	-	540,000
3	259	185	13,609	1,420	40,101
-	-	-	85,072	-	213,232
-	-	-	-	-	1,026,116
-	-	-	870,795	-	2,182,635
-	-	-	-	-	3,787,200
<u>\$ 593</u>	<u>\$ 34,434</u>	<u>\$ 32,544</u>	<u>\$ 969,476</u>	<u>\$ 63,311</u>	<u>\$ 10,720,551</u>
\$ -	\$ -	\$ -	\$ 1,352	\$ -	\$ 50,050
-	-	-	-	-	4,541
-	-	-	-	-	-
157	27,912	28,562	-	-	771,712
<u>157</u>	<u>27,912</u>	<u>28,562</u>	<u>1,352</u>	<u>-</u>	<u>826,303</u>
-	2,690	1,715	-	-	17,368
436	-	2,267	-	-	3,034
-	-	-	-	-	6,253,316
-	3,832	-	968,124	63,311	3,620,530
-	-	-	-	-	-
436	6,522	3,982	968,124	63,311	9,894,248
<u>\$ 593</u>	<u>\$ 34,434</u>	<u>\$ 32,544</u>	<u>\$ 969,476</u>	<u>\$ 63,311</u>	<u>\$ 10,720,551</u>

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	Total
		Community Development	Other Governmental Funds
	Debt Service	Block Grant	
ASSETS			
Cash and cash equivalents	\$ 13,850	\$ -	\$ 121,946
Investments	141,764	-	1,248,211
Receivables:			
Taxes	-	-	1,709,949
Accounts	-	-	6,775
Grants	-	283,173	823,173
Interest	1,216	-	41,317
Restricted assets:			
Cash and cash equivalents	-	-	213,232
Cash and cash equivalents with fiscal agent	-	-	1,026,116
Investments	-	-	2,182,635
Investments with fiscal agent	-	-	3,787,200
Total assets	<u>\$ 156,830</u>	<u>\$ 283,173</u>	<u>\$ 11,160,554</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and other	\$ -	\$ -	\$ 50,050
Accrued liabilities	-	3,886	8,427
Due to other funds	-	158,788	158,788
Deferred revenue	-	283,173	1,054,885
Total liabilities	<u>-</u>	<u>445,847</u>	<u>1,272,150</u>
Fund balances:			
Reserved for:			
Emergencies	-	-	17,368
Debt service	156,830	-	159,864
Capital projects	-	-	6,253,316
Unreserved, reported in:			
Special revenue funds	-	-	3,620,530
Capital project funds	-	(162,674)	(162,674)
Total fund balances	<u>156,830</u>	<u>(162,674)</u>	<u>9,888,404</u>
Total liabilities and fund balances	<u>\$ 156,830</u>	<u>\$ 283,173</u>	<u>\$ 11,160,554</u>

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue Funds			
	Parks	Sheridan		
	Open Space & Trails	Crossing GID	Amherst GID	136th Ave GID
REVENUES				
Property taxes	\$ -	\$ 99,219	\$ 62,828	\$ 20,695
Sales taxes	4,124,947	-	-	-
Use taxes	676,347	-	-	-
Intergovernmental	950,000	7,218	4,552	213,707
Assessments	-	-	-	-
Interest	(31,280)	18,349	4,991	539
Fines and forfeits	-	-	-	-
Other	32,743	-	-	-
Total revenues	<u>5,752,757</u>	<u>124,786</u>	<u>72,371</u>	<u>234,941</u>
EXPENDITURES				
Governmental activities:				
General government	-	28,578	40,731	295,457
Public safety	-	-	-	-
Community development	1,265,988	-	-	-
Capital projects	2,960,763	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>4,226,751</u>	<u>28,578</u>	<u>40,731</u>	<u>295,457</u>
Excess of revenues over (under) expenditures	<u>1,526,006</u>	<u>96,208</u>	<u>31,640</u>	<u>(60,516)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital asset	143,313	-	-	-
Transfers in	180,000	-	-	-
Transfers (out)	(3,896,258)	-	-	-
Total other financing sources (uses):	<u>(3,572,945)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(2,046,939)	96,208	31,640	(60,516)
Fund balances - beginning	9,924,387	675,600	162,236	69,257
Fund balances - ending	<u>\$ 7,877,448</u>	<u>\$ 771,808</u>	<u>\$ 193,876</u>	<u>\$ 8,741</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Ave GID	Conservation Trust	Investigation Recovery	Total
\$ 173	\$ 46,618	\$ 31,959	\$ -	\$ -	\$ 261,492
-	-	-	-	-	4,124,947
-	-	-	-	-	676,347
-	41,556	24,402	756,938	-	1,998,373
-	-	-	-	-	-
-	1,509	801	49,878	5,367	50,154
-	-	-	-	3,049	3,049
-	-	-	-	-	32,743
<u>173</u>	<u>89,683</u>	<u>57,162</u>	<u>806,816</u>	<u>8,416</u>	<u>7,147,105</u>
168	102,138	69,041	-	-	536,113
-	-	-	-	23,958	23,958
-	-	-	-	-	1,265,988
-	-	-	509,033	-	3,469,796
-	-	-	-	-	-
-	-	-	-	-	-
<u>168</u>	<u>102,138</u>	<u>69,041</u>	<u>509,033</u>	<u>23,958</u>	<u>5,295,855</u>
5	(12,455)	(11,879)	297,783	(15,542)	1,851,250
-	-	-	-	-	143,313
-	-	-	-	-	180,000
-	-	-	(725,717)	-	(4,621,975)
-	-	-	(725,717)	-	(4,298,662)
5	(12,455)	(11,879)	(427,934)	(15,542)	(2,447,412)
431	18,977	15,861	1,396,058	78,853	12,341,660
<u>\$ 436</u>	<u>\$ 6,522</u>	<u>\$ 3,982</u>	<u>\$ 968,124</u>	<u>\$ 63,311</u>	<u>\$ 9,894,248</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009
(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	
		Community Development	Total Other Governmental
	Debt Service	Block Grant	Funds
REVENUES			
Property taxes	\$ -	\$ -	\$ 261,492
Sales taxes	-	-	4,124,947
Use taxes	-	-	676,347
Intergovernmental	275,742	338,068	2,612,183
Assessments	4,000	-	4,000
Interest	86,302	-	136,456
Fines and forfeits	-	-	3,049
Other	-	-	32,743
Total revenues	<u>366,044</u>	<u>338,068</u>	<u>7,851,217</u>
EXPENDITURES			
Governmental activities:			
General government	-	-	536,113
Public safety	-	-	23,958
Community development	-	-	1,265,988
Capital projects	-	526,358	3,996,154
Debt service:			
Principal	4,785,000	-	4,785,000
Interest and fiscal charges	3,242,859	-	3,242,859
Total expenditures	<u>8,027,859</u>	<u>526,358</u>	<u>13,850,072</u>
Excess of revenues over (under) expenditures	<u>(7,661,815)</u>	<u>(188,290)</u>	<u>(5,998,855)</u>
OTHER FINANCING SOURCES AND (USES)			
Sale of asset	-	-	143,313
Transfers in	7,479,867	-	7,659,867
Transfers (out)	-	-	(4,621,975)
Total other financing sources (uses):	<u>7,479,867</u>	<u>-</u>	<u>3,181,205</u>
Net change in fund balance	(181,948)	(188,290)	(2,817,650)
Fund balances - beginning	338,778	25,616	12,706,054
Fund balances - ending	<u>\$ 156,830</u>	<u>\$ (162,674)</u>	<u>\$ 9,888,404</u>

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Sales taxes	\$ 4,332,357	\$ 3,972,357	\$ 4,124,947	\$ 152,590
Use taxes	896,029	746,029	676,347	(69,682)
Intergovernmental	-	540,000	950,000	410,000
Interest	31,000	31,000	(31,280)	(62,280)
Other	88,832	108,685	32,743	(75,942)
Total revenues	<u>5,348,218</u>	<u>5,398,071</u>	<u>5,752,757</u>	<u>354,686</u>
EXPENDITURES				
Governmental activities:				
Community development	1,519,956	1,824,809	1,265,988	558,821
Capital projects	9,216,065	9,216,065	2,960,763	6,255,302
Total expenditures	<u>10,736,021</u>	<u>11,040,874</u>	<u>4,226,751</u>	<u>6,814,123</u>
Excess of revenues over (under) expenditures	<u>(5,387,803)</u>	<u>(5,642,803)</u>	<u>1,526,006</u>	<u>7,168,809</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital asset	-	142,996	143,313	317
Transfers in	180,000	180,000	180,000	-
Transfers (out)	(4,008,262)	(3,896,258)	(3,896,258)	-
Total other financing sources (uses):	<u>(3,828,262)</u>	<u>(3,573,262)</u>	<u>(3,572,945)</u>	<u>317</u>
Net change in fund balance	(9,216,065)	(9,216,065)	(2,046,939)	7,169,126
Fund balances, beginning	9,216,065	9,216,065	9,924,387	708,322
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,877,448</u>	<u>\$ 7,877,448</u>

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 99,551	\$ 99,551	\$ 99,219	\$ (332)
Intergovernmental	8,400	8,400	7,218	(1,182)
Interest	22,574	22,574	18,349	(4,225)
Total revenues	<u>130,525</u>	<u>130,525</u>	<u>124,786</u>	<u>(5,739)</u>
EXPENDITURES				
Governmental activities:				
General government	63,493	63,493	28,578	34,915
Total expenditures	<u>63,493</u>	<u>63,493</u>	<u>28,578</u>	<u>34,915</u>
Net change in fund balance	67,032	67,032	96,208	29,176
Fund balances, beginning	644,517	644,517	675,600	31,083
Fund balances, ending	<u>\$ 711,549</u>	<u>\$ 711,549</u>	<u>\$ 771,808</u>	<u>\$ 60,259</u>

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 62,780	\$ 62,780	\$ 62,828	\$ 48
Intergovernmental	5,300	5,300	4,552	(748)
Interest	4,244	4,244	4,991	747
Total revenues	<u>72,324</u>	<u>72,324</u>	<u>72,371</u>	<u>47</u>
EXPENDITURES				
Governmental activities:				
General government	55,942	55,942	40,731	15,211
Total expenditures	<u>55,942</u>	<u>55,942</u>	<u>40,731</u>	<u>15,211</u>
Net change in fund balance	16,382	16,382	31,640	15,258
Fund balances, beginning	141,462	141,462	162,236	20,774
Fund balances, ending	<u>\$ 157,844</u>	<u>\$ 157,844</u>	<u>\$ 193,876</u>	<u>\$ 36,032</u>

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 218,446	\$ 9,992	\$ 20,695	\$ 10,703
Intergovernmental	16,500	224,954	213,707	(11,247)
Interest	3,500	3,500	539	(2,961)
Total revenues	<u>238,446</u>	<u>238,446</u>	<u>234,941</u>	<u>(3,505)</u>
EXPENDITURES				
Governmental activities:				
General government	19,715	295,457	295,457	-
Total expenditures	<u>19,715</u>	<u>295,457</u>	<u>295,457</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>218,731</u>	<u>(57,011)</u>	<u>(60,516)</u>	<u>(3,505)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(263,007)	-	-	-
Total other financing sources (uses):	<u>(263,007)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(44,276)	(57,011)	(60,516)	(3,505)
Fund balances, beginning	65,561	65,561	69,257	3,696
Fund balances, ending	<u>\$ 21,285</u>	<u>\$ 8,550</u>	<u>\$ 8,741</u>	<u>\$ 191</u>

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 PROMENADE PARKING GARAGE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 168	\$ 168	\$ 173	\$ 5
Total revenues	<u>168</u>	<u>168</u>	<u>173</u>	<u>5</u>
EXPENDITURES				
Governmental activities:				
General government	168	168	168	-
Total expenditures	<u>168</u>	<u>168</u>	<u>168</u>	<u>-</u>
Net change in fund balance	-	-	5	5
Fund balances, beginning	425	425	431	6
Fund balances, ending	<u>\$ 425</u>	<u>\$ 425</u>	<u>\$ 436</u>	<u>\$ 11</u>

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Property taxes	\$ 46,631	\$ 46,631	\$ 46,618	\$ (13)
Intergovernmental	40,400	40,400	41,556	1,156
Interest	950	950	1,509	559
Total revenues	<u>87,981</u>	<u>87,981</u>	<u>89,683</u>	<u>1,702</u>
EXPENDITURES				
Governmental activities:				
General government	103,699	103,699	102,138	1,561
Total expenditures	<u>103,699</u>	<u>103,699</u>	<u>102,138</u>	<u>1,561</u>
Excess of revenues over (under) expenditures	<u>(15,718)</u>	<u>(15,718)</u>	<u>(12,455)</u>	<u>3,263</u>
Net change in fund balance	(15,718)	(15,718)	(12,455)	3,263
Fund balances, beginning	19,026	19,026	18,977	(49)
Fund balances, ending	<u>\$ 3,308</u>	<u>\$ 3,308</u>	<u>\$ 6,522</u>	<u>\$ 3,214</u>

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
144TH AVENUE GENERAL IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Property taxes	\$ 33,844	\$ 33,844	\$ 31,959	\$ (1,885)
Intergovernmental	30,000	30,000	24,402	(5,598)
Interest	710	710	801	91
Total revenues	<u>64,554</u>	<u>64,554</u>	<u>57,162</u>	<u>(7,392)</u>
EXPENDITURES				
Governmental activities:				
General government	<u>20,508</u>	<u>76,508</u>	<u>69,041</u>	<u>7,467</u>
Total expenditures	<u>20,508</u>	<u>76,508</u>	<u>69,041</u>	<u>7,467</u>
Excess of revenues over (under) expenditures	<u>44,046</u>	<u>(11,954)</u>	<u>(11,879)</u>	<u>75</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(56,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses):	<u>(56,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(11,954)	(11,954)	(11,879)	75
Fund balances, beginning	15,033	15,033	15,861	828
Fund balances, ending	<u>\$ 3,079</u>	<u>\$ 3,079</u>	<u>\$ 3,982</u>	<u>\$ 903</u>

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 625,000	\$ 625,000	\$ 756,938	\$ 131,938
Interest	-	-	49,878	49,878
Total revenues	<u>625,000</u>	<u>625,000</u>	<u>806,816</u>	<u>181,816</u>
EXPENDITURES				
Capital projects	844,165	1,019,165	509,033	510,132
Total expenditures	<u>844,165</u>	<u>1,019,165</u>	<u>509,033</u>	<u>510,132</u>
Excess of revenues over (under) expenditures	<u>(219,165)</u>	<u>(394,165)</u>	<u>297,783</u>	<u>691,948</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(725,717)	(725,717)	-
Total other financing sources (uses):	<u>-</u>	<u>(725,717)</u>	<u>(725,717)</u>	<u>-</u>
Net change in fund balance	(219,165)	(1,119,882)	(427,934)	691,948
Fund balances, beginning	219,165	1,119,882	1,396,058	276,176
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 968,124</u>	<u>\$ 968,124</u>

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 263,007	\$ 275,742	\$ 12,735
Assessments	-	-	4,000	4,000
Interest	75,000	75,000	86,302	11,302
Total revenues	<u>75,000</u>	<u>338,007</u>	<u>366,044</u>	<u>28,037</u>
EXPENDITURES				
Debt service:				
Principal	4,785,000	4,785,000	4,785,000	-
Interest and fiscal charges	3,248,461	3,248,461	3,242,859	5,602
Total expenditures	<u>8,033,461</u>	<u>8,033,461</u>	<u>8,027,859</u>	<u>5,602</u>
Excess of revenues over (under) expenditures	<u>(7,958,461)</u>	<u>(7,695,454)</u>	<u>(7,661,815)</u>	<u>33,639</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,969,373	7,479,867	7,479,867	-
Total other financing sources (uses):	<u>7,969,373</u>	<u>7,479,867</u>	<u>7,479,867</u>	<u>-</u>
Net change in fund balance	10,912	(215,587)	(181,948)	33,639
Fund balances, beginning	(10,912)	215,587	338,778	123,191
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,830</u>	<u>\$ 156,830</u>

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating revenues				
Charges for services	\$ 40,574,370	\$ 40,574,370	\$ 37,476,945	\$ (3,097,425)
Other	510,000	577,532	308,748	(268,784)
Total operating revenues	<u>41,084,370</u>	<u>41,151,902</u>	<u>37,785,693</u>	<u>(3,366,209)</u>
Operating expenses				
Personnel services	15,180,697	15,208,333	14,807,638	400,695
Contractual services	12,606,951	14,626,470	13,430,073	1,196,397
Commodities	2,010,487	1,903,257	1,171,390	731,867
Capital expense	50,388,245	59,960,176	20,326,547	39,633,629
Insurance and other expenses	-	50,000	47,502	2,498
Total operating expenses	<u>80,186,380</u>	<u>91,748,236</u>	<u>49,783,150</u>	<u>41,965,086</u>
Operating income (loss)	<u>(39,102,010)</u>	<u>(50,596,334)</u>	<u>(11,997,457)</u>	<u>38,598,877</u>
Non-operating revenues (expenses)				
Income on investments	2,748,621	2,748,621	1,152,830	(1,595,791)
Debt service	(6,303,419)	(6,273,019)	(5,532,113)	740,906
Grants	-	21,965	17,238	(4,727)
Disposition of assets	-	-	56,684	56,684
Total Non-operating revenues (expenses)	<u>(3,554,798)</u>	<u>(3,502,433)</u>	<u>(4,305,361)</u>	<u>(802,928)</u>
Income (loss) before contributions and transfers	<u>(42,656,808)</u>	<u>(54,098,767)</u>	<u>(16,302,818)</u>	<u>37,795,949</u>
Capital contributions	7,020,000	7,020,000	2,138,217	(4,881,783)
Transfers in	11,041,474	24,580,192	36,299,922	11,719,730
Transfers (out)	(11,041,474)	(36,432,904)	(36,432,903)	1
Change in net assets	<u>\$ (35,636,808)</u>	<u>\$ (58,931,479)</u>	<u>(14,297,582)</u>	<u>\$ 44,633,897</u>
Adjustments to GAAP basis				
Debt				
Principal payments			3,913,088	
Amortization of prepaid bond sale expense			(221,698)	
Amortization of premiums and discounts			(90,216)	
Accrued interest adjustment			(10,952)	
Capital assets				
Acquisitions			14,144,420	
Net book value of disposals			(312,681)	
Capital contributions			1,263,449	
Depreciation			(10,842,313)	
Change in net assets, GAAP basis			<u>\$ (6,454,485)</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues				
Charges for services	\$ 3,336,142	\$ 2,968,142	\$ 2,728,363	\$ (239,779)
Other	-	-	1,665	1,665
Total operating revenues	<u>3,336,142</u>	<u>2,968,142</u>	<u>2,730,028</u>	<u>(238,114)</u>
Operating Expenses				
Personnel services	1,641,588	1,640,588	1,638,287	2,301
Contractual services	1,104,860	1,079,381	794,958	284,423
Commodities	546,478	554,578	517,117	37,461
Capital expense	10,923	469,047	475,482	(6,435)
Total operating expenses	<u>3,303,849</u>	<u>3,743,594</u>	<u>3,425,844</u>	<u>317,750</u>
Operating income (loss)	<u>32,293</u>	<u>(775,452)</u>	<u>(695,816)</u>	<u>79,636</u>
Non-operating revenues (expenses)				
Income on investments	-	-	17,191	17,191
Debt service	(499,565)	(499,565)	(499,565)	-
Other	-	-	1,019	1,019
Total non-operating revenues (expenses)	<u>(499,565)</u>	<u>(499,565)</u>	<u>(481,355)</u>	<u>18,210</u>
Income (loss) before transfers	(467,272)	(1,275,017)	(1,177,171)	97,846
Issuance of leases	-	439,745	439,745	-
Transfers in	467,272	835,272	881,330	46,058
Change in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>143,904</u>	<u>\$ 143,904</u>
Adjustments to GAAP basis				
Debt				
Principal payments			401,263	
Issuance of leases			(439,745)	
Amortization of premiums and discounts			(4,418)	
Accrued interest adjustment			709	
Capital assets				
Acquisitions			64,726	
Depreciation			(554,228)	
Change in net assets, GAAP basis			<u>\$ (387,789)</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues				
Charges for services	\$ 890,172	\$ 890,172	\$ 920,327	\$ 30,155
Total operating revenues	<u>890,172</u>	<u>890,172</u>	<u>920,327</u>	<u>30,155</u>
Operating expenses				
Personnel services	149,809	149,809	156,322	(6,513)
Contractual services	261,790	269,690	261,183	8,507
Commodities	169,680	169,680	163,911	5,769
Insurance and other expenses	35,616	35,616	29,063	6,553
Total operating expenses	<u>616,895</u>	<u>624,795</u>	<u>610,479</u>	<u>14,316</u>
Operating income (loss)	<u>273,277</u>	<u>265,377</u>	<u>309,848</u>	<u>44,471</u>
Non-operating revenues (expenses)				
Income on investments	2,232	2,232	7,689	5,457
Debt service	(276,542)	(376,542)	(368,276)	8,266
Other	(906)	(906)	(41,906)	(41,000)
Total non-operating revenues (expenses)	<u>(275,216)</u>	<u>(375,216)</u>	<u>(402,493)</u>	<u>(27,277)</u>
Change in net assets	<u>\$ (1,939)</u>	<u>\$ (109,839)</u>	(92,645)	<u>\$ 17,194</u>
Adjustments to GAAP basis				
Debt				
Principal payments			281,715	
Accrued interest adjustment			(11,913)	
Capital assets				
Capital contributions			115,554	
Depreciation			(171,830)	
Change in net assets, GAAP basis			<u>\$ 120,881</u>	

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2009

	Governmental Activities 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	\$ 365,690	\$ 308,940	\$ 272,832	\$ 278,754	\$ 1,226,216
Cash and cash equivalents with fiscal agent	114,212	-	-	-	114,212
Investments	3,743,181	3,162,298	2,792,693	2,853,315	12,551,487
Receivables:					
Accounts	-	25,698	4,467	-	30,165
Interest	32,773	28,813	25,057	25,825	112,468
Prepaid items	-	-	-	100,000	100,000
Total current assets	<u>4,255,856</u>	<u>3,525,749</u>	<u>3,095,049</u>	<u>3,257,894</u>	<u>14,134,548</u>
Non-current assets:					
Capital assets:					
Depreciable assets, net	-	-	-	5,387,350	5,387,350
Total assets	<u>4,255,856</u>	<u>3,525,749</u>	<u>3,095,049</u>	<u>8,645,244</u>	<u>19,521,898</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other	321,515	12,818	53,361	14,268	401,962
Accrued liabilities	2,740	-	4,396	-	7,136
Lease payable, current portion	-	-	-	296,368	296,368
Other liabilities, current portion	875	-	-	-	875
Accrued interest	-	-	-	9,441	9,441
Estimated claims	757,591	552,597	239,485	-	1,549,673
Total current liabilities	<u>1,082,721</u>	<u>565,415</u>	<u>297,242</u>	<u>320,077</u>	<u>2,265,455</u>
Non-current liabilities:					
Leases payable	-	-	-	856,788	856,788
Other liabilities	16,883	-	4,533	-	21,416
Total non-current liabilities	<u>16,883</u>	<u>-</u>	<u>4,533</u>	<u>856,788</u>	<u>878,204</u>
Total liabilities	<u>1,099,604</u>	<u>565,415</u>	<u>301,775</u>	<u>1,176,865</u>	<u>3,143,659</u>
NET ASSETS					
Invested in capital assets, net of related debt	-	-	-	4,234,194	4,234,194
Unrestricted	3,156,252	2,960,334	2,793,274	3,234,185	12,144,045
Total net assets	<u>\$ 3,156,252</u>	<u>\$ 2,960,334</u>	<u>\$ 2,793,274</u>	<u>\$ 7,468,379</u>	<u>\$ 16,378,239</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	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	\$ 9,994,548	\$ 1,091,885	\$ 1,373,707	\$ 551,216	\$ 13,011,356
Total operating revenues	<u>9,994,548</u>	<u>1,091,885</u>	<u>1,373,707</u>	<u>551,216</u>	<u>13,011,356</u>
Operating expenses					
Personnel services	91,849	5,685	150,154	-	247,688
Contractual services	1,048,186	139,248	498,872	-	1,686,306
Commodities	-	1,685	339	-	2,024
Capital Expense	-	-	-	118,386	118,386
Insurance and other expenses	9,672,815	646,245	501,797	-	10,820,857
Depreciation	-	-	-	1,002,692	1,002,692
Total operating expenses	<u>10,812,850</u>	<u>792,863</u>	<u>1,151,162</u>	<u>1,121,078</u>	<u>13,877,953</u>
Operating income (loss)	<u>(818,302)</u>	<u>299,022</u>	<u>222,545</u>	<u>(569,862)</u>	<u>(866,597)</u>
Non-operating revenues (expenses)					
Income on investments	75,921	80,069	65,292	73,097	294,379
Interest expense	-	-	-	(49,001)	(49,001)
Gain (loss) on disposition of capital assets	-	-	-	31,861	31,861
Other	107,293	-	-	-	107,293
Total non-operating revenues (expenses)	<u>183,214</u>	<u>80,069</u>	<u>65,292</u>	<u>55,957</u>	<u>384,532</u>
Income (loss) before contributions and transfers	<u>(635,088)</u>	<u>379,091</u>	<u>287,837</u>	<u>(513,905)</u>	<u>(482,065)</u>
Capital contributions	-	-	-	64,826	64,826
Change in net assets	<u>(635,088)</u>	<u>379,091</u>	<u>287,837</u>	<u>(449,079)</u>	<u>(417,239)</u>
Net assets - beginning	3,791,340	2,581,243	2,505,437	7,917,458	16,795,478
Net assets - ending	<u>\$ 3,156,252</u>	<u>\$ 2,960,334</u>	<u>\$ 2,793,274</u>	<u>\$ 7,468,379</u>	<u>\$ 16,378,239</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Governmental Activities Internal Service Funds				Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
Cash flows from operating activities:					
Cash received from customers	\$ 9,994,548	\$ 1,084,098	\$ 1,369,240	\$ 551,216	\$ 12,999,102
Cash payments to employees for services	(92,080)	-	(145,217)	-	(237,297)
Cash payments to suppliers for goods and services	(10,324,862)	(916,079)	(1,128,375)	(246,728)	(12,616,044)
Net cash provided by (used in) operating activities	<u>(422,394)</u>	<u>168,019</u>	<u>95,648</u>	<u>304,488</u>	<u>145,761</u>
Cash flows from noncapital financing activities:					
Miscellaneous	107,293	-	-	-	107,293
Net cash provided by (used in) noncapital financing activities	<u>107,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,293</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(306,667)	(306,667)
Interest paid on long term debt	-	-	-	(50,174)	(50,174)
Acquisition and construction of capital assets	-	-	-	(748,800)	(748,800)
Proceeds from sale of capital assets	-	-	-	57,760	57,760
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,047,881)</u>	<u>(1,047,881)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	249,333	(272,936)	(189,778)	549,764	336,383
Interest received on investments	87,221	82,080	68,077	81,617	318,995
Net cash provided by (used in) investing activities	<u>336,554</u>	<u>(190,856)</u>	<u>(121,701)</u>	<u>631,381</u>	<u>655,378</u>
Net increase (decrease) in cash and cash equivalents	21,453	(22,837)	(26,053)	(112,012)	(139,449)
Cash and cash equivalents - beginning of year	458,449	331,777	298,885	390,766	1,479,877
Cash and cash equivalents - end of year	<u>\$ 479,902</u>	<u>\$ 308,940</u>	<u>\$ 272,832</u>	<u>\$ 278,754</u>	<u>\$ 1,340,428</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (818,302)	\$ 299,022	\$ 222,545	\$ (569,862)	\$ (866,597)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	1,002,692	1,002,692
(Increase) decrease in accounts receivable	-	(7,788)	(4,467)	-	(12,255)
(Increase) decrease in prepaid items	-	2,700	-	(100,000)	(97,300)
Increase (decrease) in accounts payable and other	97,580	(6,689)	(80,183)	(28,342)	(17,634)
Increase (decrease) in accrued liabilities	(1,263)	-	2,507	-	1,244
Increase (decrease) in estimated claims	299,591	(119,226)	(44,754)	-	135,611
Total adjustments	<u>395,908</u>	<u>(131,003)</u>	<u>(126,897)</u>	<u>874,350</u>	<u>1,012,358</u>
Net cash provided by (used in) operating activities	<u>\$ (422,394)</u>	<u>\$ 168,019</u>	<u>\$ 95,648</u>	<u>\$ 304,488</u>	<u>\$ 145,761</u>

Non-cash investing, capital, and financing activities:

- The unrecognized gain (loss) recorded to value the non-cash investments of the City's internal service funds to fair market value was \$243,129
- Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$64,826

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating revenues				
Charges for services	\$ 1,065,465	\$ 194,375	\$ 551,216	\$ 356,841
Total operating revenues	<u>1,065,465</u>	<u>194,375</u>	<u>551,216</u>	<u>356,841</u>
Operating expenses				
Capital expense	4,563,147	3,925,619	1,065,572	2,860,047
Total operating expenses	<u>4,563,147</u>	<u>3,925,619</u>	<u>1,065,572</u>	<u>2,860,047</u>
Operating income (loss)	<u>(3,497,682)</u>	<u>(3,731,244)</u>	<u>(514,356)</u>	<u>3,216,888</u>
Non-operating revenues (expenses)				
Income on investments	-	-	73,097	73,097
Debt service	-	-	(366,283)	(366,283)
Disposition of assets	-	-	57,760	57,760
Total Non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>(235,426)</u>	<u>(235,426)</u>
Change in net assets	<u>\$ (3,497,682)</u>	<u>\$ (3,731,244)</u>	(749,782)	<u>\$ 2,981,462</u>
Adjustments to GAAP basis				
Debt				
Principal payments			306,667	
Accrued interest adjustment			10,615	
Capital assets				
Acquisitions			947,186	
Net book value of disposals			(25,899)	
Capital contributions			64,826	
Depreciation			(1,002,692)	
Change in net assets, GAAP basis			<u>\$ (449,079)</u>	

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STATISTICAL SECTION

Table

Financial Trends Information

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

Net Assets by Component	1
Changes in Net Assets	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
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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 Assets by Component
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities								
Invested in capital assets, net of related debt	\$158,875,846	\$160,998,545	\$177,034,028	\$174,180,185	\$198,949,426	\$182,883,693	\$188,252,570	\$194,284,140
Restricted	36,445,526	30,686,285	30,387,925	45,756,100	3,978,822	3,275,792	4,427,178	4,588,769
Unrestricted	67,848,480	72,256,476	62,116,184	32,614,076	53,798,749	60,247,261	65,813,768	63,022,215
Total governmental activities net assets	\$263,169,852	\$263,941,306	\$269,538,137	\$252,550,361	\$256,726,997	\$246,406,746	\$258,493,516	\$261,895,124
Business-type activities								
Invested in capital assets, net of related debt	\$329,710,391	\$343,627,745	\$321,320,685	\$296,968,005	\$288,116,734	\$280,402,901	\$276,220,697	\$265,141,364
Restricted	5,486,422	3,424,753	3,406,636	3,384,483	3,371,769	3,939,139	690,739	854,757
Unrestricted	58,676,671	73,164,925	83,341,972	96,573,378	81,944,889	74,959,025	74,913,867	79,999,022
Total business-type activities net assets	\$393,873,484	\$420,217,423	\$408,069,293	\$396,925,866	\$373,433,392	\$359,301,065	\$351,825,303	\$345,995,143
Primary government								
Invested in capital assets, net of related debt	\$488,586,237	\$504,626,290	\$498,354,713	\$471,148,190	\$487,066,160	\$463,286,594	\$464,473,267	\$459,425,504
Restricted	41,931,948	34,111,038	33,794,561	49,140,583	7,350,591	7,214,931	5,117,917	5,443,526
Unrestricted	126,525,151	145,421,401	145,458,156	129,187,454	135,743,638	135,206,286	140,727,635	143,021,237
Total primary government net assets	\$657,043,336	\$684,158,729	\$677,607,430	\$649,476,227	\$630,160,389	\$605,707,811	\$610,318,819	\$607,890,267

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2002.

Note: Prior year transactions affecting the beginning Net Assets were restated in the reporting year as follows:

2006: \$401,667 decrease GCORF depreciation expense, \$1,098,603 Utility Fund increase construction expense, \$1,132,332 Governmental

Activities decrease depreciation expense, \$8,889,537 increase construction expense, \$692,455 decrease loss on disposal of assets

2005: \$535,927 Government Activities accreted interest subtracted from capital lease payable

2004: \$839,626 WEDA decrease interest expense, \$839,626 General Fund increase interest expense, \$1,894,844 Governmental Activities accreted interest added to capital lease payable

Table 2
City of Westminster
Changes in Net Assets
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Expenses								
Governmental activities:								
General government	\$36,876,436	\$37,827,492	\$30,083,440	\$26,755,382	\$28,375,433	\$27,373,824	\$23,149,819	\$16,535,561
Public safety	31,552,454	31,797,184	30,077,636	29,526,569	28,211,005	25,188,099	21,748,704	20,257,253
Public works	13,941,301	13,748,911	14,501,794	14,385,925	7,793,659	6,669,236	6,259,809	6,434,332
Community development	12,454,872	17,656,461	14,059,071	24,290,269	14,849,423	20,668,261	3,492,112	3,853,280
Culture and recreation	20,368,098	17,307,667	17,829,533	11,481,246	13,498,043	13,487,779	12,773,283	13,462,288
Capital projects	0	0	0	0	0	7,761,325	2,556,076	9,017,184
Interest and fiscal charges	8,449,810	7,845,618	7,394,096	9,052,813	2,964,876	4,721,589	3,621,023	4,149,821
Unallocated depreciation	479,427	488,012	1,095,078	1,099,897	11,354,543	11,885,480	10,327,198	9,502,822
Total governmental activities expenses	124,122,398	126,671,345	115,040,648	116,592,101	107,046,982	117,755,593	83,928,024	83,212,541
Business-type activities:								
Utility	48,678,931	45,569,405	40,329,042	37,840,442	30,937,189	31,668,693	30,161,907	29,375,900
Golf	4,017,357	4,128,726	3,410,562	3,301,699	3,171,327	3,534,028	3,170,192	3,181,173
Westminster Building Authority	0	0	0	0	68,559	120,821	149,035	82,313
Westminster Housing Authority	922,689	969,722	995,606	947,135	1,325,012	996,062	818,719	791,391
Total business-type activities expenses	53,618,977	50,667,853	44,735,210	42,089,276	35,502,087	36,319,604	34,299,853	33,430,777
Total primary government expenses	\$177,741,375	\$177,339,198	\$159,775,858	\$158,681,377	\$142,549,069	\$154,075,197	\$118,227,877	\$116,643,318
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$4,497,892	\$5,666,074	\$7,432,044	\$5,319,186	\$5,591,578	\$6,297,375	\$2,821,007	\$1,881,594
Public safety	4,225,333	4,096,692	4,053,890	4,498,935	4,195,334	3,692,640	3,223,216	3,381,639
Public works	1,777,317	1,527,937	0	0	0	0	159,478	148,593
Community development	400,784	246,084	77,884	117,934	178,163	228,753	295,462	203,494
Culture and recreation	6,249,434	6,908,729	5,753,903	6,297,123	5,913,673	5,649,992	5,873,713	5,951,419
Operating grants and contributions	4,300,000	5,486,482	5,748,908	5,329,834	4,165,796	4,716,909	5,210,404	4,847,307
Capital grants and contributions	7,113,267	8,736,385	14,261,659	10,067,149	10,400,100	9,012,841	7,334,926	9,160,429
Total governmental activities revenues	28,564,027	32,668,383	37,328,288	31,630,161	30,444,644	29,598,510	24,918,206	25,574,475

Business-type activities:										
Charges for services:										
Utility	37,785,693	41,355,962	37,009,477	37,639,880	34,574,051	29,890,164	31,528,197	33,425,886		
Golf	2,730,028	3,137,704	3,197,655	2,993,881	2,932,389	2,825,291	2,925,457	3,172,925		
Westminster Building Authority	0	0	0	0	15,655	17,020	17,847	464,451		
Westminster Housing Authority	920,327	901,313	902,899	887,721	878,870	835,157	794,098	780,092		
Operating grants and contributions	0	0	0	0	0	0	0	0		
Capital grants and contributions	3,534,458	12,590,561	7,809,021	15,704,276	14,934,514	11,002,884	9,305,522	15,459,049		
Total business-type activities revenues	44,970,506	57,985,540	48,919,052	57,225,758	53,335,479	44,570,516	44,571,121	53,302,403		
Total primary government revenues	\$73,534,533	\$90,653,923	\$86,247,340	\$88,655,919	\$83,780,123	\$74,169,026	\$69,489,327	\$78,876,878		

Net (expense)/revenue										
Governmental activities	(\$95,558,371)	(\$94,002,962)	(\$77,712,360)	(\$84,961,940)	(\$76,602,338)	(\$88,157,083)	(\$59,009,818)	(\$57,638,066)		
Business-type activities	(8,648,471)	7,317,687	4,183,842	15,136,482	17,833,392	8,250,912	10,271,268	19,871,626		
Total primary government net expense	(\$104,206,842)	(\$86,685,275)	(\$73,528,518)	(\$69,825,458)	(\$58,768,946)	(\$79,906,171)	(\$48,738,550)	(\$37,766,440)		

General revenues and other changes in net assets

Governmental activities:										
Taxes										
Property taxes	\$10,737,251	\$9,020,419	\$6,348,656	\$5,272,024	\$4,600,304	\$4,331,501	\$4,185,561	\$3,957,730		
Sales taxes	63,634,222	65,369,753	60,290,173	56,725,466	54,419,354	52,568,207	42,803,354	42,351,380		
Use taxes	10,382,385	12,436,326	13,610,159	12,634,095	11,683,748	11,422,307	10,454,839	10,409,135		
Business fees and other taxes	4,797,606	5,137,132	4,556,637	4,300,682	4,185,604	3,950,630	3,828,966	3,362,214		
Accommodations taxes	2,045,874	2,627,010	1,425,434	1,239,740	1,078,023	945,908	914,662	984,772		
Intergovernmental not restricted to a specific purpose	1,360,925	1,079,951	1,052,427	1,060,315	818,642	1,086,271	1,071,316	2,932,758		
Interest	1,979,580	6,043,261	6,496,200	5,760,231	3,087,962	1,043,447	1,242,606	1,984,889		
Other	597,423	1,420,276	1,980,122	2,152,680	991,884	434,985	(11,042,785)	883,813		
Gain on Sale of Assets	0	604,571	0	0	0	0	0	0		
Special Item	0	(14,825,447)	0	0	0	0	0	0		
Transfers	(748,349)	(507,121)	(1,059,672)	(1,035,000)	5,521,091	2,181,901	6,039,079	421,459		
Total governmental activities	94,786,917	88,406,131	94,700,136	88,110,233	86,386,612	77,965,157	59,497,598	67,288,150		
Business-type activities:										
Interest	1,177,710	3,978,172	5,899,913	4,325,952	1,802,480	822,480	1,597,971	2,278,365		
Other	0	0	0	0	17,546	584,271	0	0		
Gain on Sale of Assets	1,019	895,150	0	4,093,643	0	0	0	0		
Transfers	748,349	507,121	1,059,672	1,035,000	(5,521,091)	(2,181,901)	(6,039,079)	(421,459)		
Total business-type activities	1,927,078	5,380,443	6,959,585	9,454,595	(3,701,065)	(775,150)	(4,441,108)	1,856,906		
Total primary government	\$96,713,995	\$93,786,574	\$101,659,721	\$97,564,828	\$82,685,547	\$77,190,007	\$55,056,490	\$69,145,056		

Change in net assets										
Governmental activities	(\$771,454)	(\$5,596,831)	\$16,987,776	\$3,148,293	\$9,784,274	(\$10,191,926)	\$487,780	\$9,650,084		
Business-type activities	(6,721,393)	12,698,130	11,143,427	24,591,077	14,132,327	7,475,762	5,830,160	21,728,532		
Total primary government	(\$7,492,847)	\$7,101,299	\$28,131,203	\$27,739,370	\$23,916,601	(\$2,716,164)	\$6,317,940	\$31,378,616		

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2002. Prior period adjustments affecting expenses are noted in Table 1

Table 3
City of Westminster
Fund Balances, Governmental Funds
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
General fund								
Reserved	\$4,971,225	\$5,299,062	\$5,203,223	\$6,539,253	\$7,623,125	\$7,387,538	\$5,277,981	\$4,544,041
Unreserved	14,873,895	12,045,241	9,859,229	11,015,978	10,172,500	11,058,947	10,154,348	8,928,901
Total general fund	\$19,845,120	\$17,344,303	\$15,062,452	\$17,555,231	\$17,795,625	\$18,446,485	\$15,432,329	\$13,472,942
All other governmental funds								
Reserved	\$32,504,877	\$49,434,107	\$55,624,752	\$41,493,854	\$51,749,047	\$13,894,852	\$32,396,047	\$16,042,228
Unreserved, reported in:								
Special revenue funds	9,959,421	10,975,428	12,304,218	7,472,186	14,949,783	3,161,386	4,821,194	5,388,104
Capital project funds	35,179,303	46,104,714	41,475,007	33,713,081	47,985,815	40,797,055	42,654,999	47,822,846
Total all other governmental funds	\$77,643,601	\$106,514,249	\$109,403,977	\$82,679,121	\$114,684,645	\$57,853,293	\$79,872,240	\$69,253,178

Note: Prior to the implementation of GASB statement 34 in fiscal year 2002, data for this table was categorized in a different format and was reported in thousands. The data to produce compatible statements is not readily available and has been omitted.

Table 4
City of Westminster
Changes in Fund Balance, Governmental Funds
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Revenues								
Taxes and business fees	\$91,597,338	\$94,590,640	\$86,231,059	\$80,172,007	\$76,079,765	\$73,218,549	\$61,979,807	\$60,886,283
Intergovernmental	13,354,111	14,316,029	12,626,793	14,815,789	9,821,702	9,891,407	10,262,233	12,453,039
Assessments	46,471	42,886	149,199	160,425	932,647	629,422	807,875	930,306
Licenses and permits	1,127,900	2,133,832	2,654,027	2,616,662	2,101,468	2,321,833	2,293,599	1,971,068
Interest	2,029,458	6,102,824	6,554,612	5,781,155	3,119,849	1,043,728	1,248,030	1,976,892
Contributions	341,739	771,595	4,349,528	1,460,160	4,850,163	3,128,934	1,320,656	2,596,908
Recreation fees	5,766,441	6,379,855	5,735,111	5,867,809	5,311,991	5,072,051	5,352,397	5,360,607
Fines and forfeits	2,066,013	1,977,465	2,164,544	2,512,044	2,222,848	1,991,265	1,634,836	1,727,538
Fleet maintenance billings and other	6,544,888	6,886,037	5,058,804	3,699,601	3,425,398	2,988,540	2,330,473	2,185,566
EMS billings	1,858,670	2,026,555	2,020,583	1,937,237	1,814,699	1,492,350	1,435,730	1,357,273
Miscellaneous and other	336,893	973,939	80,040	10,737	376,850	254,296	382,841	909,050
Total revenues	125,069,922	136,201,657	127,624,300	119,033,626	110,057,380	102,032,375	89,048,477	92,354,530
Expenditures								
Current:								
General government	38,893,287	38,981,777	32,017,213	29,101,545	29,270,288	29,781,843	23,558,895	20,005,285
Public safety	30,241,887	30,411,901	28,794,062	28,183,148	27,315,730	24,067,713	20,913,186	21,176,733
Public works	6,754,884	6,753,727	7,238,076	7,071,716	6,506,687	6,635,754	6,208,225	6,418,668
Community development	4,647,250	9,807,146	6,634,975	15,393,627	6,608,216	8,168,892	6,157,124	7,479,348
Culture and recreation	14,036,487	14,009,673	13,456,076	12,868,421	12,407,022	11,683,528	11,417,127	11,843,837
Capital projects	32,958,628	26,018,509	29,413,964	49,866,552	45,506,648	51,364,097	42,732,128	33,809,251
Debt service:								
Principal	15,538,875	4,920,000	5,480,000	5,240,000	14,411,670	4,910,000	4,960,000	5,840,000
Interest and fiscal charges	8,887,437	7,519,672	8,836,684	8,706,148	7,570,896	4,309,524	3,893,883	4,010,977
Total expenditures	151,958,735	138,422,405	131,871,050	156,431,157	149,597,157	140,921,351	119,840,568	110,584,099
Excess of revenues over (under) expenditures	(\$26,888,813)	(\$2,220,748)	(\$4,246,750)	(\$37,397,531)	(\$39,539,777)	(\$38,888,976)	(\$30,792,091)	(\$18,229,569)
Other financing Sources (Uses)								
Issuance of bonds	535,337	0	29,485,488	0	68,300,000	9,000,000	38,525,000	15,513,231
Issuance of notes	0	0	0	0	0	0	260,000	0
Issuance of leases	562,530	32,792	40,626	5,045,733	20,651,235	488,414	250,523	354,785
Sale of capital asset	169,464	1,071,525	702,109	1,140,880	5,484,526	8,213,870	1,739,299	0
Transfers in	67,485,765	75,333,568	72,740,073	71,995,567	85,070,154	67,737,574	59,112,666	60,553,119
Transfers (out)	(68,234,114)	(75,840,689)	(74,489,469)	(73,030,567)	(83,785,646)	(65,555,673)	(53,073,587)	(61,118,141)
Total other financing sources (uses)	518,982	597,196	28,478,827	5,151,613	95,720,269	19,884,185	46,813,901	15,302,994
Special item: Write-off of note receivable							(3,443,361)	
Net change in fund balances	(26,369,831)	(1,623,552)	24,232,077	(32,245,918)	56,180,492	(19,004,791)	12,578,449	(2,926,575)
Debt Service as a percentage of noncapital expenditures	19.1%	10.5%	13.0%	12.6%	23.5%	9.4%	11.4%	12.1%

Note: Prior to the implementation of GASB statement 34 in fiscal year 2002, data for this table was categorized in a different format and was reported in thousands. The data to produce compatible statements is not readily available and has been omitted.

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
2000	\$ 52,976,028	\$ -	4,640,778	3.25%
2001	53,742,758	-	4,785,062	3.25%
2002	48,502,461	-	4,258,055	3.25%
2003	49,042,179	-	4,216,011	3.25%
2004	49,700,220	10,025,888	4,264,405	3.85%
2005	51,359,026	10,353,701	4,390,375	3.85%
2006	53,640,060	11,040,410	4,679,093	3.85%
2007	56,966,362	11,927,367	5,006,603	3.85%
2008	60,528,509	12,196,830	5,080,740	3.85%
2009	57,689,144	11,526,169	4,801,294	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
Sales and Use Tax Rates
Last ten fiscal years

Fiscal Year	City Direct Rates					Overlapping Rates ³		
	City Sales and Use Tax	Public Safety		Open Space		Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
		Sales and Use Tax ¹	Sales and Use Tax ²	Sales and Use Tax ²	Total Direct Tax Rate			
2000	3.00%	-	0.25%	0.25%	3.25%	0.70%	0.50%	0.80%
2001	3.00%	-	0.25%	0.25%	3.25%	0.70%	0.50%	0.80%
2002	3.00%	-	0.25%	0.25%	3.25%	0.70%	0.50%	0.80%
2003	3.00%	-	0.25%	0.25%	3.25%	0.70%	0.50%	0.80%
2004	3.00%	0.60%	0.25%	0.25%	3.85%	0.70%	0.50%	0.80%
2005	3.00%	0.60%	0.25%	0.25%	3.85%	0.70%	0.50%	1.20%
2006	3.00%	0.60%	0.25%	0.25%	3.85%	0.70%	0.50%	1.20%
2007	3.00%	0.60%	0.25%	0.25%	3.85%	0.75%	0.50%	1.20%
2008	3.00%	0.60%	0.25%	0.25%	3.85%	0.75%	0.50%	1.20%
2009	3.00%	0.60%	0.25%	0.25%	3.85%	0.75%	0.50%	1.20%

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 2009			Fiscal Year 2000		
	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	\$20,007,091	1	27.0%	\$11,015,642	1	19.1%
Utility	8,178,109	2	11.0%	5,501,789	3	9.5%
Restaurants	7,814,379	3	10.6%	4,596,842	5	8.0%
Grocery Stores	4,893,153	4	6.6%	5,446,327	4	9.5%
Automobile Use	4,709,742	5	6.4%	5,617,065	2	9.7%
Home Improvement/Hardware Stores	2,771,684	6	3.7%	1,348,492	7	2.3%
Appliance/Computer/Electronics	1,423,096	7	1.9%	3,267,203	6	5.7%

Source: City Sales Tax Division

Note: Due to requirements under the City Code, the names of the largest revenue payers are 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	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Tax Incremental Bonds	Special Assessment Bonds	Capital Leases	Notes	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes			
2000	\$475,000	\$64,403,000	\$6,460,000	\$1,120,000	\$54,092,000	\$1,147,000	\$2,990,000	\$28,848,000	\$3,263,000	\$33,374,000	\$196,172,000	5.8%	\$1,943
2001	390,000	68,905,000	6,460,000	995,000	70,932,000	1,096,000		27,907,000	2,771,000	32,350,000	211,806,000	6.1%	2,098
2002		78,680,000	6,460,000	860,000	69,838,548	1,042,500		33,330,000	2,797,763	32,123,610	225,132,421	6.3%	2,145
2003		73,895,000	44,955,000	715,000	68,555,883	260,000		31,575,000	2,532,048	30,494,150	252,982,081	7.4%	2,498
2004		69,525,000	44,835,000	555,000	68,503,976	9,000,000		29,720,000	2,656,970	28,845,784	253,641,730	6.7%	2,386
2005		64,730,000	112,970,000		85,369,906			27,850,000	1,939,127	42,281,591	335,140,624	8.4%	3,093
2006		59,775,000	112,685,000		86,810,539			25,900,000	2,250,782	40,327,316	327,748,637	7.8%	2,988
2007		74,330,000	120,485,000		83,852,128			23,880,000	2,507,662	38,068,147	343,122,937	7.9%	3,127
2008		69,740,000	120,155,000		80,627,717			15,945,000	835,300	35,915,842	323,218,859	7.2%	2,905
2009		64,955,000	110,055,000		76,826,446			14,075,000	1,075,366	33,366,040	300,352,852	7.0%	2,747

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, 2009

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County School District # 12	\$369,524,845	27.67%	\$102,247,525
Adams County School District # 50	99,335,000	48.04%	47,720,534
Apex Park & Recreation District	9,055,000	7.08%	641,094
Arvada Fire Protection District	4,955,000	0.02%	991
Bradburn Metro # 2	5,232,000	100.00%	5,232,000
Bradburn Metro # 3	6,630,000	100.00%	6,630,000
Church Ranch Metro District	3,165,000	99.99%	3,164,684
Countrydale Highlands Metro District	1,952,250	100.00%	1,952,250
Countrydale Metropolitan District	26,625,000	100.00%	26,625,000
Hunnington Trail Metropolitan District	3,000,000	100.00%	3,000,000
Hyland Hills Park & Recreation	13,440,000	56.36%	7,574,784
Jefferson County School District # R-1	628,823,015	8.15%	51,257,018
NBC Metropolitan District	9,140,000	100.00%	9,140,000
North Metro Fire and Rescue	24,630,000	0.23%	56,649
Southwest Adams Fire Protection District	1,005,000	0.06%	603
Westglenn Metro District	1,915,000	99.53%	1,906,000
Subtotal, overlapping debt			\$267,149,132
City Direct debt			306,101,983
Total direct and overlapping debt			\$573,251,115

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. However, 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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$178,511,000	\$227,241,000	\$234,971,185	\$246,800,481	\$281,817,584	\$295,891,298	\$442,722,260	\$465,221,634	\$389,694,751	\$465,566,291
Total net debt applicable to limit	54,092,000	70,932,000	69,838,548	68,555,883	68,503,976	85,369,906	86,810,539	83,852,128	85,685,000	77,901,812
Legal debt margin	\$124,419,000	\$156,309,000	\$165,132,637	\$178,244,598	\$213,313,608	\$210,521,392	\$355,911,721	\$381,369,506	\$304,009,751	\$387,664,479

Total net debt applicable to the limit
as a percentage of debt limit

	30.30%	31.21%	29.72%	27.78%	24.31%	28.85%	19.61%	18.02%	21.99%	16.73%
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Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value - 2008 for 2009 taxes ¹	
Adams County portion of the City	\$657,821,260
Jefferson County portion of the City	577,481,300
Total assessed value	<u>\$1,235,302,560</u>

Debt limit (3% of actual value²)

\$465,566,291

Debt applicable to limit:

Bonded debt - general obligation only

\$0

Installment of lease/purchase contracts for

purchase of property or equipment³

77,900,812

77,900,812

Less deductions allowed by law:

0

Total net debt applicable to limit

77,900,812

Legal debt margin

\$387,665,479

¹ Source Adams County and Jefferson County Abstract of Assessments

²CRS 31-15-302 (3% limit)

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

Table 11
City of Westminster
Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	Utilities Revenue Bonds							Coverage
	Applicable Revenues	Less:		Net Pledged Revenue	Debt Service			
		Operating Expenses	Interest		Principal	Interest		
2000	\$39,474,222	(\$20,251,468)	\$19,222,754	\$1,925,175	\$1,570,119		5.50	
2001	51,304,532	(21,624,093)	29,680,439	2,276,642	2,374,294		6.38	
2002	46,755,525	(21,221,685)	25,533,840	2,624,450	2,174,864		5.32	
2003	39,875,011	(20,835,380)	19,039,631	2,947,007	2,078,044		3.79	
2004	38,998,008	(24,955,155)	14,042,853	3,060,531	1,621,526		3.00	
2005	46,724,597	(23,011,461)	23,713,136	3,400,839	1,931,352		4.45	
2006	51,879,413	(29,305,618)	22,573,795	3,832,679	2,393,501		3.63	
2007	47,716,690	(30,278,159)	17,438,531	3,947,987	2,148,085		2.86	
2008	52,890,292	(34,178,877)	18,711,415	9,913,352	2,159,562		1.55	
2009	38,962,225	(34,914,945)	4,047,280	3,913,088	1,821,361		0.71	

Fiscal Year	Golf Course Enterprise Revenue Bonds							Coverage
	Applicable Revenues	Less:		Net Pledged Revenue	Debt Service			
		Operating Expenses	Interest		Principal	Interest		
2000	\$2,958,351	(\$2,127,655)	\$830,696	\$0	\$336,908		2.47	
2001	3,160,330	(2,569,223)	591,107	50,000	336,908		1.53	
2002	3,172,925	(2,324,672)	848,253	100,000	334,658		1.95	
2003	2,925,457	(2,328,521)	596,936	170,000	330,058		1.19	
2004	2,825,291	(2,711,319)	113,972	175,000	322,153		0.23	
2005	2,932,389	(2,461,158)	471,231	185,000	313,840		0.94	
2006	2,993,881	(2,587,855)	406,026	195,000	304,868		0.81	
2007	3,197,655	(2,625,270)	572,385	205,000	295,313		1.14	
2008	3,137,704	(2,848,731)	288,973	215,000	285,165		0.58	
2009	2,730,028	(3,174,737)	(444,709)	225,000	274,415		(0.89)	

Notes: 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
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	Sales and Use Tax Revenue Bonds						Coverage
	Sales and Use Tax Collections	Operating Expenses	Net Pledged Revenue	Debt Service		Interest	
				Principal	Interest		
2000	\$52,764,730	(\$299,043)	\$52,465,687	\$3,225,000	\$2,791,093	8.72	
2001	53,731,435	(308,218)	53,423,217	2,525,000	2,396,009	10.86	
2002	47,863,679	(335,176)	47,528,503	4,110,000	2,325,018	7.39	
2003	48,562,246	(342,094)	48,220,152	3,525,000	2,810,913	7.61	
2004	49,306,412	(289,190)	49,017,222	3,055,000	2,648,318	8.59	
2005	49,659,495	(279,048)	49,380,447	3,395,000	2,524,233	8.34	
2006	51,643,775	(315,515)	51,328,260	3,470,000	2,386,885	8.76	
2007	51,799,803	(393,333)	51,406,470	1,985,000	1,394,198	15.21	
2008	51,438,718	(410,638)	51,028,080	3,450,000	1,896,409	9.54	
2009	47,712,522	(434,255)	47,278,267	3,605,000	1,747,921	8.83	

Parks Open Space Trails Sales and Use Tax Revenue Bonds

Fiscal Year	Sales and Use Tax Revenue Bonds						Coverage
	Sales and Use Tax Collections	Operating Expenses	Net Pledged Revenue	Debt Service		Interest	
				Principal	Interest		
2000	\$4,652,437	(\$24,920)	\$4,627,517	\$1,085,000	\$1,280,799	1.96	
2001	4,812,077	(25,685)	4,786,392	1,150,000	1,218,796	2.02	
2002	4,272,085	(27,931)	4,244,154	1,205,000	1,166,411	1.79	
2003	4,224,170	(28,508)	4,195,662	1,260,000	1,109,861	1.77	
2004	4,259,760	(24,084)	4,235,676	1,315,000	1,049,626	1.79	
2005	4,372,363	(23,239)	4,349,124	1,400,000	970,116	1.83	
2006	4,699,435	(26,276)	4,673,159	1,485,000	885,496	1.97	
2007	4,963,410	(32,757)	4,930,653	0	448,126	11.00	
2008	5,068,261	(34,198)	5,034,063	1,140,000	1,513,780	1.90	
2009	4,823,367	(36,165)	4,787,202	1,180,000	1,494,038	1.79	

Notes: 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
City of Westminster
1997 Westminster Economic Development Authority (WEDA) Revenue Bonds
Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	Less:			Net Pledged Revenue	Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Interest and Fees		Principal	Service		
2000	\$681,469	(\$382,565)	\$298,904	\$0	\$344,236	\$344,236	0.87	
2001	788,684	(218,474)	570,210	0	272,835	\$272,835	2.09	
2002	885,073	(237,444)	647,629	0	180,178	\$180,178	3.59	
2003	753,373	(240,964)	512,409	30,000	157,700	\$187,700	2.73	
*2004	636,455	(1,186,496)	(550,041)	120,000	156,451	\$276,451	(1.99)	
**2005	4,259,439	(240)	4,259,199	165,000	224,849	\$389,849	10.93	
2006	501,933	(3,115)	498,818	215,000	282,392	\$497,392	1.00	
2007	516,158	(80,113)	436,045	270,000	313,378	\$583,378	0.75	
2008	505,684	(364,424)	141,260	330,000	206,828	\$536,828	0.26	
***2009	262,399	(3,254)	259,145	0	33,436	\$33,436	7.75	

*Record interfund loan
 **Record write-off of portion of interfund loan and interest
 ***Refunded in 2009 as WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2003									
Fiscal Year	Less:			Net Pledged Revenue	Debt Service		Total Debt Service	Coverage	
	Gross Pledged Revenues	Operating Expenses	Interest and Fees		Principal	Service			
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	
2001	0	0	0	0	0	0	0	N/A	
2002	0	0	0	0	0	0	0	N/A	
2003	10,963	0	10,963	195,438	206,401	0	195,438	1.06	
2004	250,881	0	250,881	882,932	1,133,813	0	882,932	1.28	
2005	1,513,135	(2,637)	1,510,498	1,569,189	3,079,687	0	1,569,188	1.96	
*2006	356,308	0	356,308	582,016	938,324	70,000	405,245	2.32	
2007	0	0	0	0	0	0	0	N/A	
2008	0	0	0	0	0	0	0	N/A	
2009	0	0	0	0	0	0	0	N/A	

*Refunded in 2006 with WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2006

Source: City's Sales Tax Division

Table 11
City of Westminster
Pledged Revenue Coverage
Last ten fiscal years

	WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2005					Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees		
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	N/A
2005	150,255	0	150,255	1,399,574	1,549,829	0	1,399,574	1,399,574	1.11
2006	898,979	0	898,979	2,721,347	3,620,326	0	2,721,347	2,721,347	1.33
2007	3,469,600	(6,103)	3,463,497	1,439,736	4,903,233	0	2,868,641	2,868,641	1.71
2008	6,369,646	(116,079)	6,253,567	0	6,253,567	0	2,316,866	2,316,866	2.70
*2009	2,245,860	(42,450)	2,203,410	0	2,203,410	5,925,000	792,075	6,717,075	0.33

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

	WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2006					Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees		
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	N/A
2006	2,124,836	(8,130)	2,116,706	640,675	2,757,381	0	1,336,471	1,336,471	2.06
2007	3,154,147	(14,067)	3,140,080	0	3,140,080	250,000	1,609,735	1,859,735	1.69
2008	3,126,504	(23,084)	3,103,420	0	3,103,420	0	1,298,745	1,298,745	2.39
*2009	2,798,958	(27,004)	2,771,954	0	2,771,954	2,857,875	1,056,631	3,914,506	0.71

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

Source: City's Sales Tax Division

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2007										
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service			Interest and Fees	Total Debt Service	Coverage
					Debt Service	Principal	Interest and Fees			
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	0	0	0	N/A
2007	24,974	0	24,974	183,171	208,145	0	183,171	183,171	183,171	1.14
2008	722,502	(550,629)	171,873	282,866	454,739	0	282,866	282,866	282,866	1.61
*2009	563,172	(401,776)	161,396	156,055	317,451	416,000	128,584	544,584	544,584	0.58

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

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009										
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Total Revenues Available for Debt Service			Interest and Fees	Total Debt Service	Coverage
					Debt Service	Principal	Interest and Fees			
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	0	0	0	N/A
2007	0	0	0	0	0	0	0	0	0	N/A
2008	0	14,245	14,245	0	0	0	0	0	0	N/A
2009	114,757	(26,663)	88,094	265,000	121,697	386,697	121,697	386,697	386,697	0.23

Source: City's Sales Tax Division

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

	WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009					Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees		
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	0	0	N/A
2007	0	0	0	0	0	0	0	0	N/A
2008	0	0	0	0	0	0	0	0	N/A
2009	740,921	(6)	740,915	0	740,915	0	376,662	376,662	1.97

WEDA Tax Increment Loan Series 2009 (North Huron Project)

	WEDA Tax Increment Loan Series 2009 (North Huron Project)					Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Principal	Interest and Fees		
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	0	0	N/A
2007	0	0	0	0	0	0	0	0	N/A
2008	0	0	0	0	0	0	0	0	N/A
2009	4,529,320	(350,701)	4,178,619	1,170,000	1,911,157	3,081,157	1,911,157	3,081,157	1.36

Source: City's Sales Tax Division

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

	WEDA Tax Increment Loan Series 2009 (South Sheridan Project)					Total Debt Service	Coverage
	Gross Pledged Revenues	Less: Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees		
2000	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2001	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	N/A
2007	0	0	0	0	0	0	N/A
2008	0	0	0	0	0	0	N/A
2009	1,429,709	(637,131)	792,578	120,000	220,579	340,579	2.33

Source: City's Sales Tax 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
2000	100,940	\$3,383,925,644	\$33,524	4.0%
2001	100,940	3,487,975,928	34,555	3.6%
2002	104,948	3,548,890,279	33,816	5.8%
2003	101,278	3,421,865,455	33,787	4.7%
2004	106,312	3,772,383,228	35,484	4.4%
2005	108,351	3,988,361,227	36,810	4.7%
2006	109,671	4,205,211,476	38,344	4.0%
2007	109,724	4,328,502,076	39,449	3.9%
2008	111,257	4,476,759,166	40,238	5.6%
2009	109,353	4,304,395,718	39,362	7.7%

Source:

- ¹ Population - City of Westminster Planning Dept. (estimate method revised beginning 2009)
- ² Total Personal Income - Product of Per Capita Personal Income by Population
- ³ Per Capita Personal Income - US Bureau of Economic Analysis 2000 -2007 weighted average for Adams and Jefferson Counties. 2008 and 2009 estimated using CPI-U for all urban consumers.
- ⁴ Unemployment Rate obtained from the Colorado Department of Labor and calculated as a weighted average based on rates for Adams and Jefferson Counties

Table 13
City of Westminster **Principal Employers**
Current Year and Nine Years Ago

Employer	Fiscal Year 2009			Fiscal Year 2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Avaya (Lucent/Bell Labs)	1,200	1	3.22%	4,200	1	12.27%
Centura Health / St. Anthony's North	799	2	2.15%	750	3	2.19%
Ball Corporation	628	3	1.69%	886	2	2.59%
LPS Asset Management Solutions (F	500	4	1.34%			
McKesson Information Systems	475	5	1.28%			
Alliance Data Systems	428	6	1.15%			
Tri State Generation	400	7	1.07%	300	6	0.88%
Trimble Navigation	290	8	0.78%			
Kaiser Permanente (Huron)	275	9	0.74%	235	10	0.69%
Kaiser Permanente (Sheridan)	263	10	0.71%			
Global Crossing Conferencing				544	4	1.59%
Mobile Tool International				450	5	1.31%
Level 3 Communications				275	7	0.80%
Western Gas Resources				250	8	0.73%
North Metro Community Services				239	9	0.70%

Source: City Economic Development Division

Table 14
City of Westminster
Full-time Equivalent City Employees by Function/Program
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
General Government								
City Attorney's Office	13.95	13.95	13.95	12.65	12.65	12.80	12.30	12.30
City Manager's Office	16.90	11.90	11.90	12.90	12.50	12.90	12.90	12.90
Finance	29.00	28.00	28.00	27.00	27.00	28.00	26.00	26.00
General Services	76.33	75.83	75.83	75.83	75.33	77.33	73.83	73.83
Public Safety								
Fire Department	142.50	142.50	141.50	140.00	140.00	139.50	104.50	101.50
Police Department	275.30	277.30	276.30	273.30	269.30	269.20	229.20	219.80
Public Works								
Street Maintenance	26.00	26.00	26.00	25.75	24.75	25.75	25.75	25.75
Infrastructure	0.00	0.00	0.00	4.00	4.00	4.00	4.00	4.00
Community Development								
Administration	7.60	7.60	7.60	7.10	7.10	7.10	7.10	7.60
Economic Development	0.00	4.00	4.00	3.50	2.50	2.50	2.50	2.00
Planning Division	14.70	14.70	14.70	15.20	15.20	14.20	14.20	14.20
Building Division	18.50	18.50	18.50	18.50	18.50	18.50	17.50	17.50
Engineering Division	14.50	14.50	16.00	16.50	16.50	17.00	17.00	16.00
Open Space	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Westminster Housing Authority	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Culture and Recreation								
Administration	10.20	10.20	10.20	10.20	11.00	11.00	10.00	16.00
Parks Services	49.40	49.40	49.40	49.40	49.40	52.00	50.00	48.00
Library Services	42.20	42.20	42.20	42.20	40.73	42.20	42.20	42.20
Recreation Programs	16.50	15.30	13.80	12.60	11.80	11.80	12.30	16.30
Recreation Facilities	65.30	65.30	65.80	66.00	63.00	69.50	72.00	68.00
Utilities								
Administration	46.80	45.70	45.20	40.45	36.85	36.25	33.75	33.75
Water Resources & Treatment	52.75	51.75	51.75	49.25	50.25	45.60	45.60	41.60
Field Operations	42.00	42.00	42.00	47.00	47.00	48.00	48.00	51.00
Golf Courses								
Legacy Ridge	10.50	10.50	10.50	10.50	10.50	11.00	11.00	11.00
The Heritage	10.50	10.50	10.50	10.50	10.50	11.00	11.00	11.00
Total	983.92	981.12	979.13	973.82	959.85	970.62	886.12	875.72

Source: City Annual Pay Plan
 Note: Data prior to 2002 is not readily available and has been omitted.

Table 15
City of Westminster
Operating Indicators by Function/Program
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Public Safety								
Total Fire/EMS Incidents	7,980	8,058	8,147	8,277	7,883	7,312	7,514	7,448
EMS Transports by fire department	4,493	4,622	4,687	4,661	4,486	3,921	3,926	3,873
Police emergency responses	1,361	1,858	2,827	3,082	2,878	2,791	3,084	3,194
Traffic Citations (municipal)	10,536	9,771	11,897	15,666	16,684	14,843	12,538	15,681
Public Works								
Curb miles swept	8,004	7,361	6,166	7,306	7,634	7,379	7,379	7,282
Lane miles rehabilitated	98	133	77	160	112	103	98	85
Community Development								
Official Development Plans processed	123	176	242	191	186	150	153	117
Building Permits issued	5,978	4,244	3,986	3,992	3,908	4,239	4,535	4,491
Culture and Recreation								
Library circulation	1,533,879	1,475,611	1,435,330	1,464,817	1,472,460	1,399,389	1,249,686	1,207,707
Facility participants	675,855	924,843	811,064	805,880	698,826	671,037	733,565	619,579
Program registrants	91,640	88,483	90,652	80,972	78,160	66,237	76,779	87,918
Utilities								
Water gallons treated (in millions)	5,825	6,241	5,795	6,628	6,533	5,917	6,180	6,724
Water customers	31,659	31,730	31,519	31,245	31,127	31,484	31,272	29,927
Wastewater gallons treated (in millions)	3,649	2,345	2,552	2,359	2,417	2,251	2,252	2,256
Wastewater customers	30,299	30,296	30,145	29,992	29,806	30,113	29,929	28,651
Golf Courses								
Paid golf rounds played	51,825	58,300	58,678	55,220	50,210	49,498	49,997	51,285
Golf course acres maintained	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Note: Data prior to 2002 is not readily available and has been omitted.

Police Emergency Response number decreases beginning in 2008 due to new data extracting and cleaning process.

Table 16
City of Westminster
Capital Asset Statistics by Function/Program
Last eight fiscal years

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Public Safety								
Fire stations	6	6	6	6	6	6	6	6
Patrol Units	62	59	56	53	52	52	45	45
Public Works								
Total Lane Miles	1,061	1,057	1,054	1,053	1,025	1,021	1,013	988
Community Development								
Traffic Signals	109	105	103	102	92	90	87	84
Culture and Recreation								
Libraries	2	2	2	2	2	2	2	2
Open Space sites	188	157	153	132	126	125	119	106
Neighborhood, community & citywide parks	52	52	51	50	50	48	45	45
Utilities								
Water mains	508	504	509	492	481	478	492	449
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4
Golf Courses								
Golf Courses	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team

Note: Data prior to 2002 is not readily available and has been omitted.

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

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited 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 as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated June 2, 2010. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of the Volunteer Firefighter Pension Fund, a pension trust fund of the City of Westminster, as described in our report on the City of Westminster's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the report of the other auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Westminster's internal control over financial reporting as a basis for designing our auditing procedures 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 of Westminster's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Westminster's internal control over financial reporting.

Our consideration of the City of Westminster's internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Westminster's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2009-1 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Westminster'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*.

We noted certain matters that we reported to management and the City Council in a separate letter dated June 2, 2010.

The City of Westminster's response to the findings identified in our audit is described in the accompanying management's response to findings and questioned costs. We did not audit the City of Westminster's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Swanburn & Company LLC

June 2, 2010



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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Compliance

We have audited the compliance of the City of Westminster with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The City of Westminster's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Westminster's management. Our responsibility is to express an opinion on the City of Westminster's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 of Westminster'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. Our audit does not provide a legal determination of the City of Westminster's compliance with those requirements.

In our opinion, the City of Westminster complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the City of Westminster is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Westminster's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 of Westminster'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.

Our consideration of the City of Westminster's 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We noted certain matters that we reported to management and the City Council in a separate letter dated June 2, 2010.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Suzanne M. Campbell, CPA

June 2, 2010

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2009

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified? yes no

- Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? yes no

- Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

yes no

Identification of major programs:

- 14.218 Community Development Block Grant
- 14.253 ARRA - Community Development Block Grant
- 14.317 ARRA - Section 8 Housing Assistance Payments Program Special Allocations
- 14.856 Lower Income Housing Assistance Program
- 20.205 Highway Planning and Construction
- 20.205 ARRA - Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? yes no

Federal Awards Findings and Questioned Costs

The audit of federal awards did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose instances of noncompliance or abuse that were material to those federal awards.

(Continued)

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2009

Financial Statement Findings

2009-1 Financial Reporting

Criteria	The City is responsible to implement internal controls designed to ensure that financial information is accurate and timely.
Condition	The City reported a significant adjustment, in the amount of \$19,622,546, to prior period financial statements.
Context	The City has joint ownership in a separate entity. During the year ended December 31, 2009, the City identified certain capital assets owned by the separate entity that were also reported in the City's accounting records.
Effect	The City removed the capital assets owned by a separate entity from its accounting records, and as a result, was required to restate prior year financial statements.
Cause	In past years, the City approved various significant agreements that were administered by different City departments. It appears that financial information and other details of these agreements was not always communicated to the Finance Department, where responsibility for the accounting records resides.
Recommendation	We recommend that the City continue to evaluate the process for communicating information between departments related to significant agreements, and continue to evaluate the related transactions for proper treatment in the accounting records.

Views of Responsible Officials and Planned Corrective Actions

See accompanying management's response to findings and questioned costs.

CITY OF WESTMINSTER, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2009

2008-1 Financial Reporting

In the current fiscal year, the City reported a similar adjustment to prior period financial statements. See 2009-1.

2008-2 Schedule of Expenditures of Federal Awards

Corrective action was taken regarding this prior audit finding.

CITY OF WESTMINSTER, COLORADO
MANAGEMENT'S RESPONSE TO FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2009

2009-1: FINANCIAL REPORTING

Westminster City Council authorized an intergovernmental agreement on July 22, 1996 to form the Woman Creek Reservoir Authority (WCRA). As part of the agreement, land and improvements were to be conveyed by the City of Westminster to the WCRA. The actual purchase and sale agreement, which specified the assets to be transferred, was not signed until June 23, 1998. At that time, land was removed from the books of the City and recorded on the books of WCRA; however, the respective improvements totaling \$19,622,546 erroneously continued to be reported by the City. A restatement of the Utility Fund net assets was made to correct this prior year transaction.

In 2009, staff evaluated internal controls for communicating information between departments relative to significant accounting transactions. As a result, new processes were implemented to strengthen consistency in the financial information sharing process. Staff believes these new protocols will prospectively alleviate this finding.



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

**INDEPENDENT AUDITORS' REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

We have audited 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 as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated June 2, 2010. These financial statements are the responsibility of the City of Westminster's management. 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, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Swanhorst & Company LLC

June 2, 2010

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CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2009

<u>Grant Program</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<u>Department of Housing and Urban Development</u>		
Community Development Block Grant	14.218	\$ 480,966
ARRA-Community Development Block Grant ARRA Entitlement Grants	14.253	45,393
Lower Income Housing Assistance Program	14.856	430,111
ARRA-Section 8 Housing Assistance Payments Program Special Allocations	14.317	38,524
Subtotal		<u>994,994</u>
<u>Department of Energy</u>		
ARRA-Passed through the Governor's Energy Office for the State of Colorado, Energy Efficiency and Conservation Block Grant (EECBG) Program	81.128	8,298
Subtotal		<u>8,298</u>
<u>Department of Justice</u>		
Missing Children's Assistance	16.543	3,756
Edward Byrne Memorial Justice Assistance Grant Program	16.738	70,335
ARRA-Edward Byrne Memorial Justice Assistance Grant Program	16.804	20,013
Subtotal		<u>94,104</u>
<u>Office of National Drug Control Policy</u>		
Pass through the City and County of Broomfield, High Intensity Drug Trafficking Areas (HIDTA)	07.9999	40,561
Subtotal		<u>40,561</u>
<u>Department of Homeland Security</u>		
Passed through Colorado Department of Local Affairs, National Urban Search and Rescue (US&R) Response System Emergency Management Performance Grants	97.025 97.042	731 49,650
Assistance to Firefighters	97.044	4,000
Homeland Security Grant Program	97.067	1,823
Staffing for Adequate Fire and Emergency Response	97.083	15,047
Subtotal		<u>71,251</u>
<u>Department of Transportation</u>		
Passed through the Colorado Department of Transportation, Highway Planning and Construction	20.205	711,515
ARRA-Highway Planning and Construction	20.205	260,000
Federal Transit Formula Grants	20.507	75,000
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	24,900
State and Community Highway Safety	20.600	3,800
Subtotal		<u>1,075,215</u>
<u>Department of Education</u>		
Passed through Colorado Department of Health, Safe & Drug Free Schools & Communities	84.186	1,019
Subtotal		<u>1,019</u>
<u>Institute of Museum and Library Services</u>		
Passed through Colorado Department of Education, Library Services and Technology Act Grants to States Program	45.310	6,493
Subtotal		<u>6,493</u>
TOTAL FEDERAL ASSISTANCE		<u>\$ 2,291,935</u>

All grants are direct except for those passed through by the State of Colorado

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2009

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

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

**INDEPENDENT AUDITORS' REPORT ON
LOCAL HIGHWAY FINANCE REPORT**

We have audited 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 as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated June 2, 2010. These financial statements are the responsibility of the City of Westminster's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The accompanying local highway finance report is presented for purposes of additional analysis as required by State of Colorado statutes and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Swanhorst & Company LLC

June 2, 2010

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT		City or County: Westminster			
		YEAR ENDING : December 2009			
This Information From The Records Of (example - City of _ or County of _ City of Westminster	Prepared By: Phone:	Shherri Rickard 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)	8,157,373		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,661,251		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	2,277,763		
2. General fund appropriations	14,828,348	b. Snow and ice removal	569,027		
3. Other local imposts (from page 2)	1,566,947	c. Other			
4. Miscellaneous local receipts (from page 2)	3,051,877	d. Total (a. through c.)	2,846,790		
5. Transfers from toll facilities		4. General administration & miscellaneous			
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,220,753		
a. Bonds - Original Issues		6. Total (1 through 5)	17,886,167		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest	3,535,842		
7. Total (1 through 6)	19,447,172	b. Redemption	3,352,931		
B. Private Contributions	7,000	c. Total (a. + b.)	6,888,773		
C. Receipts from State government (from page 2)	3,247,626	2. Notes:			
D. Receipts from Federal Government (from page 2)	399,442	a. Interest	1,357,102		
E. Total receipts (A.7 + B + C + D)	23,101,240	b. Redemption	1,451,500		
		c. Total (a. + b.)	2,808,602		
		3. Total (1.c + 2.c)	9,697,375		
		C. Payments to State for highways			
		D. Payments to toll facilities			
		E. Total disbursements (A.6 + B.3 + C + D)	27,583,542		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)	77,296,410	5,374,500	50,995,160	31,675,750	
1. Bonds (Refunding Portion)		5,374,500	48,187,618		
B. Notes (Total)	30,953,500	39,018,100	2,160,160	67,811,440	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	80,152,576	23,101,240	27,583,542	75,670,274	0
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2009

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		a. Interest on investments	108,238
b. Other local imposts:		b. Traffic Fines & Penalties	1,855,686
1. Sales Taxes	1,148,668	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	418,279	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,566,947	h. Other	1,087,953
c. Total (a. + b.)	1,566,947	i. Total (a. through h.)	3,051,877
	(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	2,853,401	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	399,442
c. Motor Vehicle Registrations	335,485	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	58,740	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	394,225	g. Total (a. through f.)	399,442
4. Total (1. + 2. + 3.f)	3,247,626	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	276,302	629,491	905,793
b. Engineering Costs			0
c. Construction:			
(1). New Facilities	217,732	0	217,732
(2). Capacity Improvements	0	6,627,377	6,627,377
(3). System Preservation	0	172,388	172,388
(4). System Enhancement & Operation	0	234,083	234,083
(5). Total Construction (1) + (2) + (3) + (4)	217,732	7,033,848	7,251,580
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	494,034	7,663,339	8,157,373
			(Carry forward to page 1)

Notes and Comments:

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**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Bond, Disclosure and Special Counsel for \$13.4 Million Sales Tax Revenue Refunding Bonds, Series of 2010, and \$18.3 Million Certificates of Participation Refunding, Series of 2010

Prepared By: Martin R. McCullough, City Attorney
Tammy Hitchens, Finance Director

Recommended City Council Action

1. Authorize the City Manager to execute agreements for: bond counsel services with Sherman & Howard for a fee not to exceed \$20,000, plus actual expenses not to exceed \$1,500, and for disclosure counsel services with Kutak Rock for a total fee not to exceed \$20,000, both in connection with the proposed issuance of \$13.4 million Sales Tax Revenue Refunding Bonds, Series of 2010, in substantially the same form as attached.
2. Authorize the City Manager to execute agreements for special counsel services with Sherman & Howard for a fee not to exceed \$40,000, plus actual expenses not to exceed \$1,200 and for disclosure counsel services with Kutak Rock for a total fee not to exceed \$24,000, both in connection with the \$18.3 million Certificates of Participation (“COP”) Refunding, Series of 2010, in substantially the same form as attached.

Summary Statement

- All special counsel agreements are subject to approval by the City Council in accordance with City Charter requirements.
- Sherman & Howard has acted as bond and special counsel for the City on several past financings, including the Water and Wastewater Utility Enterprise, Taxable Water and Wastewater Revenue Bond issue, Open Space Sales and Use Tax Revenue Bond issues, the Certificate of Participation (COP) issue for the City’s Capital Facilities Financing, and the City’s previous Park, Open Space, and Trails (POST) bond issue.
- Kutak Rock has also acted on several past financings as disclosure counsel for the City, including the Water and Wastewater Utility Enterprise, Taxable Water and Wastewater Revenue Bond issue, Sales and Use Tax, POST, and COP refundings, Open Space Sales and Use Tax Revenue Bond issues, the City’s Capital Facilities Financing, and the previous POST bond issue.
- The proposed fees are well within the range of fees experienced for similar financings in the past and will be included as part of the issuance cost for these financings.

Expenditure Required: \$104,000, plus expenses not to exceed \$2,700

Source of Funds: Sales Tax Revenue and COP Refunding bond proceeds

Policy Issue

Should the City retain bond, disclosure and special counsel on behalf of the City for the upcoming issuance of the City's \$13.4 million Sales Tax Revenue Refunding Bonds, Series of 2010, and \$18.3 million Certificates of Participation Refunding, Series of 2010?

Alternative

Do not retain special legal counsel for these transactions. This is not recommended because the bond issues cannot be closed without an opinion of bond counsel and an Official Statement prepared by disclosure counsel.

Background Information

Due to low interest borrowing rate in the capital markets, the City has the opportunity to refund several revenue bond debt issues and one Certificate of Participation (COP) issue without extending the maturity date of any of the original issues. The City's underwriter, Piper Jaffray identified the following issues as refunding candidates:

<u>Original Issue</u>	<u>Refunded Amount</u>
Sales and Use Tax Revenue Bonds, Series 2001	\$ 2,525,000
Sales and Use Tax Revenue Refunding Bonds, Series 2002	\$ 9,785,000
Certificates of Participation, Series 2001	\$12,250,000
Golf Course Enterprise Revenue Bonds, Series 1998	<u>\$ 4,780,000</u>
Total Principal Refunded	\$29,340,000

Two separate refundings are being pursued: combining the two Sales and Use Tax Revenue Bonds into one Sales and Use Revenue Refunding Bonds, Series 2010 and combining the 2001 Certificates of Participation and the 1998 Golf Course Enterprise Bonds into a new issue of Certificates of Participation, Series 2010. The combined savings of these refundings is estimated to be in excess of \$2.0 million, which will be realized predominately over a 4-year horizon commencing in 2011 with an anticipated \$500,000 in debt service reduction in each of the four years.

As with all public, tax-exempt financings, these financings will require an opinion from a nationally recognized law firm regarding certain tax-related matters. Mr. Dee Wisor of Sherman & Howard has served as the City's bond counsel on numerous other issues and is thoroughly familiar with the City's Charter, ordinances, and outstanding bond covenants.

In addition, federal securities laws require the City to issue an Official Statement in connection with these financings. Kutak Rock is a recognized expert in disclosure matters under the federal securities laws. This firm has acted in this capacity on numerous other bond issues and financings, and is familiar with the City's financial position, the general economic condition of the City, the City's detailed financial information, and other material facts related to the City preparation of a satisfactory Official Statement in connection with this bond issuance.

The fees quoted by the recommended firms are reasonable and in line with past financings, and the familiarity of these firms with the City and its financial and legal documents is very valuable. The efficiencies in retaining these firms are significant and will help assure an expeditious closing of these very important financings.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

Sherman & Howard L.L.C.

ATTORNEYS & COUNSELORS AT LAW
633 SEVENTEENTH STREET, SUITE 3000
DENVER, COLORADO 80202
TELEPHONE: (303) 297-2900
FAX: (303) 298-0940
WWW.SHERMANHOWARD.COM

Dee P. Wisor
Direct Dial Number: (303) 299-8228
E-mail: DWisor@ShermanHoward.com
Licensed in Colorado

May 5, 2010

City of Westminster
Office of the City Attorney
4800 West 92nd Avenue
Westminster, CO 80031

Attention: Martin R. McCullough

\$13,400,000
Sales Tax Revenue Refunding Bonds
Series 2010

Dear Marty:

We are pleased to confirm our engagement as bond counsel to the City of Westminster (the "City"). We appreciate your confidence in us and will do our best to continue to merit it.

We believe it is good practice to set forth in writing (and in some detail) the elements of our mutual understanding in establishing our attorney-client relationship. While some of the matters covered in this engagement letter will never be relevant or of concern between us, we hope you will understand that as attorneys and counselors it is our natural function to try to make communication clear and complete, and to anticipate and resolve questions before they arise. We also believe that the performance of our services may require your effort and cooperation. Consequently, the better we each understand our respective roles, responsibilities and contributions, the more efficient, effective and economical our work for you can be.

Personnel

This letter sets forth the role we propose to serve and the responsibilities we propose to assume as bond counsel to the City in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the City's City Council has authorized the execution of this letter and has delegated to you, the City's attorney, the authority to sign this letter and to represent the City during this financing. Dee Wisor and Kim Crawford will be principally responsible for the work performed by Sherman & Howard L.L.C. on your behalf. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Dee Wisor will coordinate, review, and approve all work completed for the City.

Scope of Employment

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of bonds. As your bond counsel, we will: examine applicable law; consult with the parties to the transaction prior to the issuance of the Bonds; prepare customary authorizing and operative documents, which may include proceedings relating to: the authorization of the sale and issuance of the Bonds, and closing certificates; review a certified transcript of proceedings; and undertake such additional duties as we deem necessary to render the opinion. Subject to the completion of proceedings to our satisfaction, we will render our opinion relating to the validity of the Bonds, the enforceability of the security for the Bonds, and the exclusion of the interest paid on the Bonds (subject to certain limitations which may be expressed in the opinion) from gross income for federal income tax purposes and for Colorado income tax purposes.

As bond counsel, we will not assume or undertake responsibility for assisting in the preparation of the Official Statement with respect to the Bonds (the "Official Statement"), nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement. We understand that Kutak Rock LLP is acting as special counsel to the City in connection with the Official Statement and: (i) will prepare the Official Statement, and (ii) will provide a letter with respect to compliance with the state and federal securities laws upon which the City may rely. Our responsibility as bond counsel will include the preparation or review of any description in the Official Statement of: (i) Colorado and federal law pertinent to the validity of and security for the Bonds, as well as the tax treatment of interest paid thereon, (ii) the terms of the Bonds, and (iii) our opinion. In addition, we would like to review a draft copy of the Official Statement so that we may have an opportunity to comment on it; however, such review is only for the protection of our firm and would not serve to protect the City or purchasers of the Bonds..

In rendering our opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. Our opinion will be addressed to the City and will be executed and delivered by us in written form on the date the Bonds are exchanged for their purchase price (the "Closing"). The opinion will be based on facts and law existing as of its date.

Our services as bond counsel are limited to those contracted for explicitly herein; the City's execution of this letter constitutes an acknowledgment of those limitations. Specifically, but without implied limitation, our responsibilities do not include any representation by Sherman & Howard L.L.C. in connection with any IRS audit or any litigation involving the City or the Bonds, or any other matter. Neither do we assume responsibility for the preparation of any collateral documents (*e.g.*, environmental impact statements) which are to be filed with any state, federal or other regulatory agency. Nor do our services include financial

advice (including advice about the structure of the Bonds) or advice on the investment of funds related to the Bond issue.

Representation of the City

In performing our services as bond counsel, the City will be our client and an attorney-client relationship will exist between us. We will work closely with you as the City's attorney and will rely on your opinion with regard to specific matters, including pending litigation. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our limited representation of the City does not alter our responsibility to render an objective opinion as bond counsel.

Conflicts of Interest

Our firm sometimes represents, in other unrelated transactions, certain of the financial institutions that may be involved in this Bond transaction, such as underwriters, credit enhancers, and banks that act as paying agents or trustees. We do not believe that there is a significant risk that any of these representations will materially limit our ability to provide competent and diligent representation of the District in connection with the Bonds, even though such representations may be characterized as adverse under the Colorado Rules of Professional Conduct (the "Rules"). In any event, during the term of our engagement hereunder, we will not accept a representation of any of these parties in any matter in which the District is an adverse party. However, pursuant to the Rules, we do ask that you consent to our representation of such parties in transactions that do not directly or indirectly involve the District. Your execution of this letter will signify the District's prospective consent to such adverse representations in matters unrelated to the Bonds while we are serving as bond counsel hereunder.

Fee Arrangement

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we will assume, we estimate that our fee as bond counsel will be \$20,000. Such fee may vary: (i) if the principal amount of Bonds actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities, or (iv) if the Bonds are not delivered by September 1, 2010. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you and prepare an amendment to this engagement letter.

In addition, this letter authorizes us to make disbursements on your behalf, which we estimate will not exceed \$1,500. The City agrees to reimburse us for such disbursements,

including travel costs, photocopying, deliveries, filing fees, computer assisted research, and other necessary office expenses.

We understand and agree that our contingent fees will be paid at Closing out of Bond proceeds. If the financing is not consummated, we understand and agree that we will not be paid.

Termination of Engagement

The above fees contemplate compensation for usual and customary services as bond counsel, as described above. Upon delivery of the opinion, our responsibilities as bond counsel will terminate with respect to this financing, and our representation of the City and the attorney-client relationship created by this engagement letter will be concluded. Specifically, but without implied limitation, we do not undertake to provide continuing advice to the City or to any other party to the transaction. Many post-issuance events may affect the Bonds, the tax-exempt status of interest on the Bonds, or liabilities of the parties to the transaction. Such subsequent events might include a change in the project to be financed with Bond proceeds, a failure by one of the parties to comply with its contractual obligations (*e.g.*, rebate requirements, continuing disclosure requirements), an IRS audit, or a change in federal or state law. Should the City seek the advice of bond counsel on a post-closing matter or seek other, additional legal services, we would be happy to discuss the nature and extent of our separate engagement at that time.

Document Retention

At or within a reasonable period after Closing, we will review the file to determine what materials should be retained as a record of our representation and those which are no longer needed. We will provide you with a copy of the customary transcript of documents after Closing and will return any original documents obtained from you (if a copy is not included in the transcript). We will retain for several years a copy of the transcript and such other materials as correspondence, final substantive work product, documents obtained from you, and documents obtained from third parties. We will not retain such materials as duplicates of the above-described material, or drafts and notes that do not appear needed any longer.

Ordinarily the firm will keep the retained materials until seven years after the final maturity of the Bonds. At the end of that time, unless you advise us in writing to the contrary, we will destroy the bulk of the file. If the file is especially voluminous, we may destroy all or a portion of it earlier, as our storage facilities are limited. If you prefer other arrangements for retention or disposition of our files in this matter, please advise us in writing.

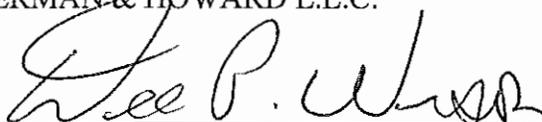
Approval

If the estimated fees, the requested consent to the potential future representation of Piper Jaffray, and other foregoing terms of this engagement are acceptable to you, please so

indicate by returning the enclosed copy of this letter signed by you, retaining the original for your files.

We are pleased to have the opportunity to serve as your bond counsel and look forward to a mutually satisfactory and beneficial relationship. We are deeply committed to the proposition that our clients must be satisfied with the quality of our services as well as the amount of our charges. Our effectiveness and your best interest are enhanced by an atmosphere of candor and confidence between us, not only as to the facts and circumstances of the legal issues on which we are working, but also as to the attorney-client relationship itself. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

SHERMAN & HOWARD L.L.C.

By: 

ACCEPTED AND APPROVED:

CITY OF WESTMINSTER, COLORADO

By: _____

Its: _____

Date: _____

KKC/jw
Enclosures

KUTAK ROCK LLP

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SCOTTSDALE
WASHINGTON
WICHITA

May 21, 2010

THOMAS M. PELTZ
thomas.peltz@kutakrock.com
(303) 292-7807

Martin R. McCullough, Esq.
City Attorney
City of Westminster
4800 West 92nd Avenue
Westminster, CO 80030

Re: Proposed issuance of Sales and Use Tax Revenue Refunding Bonds, Series 2010

Dear Marty:

We are pleased to submit this letter for our engagement as special counsel to the City of Westminster (the "City") in the issuance of the above referenced Sales and Use Tax Revenue Refunding Bonds, Series 2010 (the "Bonds"). The Bonds are currently expected to be issued in the principal amount of \$12,310,000, to be issued on a parity with other outstanding sales and use tax revenue bonds of the City and to close in the third quarter of 2010. The Bonds are to be underwritten by Piper Jaffray & Co. (the "Underwriter").

Scope of Engagement

Official Statement.

In this engagement, we expect to render legal advice to the City in the preparation of an official statement to be used in the offer and sale of the Bonds (the "Official Statement"). In connection with this service, Kutak Rock LLP ("Kutak Rock") will represent to the City that, while we are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to the attention of the attorneys in our firm who have worked on this engagement which leads us to believe that the final Official Statement (other than the financial, statistical or engineering data and information contained therein, any expressions of opinion or projections contained therein, and information provided for inclusion by any bond insurer or other providers of credit enhancement as to which we express no view or belief) as of its date contained, or as of the date hereof contains, any untrue statement of a material fact or as of its date omitted, or as of the date hereof omits, to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Martin R. McCullough, Esq.
May 21, 2010
Page 2

Bond Purchase Agreement.

In our engagement, we also are expected to draft a Bond Purchase Agreement between the City and the Underwriter relating to the purchase of the Bonds by the Underwriter and the sale of the Bonds by the City.

Limitation of Duties.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include preparing blue sky or investment surveys with respect to the Bonds or making an investigation or expressing any view as to the creditworthiness of the City or the Bonds.

Responsible Attorney.

The lead attorney assigned to this engagement will be Tom Peltz. Tom has been acting as counsel to the City for more than 20 years. Assisting Tom will be an associate, Hester Parrot, and a paralegal, Ardie White.

Attorney-Client Relationship

Upon execution of this engagement letter, the City will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the City, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as Special Counsel are limited to those contracted for in this letter; the City's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the City and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds.

Conflicts

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Execution of this letter will signify the

KUTAK ROCK LLP

Martin R. McCullough, Esq.
May 21, 2010
Page 3

City's consent to our representation of others consistent with the circumstances described in this paragraph.

Fees

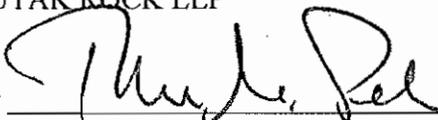
Based upon: (a) our current understanding of the terms, structure, size and schedule of the financing represented by the Bonds; (b) the duties we will undertake pursuant to this engagement letter; (c) the time we anticipate devoting to the financing; and (d) the responsibilities we will assume in connection therewith, our fee, inclusive of our expenses, will be \$20,000. Our fee may vary: (i) if material changes in the structure or schedule of the financing occur; or (ii) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. We understand and agree that our fees will be paid at the Closing. If the financing is not consummated, we understand and agree that we will not be paid for services rendered to the City pursuant to this engagement.

Records

At your request, papers and property furnished by you will be returned. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you on this financing.

KUTAK ROCK LLP

By 
Thomas M. Peltz, Partner

Accepted and Approved
CITY OF WESTMINSTER

By _____

Name _____

Title _____

Date: _____

Sherman & Howard L.L.C.

ATTORNEYS & COUNSELORS AT LAW
633 SEVENTEENTH STREET, SUITE 3000
DENVER, COLORADO 80202
TELEPHONE: (303) 297-2900
FAX: (303) 298-0940
WWW.SHERMANHOWARD.COM

Dee P. Wisor
Direct Dial Number: (303) 299-8228
E-mail: DWisor@ShermanHoward.com
Licensed in Colorado

May 5, 2010

City of Westminster
Office of the City Attorney
4800 West 92nd Avenue
Westminster, CO 80031
Attention: Martin R. McCullough

\$18,300,000
Refunding Certificates of Participation
Series 2010

Dear Marty:

We are pleased to confirm our engagement as special counsel to the City of Westminster (the "City"). We appreciate your confidence in us and will do our best to continue to merit it.

We believe it is good practice to set forth in writing (and in some detail) the elements of our mutual understanding in establishing our attorney-client relationship. While some of the matters covered in this engagement letter will never be relevant or of concern between us, we hope you will understand that as attorneys and counselors it is our natural function to try to make communication clear and complete, and to anticipate and resolve questions before they arise. We also believe that the performance of our services may require your effort and cooperation. Consequently, the better we each understand our respective roles, responsibilities and contributions, the more efficient, effective and economical our work for you can be.

Personnel

This letter sets forth the role we propose to serve and the responsibilities we propose to assume as special counsel to the City in connection with the above referenced Certificates to be refunded by the City. We understand that the City Council has authorized the execution of this letter and has delegated to you the authority to sign this letter and to represent the City during this financing. Dee Wisor and Kim Crawford will be principally responsible for the work performed by Sherman & Howard L.L.C. on your behalf, and he will report to and take direction from Mr. McCullough. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Mr. Wisor will coordinate, review, and approve all work completed for the City.

Scope of Employment

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization of the Lease and the issuance of Certificates of Participation in the Lease rentals (the "Certificates"). As your bond counsel, we will: examine applicable law; consult with the parties to the transaction prior to the execution of the Lease; prepare customary authorizing and operative documents, which may include proceedings relating to: the authorization and execution of the Lease and issuance of the Certificates and closing certificates; review a certified transcript of proceedings; and undertake such additional duties as we deem necessary to render the opinion. Subject to the completion of proceedings to our satisfaction, we will render our opinion relating to the validity of the Lease and the Certificates, the enforceability of the security for the Certificates, and the exclusion of the interest paid on the Certificates (subject to certain limitations which may be expressed in the opinion) from gross income for federal income tax purposes and for Colorado income tax purposes.

As bond counsel, we will not assume or undertake responsibility for assisting in the preparation of the Official Statement with respect to the Bonds (the "Official Statement"), nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement. We understand that Kutak Rock LLP is acting as disclosure counsel to the City in connection with the Official Statement and: (i) will prepare the Official Statement, and (ii) will provide a letter with respect to compliance with the state and federal securities laws upon which the Authority may rely. Our responsibility as bond counsel will include the preparation or review of any description in the Official Statement of: (i) Colorado and federal law pertinent to the validity of and security for the Bonds, as well as the tax treatment of interest paid thereon, (ii) the terms of the Bonds, and (iii) our opinion. In addition, we would like to review a draft copy of the Official Statement so that we may have an opportunity to comment on it; however, such review is only for the protection of our firm and would not serve to protect the City or purchasers of the Bonds..

In rendering our opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. Our opinion will be addressed to the City and will be executed and delivered by us in written form on the date the Certificates are exchanged for its purchase price (the "Closing"). The opinion will be based on facts and law existing as of their date.

Our services as bond counsel are limited to those contracted for explicitly herein; the City's execution of this letter constitutes an acknowledgment of those limitations. Specifically, but without implied limitation, our responsibilities do not include any representation by Sherman & Howard L.L.C. in connection with any IRS audit or any litigation involving the City or the Certificates, or any other matter. Neither do we assume responsibility for the preparation of any collateral documents (*e.g.*, environmental impact statements) which are to be filed with any state, federal or other regulatory agency. Nor do our services include financial advice (including advice

about the structure of the Lease) or advice on the investment of funds related to the Lease or Certificates.

Representation of the City

In performing our services as bond counsel, the City will be our client and an attorney-client relationship will exist between us. We will represent the interests of the City rather than the City Council or its individual members. We will work closely with the City Attorney and will rely on his opinion with regard to specific matters, including pending litigation. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our limited representation of the City does not alter our responsibility to render an objective opinion as bond counsel.

Conflicts of Interest

Our firm sometimes represents, in other unrelated transactions, certain of the financial institutions that may be involved in this Bond transaction, such as underwriters, credit enhancers, and banks that act as paying agents or trustees. We do not believe that there is a significant risk that any of these representations will materially limit our ability to provide competent and diligent representation of the District in connection with the Bonds, even though such representations may be characterized as adverse under the Colorado Rules of Professional Conduct (the "Rules"). In any event, during the term of our engagement hereunder, we will not accept a representation of any of these parties in any matter in which the District is an adverse party. However, pursuant to the Rules, we do ask that you consent to our representation of such parties in transactions that do not directly or indirectly involve the District. Your execution of this letter will signify the District's prospective consent to such adverse representations in matters unrelated to the Bonds while we are serving as bond counsel hereunder.

Fee Arrangement

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee for this engagement will be approximately \$40,000. Such fee may vary: (i) if the principal amount of the Certificates actually issued increases significantly, (ii) if material changes in the structure of the financing occur, (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities or (iv) the Lease is not executed by September 1, 2010. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you.

In addition, this letter authorizes us to make disbursements on your behalf, which we estimate will not exceed \$1,200. The City agrees to reimburse us for such disbursements, including

travel costs, photocopying, deliveries, filing fees, computer assisted research, and other necessary office expenses.

Our fees are usually paid at Closing out of Certificate proceeds. We customarily do not submit any statement until the Closing, unless there is a substantial delay in completing the financing. We understand and agree that our fees will be paid at Closing out of proceeds. If the financing is not consummated, we understand and agree that we will not be paid. If you prefer, we can provide you a non-contingent fee arrangement based upon an hourly rate or a fixed transaction fee.

Termination of Engagement

The above fees contemplate compensation for usual and customary services as bond counsel as described above. Upon delivery of the opinion, our responsibilities as bond counsel will terminate with respect to this financing, and our representation of the City and the attorney-client relationship created by this engagement letter will be concluded. Specifically, but without implied limitation, we do not undertake to provide continuing advice to the City or to any other party to the transaction. Many post-issuance events may affect the Lease, the tax-exempt status of interest on the Lease, or liabilities of the parties to the transaction. Such subsequent events might include a change in the project to be financed with Certificate proceeds, a failure by one of the parties to comply with its contractual obligations (*e.g.*, rebate requirements, continuing disclosure requirements), an IRS audit, or a change in federal or state law. Should the City seek the advice of bond counsel on a post-closing matter or seek other, additional legal services, we would be happy to discuss the nature and extent of our separate engagement at that time.

Document Retention

At or within a reasonable period after Closing, we will review the file to determine what materials should be retained as a record of our representation and those which are no longer needed. We will provide you with a copy of the customary transcript of documents after Closing and will return any original documents obtained from you (if a copy is not included in the transcript). We will retain for several years a copy of the transcript and such other materials as correspondence, final substantive work product, documents obtained from you, and documents obtained from third parties. We will not retain such materials as duplicates of the above-described material, or drafts and notes that do not appear needed any longer.

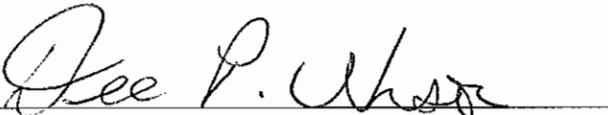
Ordinarily the firm will keep the retained materials until seven years after the final maturity of the Certificates. At the end of that time, unless you advise us in writing to the contrary, we will destroy the bulk of the file. If the file is especially voluminous, we may destroy all or a portion of it earlier, as our storage facilities are limited. If you prefer other arrangements for retention or disposition of our files in this matter, please advise us in writing.

Approval

If the estimated fees, the requested consent to the potential future representation of Piper Jaffray, and other foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter signed by the officer so authorized, retaining the original for your files.

We are pleased to have the opportunity to serve as your bond counsel and special counsel and look forward to a mutually satisfactory and beneficial relationship. We are deeply committed to the proposition that our clients must be satisfied with the quality of our services as well as the amount of our charges. Our effectiveness and your best interest are enhanced by an atmosphere of candor and confidence between us, not only as to the facts and circumstances of the legal issues on which we are working, but also as to the attorney-client relationship itself. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

SHERMAN & HOWARD L.L.C.

By: 

ACCEPTED AND APPROVED:

CITY OF WESTMINSTER, COLORADO

By: _____

Its: _____

Date: _____

DPW/jw
Enclosures

KUTAK ROCK LLP

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May 21, 2010

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(303) 292-7807

Martin R. McCullough, Esq.
City Attorney
City of Westminster
4800 West 92nd Avenue
Westminster, CO 80030

Re: Proposed issuance of Certificates of Participation, Series 2010 representing an assignment of the right to receive certain revenues pursuant to a Lease Purchase Agreement by and between the City of Westminster and The City of Westminster Building Authority (the "Authority")

Dear Marty:

We are pleased to submit this letter for our engagement as special counsel to the City of Westminster (the "City") with regard to the issuance of the above referenced Certificates of Participation, Series 2010 (the "Certificates"). The Certificates are expected to be issued for the purpose of refunding the outstanding Certificates of Participation, Series 2001 (Public Safety Building) and Golf Course Enterprise Revenue Bonds, Series 1998.

The Certificates are expected to be issued in the approximate principal amount of \$18,000,000 and to close in the third quarter of 2010. The Certificates are to be underwritten by Piper Jaffray & Co. (the "Underwriter").

Scope of Engagement

Official Statement.

In this engagement, we expect to render legal advice to the City in the preparation of an official statement to be used in the offer and sale of the Certificates (the "Official Statement"). In connection with this service, Kutak Rock LLP ("Kutak Rock") will represent to the City that, while we are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to the attention of the attorneys in our firm who have worked on this engagement which leads us to believe that the final Official Statement (other than the financial, statistical or engineering data and information contained therein, any expressions of opinion or projections contained therein, and information provided for inclusion by any bond insurer or other providers of credit

Martin R. McCullough, Esq.
May 21, 2010
Page 2

enhancement as to which we express no view or belief) as of its date contained, or as of the date hereof contains, any untrue statement of a material fact or as of its date omitted, or as of the date hereof omits, to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Certificate Purchase Agreement.

In our engagement, we also are expected to draft a Certificate Purchase Agreement between the Authority and the Underwriter relating to the purchase of the Certificates by the Underwriter and the sale of the Certificates by the Authority.

Limitation of Duties.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include preparing blue sky or investment surveys with respect to the Certificates or making an investigation or expressing any view as to the creditworthiness of the City or the Certificates.

Responsible Attorney.

The lead attorney assigned to this engagement will be Tom Peltz. Tom has been acting as counsel to the City for more than 20 years. Assisting Tom will be an associate, Hester Parrot, and a paralegal, Ardie White.

Attorney-Client Relationship

Upon execution of this engagement letter, the City will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the City, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as Special Counsel are limited to those contracted for in this letter; the City's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the City and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Certificates.

Conflicts

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance

Martin R. McCullough, Esq.
May 21, 2010
Page 3

of the Certificates. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Certificates so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Certificates. Execution of this letter will signify the City's consent to our representation of others consistent with the circumstances described in this paragraph.

Fees

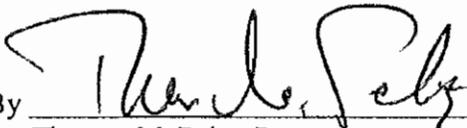
Based upon: (a) our current understanding of the terms, structure, size and schedule of the financing represented by the Certificates; (b) the duties we will undertake pursuant to this engagement letter; (c) the time we anticipate devoting to the financing; and (d) the responsibilities we will assume in connection therewith, our fee, inclusive of our expenses, will be \$24,000. Our fee may vary: (i) if material changes in the structure or schedule of the financing occur; or (ii) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. We understand and agree that our fees will be paid at the Closing. If the financing is not consummated, we understand and agree that we will not be paid for services rendered to the City pursuant to this engagement.

Records

At your request, papers and property furnished by you will be returned. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you on this financing.

KUTAK ROCK LLP

By 
Thomas M. Peltz, Partner

KUTAK ROCK LLP

Martin R. McCullough, Esq.
May 21, 2010
Page 4

Accepted and Approved

CITY OF WESTMINSTER

By _____

Name _____

Title _____

Date: _____



**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Second Reading of Councillor's Bill No. 31 re Westminster Municipal Code
Revision re Cash Handling Policy

Prepared By: Robert Smith, Treasury Manager
Robert Byerhof, Financial Analyst
Rachel Price, Financial Analyst
Michele Trujillo, Internal Auditor

Recommended City Council Action

Adopt Councillor's Bill No. 31 on second reading making revisions to the Westminster Municipal Code Section 1-8-3 regarding the Cash Handling Policy.

Summary Statement

- Staff has reviewed the Cash Handling Policy and has found needed updates due to technological changes. Staff is proposing changes to the Westminster Municipal Code (Code) language to expand the penalty currently charged on dishonored checks to include all forms of dishonored payments.
- Proposed Code revisions will allow first dishonored payments to be resubmitted via cash, certified check, or credit card.
- Proposed Code revisions will allow the City to charge at least the minimum charge incurred by the City for returned payments.
- This Councillor's Bill was approved on first reading by City Council on June 14, 2010.

Expenditure Required: \$0

Source of Funds: N/A

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **31**

SERIES OF 2010

INTRODUCED BY COUNCILLORS
Major - Kaiser

A BILL

FOR AN ORDINANCE AMENDING SECTION 1-8-3 OF THE WESTMINSTER MUNICIPAL CODE
CONCERNING CASH HANDLING POLICY

THE CITY OF WESTMINSTER ORDAINS:

Section 1: Section 1-8-3, W.M.C., is hereby AMENDED as follows:

1-8-3: DISHONORED CHECK; PENALTIES:

(A) Any ~~payment check~~ received by the City which is subsequently returned from the bank will be subject to a service fee and any other applicable ~~check~~ collection charge or fee as may, from time to time, be imposed by the City. (1354 1699 2422)

(B) Any amount due to the City which is paid by ~~any payment type check~~ that is subsequently dishonored by the bank will not be considered paid until the funds are collected. Such liabilities will be subject to any late charges and fines or other enforcement procedures of the ordinance or contract controlling the original liability in addition to the service fee provided in subsection (A) of this section. (1354 1699)

(C) ~~Subject to the payment discretion of a manager or supervisor, a~~ person may ~~redeem-resubmit~~ a dishonored ~~payment check~~ by cash, ~~or certified check, and when permissible, credit card~~. However, if ~~a~~ the second ~~payment check~~ is dishonored by the bank, an additional penalty of ~~thirty twenty-five~~ dollars (~~\$3025~~) will be assessed ~~in addition to any other charges incurred by the City for the returned payment~~. Only cash or ~~a~~ certified check will be accepted for the redemption of a second dishonored check for the same liability. (1354 1699)

(D) Payments made to redeem a dishonored ~~payment check~~ will be applied first to the service charge. Any remaining amount will then be applied to the original liability and/or any penalties or fines as may be specified in the ordinance or contract controlling the original liability or as otherwise specified in this code. (1354 1699)

(E) The City Manager is allowed to administratively set the returned ~~payment check~~ fee, ~~but at minimum, fees will reflect actual charges incurred by the City for any returned payment-taking into account current rates charged by other entities~~. (2422)

Section 2. This ordinance shall take effect upon its passage after second reading. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 14th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 28th day of June, 2010.

ATTEST:

City Clerk

Mayor

APPROVED AS TO LEGAL FORM:

City Attorney's Office



Agenda Item 9 A

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Resolution No. 21 re Appointments to Fill a Vacancy on the Environmental Advisory Board

Prepared By: Linda Yeager, City Clerk

Recommended City Council Action

Adopt Resolution No. 21 to fill a vacancy on the Environmental Advisory Board.

Summary Statement

- City Council action is requested to appoint a qualified applicant to fill a vacancy in an alternate membership on the Environmental Advisory Board that resulted from the recent resignation of Irene Landers.
- The proposed resolution, if adopted, names the alternate from a pool of eligible citizens who were interviewed by City Council in April of this year.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Does City Council wish to fill a vacancy on the Environmental Advisory Board so a full complement of members can fulfill established duties?

Alternative

None identified

Background Information

Irene Landers recently resigned with regrets from the Environmental Advisory Board citing a standing conflict on the monthly date that the Board meets.

If adopted, the resolution before City Council appoints William Lange the alternate member of the Environmental Advisory Board to a term that expires on December 31, 2011.

The Environmental Advisory Board supports City Council's strategic goal of an Environmentally Sensitive City through research and thoughtful review of proposed programs that increase awareness of the short- and long-term advantages of "greening" Westminster.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment – Resolution

RESOLUTION

RESOLUTION NO. **21**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

CITY OF WESTMINSTER BOARD AND COMMISSION APPOINTMENTS

WHEREAS, a vacancy exists on the City's Environmental Advisory Board because of a resignation received in recent weeks; and

WHEREAS, it is important to have each City Board or Commission working with its full complement of authorized members to carry out the business of the City of Westminster with citizen representation; and

WHEREAS, City Council interviewed citizens who had applied for appointment to Boards and Commissions of personal interest to them.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER that William Lange is hereby appointed the alternate member of the Westminster Environmental Advisory Board to a term of office that will expire on December 31, 2011.

PASSED AND ADOPTED this 28th day of June, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney



Agenda Item 10 A-E

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Public Hearing, Resolution No. 14 re Findings of Fact re the 144th Avenue and Tejon Street Property Annexation, and Councillor's Bills No. 18, 19, and 20 re the Annexation, Comprehensive Land Use Plan Amendment and Zoning for the 144th Avenue and Tejon Street Property

Prepared By: Walter Patrick, Planner I

Recommended City Council Action

1. Continue the public hearing from the May 10, 2010 City Council meeting.
2. Adopt Resolution No. 14 making certain findings of fact as required under Section 31-12-110 C.R.S. regarding the proposed 144th Avenue and Tejon Street property annexation.
3. Pass Councillor's Bill No. 18 on first reading annexing the 144th Avenue and Tejon Street property into the City.
4. Pass Councillor's Bill No. 19 on first reading amending the Comprehensive Land Use Plan for the 144th Avenue and Tejon Street property changing the designation from unincorporated Adams County to City Owned Open Space. This recommendation is based on a finding that the proposed amendment will be in the public good and that:
 - a) There is justification for the proposed change and the Plan is in need of revision as proposed; and
 - b) The amendment is in conformance with the overall purpose and intent and the goals and policies of the Plan; and
 - c) The proposed amendment is compatible with existing and planned surrounding land uses; and
 - d) The proposed amendment would not result in excessive detrimental impacts to the City's existing or planned infrastructure systems.
5. Pass Councillor's Bill No. 20 on first reading approving the rezoning of the 144th Avenue and Tejon Street property from Adams County A-1 to City of Westminster Open District O-1. This recommendation is based on a finding that the criteria set forth in Section 11-5-3 of the Westminster Municipal Code have been met.

Summary Statement

- This annexation was originally brought before the Council on May 10, 2010. However, due to a newspaper publication error the hearing was continued to June 28, 2010. The publication error has been corrected.
- The 144th Avenue and Tejon Street annexation area contains 1.122 acres and consists of right-of-way area along 144th Avenue and a City-owned parking area used for the adjacent City Open Space lands.
- In a 2009 Intergovernmental Agreement (IGA) with Adams County, the City agreed to annex the right-of-way areas between Tejon Street and Zuni Street.
- The surrounding Adams County zoning designations are primarily designed for pasturage and large lot residential uses. Open Space uses on this property are compatible with the Adams County zoning designations.

Expenditure Required: \$ 0
Source of Funds: N/A

Planning Commission Recommendation

The Planning Commission reviewed this proposal on April, 13, 2010, and voted unanimously (7-0) to recommend the City Council approve the annexation, assign a Comprehensive Land Use Plan (CLUP) designation of City Owned Open Space, and rezone property from Adams County A-1 to City of Westminster O-1.

Policy Issues

1. Should the City annex the 144th Avenue and Tejon Street property into the City?
2. Should the City approve a Comprehensive Land Use Plan amendment for the 144th Avenue and Tejon Street property amending the designation to City Owned Open Space?
3. Should the City approve the rezoning of the 144th Avenue and Tejon Street property from Adams County A-1 to City of Westminster O-1?

Alternatives

1. Make a finding that there is no community of interest with the 144th Avenue and Tejon Street property. If this action is taken the City owned property will remain unincorporated and subject to Adams County regulations and the City would be in violation of an existing IGA with Adams County in which the City agreed to annex the 144th Avenue right-of-way area between Tejon Street and Zuni Street.
2. Deny the Comprehensive Land Use Plan amendment or assign a different designation.
3. Deny the rezoning of the properties from Adams County A-1 to City of Westminster O-1, or assign an alternative zoning category.

Background Information

Nature of Request

In 2009 the City executed an IGA with Adams County regarding annexation, funding, and contract administration responsibilities for the 144th Avenue, Huron Street to Zuni Street improvements project. As part of this IGA the City has agreed to annex the 144th Avenue right-of-way between Tejon Street and Zuni Street. In addition, the City has purchased unincorporated land adjacent to the right-of-way area for open space that is desirable to annex into the City.

Location

The annexation area is located generally southwest of 144th Avenue and Tejon Street. (Please see attached vicinity map).

Comprehensive Land Use Plan Amendment

The Westminster Municipal Code requires the owner of the property requesting an amendment to the Comprehensive Land Use Plan (CLUP) to prove the amendment is in the public good and in overall compliance with the purpose and intent of the CLUP. Further, the CLUP provides four criteria to be used when considering a CLUP amendment. Staff has reviewed these criteria and has provided the following comments on each.

1. The proposed amendment must, “Demonstrate that there is justification for the proposed change, and that the Plan is in need of revision as proposed.” The amendment is directly allowing the City to further the City goals and policies of enhancing and expanding the City’s Open Space system.

2. The proposed amendment must, “Be in conformance with the overall purpose, intent, goals, and policies of the Plan.” Applicable goals are stated in Section III of the Community Goals and Policies section of the Plan. They include:
 - Goal H4 – Enhance the City’s open space system to preserve and protect natural areas, vistas and view corridors, and to complete the open space and trail system.
 - Policy H4a – Use acquisition of open space as a tool to channel growth into appropriate locations and to shape the overall design of the community.
 Based upon these goals and policies, staff has found this proposed amendment to be in conformance with the overall purpose, intent, goals, and policies of the Plan.

3. The proposal must, “Be compatible with existing and surrounding land uses.” The surrounding area is primarily zoned A-1 or A-3 in Adams County. This designation is a rural single-family dwelling district where the minimum lot area for a home site is intended to provide for a rural living experience. Limited farming uses are permitted including the keeping of a limited number of animals for individual homeowner’s use. This district is primarily designed for the utilization and enjoyment of the County’s rural environment. The proposed use for the annexed property as Open Space is compatible with the surrounding area.

4. The proposal must, “Not result in detrimental impacts to the City’s existing or planned infrastructure or provide measures to mitigate such impacts to the satisfaction of the City.” The 144th Avenue improvements have already been completed. No development is proposed on the Open Space areas; therefore, no detrimental impacts are anticipated.

Public Notification

Westminster Municipal Code 11-5-13 requires the following three public notification procedures:

- **Published Notice:** Colorado State Statutes requires notice of annexation be published once a week for four consecutive weeks, with the first publication being at least 30 days prior to the hearing. Notice was published in the Westminster Window on May 20, 2010; May 27, 2010; June 3, 2010; and June 10, 2010.
- **Property Posting:** Notice of public hearings shall be posted on the property with one sign in a location reasonably visible to vehicular and pedestrian traffic passing adjacent to the site. One sign was posted on the property on March 24, 2010.
- **Written Notice:** At least 10 days prior to the date of the public hearing, the applicant shall mail individual notices by first-class mail to property owners and homeowner’s associations registered with the City within 300 feet of the subject property. The required notices were mailed on March 24, 2010.

Applicant/Property Owner

City of Westminster

Surrounding Land Use and Comprehensive Land Use Plan Designation

Development Name	Zoning	CLUP Designation	Use
North: Unincorporated Adams County	A-1	Adams County	Estate Residential
West: Unincorporated Adams County	A-1	Adams County	Estate Residential
East: City of Westminster	O-1	Open Space	Open Space
South: Unincorporated Adams County	A-3	Adams County	Pasturage

Site Plan Information

No development is proposed.

Service Commitment Category

Not applicable.

Referral Agency Responses

A copy of the proposed plans was sent to Adams County. The Adams County Public Works Department has responded that the annexation is in accordance with the IGA. The Adams County Public Works Department has further asked the City to consider the future annexation of an additional 80 ft. x 25 ft. section of right-of-way at the northeast quadrant of West 144th Avenue and Tejon Street which would put the intersection completely within the City's jurisdiction. Staff will review this request for future annexation.

Neighborhood Meeting(s) and Public Comments

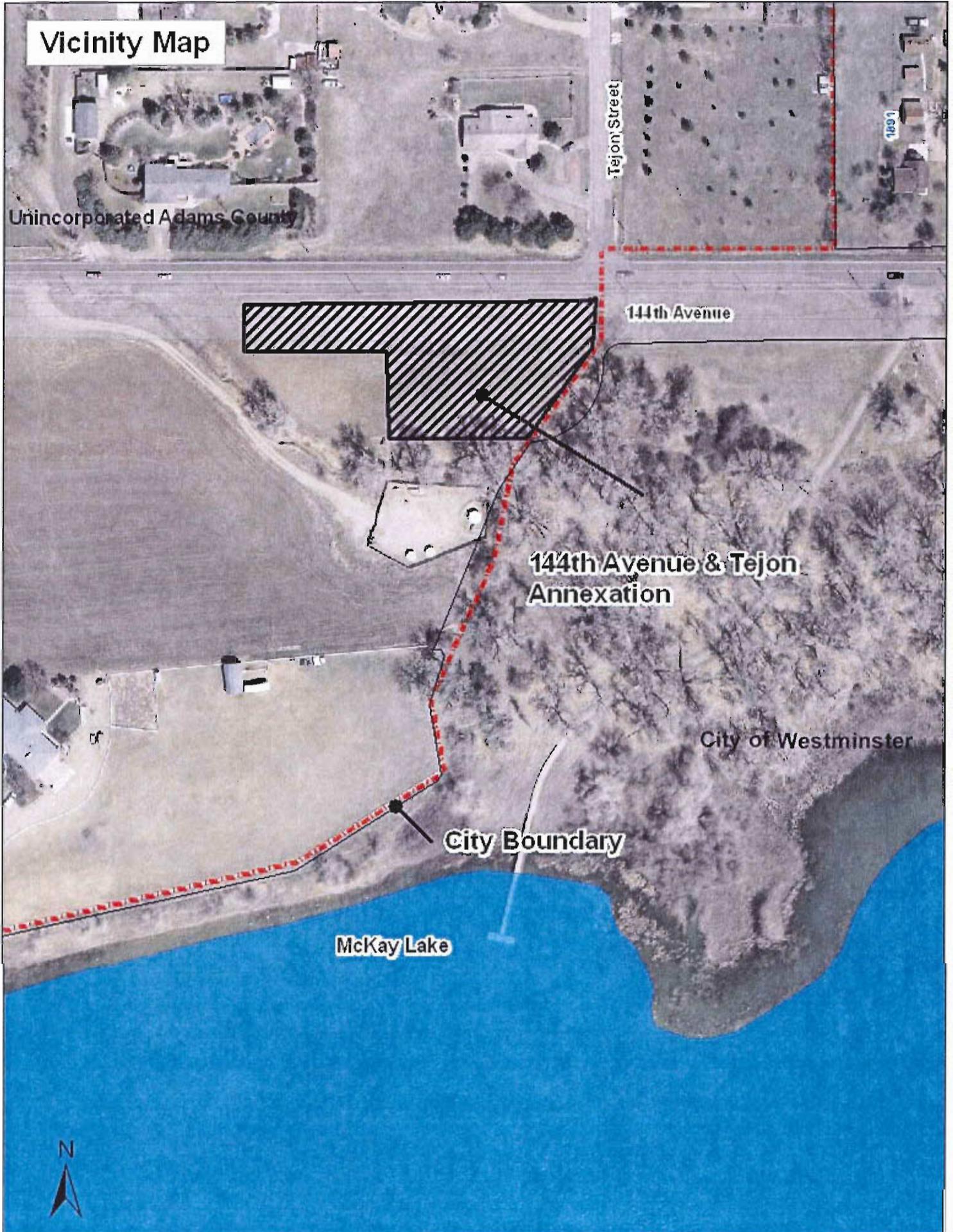
Not applicable.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Exhibit A - Vicinity Map
- Exhibit B - Criteria and Standards for Land Use Applications
- Resolution - Findings of Fact
- Annexation Ordinance
- Comprehensive Land Use Plan Ordinance
 - Exhibit A - Legal Description
 - Exhibit B - CLUP Map
- Zoning Ordinance
 - Exhibit A - Legal Description
 - Exhibit B - Zoning Map



Criteria and Standards for Land Use Applications

Comprehensive Land Use Plan Amendments

- The owner/applicant has “the burden of proving that the requested amendment is in the public good and in compliance with the overall purpose and intent of the Comprehensive Land Use Plan...” (WMC 11-4-16(D.4)).
- Demonstrate that there is justification for the proposed change and that the Plan is in need of revision as proposed;
- Be in conformance with the overall purpose, intent, and policies of the Plan;
- Be compatible with the existing and surrounding land uses; and
- Not result in excessive detrimental impacts to the City’s existing or planned infrastructure systems, or the applicant must provide measures to mitigate such impacts to the satisfaction of the City (Page VI-5 of the CLUP).

Zoning or Rezoning to a Zoning District Other Than a Planned Unit Development (PUD)

11-5-3: STANDARDS FOR APPROVAL OF ZONINGS AND REZONINGS: (2534)

(A) The following criteria shall be considered in the approval of any application for zoning or rezoning to a zoning district other than a Planned Unit Development:

1. The proposed zoning or rezoning is in conformance with the City's Comprehensive Plan and all City policies, standards and sound planning principles and practice.
2. There is either existing capacity in the City's street, drainage and utility systems to accommodate the proposed zoning or rezoning, or arrangements have been made to provide such capacity in a manner and timeframe acceptable to City Council.

City Initiated Rezoning

(B) The City may initiate a rezoning of any property in the City without the consent of the property owner, including property annexed or being annexed to the City, when City Council determines, as part of the final rezoning ordinance, any of the following:

1. The current zoning is inconsistent with one or more of the goals or objectives of the City's Comprehensive Land Use Plan.
2. The current zoning is incompatible with one or more of the surrounding land uses, either existing or approved.
3. The surrounding development is or may be adversely impacted by the current zoning.
4. The City's water, sewer or other services are or would be significantly and negatively impacted by the current zoning and the property is not currently being served by the City.

RESOLUTION

RESOLUTION NO. **14**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

A RESOLUTION PURSUANT TO SECTION 31-12-110, C.R.S., SETTING FORTH THE FINDINGS OF FACT AND CONCLUSION OF CITY COUNCIL WITH REGARD TO THE PROPOSED ANNEXATION OF CONTIGUOUS UNINCORPORATED LAND IN THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 1 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, ALSO KNOWN AS THE 144TH AVENUE AND TEJON STREET PROPERTY

WHEREAS, pursuant to the laws of the State of Colorado, there has been filed with the City Clerk a petition (the "Petition") for the annexation of the property described in said Petition; and

WHEREAS, City Council has previously adopted Resolution No. 9 finding the Petition to be in substantial compliance with the provisions of section 31-12-107(1), C.R.S.; and

WHEREAS, notice to all required parties has been given pursuant to section 31-12-108, C.R.S.; and

WHEREAS, City Council has held a hearing concerning the proposed annexation as required by sections 31-12-108 and -109, C.R.S.; and

WHEREAS, having completed the required hearing, the City Council wishes to set forth its findings of fact and conclusion regarding the proposed annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER THAT:

1. The City Council finds:
 - a. Not less than 1/6 of the perimeter of the area proposed to be annexed is contiguous with the City of Westminster;
 - b. A community of interest exists between the area proposed to be annexed and the City;
 - c. The area is urban or will be urbanized in the near future; and
 - d. The area is integrated with or is capable of being integrated with the City.
2. The City Council further finds:
 - a. With respect to the boundaries of the territory proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate parts or parcels without the written consent of the landowners thereof, except to the extent such tracts or parcels are separated by dedicated street, road, or other public way; and

b. With regard to the boundaries of the area proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, comprising twenty (20) acres or more (which, together with the buildings and improvements situated thereon has a valuation for assessment in excess of \$200,000 for ad valorem tax purposes for the previous year), has been included in the area being proposed for annexation without the written consent of the owners thereof, except to the extent such tract of land is situated entirely within the outer boundaries of the City immediately prior to the annexation of said property.

3. The City Council further finds:

a. That no annexation proceedings concerning the property proposed to be annexed by the City has been commenced by another municipality;

b. That the annexation will not result in the detachment of this area from its current school district;

c. That the annexation will not result in the extension of the City's boundary more than three (3) miles in any direction within the previous 365 days of the effective date of this Resolution;

d. That the City of Westminster has in place a plan for the area proposed to be annexed; and

e. That in establishing the boundaries of the area to be annexed, the entire width of any street or alley is included within the area annexed.

4. The City Council further finds that an election is not required and no additional terms or conditions are to be imposed upon the area to be annexed.

5. The City Council concludes that the City may proceed to annex the area proposed to be annexed by ordinance pursuant to section 31-12-111, C.R.S.

PASSED AND ADOPTED this 28th day of June, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **18**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

A BILL

**FOR AN ORDINANCE APPROVING AND ACCOMPLISHING THE ANNEXATION OF
CONTIGUOUS UNINCORPORATED TERRITORY IN THE NORTHWEST QUARTER OF
THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 1 SOUTH, RANGE 68 WEST,
6TH P.M., COUNTY OF ADAMS, STATE OF COLORADO, KNOWN AS THE 144th AVENUE
AND TEJON STREET PROPERTY**

WHEREAS, pursuant to the laws of the State of Colorado, there was presented to and filed with the City Council of the City of Westminster a written application for annexation to and by the City of Westminster of the hereinafter-described contiguous, unincorporated territory situate, lying and being in the County of Adams, State of Colorado; and

WHEREAS, the Council of the City of Westminster has held the required annexation hearing in conformance with all statutory requirements; and

WHEREAS, the Council of the City of Westminster has satisfied itself concerning the conformance of the proposed annexation to the annexation policy of the City of Westminster.

NOW, THEREFORE, THE CITY OF WESTMINSTER ORDAINS:

Section 1. That the parcel of land, below described, meets the requirements of Sections 31-12-104(a) and 31-12-105, C.R.S. and annexation of the following described contiguous unincorporated territory, situate, lying and being in the County of Adams, State of Colorado, is hereby accomplished by and to the City of Westminster, State of Colorado:

The 144th Avenue and Tejon Street Property:

A parcel of land located in the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the northwest corner of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian thence N89°57'07"E along the northerly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 1309.53 feet to the northeast corner of the northwest quarter of the northwest quarter of said Section 21; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet to the Point of Beginning; thence S00°19'35"E along said easterly line a distance of 50.13 feet; thence S35°01'57"W a distance of 29.16 feet; thence S35°19'56"W a distance of 125.59 feet; thence S89°58'53"W a distance of 4.86 feet; thence N00°01'07"W a distance of 10.00 feet; thence S89°58'53"W a distance of 166.00 feet; thence N00°01'07"W a distance of 116.76 feet; thence S89°57'11"W a distance of 207.51 feet; thence N00°02'53"W a distance of 49.54 feet; thence N89°57'07"E along a line which is 30 feet southerly of and parallel to the northerly line of the northwest quarter of the northwest quarter of said Section 21, a distance of 467.54 feet to the Point of Beginning.

Said parcel contains 1.122 acres (48,880 sq. ft.), more or less.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **19**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING THE WESTMINSTER
COMPREHENSIVE LAND USE PLAN**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

a. That the City has initiated an amendment to the Westminster Comprehensive Land Use Plan, pursuant to W.M.C. §11-4-16(D), for the property described in attached Exhibit A, incorporated herein by reference, requesting a change in the land use designations from Unincorporated Adams County to "City-Owned Open Space" for the 1.122 acre property located on 144th Avenue and Tejon Street.

b. That such amendment has been referred to the Planning Commission, which body held a public hearing thereon on April 13, 2010, after notice complying with W.M.C. §11-4-16(B) and has recommended approval of the requested amendment.

c. That notice of the public hearing before Council has been provided in compliance with W.M.C. §11-4-16(B).

d. That Council, having considered the recommendations of the Planning Commission, has completed a public hearing and has accepted and considered oral and written testimony on the requested amendments.

e. That the requested amendment will further the public good and will be in compliance with the overall purpose and intent of the Comprehensive Land Use Plan, particularly the goal that encourages the enhancement of the City's open space system to preserve and protect natural areas, vistas, and view corridors, and to complete the open space and trail system.

Section 2. The City Council approves the requested amendments and authorizes City Staff to make the necessary changes to the map and text of the Westminster Comprehensive Land Use Plan to change the designation of the property more particularly described on attached Exhibit A, to "City-Owned Open Space", as depicted on the map attached as Exhibit B.

Section 3. Severability: If any section, paragraph, clause, word or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part deemed unenforceable shall not affect any of the remaining provisions.

Section 4. This ordinance shall take effect upon its passage after second reading.

Section 5. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office

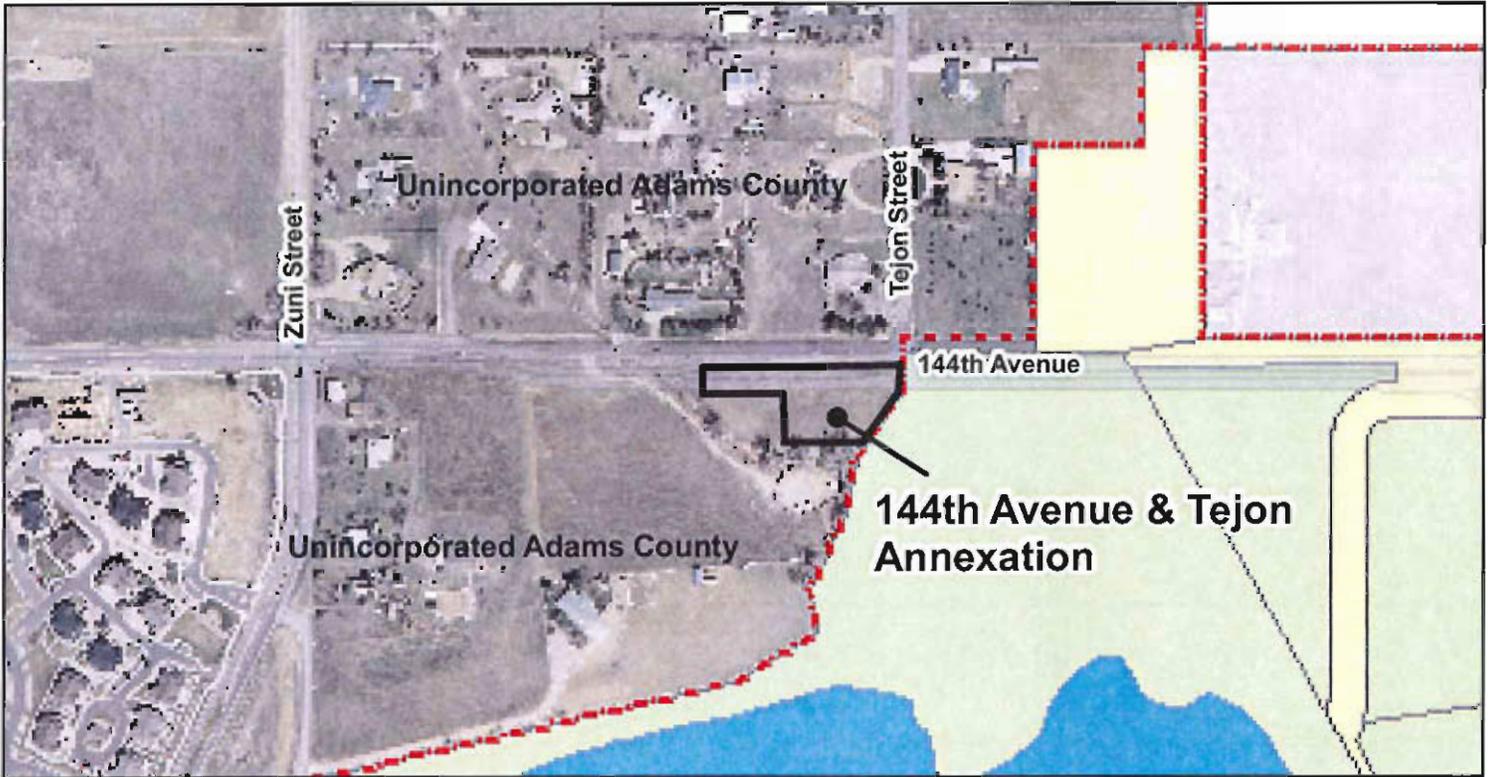
EXHIBIT A

**Legal Description
144th Avenue and Tejon Street**

A parcel of land located in the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the northwest corner of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian thence N89°57'07"E along the northerly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 1309.53 feet to the northeast corner of the northwest quarter of the northwest quarter of said Section 21; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet to the Point of Beginning; thence S00°19'35"E along said easterly line a distance of 50.13 feet; thence S35°01'57"W a distance of 29.16 feet; thence S35°19'56"W a distance of 125.59 feet; thence S89°58'53"W a distance of 4.86 feet; thence N00°01'07"W a distance of 10.00 feet; thence S89°58'53"W a distance of 166.00 feet; thence N00°01'07"W a distance of 116.76 feet; thence S89°57'11"W a distance of 207.51 feet; thence N00°02'53"W a distance of 49.54 feet; thence N89°57'07"E along a line which is 30 feet southerly of and parallel to the northerly line of the northwest quarter of the northwest quarter of said Section 21, a distance of 467.54 feet to the Point of Beginning.

Said parcel contains 1.122 acres (48,880 sq. ft.), more or less.



Change From: Outside City Limits

	R-1		R-18		Office/Residential		Private Parks/Open Space
	R-2.5		Retail Comm.		District Center		Golf Courses
	R-3.5		Office		Traditional Mixed Use		Public/Quasi Public
	R-5		Industrial		City Owned Open Space		N.E. Comp. Dev. Plan
	R-8		Business Park		Public Parks		

Change To: City Owned Open Space



BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **20**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING THE ZONING OF
THE 144th AVENUE AND TEJON STREET PROPERTY, A 1.122 ACRE PARCEL
LOCATED AT 144TH AVENUE AND TEJON STREET, ADAMS COUNTY, COLORADO
FROM A-1 (ADAMS COUNTY) TO O-1**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

a. That a rezoning of the property generally located along the southwest corner of 144TH Avenue and Tejon Street, as described in attached Exhibit A, incorporated herein by reference, from the Adams County A-1 zone to an O-1 zone is desirable because:

1. The current zoning is inconsistent with one or more of the goals or objectives of the City's Comprehensive Land Use Plan.

b. That the notice requirements of W.M.C. §11-5-13 have been met.

c. That such rezoning has been referred to the Planning Commission, which body held a public hearing thereon on April 13, 2010, and has recommended approval of the requested amendment.

d. That Council has completed a public hearing on the requested zoning pursuant to the provisions of Chapter 5 of Title XI of the Westminster Municipal Code and has considered the criteria in W.M.C. §11-5-3.

e. That based on the evidence produced at the public hearing, a rezoning to the proposed O-1 zoning complies with all requirements of Westminster Municipal Code, including, but not limited to, the provisions of W.M.C. §11-4-3, requiring compliance with the Comprehensive Land Use Plan, and the criteria of W.M.C. §11-5-3.

Section 2. The Zoning District Map of the City is hereby amended by reclassification of the property, described in Exhibit A, attached hereto and incorporated herein by reference, from the Adams County A-1 zoning district to the O-1 zoning district, as depicted on Exhibit B, attached hereto.

Section 3. This ordinance shall take effect upon its passage after second reading.

Section 4. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office

EXHIBIT A

**Legal Description
144th Avenue and Tejon Street**

A parcel of land located in the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the northwest corner of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian thence N89°57'07"E along the northerly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 1309.53 feet to the northeast corner of the northwest quarter of the northwest quarter of said Section 21; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet to the Point of Beginning; thence S00°19'35"E along said easterly line a distance of 50.13 feet; thence S35°01'57"W a distance of 29.16 feet; thence S35°19'56"W a distance of 125.59 feet; thence S89°58'53"W a distance of 4.86 feet; thence N00°01'07"W a distance of 10.00 feet; thence S89°58'53"W a distance of 166.00 feet; thence N00°01'07"W a distance of 116.76 feet; thence S89°57'11"W a distance of 207.51 feet; thence N00°02'53"W a distance of 49.54 feet; thence N89°57'07"E along a line which is 30 feet southerly of and parallel to the northerly line of the northwest quarter of the northwest quarter of said Section 21, a distance of 467.54 feet to the Point of Beginning.

Said parcel contains 1.122 acres (48,880 sq. ft.), more or less.



Description of Change: Adams County A-1 to O-1

Legend									
	B-1		O-1		R-1		R-5		T-1
	C-1		PUD		R-2		R-A		Outside City Limits
	M-1		R-3		R-4		R-E		

Teeple's Property New Zoning Designation = O-1





**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Public Hearing, Resolution No. 15 re Findings of Fact for the 144th Avenue and Zuni Street Property Annexation, and Councillor’s Bills No. 21, 22, and 23 re the Annexation, Comprehensive Land Use Plan Amendment and Zoning for the 144th Avenue and Zuni Street Property

Prepared By: Walter Patrick, Planner I

Recommended City Council Action

1. Continue the public hearing from the May 10, 2010 City Council meeting.
2. Adopt Resolution No. 15 making certain findings of fact as required under Section 31-12-110 C.R.S. regarding the proposed 144th Avenue and Zuni Street property annexation.
3. Pass Councillor’s Bill No. 21 on first reading annexing the 144th Avenue and Zuni Street property into the City.
4. Pass Councillor’s Bill No. 22 on first reading amending the Comprehensive Land Use Plan for the 144th Avenue and Zuni Street property changing the designation from unincorporated Adams County to City Owned Open Space. This recommendation is based on a finding that the proposed amendment will be in the public good and that:
 - a) There is justification for the proposed change and the Plan is in need of revision as proposed; and
 - b) The amendment is in conformance with the overall purpose and intent and the goals and policies of the Plan; and
 - c) The proposed amendment is compatible with existing and planned surrounding land uses; and
 - d) The proposed amendment would not result in excessive detrimental impacts to the City’s existing or planned infrastructure systems.
5. Pass Councillor’s Bill No. 23 on first reading approving the rezoning of the 144th Avenue and Zuni Street property from Adams County (A-3) to Open District (O-1). This recommendation is based on a finding that the criteria set forth in Section 11-5-3 Westminster Municipal Code have been met.

Summary Statement

- This annexation was originally brought before the Council on May 10, 2010. However, due to a newspaper publication error the hearing was continued to June 28, 2010. The publication error has been corrected.
- The 144th Avenue and Zuni Street annexation area contains about 5.902 acres and consists of right-of-way area along 144th Avenue as well as the former Barnett property, which the City purchased for Open Space, located at the southeast corner of Zuni Street and 144th Avenue.
- In a 2009 Intergovernmental Agreement (IGA) with Adams County, the City agreed to annex the right-of-way areas between Tejon Street and Zuni Street.
- The surrounding Adams County zoning designations are primarily designed for pasturage and large lot residential uses. Open Space uses on this property are compatible with the Adams County zoning designations.

Expenditure Required: \$ 0
Source of Funds: N/A

Planning Commission Recommendation

The Planning Commission reviewed this proposal on April 13, 2010, and voted unanimously (7-0) to recommend the City Council approve the annexation of the 144th Avenue and Zuni Street property, amend the Comprehensive Land Use Plan (CLUP) designation to City Owned Open Space, and rezone the property from Adams County A-3 to City of Westminster O-1.

Policy Issues

1. Should the City annex the 144th Avenue and Zuni Street property into the City?
2. Should the City approve a Comprehensive Land Use Plan (CLUP) amendment for the 144th Avenue and Zuni Street property amending the designation to City Owned Open Space?
3. Should the City approve the rezoning of the 144th Avenue and Zuni Street property from Adams County A-3 to City of Westminster O-1?

Alternatives

1. Make a finding that there is no community of interest with the 144th Avenue and Zuni Street property. If this action is taken the City owned property will remain unincorporated and subject to Adams County regulations and the City would be in violation of an existing IGA with Adams County in which the City agreed to annex the 144th Avenue right-of-way area between Tejon Street and Zuni Street.
2. Deny the Comprehensive Land Use Plan amendment or assign a different designation.
3. Deny the rezoning of the properties from Adams County A-3 to City of Westminster O-1, or assign an alternative zoning category.

Background Information

Nature of Request

In 2009 the City executed an IGA with Adams County regarding annexation, funding, and contract administration responsibilities for the 144th Avenue, Huron Street to Zuni Street improvements project. As part of this IGA the City has agreed to annex the 144th Avenue right-of-way between Tejon Street and Zuni Street. In addition, the City has purchased unincorporated land adjacent to the right-of-way area for open space that is desirable to annex into the City.

Location

The site is located along 144th Avenue between Tejon Street and Zuni Street. (Please see attached vicinity map).

Comprehensive Land Use Plan Amendment

The Westminster Municipal Code requires the owner of the property requesting an amendment to the Comprehensive Land Use Plan (CLUP) to prove the amendment is in the public good and in overall compliance with the purpose and intent of the CLUP. Further, the CLUP provides four criteria to be used when considering a CLUP amendment. Staff has reviewed these criteria and has provided the following comments on each.

1. The proposed amendment must, “Demonstrate that there is justification for the proposed change, and that the Plan is in need of revision as proposed.” The amendment is directly allowing the City to further the City goals and policies of enhancing and expanding the City’s Open Space system.

2. The proposed amendment must, “Be in conformance with the overall purpose, intent, goals, and policies of the Plan.” Applicable goals are stated in Section III of the Community Goals and Policies section of the Plan. They include:
 - Goal H4 – Enhance the City’s open space system to preserve and protect natural areas, vistas and view corridors, and to complete the open space and trail system.
 - Policy H4a – Use acquisition of open space as a tool to channel growth into appropriate locations and to shape the overall design of the community.

Based upon these goals and policies, staff has found this proposed amendment to be in conformance with the overall purpose, intent, goals, and policies of the Plan.

3. The proposal must, “Be compatible with existing and surrounding land uses.” To the west, across Zuni Street, the property borders a small portion of Broomfield which is zoned Planned Unit Development (PUD) for residential uses. The surrounding area is primarily zoned A-1 and A-3 in Adams County. This designation is a rural single-family dwelling district where the minimum lot area for a home site is intended to provide for a rural living experience. Limited farming uses are permitted including the keeping of a limited number of animals for individual homeowner’s use. This district is primarily designed for the utilization and enjoyment of the County’s rural environment. The proposed use for the annexed property as Open Space is compatible with the surrounding area.
4. The proposal must, “Not result in detrimental impacts to the City’s existing or planned infrastructure or provide measures to mitigate such impacts to the satisfaction of the City.” The 144th Avenue improvements have already been completed by the City. No development is proposed on the Open Space areas; therefore, no detrimental impacts are anticipated.

Public Notification

Westminster Municipal Code 11-5-13 requires the following three public notification procedures:

- Published Notice: Colorado State Statutes, for annexations of this type, require notice to be published once a week for four consecutive weeks with the first publication being at least 30 days prior to the hearing. Notice was published in the Westminster Window on May 20, 2010; May 27, 2010; June 3, 2010; and June 10, 2010.
- Property Posting: Notice of public hearings shall be posted on the property with one sign in a location reasonably visible to vehicular and pedestrian traffic passing adjacent to the site. One sign was posted on the property on March 24, 2010.
- Written Notice: At least 10 days prior to the date of the public hearing, the applicant shall mail individual notices by first-class mail to property owners and homeowner’s associations registered with the City within 300 feet of the subject property. The required notices were mailed on March 24, 2010.

Applicant/Property Owner

City of Westminster

Surrounding Land Use and Comprehensive Land Use Plan Designation

Development Name	Zoning	CLUP Designation	Use
North: Unincorporated Adams County	A-1	Adams County	Estate Residential
West: City and County of Broomfield	PUD	Neighborhood Residential	Residential
East: City of Westminster	O-1	Open Space	Open Space
South: Unincorporated Adams County	A-3	Adams County	Estate Residential

Site Plan Information

No development is proposed.

Service Commitment Category

Not applicable.

Referral Agency Responses

A copy of the proposed plans was sent to Adams County. The Adams County Public Works Department has responded that the annexation is in accordance with the IGA. The Adams County Public Works Department has asked the City to consider the future annexation of an additional 80 ft. x 25 ft. section of right-of-way at the northeast quadrant of West 144th Avenue and Tejon Street, which would put the intersection completely within the City’s jurisdiction. Staff will review this request for future annexation.

Neighborhood Meeting(s) and Public Comments

Not applicable.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Exhibit A - Vicinity Map
- Exhibit B - Criteria and Standards for Land Use Applications
- Resolution - Findings of Fact
- Annexation Ordinance
- Comprehensive Land Use Plan Ordinance
 - Exhibit A - Legal Description
 - Exhibit B - CLUP Map
- Zoning Ordinance
 - Exhibit A - Legal Description
 - Exhibit B - Zoning Map

RESOLUTION

RESOLUTION NO. **15**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

A RESOLUTION PURSUANT TO SECTION 31-12-110, C.R.S., SETTING FORTH THE FINDINGS OF FACT AND CONCLUSION OF CITY COUNCIL WITH REGARD TO THE PROPOSED ANNEXATION OF CONTIGUOUS UNINCORPORATED LAND IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, AND THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 1 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDAN, COUNTY OF ADAMS, STATE OF COLORADO, ALSO KNOWN AS THE 144TH AVENUE AND ZUNI STREET PROPERTY

WHEREAS, pursuant to the laws of the State of Colorado, there has been filed with the City Clerk a petition (the "Petition") for the annexation of the property described in said Petition; and

WHEREAS, City Council has previously adopted Resolution No. 8 finding the Petition to be in substantial compliance with the provisions of section 31-12-107(1), C.R.S.; and

WHEREAS, notice to all required parties has been given pursuant to section 31-12-108, C.R.S.; and

WHEREAS, City Council has held a hearing concerning the proposed annexation as required by sections 31-12-108 and -109, C.R.S.; and

WHEREAS, having completed the required hearing, the City Council wishes to set forth its findings of fact and conclusion regarding the proposed annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER THAT:

1. The City Council finds:

- a. Not less than 1/6 of the perimeter of the area proposed to be annexed is contiguous with the City of Westminster;
- b. A community of interest exists between the area proposed to be annexed and the City;
- c. The area is urban or will be urbanized in the near future; and
- d. The area is integrated with or is capable of being integrated with the City.

2. The City Council further finds:

- a. With respect to the boundaries of the territory proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate parts or parcels without

the written consent of the landowners thereof, except to the extent such tracts or parcels are separated by dedicated street, road, or other public way; and

b. With regard to the boundaries of the area proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, comprising twenty (20) acres or more (which, together with the buildings and improvements situated thereon has a valuation for assessment in excess of \$200,000 for ad valorem tax purposes for the previous year), has been included in the area being proposed for annexation without the written consent of the owners thereof, except to the extent such tract of land is situated entirely within the outer boundaries of the City immediately prior to the annexation of said property.

3. The City Council further finds:

a. That no annexation proceedings concerning the property proposed to be annexed by the City has been commenced by another municipality;

b. That the annexation will not result in the detachment of this area from its current school district;

c. That the annexation will not result in the extension of the City's boundary more than three (3) miles in any direction within the previous 365 days of the effective date of this Resolution;

d. That the City of Westminster has in place a plan for the area proposed to be annexed; and

e. That in establishing the boundaries of the area to be annexed, the entire width of any street or alley is included within the area annexed.

4. The City Council further finds that an election is not required and no additional terms or conditions are to be imposed upon the area to be annexed.

5. The City Council concludes that the City may proceed to annex the area proposed to be annexed by ordinance pursuant to section 31-12-111, C.R.S.

PASSED AND ADOPTED this 28th day of June, 2010.

ATTEST:

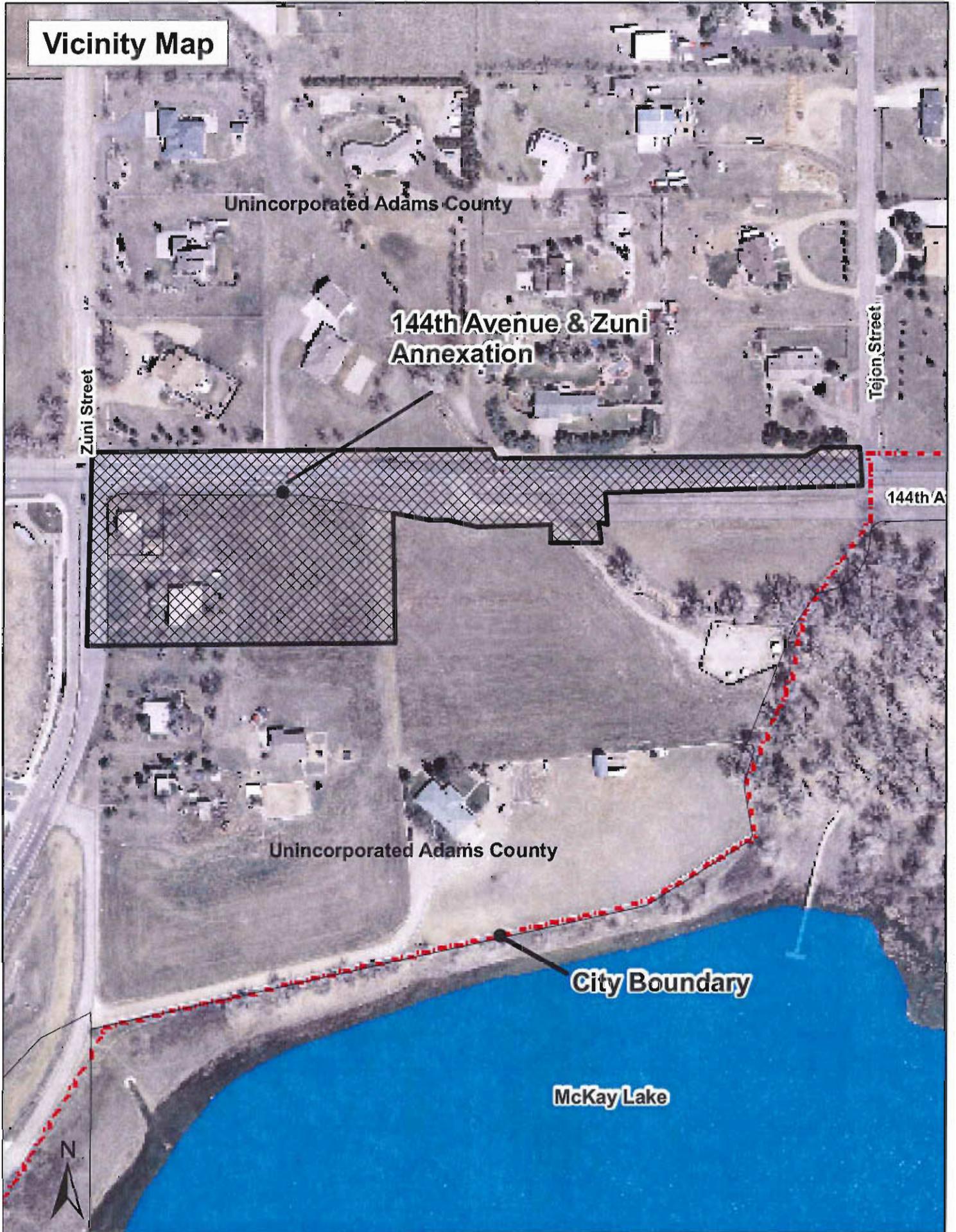
Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office

Vicinity Map



Criteria and Standards for Land Use Applications

Comprehensive Land Use Plan Amendments

- The owner/applicant has “the burden of proving that the requested amendment is in the public good and in compliance with the overall purpose and intent of the Comprehensive Land Use Plan...” (WMC 11-4-16(D.4)).
- Demonstrate that there is justification for the proposed change and that the Plan is in need of revision as proposed;
- Be in conformance with the overall purpose, intent, and policies of the Plan;
- Be compatible with the existing and surrounding land uses; and
- Not result in excessive detrimental impacts to the City’s existing or planned infrastructure systems, or the applicant must provide measures to mitigate such impacts to the satisfaction of the City (Page VI-5 of the CLUP).

Zoning or Rezoning to a Zoning District Other Than a Planned Unit Development (PUD)

11-5-3: STANDARDS FOR APPROVAL OF ZONINGS AND REZONINGS: (2534)

(A) The following criteria shall be considered in the approval of any application for zoning or rezoning to a zoning district other than a Planned Unit Development:

1. The proposed zoning or rezoning is in conformance with the City's Comprehensive Plan and all City policies, standards and sound planning principles and practice.
2. There is either existing capacity in the City's street, drainage and utility systems to accommodate the proposed zoning or rezoning, or arrangements have been made to provide such capacity in a manner and timeframe acceptable to City Council.

City Initiated Rezoning

(B) The City may initiate a rezoning of any property in the City without the consent of the property owner, including property annexed or being annexed to the City, when City Council determines, as part of the final rezoning ordinance, any of the following:

1. The current zoning is inconsistent with one or more of the goals or objectives of the City's Comprehensive Land Use Plan.
2. The current zoning is incompatible with one or more of the surrounding land uses, either existing or approved.
3. The surrounding development is or may be adversely impacted by the current zoning.
4. The City's water, sewer or other services are or would be significantly and negatively impacted by the current zoning and the property is not currently being served by the City.

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **22**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING THE WESTMINSTER
COMPREHENSIVE LAND USE PLAN**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

a. That the City has initiated an amendment to the Westminster Comprehensive Land Use Plan, pursuant to W.M.C. §11-4-16(D), for the property described in attached Exhibit A, incorporated herein by reference, requesting a change in the land use designations from Unincorporated Adams County to "City-Owned Open Space" for the 5.902 acre property located on 144TH Avenue and Zuni Street.

b. That such amendment has been referred to the Planning Commission, which body held a public hearing thereon on April 13, 2010, after notice complying with W.M.C. §11-4-16(B) and has recommended approval of the requested amendment.

c. That notice of the public hearing before Council has been provided in compliance with W.M.C. §11-4-16(B).

d. That Council, having considered the recommendations of the Planning Commission, has completed a public hearing and has accepted and considered oral and written testimony on the requested amendments.

e. That the requested amendment will further the public good and will be in compliance with the overall purpose and intent of the Comprehensive Land Use Plan, particularly the goal that encourages the enhancement of the City's open space system to preserve and protect natural areas, vistas, and view corridors, and to complete the open space and trail system.

Section 2. The City Council approves the requested amendments and authorizes City Staff to make the necessary changes to the map and text of the Westminster Comprehensive Land Use Plan to change the designation of the property more particularly described on attached Exhibit A, to "City-Owned Open Space", as depicted on the map attached as Exhibit B.

Section 3. Severability: If any section, paragraph, clause, word or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part deemed unenforceable shall not affect any of the remaining provisions.

Section 4. This ordinance shall take effect upon its passage after second reading.

Section 5. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

ATTEST:

Mayor

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **21**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

A BILL

**FOR AN ORDINANCE APPROVING AND ACCOMPLISHING THE ANNEXATION OF
CONTIGUOUS UNINCORPORATED TERRITORY IN THE SOUTHWEST QUARTER OF
THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 68 WEST,
6TH P.M., COUNTY OF ADAMS, STATE OF COLORADO, KNOWN AS THE
144th AVENUE AND ZUNI STREET PROPERTY**

WHEREAS, pursuant to the laws of the State of Colorado, there was presented to and filed with the City Council of the City of Westminster a written application for annexation to and by the City of Westminster of the hereinafter-described contiguous, unincorporated territory situate, lying and being in the County of Adams, State of Colorado; and

WHEREAS, the Council of the City of Westminster has held the required annexation hearing in conformance with all statutory requirements; and

WHEREAS, the Council of the City of Westminster has satisfied itself concerning the conformance of the proposed annexation to the annexation policy of the City of Westminster.

NOW, THEREFORE, THE CITY OF WESTMINSTER ORDAINS:

Section 1. That the parcel of land, below described, meets the requirements of Sections 31-12-104(a) and 31-12-105, C.R.S. and annexation of the following described contiguous unincorporated territory, situate, lying and being in the County of Adams, State of Colorado, is hereby accomplished by and to the City of Westminster, State of Colorado:

The 144th Avenue and Zuni Street Property:

A parcel of land located in the southwest quarter of the southwest quarter of Section 16, and the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the southwest corner of Section 16, Township 1 South, Range 68 West of the Sixth Principal Meridian, said point being the Point of Beginning; thence along said westerly line of the southwest quarter of the southwest quarter of said Section 16 N00°22'19"W a distance of 60.00 feet to a point on the northerly right-of-way line of West 144th Avenue extended; thence along said northerly right-of-way line the following five (5) consecutive courses; 1.) N89°57'07"E a distance of 654.68 feet; 2.) thence S00°27'07"E a distance of 20.00 feet; 3.) thence N89°57'07"E a distance of 599.70 feet; 4.) thence N00°32'16"W a distance of 15.00 feet; 5.) thence N89°57'07"E a distance of 55.00 feet to a point on the easterly line of the southwest quarter of the southwest quarter of said Section 16; thence S00°32'16"E along said easterly line a distance of 55.00 feet to the southeast corner of the southwest quarter of the southwest quarter of said Section 16; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet; thence N89°57'07"W along a line which is 30 feet southerly of and parallel to the northerly line of the northwest

quarter of the northwest quarter of said Section 21 a distance of 467.54 feet; thence S00°02'53"E a distance of 49.54 feet; thence S89°57'07"W a distance of 8.00 feet; thence S00°02'49"E a distance of 32.50 feet; thence S89°57'11"W a distance of 82.88 feet; thence N00°02'49"W a distance of 32.50 feet; thence S89°57'11"W a distance of 100.40 feet; thence 135.45 feet along the arc of a curve to the right, having a radius of 991.50 feet, a central angle of 07°49'38" and a chord which bears N86°08'00"W a distance of 135.34 feet to a point on the westerly line of Barnett Estates recorded July 28th, 1995 at File No. 17, Map No. 409, Reception No. C0091433; thence along the westerly and northerly line of said Barnett Estates the following two (2) consecutive courses 1.) S00°15'12"E a distance of 217.81 feet; 2.) thence S89°57'48"W a distance of 515.58 feet to a point on the easterly line of the northwest quarter of the northwest quarter of said Section 21; thence N00°15'12"W along the said easterly line a distance of 288.00 feet to the Point of beginning.

Said parcel contains 5.902 acres (257,074 sq. ft.), more or less.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office

**Legal Description
144th Avenue and Zuni Street**

A parcel of land located in the southwest quarter of the southwest quarter of Section 16, and the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the southwest corner of Section 16, Township 1 South, Range 68 West of the Sixth Principal Meridian, said point being the Point of Beginning; thence along said westerly line of the southwest quarter of the southwest quarter of said Section 16 N00°22'19"W a distance of 60.00 feet to a point on the northerly right-of-way line of West 144th Avenue extended; thence along said northerly right-of-way line the following five (5) consecutive courses; 1.) N89°57'07"E a distance of 654.68 feet; 2.) thence S00°27'07"E a distance of 20.00 feet; 3.) thence N89°57'07"E a distance of 599.70 feet; 4.) thence N00°32'16"W a distance of 15.00 feet; 5.) thence N89°57'07"E a distance of 55.00 feet to a point on the easterly line of the southwest quarter of the southwest quarter of said Section 16; thence S00°32'16"E along said easterly line a distance of 55.00 feet to the southeast corner of the southwest quarter of the southwest quarter of said Section 16; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet; thence N89°57'07"W along a line which is 30 feet southerly of and parallel to the northerly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 467.54 feet; thence S00°02'53"E a distance of 49.54 feet; thence S89°57'07"W a distance of 8.00 feet; thence S00°02'49"E a distance of 32.50 feet; thence S89°57'11"W a distance of 82.88 feet; thence N00°02'49"W a distance of 32.50 feet; thence S89°57'11"W a distance of 100.40 feet; thence 135.45 feet along the arc of a curve to the right, having a radius of 991.50 feet, a central angle of 07°49'38" and a chord which bears N86°08'00"W a distance of 135.34 feet to a point on the westerly line of Barnett Estates recorded July 28th, 1995 at File No. 17, Map No. 409, Reception No. C0091433; thence along the westerly and northerly line of said Barnett Estates the following two (2) consecutive courses 1.) S00°15'12"E a distance of 217.81 feet; 2.) thence S89°57'48"W a distance of 515.58 feet to a point on the easterly line of the northwest quarter of the northwest quarter of said Section 21; thence N00°15'12"W along the said easterly line a distance of 288.00 feet to the Point of beginning.

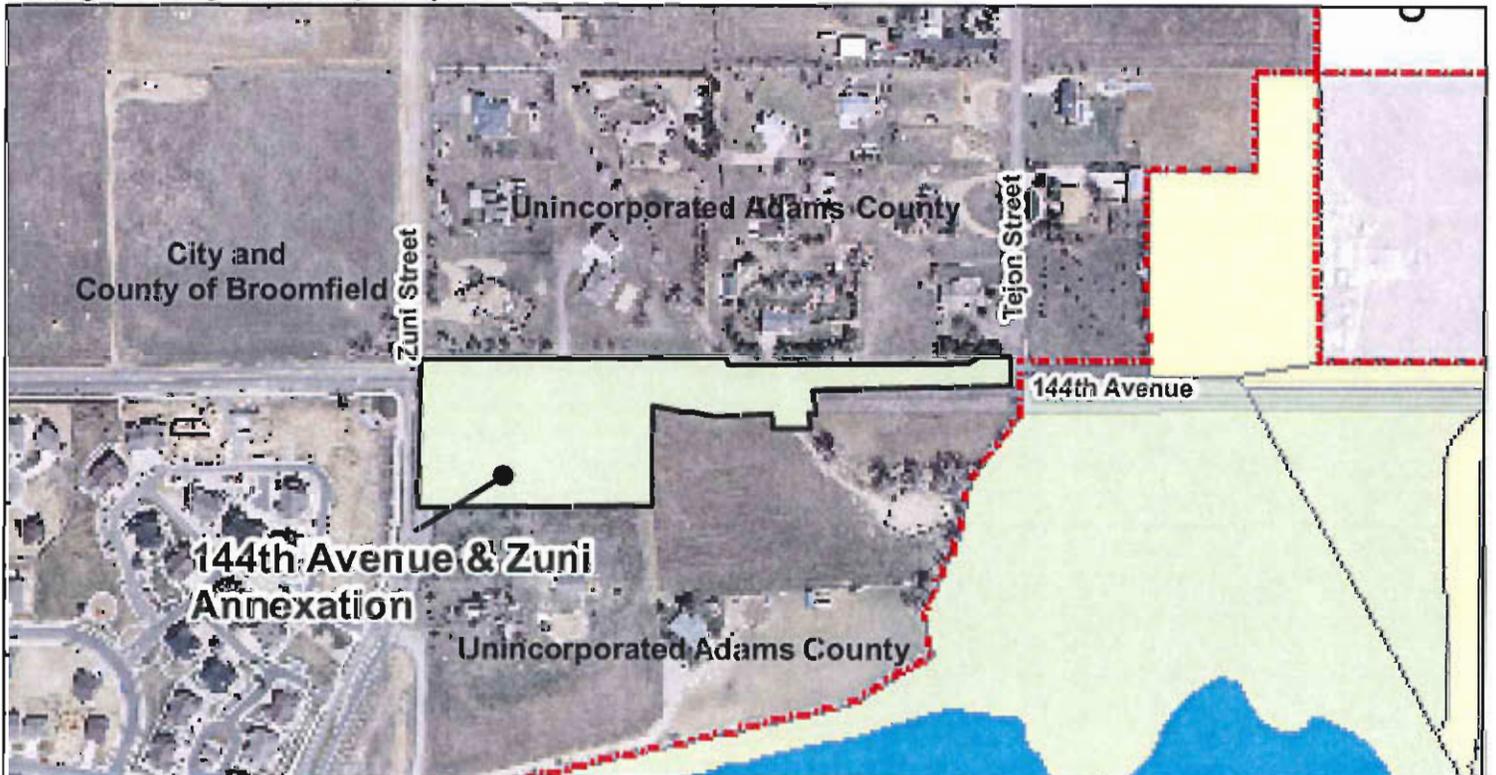
Said parcel contains 5.902 acres (257,074 sq. ft.), more or less.



Change From: Outside City Limits

R-1	R-18	Office/Residential	Private Parks/Open Space
R-2.5	Retail Comm.	District Center	Golf Courses
R-3.5	Office	Traditional Mixed Use	Public/Quasi Public
R-5	Industrial	City Owned Open Space	N.E. Comp. Dev. Plan
R-8	Business Park	Public Parks	

Change To: City Owned Open Space



BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **23**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING THE ZONING OF
THE 144th AVENUE AND ZUNI STREET PROPERTY, A 5.902 ACRE PARCEL LOCATED
ALONG 144th AVENUE BETWEEN TEJON STREET AND ZUNI STREET, ADAMS COUNTY,
COLORADO FROM A-3 (ADAMS COUNTY) TO O-1**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

a. That a rezoning of the property generally located along 144th Avenue between Tejon Street and Zuni Street, as described in attached Exhibit A, incorporated herein by reference, from the Adams County A-3 zone to an O-1 zone is desirable because:

1. The current zoning is inconsistent with one or more of the goals or objectives of the City's Comprehensive Land Use Plan.

b. That the notice requirements of W.M.C. §11-5-13 have been met.

c. That such rezoning has been referred to the Planning Commission, which body held a public hearing thereon on April 13, 2010, and has recommended approval of the requested amendment.

d. That Council has completed a public hearing on the requested zoning pursuant to the provisions of Chapter 5 of Title XI of the Westminster Municipal Code and has considered the criteria in W.M.C. §11-5-3.

e. That based on the evidence produced at the public hearing, a rezoning to the proposed O-1 zoning complies with all requirements of Westminster Municipal Code, including, but not limited to, the provisions of W.M.C. §11-4-3, requiring compliance with the Comprehensive Land Use Plan, and the criteria of W.M.C. §11-5-3.

Section 2. The Zoning District Map of the City is hereby amended by reclassification of the property, described in Exhibit A, attached hereto and incorporated herein by reference, from the Adams County A-3 zoning district to the O-1 zoning district, as depicted on Exhibit B, attached hereto.

Section 3. This ordinance shall take effect upon its passage after second reading.

Section 4. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

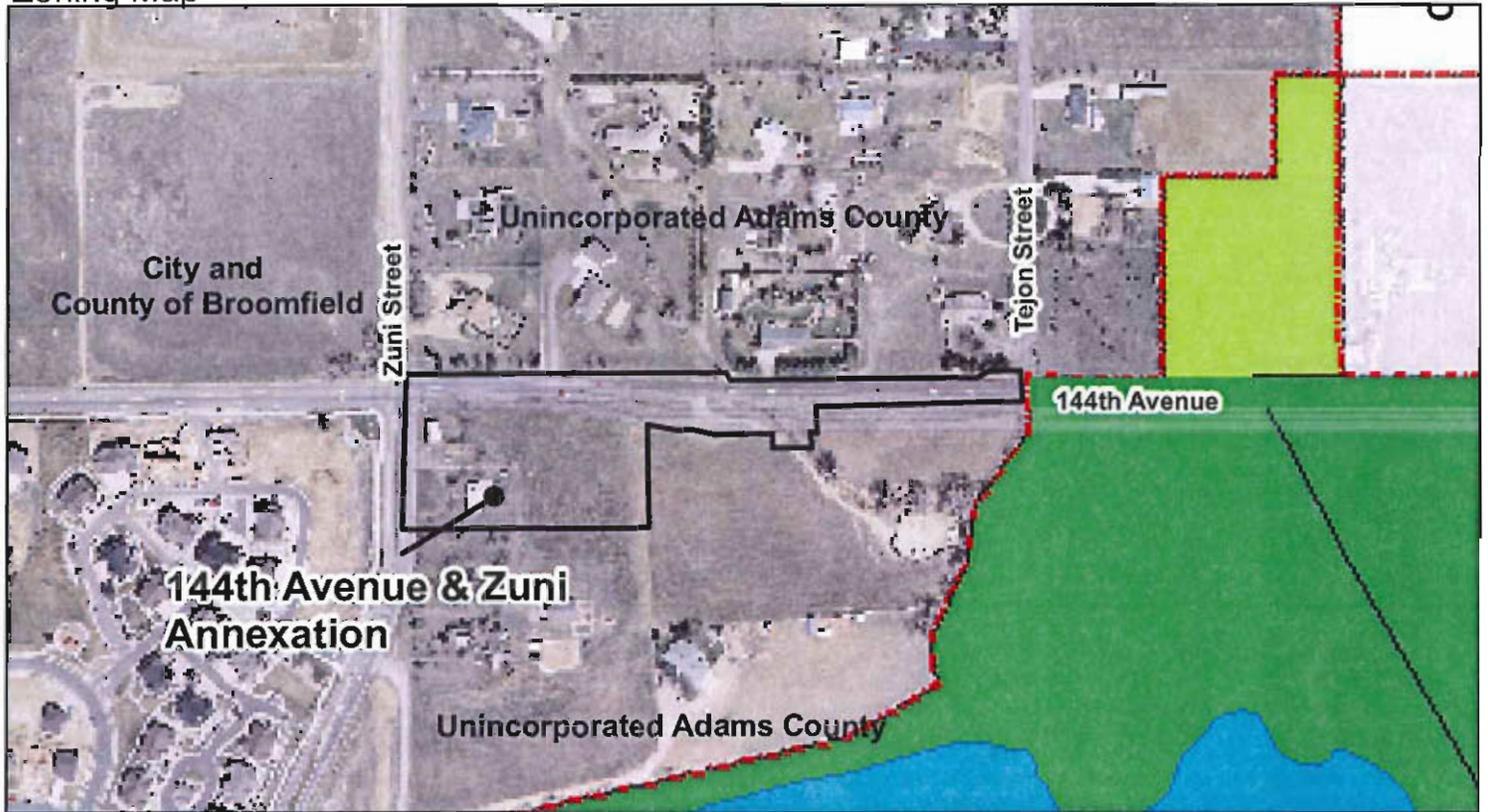
City Attorney's Office

**Legal Description
144th Avenue and Zuni Street**

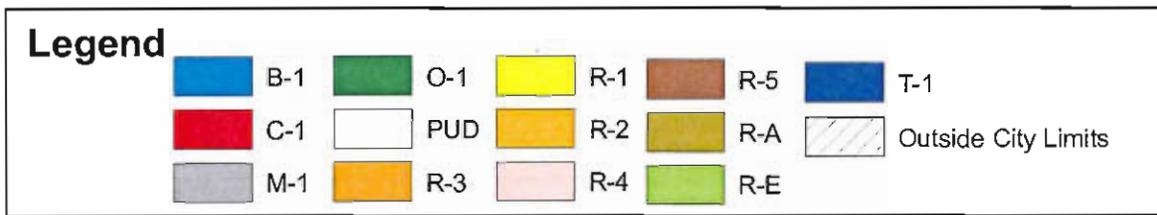
A parcel of land located in the southwest quarter of the southwest quarter of Section 16, and the northwest quarter of the northwest quarter of Section 21, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, State of Colorado being more particularly described as follows:

Commencing at the southwest corner of Section 16, Township 1 South, Range 68 West of the Sixth Principal Meridian, said point being the Point of Beginning; thence along said westerly line of the southwest quarter of the southwest quarter of said Section 16 N00°22'19"W a distance of 60.00 feet to a point on the northerly right-of-way line of West 144th Avenue extended; thence along said northerly right-of-way line the following five (5) consecutive courses; 1.) N89°57'07"E a distance of 654.68 feet; 2.) thence S00°27'07"E a distance of 20.00 feet; 3.) thence N89°57'07"E a distance of 599.70 feet; 4.) thence N00°32'16"W a distance of 15.00 feet; 5.) thence N89°57'07"E a distance of 55.00 feet to a point on the easterly line of the southwest quarter of the southwest quarter of said Section 16; thence S00°32'16"E along said easterly line a distance of 55.00 feet to the southeast corner of the southwest quarter of the southwest quarter of said Section 16; thence S00°19'35"E along the easterly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 30.00 feet; thence N89°57'07"W along a line which is 30 feet southerly of and parallel to the northerly line of the northwest quarter of the northwest quarter of said Section 21 a distance of 467.54 feet; thence S00°02'53"E a distance of 49.54 feet; thence S89°57'07"W a distance of 8.00 feet; thence S00°02'49"E a distance of 32.50 feet; thence S89°57'11"W a distance of 82.88 feet; thence N00°02'49"W a distance of 32.50 feet; thence S89°57'11"W a distance of 100.40 feet; thence 135.45 feet along the arc of a curve to the right, having a radius of 991.50 feet, a central angle of 07°49'38" and a chord which bears N86°08'00"W a distance of 135.34 feet to a point on the westerly line of Barnett Estates recorded July 28th, 1995 at File No. 17, Map No. 409, Reception No. C0091433; thence along the westerly and northerly line of said Barnett Estates the following two (2) consecutive courses 1.) S00°15'12"E a distance of 217.81 feet; 2.) thence S89°57'48"W a distance of 515.58 feet to a point on the easterly line of the northwest quarter of the northwest quarter of said Section 21; thence N00°15'12"W along the said easterly line a distance of 288.00 feet to the Point of beginning.

Said parcel contains 5.902 acres (257,074 sq. ft.), more or less.



Description of Change: Adams County A-3 to O-1



Teeples Property New Zoning Designation = O-1





Agenda Item 10 K

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 32 re Revisions to Title XI of the Westminster Municipal Code Regarding Screening of Trash Storage Areas and Off Street Parking Standards

Prepared By: Walter Patrick, Planner I

Recommended City Council Action

Pass Councillor's Bill No. 32 on first reading making revisions to Title XI of the Westminster Municipal Code regarding Screening of Trash Storage Areas and Off Street Parking Standards.

Summary Statement

- Staff proposes revisions to Title XI of the Westminster Municipal Code related to Trash Storage Areas and Off Street Parking Standards. These changes are intended to address missing or outdated information, and correct inconsistencies between City Code and the City's Design Guidelines.
- These proposed changes were reviewed with City Council at the Study Session of April 5, 2010.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Should the City amend Title XI of the Westminster Municipal Code regarding Trash Storage Areas and Off Street Parking Standards?

Alternative

Do not support the proposed changes to Title XI of the Westminster Municipal Code. Staff does not recommend this alternative as the changes proposed by Staff are minor and remove inconsistencies between City Code and the City's Design Guidelines.

Background Information

Staff has identified the need for minor code revisions that are generally housekeeping in nature to remove existing inconsistencies between City Code and the City's Design Guidelines, update current standards and definitions, or correct misspellings.

Summary of Proposed Revisions for the year 2010

11-4-6(M)(1): City Code currently requires that trash enclosure walls are not to exceed 6 ft. in height. Staff proposes a revision to require trash enclosure walls to be a minimum of 6 ft. This will resolve a conflict with the City's Design Guidelines that recommends trash enclosure walls be 8 ft. in height.

11-7-4(C)(1): This section, regarding construction and maintenance standards for parking spaces, refers to 'Figure 1' for details of parking layouts. However, the parking layout schematic is not included in Figure 1. Staff proposes adding the parking schematic for ease in determining parking calculations.

11-7-4(C)(8): This section states that all required parking spaces (excluding single family and duplex units) facing and abutting a building, wall, fence, property line, or walkway be provided with curb, bumper, or wheel stop. Staff proposes removing the option for bumpers or wheel stops, which will remove an existing conflict between City Code and City Design Guidelines.

11-7-4(E)(1)(a)and(c): This section requires bicycle racks be designed so that the frame or wheel can be locked. Staff proposes requiring racks be designed so that both a wheel and the frame of a bicycle can be locked by the user. This type of rack is also recommended by the Association of Pedestrian and Bicycle Professionals.

11-7-4 (E)(1)(g): This section states 'Parking and bicycles shall be provided on the same lot, tract or parcel as the use served.' Staff proposes correcting this statement to read 'Parking for bicycles shall be provided on the same lot' ...

11-7-4 (E)(2)(b)(5): This section lists hotels, motels, and lodging as being excepted from the bicycle parking requirement. Staff proposes omitting this exception, as these uses may have employees who bike to work, guests who bring bikes for recreation, or have restaurants and other ancillary uses which would typically require bicycle racks.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment
- Ordinance

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **32**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING SECTION 11-4-6 AND 11-7-4 OF THE
WESTMINSTER MUNICIPAL CODE CONCERNING SCREENING OF TRASH
STORAGE AREAS AND OFF STREET PARKING STANDARDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1: Section 11-4-6, subsection (M)(1), W.M.C., is hereby AMENDED as follows:

11-4-6: SPECIAL REGULATIONS: (2534 2841 2975 3497)

(M) SCREENING OF TRASH STORAGE AREAS IN ALL ZONE DISTRICTS.

(1) Trash storage for multi-unit dwellings, institutional buildings, and all business and industrial buildings or uses shall be accommodated within the structure, or if located outside, shall be screened so as not to be visible from adjacent public streets or from adjacent residential development within one hundred feet (100') of the trash storage area. Screening shall be an opaque decorative wall or fence ~~not to exceed~~ built to a minimum of six feet (6') in height and shall be constructed of materials compatible with building materials of the structure such that the enclosure or screen wall or fence will be protected from damage by normal removal and replacement of the dumpster by a trash truck by incorporation of protective pipe bollards and concrete curbs outside and inside of the enclosure.

(2) One and two-family dwellings and accessory uses, except for temporary construction purposes, shall not be permitted to maintain large trash dumpsters one (1) cubic yard or larger, as such dumpsters are of a size and type normally associated with commercial uses.

(3) In no instance shall trash enclosures be permitted to encroach into sight distance triangles for driveways or street corners. No such enclosure shall displace required parking spaces.

(4) The requirements of this Section shall apply to all new development prior to a certificate of occupancy. In addition, all such trash storage areas in existence as of the date of adoption of this ordinance (August, 1997) shall come into conformance within one (1) year of the adoption hereof. For the purpose of enforcement, the land owner shall be held legally responsible for compliance with this law.

Section 2: Section 11-7-4, subsections(C) and (E), W.M.C., are hereby AMENDED as follows:

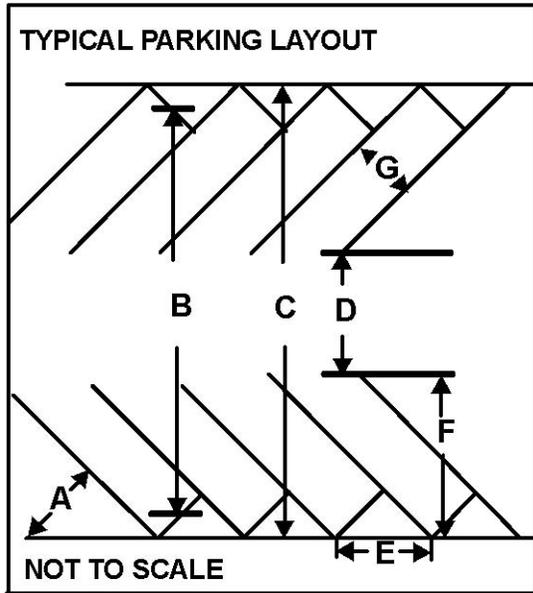
11-7-4: OFF-STREET PARKING STANDARDS: (2534 2678 3084)

(C) CONSTRUCTION AND MAINTENANCE STANDARDS.

1. Each off street parking space being at an angle of ninety (90) degrees to the drive aisle shall not be less than nine feet (9') wide, nineteen feet (19') long, and that any cover be at least seven feet (7') high. Angled parking spaces shall be per the typical parking layout standards. (See figure 1 below) Each space shall be surfaced with asphalt or other permanent material; shall be properly graded and drained; shall be provided with surfaced vehicular access to an improved public right of way.

Parking Lot Standards (Figure 1)

	A	B	C	D	E	F	G
A – Parking angle (degrees)	45°	46.2°	52.6°	13°	12.7°	19.8°	9°
B – Stall Center (FT.)	50'	47.0'	52.8'	12'	11.7'	20.4'	9'
C – Minimum Overall Double Row With aisle between (FT.)	60'	55.5'	60.0'	18'	10.4'	21.0'	9'
D – Aisle Width (FT.)	70'	57.9'	61.0'	19'	9.6'	21.0'	9'
E – Curb Length (FT.)	80'	62.7'	64.6'	24'	9.1'	20.3'	9'
F – Stall to Curb (FT.)	90'		62.0'	24'	9'	19.0'	9'
G – Stall Width (FT.)							



2. Each off street parking space shall conform with the City Standard Specifications for Design and Construction.

3. All required off street parking spaces and access drives shall be improved with asphalt pavement or an equivalent surface installed in conformance with the "Westminster Standard Specifications for the Construction of Public Works Projects." This requirement shall not apply to City open space properties and parks.

4. All off street parking areas shall be maintained in good condition, free of weeds, dust, trash and debris and major surfacing defects.

5. No parking area shall be used for the storage, sale, repair, dismantling or servicing of any vehicles, equipment, materials, or supplies.

6. All off street parking spaces (excluding single and/or duplex units) shall be outlined by white or yellow stripes not less than four inches (4") wide, painted on the surface area or an alternative judged equally effective by the City Manager or his designee. All non parking spaces such as loading zones, emergency lanes or spaces in front of doorways/entrances, shall be clearly delineated.

7. All parking areas shall be provided with ingress and egress to an improved public right of way so located as to promote safety and minimize traffic congestion; shall be provided with necessary internal circulation drives and aisles, layout of parking spaces consistent with the "Westminster Standard Specifications for the Construction of Public Works Projects." Prior to the issuance of a building permit, the layout of the required parking area (excluding single and duplex units) shall be approved by the City Manager or his designee.

8. All access drives and required parking spaces (excluding single and duplex units) facing and abutting a building, wall, fence, property line or walkway shall be provided with installed curb and gutter, bumper or wheel stops. Such devices shall be constructed and installed in conformance with the "Westminster Standard Specifications for the Construction of Public Works Projects."

9. Parking areas (excluding single and duplex units) shall be screened so as to prevent disturbance to adjacent residential development due to the maneuvering of vehicles entering and

leaving the parking area. Screening design and materials shall be in conformance with the "Westminster Standard Specifications for the Construction of Public Works Projects" prior to issuance of a building permit.

10. Parking areas (excluding single and duplex units) shall be provided with night lighting for security and safety and adequate visibility for maneuvering to emphasize entrances and exits and hazards. Lighting structures and their location shall conform to the "Westminster Standard Specifications for the Construction of Public Works Projects" and shall be designed so as not to unreasonably disturb occupants of adjacent residential structures.

11. All parking areas shall be designed in conformance with the City of Westminster Landscape Regulations and Commercial Standards.

12. Parking spaces may be designed with a two foot (2') overhand over landscaped areas and walks, provided that the minimum widths of the affected landscape or walk is increased by two feet (2').

13. For parking spaces located within a parking structure, the Planning Manager may reduce the dimensions of the parking spaces from the code requirement, provided that an acceptable parking study has been submitted to the City. In no event may a parking space be less than eight feet (8') wide.

(E) BICYCLE PARKING.

1. Bicycle Parking Standards.

(a) Bicycle parking facilities shall include provisions for storage and locking of bicycles, either in lockers or secure racks or equivalent installation in which the bicycle frame ~~or wheels~~ and at least one wheel may be locked by the user.

(b) The ground surface surrounding and underneath the bicycle storage facility shall be surfaced in a manner which prevents mud or dust.

(c) Bicycle spaces shall consist of racks or lockers anchored so that they cannot be easily removed. Racks shall be designed that ~~a~~ at least one wheel ~~or~~ and the frame of a bicycle can be locked securely to it with a heavy chain, cable, or padlock. Lockers shall be so designed to minimize the possibility of an unauthorized person removing a bicycle.

(d) Fixed objects which are intended to serve as bicycle racks but not obviously intended for such purposes shall be labeled as available for bicycles.

(e) Bicycle lockers should be harmonious with their environment both in color and design as approved by the City. Parking device designs should be incorporated wherever possible into building design or street furniture. There should be sufficient space between devices so that the use of one does not interfere with the other bicycles or devices. The parking device selected should allow maximum flexibility in grouping and placement.

(f) The City shall have the authority to review and approve bicycle parking devices for design with respect to safety and convenience.

(g) Parking ~~and for~~ bicycles shall be provided on the same lot, tract or parcel as the use served.

(h) Bicycle parking areas shall be lighted and located as near to the building or facility entrance as possible, without interfering with pedestrian traffic.

2. **Amount of Off-street Bicycle Parking Spaces Required.** The minimum number of bicycle parking spaces shall be required as follows for all zones except P.U.D.; however, during the development review process, City staff may determine that a greater number of spaces than those listed below are necessary. For P.U.D. zones, the following list shall be used as a guideline:

(a) Multiple Family Dwellings: .25 bicycle parking space for each dwelling unit.

(b) Non Residential Uses: One bicycle parking space per each twenty (20) required automobile parking spaces, with no less than two (2) spaces per premise, with the following exceptions:

(1) Private or Commercial Indoor Recreation Facility: One bicycle parking space for each twelve (12) persons capacity.

(2) Community Facilities Including Public Parks, Libraries, Recreation or Activity Centers: One bicycle parking space per twelve (12) persons capacity.

(3) Drive In Theatres, Auto Service Stations, Automobile Repair and Service: None.

(4) Mortuaries: None.

~~(5) Motels, Hotels, Lodging: None.~~

Section 3: This ordinance shall take effect upon its passage after second reading. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

ATTEST:

City Clerk

Mayor

APPROVED AS TO LEGAL FORM:

City Attorney's Office



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 33 re Lease of City Property

Prepared By: Heather Cronenberg, Open Space Coordinator

Recommended City Council Action

Pass Councillor's Bill No. 33 on first reading authorizing the execution of a 2 year lease in substantially the same form as the attached agreement for the JHRBarnum, LLC ("Barnum") property located at 6899 Grove Street, Denver, CO 80221.

Summary Statement

- City Council approved the purchase of the Barnum property at its May 10, 2010 meeting. The City plans to close on the 3.53-acre Barnum property on July 15, 2010. This property will be acquired as part of the new Little Dry Creek Park.
- The City entered into a Purchase and Sale Agreement with Barnum Inc. to acquire the property. The Purchase and Sale Agreement included the right for Barnum to lease the property from the City after the purchase for a period of 2 years to allow the owners to continue operation of their company through July 15, 2012 at this site. Per the Purchase and Sale Agreement terms, the Seller will pay \$1 per year to lease the property. The terms of the lease will allow JHRBarnum to sublease the building to Barnum Printing and Publishing.
- Included in the City Council approval was the statement that staff would present a proposed ordinance approving the lease of the property back to Barnum, per the City Charter requirements, prior to closing on this acquisition so that Barnum can continue its current use of the property. The form of lease has been approved by the City Attorney's Office and by Barnum. The lease will not be executed until after the property closing has occurred.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Does City Council wish to authorize the execution of a two year lease for rental of the Barnum property?

Alternative

City Council could reject this lease approval request and direct Staff to change the terms of the Purchase and Sale Agreement to not allow leasing of this property back to Barnum. This alternative is not recommended as the Seller negotiated the right to lease back as a condition of the Purchase and Sale Agreement.

Background Information

The City plans to purchase the 3.53-acre Barnum property for the future Little Dry Creek Park on July 15, 2010 as approved by City Council. The Purchase and Sale Agreement contains a requirement that the City lease back the property to Barnum for a period of two years after closing to allow the Seller to continue operation of the company on site through this term. This provision of the Agreement is important to Barnum since it allows for the company to remain in place until a new facility is completed. This will allow for minimal disruption and down time as Barnum moves from its existing facility to a new facility. During this time period, public access will not be allowed on the site. Barnum would be responsible to pay for all maintenance costs at the existing facility such as insurance, utilities, snow removal etc. Included in the lease is an indemnity clause indemnifying and holding the City harmless for any claims, demands, judgments or costs, including attorney's fees. Barnum would need to vacate the premises after two years so that staff can commence the construction of phase I of the Little Dry Creek Park drainage improvements. As part of the acquisition, the City will deed the City-owned 6.25-acre Park Centre property to Barnum. Barnum has expressed an interest in relocating their facility to Park Centre although they are not required to do so by the Agreement.

The City Charter requires that leases be approved by City Council by ordinance. Staff is recommending approval by Council at this time so that the lease can be approved prior to the contractual closing.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **33**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

A BILL

FOR AN ORDINANCE APPROVING A LEASE AGREEMENT FOR THE LEASE OF THE JHRBARNUM, LLC PROPERTY LOCATED AT 6899 GROVE STREET, DENVER, CO 80221

WHEREAS, the City of Westminster will purchase the JHRBarnum, LLC property located at 6899 Grove Street, Denver, CO 80221. JHRBarnum, LLC has requested that the City allow it to remain on this property and continue its current use of the facility on the property through July 15, 2012; and

WHEREAS, JHRBarnum, LLC negotiated the right to remain on the property through July 15th, 2012 as part of the Purchase Agreement; and

WHEREAS, the final form of the lease agreement has been agreed to by the parties; and

WHEREAS, the City Charter requires such lease be approved by ordinance.

NOW, THEREFORE, THE CITY OF WESTMINSTER ORDAINS:

Section 1. The Lease Agreement between JHRBarnum, LLC and the City for the property located at 6899 Grove Street in substantially the form attached to this Ordinance, is approved, and the City Manager is authorized to execute it on behalf of the City.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office

LEASE AGREEMENT

THIS LEASE AGREEMENT, made this 15th day of July, 2010, between the **CITY OF WESTMINSTER**, a Colorado home rule municipality (the "City"), and **JHRBARNUM, LLC.**, whose address is 6899 GROVE STREET, DENVER, CO 80221 (the "Lessee").

WHEREAS, the City has purchased from the Lessee on this date the property described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property"); and

WHEREAS, in conjunction with the sale of the Property to City, the City agreed to lease back the Property to Lessee for a period of time not to exceed two (2) years pursuant to the terms of this Lease Agreement (the "Lease.")

WITNESSETH that in consideration of the covenants and agreements by the Lessee hereinafter set forth, and for other good and valuable consideration, the City hereby leases unto the Lessee the Property situated in the County of Adams, State of Colorado, ("County") subject to the following Terms and Conditions:

TERMS AND CONDITIONS OF LEASE

A. The term of this Lease shall be for the period commencing on July 15, 2010, and ending on July 16, 2012, at 12:00 p.m. MST, provided, however, Lessee may terminate this Lease upon thirty (30) days advance written notice to the City. Subparagraphs 5, 7, 8, and 11 of Section B, and subparagraphs 6, 7, 15, 19 and 20 of Section C shall survive any such termination.

B. In consideration of the lease of the Property, the Lessee covenants and agrees as follows:

1. Annual Rent. Annual rent during the term of the Lease shall be One Dollar (\$1).
2. Lawful Use. To use the Property solely for the purpose of conducting its existing printing and publishing business, and to use the Property for no purpose prohibited by the laws of the United States or the State of Colorado, or the ordinances of the County.
3. Entry by City: To allow the City access at all times to enter onto the Property during Lessee's normal business hours, during any event of an emergency nature (e.g., fire, flood, building collapse), and at such other times as City may reasonably request upon 48 hours advance written notice.
4. Occupancy. Not to permit the Property to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous.
5. Alterations; Modifications. Not to make any alterations to, or modifications in or upon the Property without first obtaining the City's written consent. All such alterations or modifications shall be done in conformance with all applicable laws, codes, regulations, and rules of the County and the State of Colorado. All such alterations or modifications shall be done at the Lessee's expense. Further, unless the parties otherwise agree in writing, the Lessee shall be obligated to restore the Property to the original condition as entered upon if requested to do so in writing by City.
6. Duty of Care. To exercise reasonable supervision of all guests at all times when they are in or upon the Property.
7. Damage by Lessee. To reimburse the City for any expense incurred by it in repairing any damage to the Property caused by Lessee, its employees or agents, or any person in its care, ordinary wear and tear excepted.

8. Indemnity. During the term of the Lease, Lessee shall indemnify and hold harmless the City against any claims, demands, judgments or costs, including attorneys fees, arising from Lessee's lease and use of the property and shall maintain commercially reasonable casualty, liability and other insurance as may be acceptable to City in City's reasonable discretion.

9. Subletting. To sublet no part of the Property, or assign this lease or any interest therein except that Lessee is expressly permitted to assign this Lease to Barnum Printing and Publishing Co.

10. Nuisance. Not to permit any disorderly conduct or nuisance whatever on the Property, including the buildings and the building grounds..

11. Surrender in Good Condition. At the expiration or termination of this Lease to surrender and deliver up the Property in as good order and condition as when the same were entered upon, ordinary wear and tear excepted. Lessee shall be entitled to remove the electrical panels/subpanels, internal transformers and other electrical components appurtenant to the operation of the printing equipment.

C. The City and the Lessee further covenant and agree that:

1. Maintenance by Lessee. Lessee shall be responsible for the total caretaking and maintenance of the exterior and interior of the Property and all items brought onto the Property by the Lessee. JHRBarnum, LLC shall maintain in good repair, at its sole cost and expense, the building and all other improvements on the Property, including the landscaping, hardscaping, and irrigation systems, and shall be responsible for snow removal and payment of all utilities.

2. Maintenance by the City. Lessee accepts the Property "as is" and acknowledges that the City shall have no obligation for maintenance or repair of the Property.

3. Access. During the term of the Lease, City shall maintain reasonable access to the Property at its current location and any public improvements constructed or caused to be constructed by City shall be constructed in such a manner so as not to interfere with Lessee's access to or use of the Property.

4. Emergency Repairs. Lessee agrees to perform all repairs of an emergency nature necessary to protect the Property from undue and avoidable injury or damage.

5. Continuation of operation. During the term of the Lease, Lessee may continue to operate its existing business activities on the Property.

6. Utilities. All charges for water and water rents, for heating, and for lighting of the Property are to be paid by Lessee.

7. Telephone Charges. Lessee will be responsible for payment for all telephone installation and service charges.

8. Keys. Upon termination of this Lease, Lessee shall return all keys to the City for the interior and exterior doors of the buildings on the Property.

9. The City is Not Responsible for Lessee's Personal Property. The City shall have no responsibility or liability for any loss or damage to any personal property of the Lessee or any fixtures installed by the Lessee, whether Lessee has obtained insurance coverage or not.

10. Flammable, Hazardous Materials. Lessee shall store no flammable, toxic, dangerous, hazardous or obnoxious materials anywhere on the Property, except as used in the normal ordinary course of its business.

11. Live Animals. Lessee shall neither bring nor permit the bringing of any live animals into the Property, except pets to the extent permitted by the County.

12. Untenantable Conditions. If the Property becomes so damaged by fire, flood, act of God or any other casualty not caused by the Lessee so as to render the Property untenantable, the Lessee may terminate this Lease without further obligation.

13. Vacancy of Property. If the Property is left vacant for a continuous 60 day period the City may, at its option, either retake possession of the Property, terminating the Lease and the City's and Lessee's obligations hereunder, or it may re-rent the Property.

14. Bankruptcy. This Lease shall terminate upon the filing of a petition for bankruptcy by Lessee.

15. Peaceable Surrender. At the expiration of the term of this Lease, whether by passage of time or by act of the City as provided in this Lease Agreement, the Lessee shall surrender and deliver up the Property peaceably to the City, and if the Lessee shall remain in possession after termination of this lease, the Lessee shall be deemed guilty of a forcible detainer of the Property under the statute, and shall be subject to eviction and removal in accordance with state law.

16. Default. If default shall be made in any of the covenants or agreements contained in this Lease Agreement to be kept by Lessee, and such default continues for thirty (30) days after delivery or written notice of such default, it shall be lawful, upon 30 days written notice, for the City to declare the term ended and to repossess the Property in accordance with state law.

17. No Waiver. No assent, express or implied, to any breach of any one or more of the covenants or agreements contained in this Lease Agreement shall be deemed or taken to be a waiver of any succeeding or other breach.

18. Designated Representatives. The following persons are hereby designated by the parties as the persons responsible for the implementation of this Lease. Should Notices need to be sent or problems arise concerning this Lease the parties agree to contact:

For the Lessee:

I.V. Rosenberg
6899 Grove Street
Denver, CO 80221

With a Copy To:

Fairfield and Woods, P.C.
Attn: Rita Connerly
1700 Lincoln St., Suite 2400
Denver, CO 80203

For the City of Westminster:

J. Brent McFall, City Manager
City of Westminster
4800 West 92nd Avenue
Westminster, CO 80031
303-430-2400, Ext. 2142

19. Insurance. The Lessee will be solely responsible for any loss to any of its personal property and equipment associated with the Property, other than a loss caused by an intentional act of the City, and shall carry commercially reasonable, liability insurance in amounts as may be acceptable to City in City's reasonable discretion. At City's sole expense, to be effective upon closing, City shall add the Property to its schedule of property covered by its current property and casualty insurance as a member of

the Colorado Intergovernmental Risk Sharing Agency (“CIRSA”). Such insurance shall be maintained on the Property for the duration of this Lease.

20. Taxes. Barnum shall be responsible for paying all sales, use, property, and other taxes associated with Barnum’s lease, possession, and use of the property during the Lease, including any possessory interest taxes.

21. Jurisdiction. During the term of this Lease, the Property shall remain within unincorporated Adams County. City agrees not to initiate or act upon any annexation petition that would cause the City’s sales, use or property taxes to be assessed or imposed on the Property, or any personal property on the Property.

IN WITNESS WHEREOF the parties have executed this indenture the day and year first above written.

CITY OF WESTMINSTER

LESSEE: JHRBARNUM, LLC

By: _____
J. Brent McFall
City Manager

By: _____
Its: _____

ATTEST:

By: _____
Linda Yeager
City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney

EXHIBIT A

Lot 2, Block 1,
Feighner Subdivision,
County of Adams,
State of Colorado.



**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 34 re Lease/Purchase of City Office Equipment

Prepared By: Joe Lachermeier, Purchasing Officer
Robert Byerhof, Senior Financial Analyst
Rachel Price, Financial Analyst

Recommended City Council Action

1. Adopt Councillor's Bill No. 34 as an emergency ordinance authorizing the City to enter into a lease-purchase agreement for \$67,209 with Municipal Services Group, Inc., appropriating the funds, and authorizing the City Manager to sign the contract and all necessary documents.
2. Authorize the purchase of eight copiers of varying size to various vendors based on price agreements reached through the National Joint Powers Alliance and Association of Educational Purchasing Agencies Purchasing Program pricing agreement and the City of Westminster procurement process in the amount of \$67,209. The vendors and amounts are as follows: Konica Minolta, \$7,080; Oki, \$4,917; Lewan and Associates, \$55, 212.

Summary Statement

- Approval of the lease/purchase will:
 - Fund the lease/purchase and financing costs for new office equipment;
 - Replace aging office equipment that require increased maintenance costs and limited parts availability to keep operations running efficiently; and
 - Provide essential office equipment necessary for efficient operations.
- The lease/purchase and financing cost is \$67,209 and the associated quarterly lease payments in the amount of \$4,567 are included in the adopted 2010 and 2011 budgets of all departments affected. The lease term is 36 months at an effective interest rate of 5 percent assuming the financing closes by June 30, 2010. The interest rate will be determined on the date of commitment by the City as defined in the master lease agreement approved by City Council in 2001.
- The ordinance is being proposed to be adopted as an emergency ordinance to meet the approval deadline of June 30 in order to avoid increased interest and carrying costs.

Expenditure Required: \$67,209

Source of Funds: Proceeds from Master Lease in the General Fund and Utility Fund

Policy Issue

Should the City move forward with the lease/purchase of City office equipment?

Alternatives

1. Take no action. This option is not recommended as this approach would jeopardize Staff's ability to provide services in a consistent and efficient manner.
2. Finance the equipment package with cash. This option is not recommended as cash funding of this purchase would require use of funds that these locations do not currently have budgeted. The master lease/purchase program stretches out the cost of funding the equipment package over multiple years at a favorable lease rate. By using the master lease concept, the cash flow needed can be scheduled and budgeted over the life of the lease.

Background Information

Parks, Recreation and Libraries Staff at City Park and City Park Fitness Centers rely heavily on copy machines to conduct business efficiently and to reproduce applications, forms, receipts, training instructional handouts, and public records. The City Park machine was purchased 3 years ago and has made over 164,735 copies. The City Park Fitness machine was purchased 4 years ago and has made over 140,899 copies. Both copiers have increased maintenance costs due to their age and usage.

Public Works and Utilities Staff at Semper rely heavily on the copy machine and printer to conduct business efficiently and to reproduce work orders, receipts, and public records. The copier was purchased in 2001. The printer was purchased in 1999. Maintenance on both machines has been increasing annually. Currently the feeder on the copier is broken. The new machine will be a combination printer/copier, which has the following additional functions: color copies, print, scan, and fax. Additionally, there will be cost savings associated with purchase of one single toner rather than separate toners for copiers and printer machines.

Police Department Staff at the Public Safety Center rely heavily on copy machines and printers to conduct business efficiently and to reproduce public records, confidential records, training instructional handouts and receipts. All four (4) of the copiers being replaced were purchased in October 2002.

- The two (2) black and white machines, located in Investigations and Records, have the highest copy count on them with nearly two million copies on both of them. They are the most utilized machines in the Public Safety Center.
- The black and white copier/printer in Professional Services that is being replaced with one of the new color copier/printer's will replace a copier in the Report Writing area that has over a million copies. The Report Writing machine will then replace an obsolete and troublesome tabletop printer at the Orchard storefront. The tabletop machine will go to auction and will be removed from the service contract which is \$1,080 per year. The Orchard storefront machine is not a critical piece of equipment and receives minimal use. The machine on the second floor will be utilized by Police Administration, Professional Standards Unit, Public Information Unit, Training Unit, and Investigations.

- The current color copier/printer is the only color copier in the building and is extremely slow and cumbersome to use. It is being moved to an area that will substantially reduce the workload on the machine (Property/Evidence) and at the same time, will replace four stand alone color DeskJet printers. The toner for these printers is expensive (per copy cost is nearly 60 cents each). The old color copier/printer will be removed from the maintenance contract which is \$3,195 annually, and will be used until it fails. The machine on the first floor will be utilized by Records & Property Evidence, Code Enforcement, Animal Management, Report Specialists and Fire Administration.

By placing a color combo copier, printer, scan and fax machine on each floor, it will allow Public Safety Center users throughout the building to access a color machine. Additionally, there will be cost savings associated with purchase of one single toner rather than separate toners for small printers.

Finance Staff at City Hall rely heavily on the copy machine and printer to conduct business efficiently and to reproduce applications, forms, receipts, training instructional handouts, and public records. The copier was purchased in 2001 and, as the main copier in the department, has produced over 521,942 copies. Maintenance on the machine has been increasing annually. The new machine will have the following additional functions: color copies and hole punch.

Products listed in the National Joint Powers Alliance and Association of Educational Purchasing Agencies were screened, evaluated and selected based on the product features required and satisfy the City's procurement process.

This appropriation will amend General Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Lease Proceeds	1000.46005.0000	\$0	<u>\$62,292</u>	\$62,292
Total Change to Expenses			<u>\$62,292</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Other Equipment	10050720.76000.0860	\$5,000	\$3,540	\$8,540
Other Equipment	10050720.76000.0861	0	3,540	3,540
Other Equipment	10020500.76000.0000	0	44,852	44,852
Other Equipment	10015050.76000.0000	0	<u>10,360</u>	10,360
Total Change to Expenses			<u>\$62,292</u>	

This appropriation will amend Utility Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Lease Proceeds	2000.46005.0000	\$0	<u>\$4,917</u>	\$4,917
Total Change to Expenses			<u>\$4,917</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Other Equipment	20035490.76000.0000	\$45,000	<u>\$4,917</u>	\$49,917
Total Change to Expenses			<u>\$4,917</u>	

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Ordinance
- Lease Purchase Agreement with Exh's A, B, C, D

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **34**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AUTHORIZING THE CITY TO ENTER INTO
A LEASE-PURCHASE AGREEMENT FOR THE PURCHASE OF CITY OFFICE EQUIPMENT
AND INCREASING THE 2010 BUDGET OF THE GENERAL AND UTILITY FUNDS AND
AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2010 ESTIMATED
REVENUES IN THESE FUNDS AND DECLARING AN EMERGENCY**

THE CITY OF WESTMINSTER ORDAINS:

WHEREAS, City of Westminster, CO (the "*Lessee*"), a Colorado home-rule municipality, is authorized by the laws of the State of Colorado to purchase, acquire and lease personal property for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the Lessee desires to purchase, acquire and lease certain equipment constituting personal property necessary for the Lessee to perform essential governmental functions; and

WHEREAS, in order to acquire such equipment, the Lessee proposes to enter into that certain Equipment Lease-Purchase Agreement (the "*Agreement*") with Municipal Services Group, Inc., or its designee, U.S. Bank, National Association (the "*Lessor*") and Escrow Agreement (the "Escrow Agreement") with the Lessor, which have been presented to the governing body of the Lessee at this meeting; and

WHEREAS, the governing body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreement and the Escrow Agreement for the purchase, acquisition and leasing of the equipment therein described on the terms and conditions therein provided;

NOW THEREFORE, be it resolved that the City Council of the City of Westminster, hereby adopts the following:

Section 1 - Approval of Documents. The form, terms and provisions of the Lease Purchase Agreement, attached hereto as Exhibit "A", is hereby approved in substantially the form presented at this meeting, with such insertions, omissions and changes as shall be approved by counsel of the Lessee, the execution of such documents being conclusive evidence of such approval; and the City Manager of the Lessee is hereby authorized and directed to execute, and the City Clerk of the Lessee is hereby authorized and directed to attest and countersign, said Lease Purchase Agreement and any related exhibits attached thereto, and the City Clerk of the Lessee is hereby authorized to affix the seal of the Lessee to such documents.

Section 2 - Other Actions Authorized. The officers and employees of the Lessee are authorized to take all action necessary or reasonably required by the parties to the Lease Purchase Agreement and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Lease Purchase Agreement.

Section 3 - No General Liability. Nothing contained in this Ordinance, the Lease purchase Agreement, nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Ordinance, the Lease Purchase Agreement, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Agreement are special limited obligations of the Lessee as provided in the Agreement.

Section 4 - Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 5. The 2010 appropriation for the General and Utility Funds, initially appropriated by Ordinance No. 3432 is hereby increased in aggregate by \$67,209. This appropriation is due to an increase in the master lease.

Section 6. The \$67,209 increase shall be allocated to City revenue and expense accounts increasing City fund budgets as follows:

General Fund	\$62,292
Utility Fund	<u>4,917</u>
Total	<u>\$67,209</u>

Section 7 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 8 - Emergency. In order to avoid unnecessary interest and carrying costs to the City and the intervention of the holidays prevent the normally scheduled sequence of City Council meetings, that an emergency is declared to exist and this ordinance is immediately necessary for the preservation of the public peace, health and safety as the financing for this lease purchase agreement must be completed before June 30, 2010. Wherefore, this ordinance shall be in full force and effect upon adoption of this ordinance on June 28, 2010, by an affirmative vote of six of the members of the Council if six or seven members of the Council are present at the meeting at which this ordinance is presented, or by an affirmative vote of four of the members of the Council if four or five members of the Council are present at the meeting at which this ordinance is enacted.

Section 9. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, READ IN FULL, AND PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE this 28th day of June, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office



LEASE PURCHASE AGREEMENT

LESSEE: City of Westminster
AGREEMENT #1774

This Agreement is a binding contract between Municipal Services Group, Inc. (MSG) and Lessee (you).

1. The Agreement. In executing this Agreement, you agree to finance the equipment described in Exhibit B (the Equipment). Exhibit B also sets forth the terms of the Agreement, including the commencement (or "Dated") date, which is the date when the term begins and your obligation to make payments accrues. Rental payments should be paid to MSG as instructed, and paid only out of legally available funds. A portion of each rental payment represents interest, as shown on Exhibit B, and Exhibit B reflects an interest rate included in the rental payments. In order to maintain that interest rate, you must comply with the tax covenants described below and file informational federal tax Form 8038-G or Form 8038-GC, included as a Supplement to the Agreement and to be filed by MSG. If not, each rental payment will be increased to compensate for the loss of the tax exemption status which was assumed in the initial interest rate.

2. The Obligation to Make Payments/Continuation. The initial term of the Agreement terminates on the last day of your then current fiscal year, and the term will automatically be renewed at the end of the initial term or any renewal term for an additional one year unless you fail to appropriate sufficient funds for the rental payments due in the next occurring term or in the event of a default as set forth in Section 13. You intend, subject to your rights of non-appropriation, to continue the payment of the rental payments for the Equipment through the initial term and all renewal terms (the "Lease Term") set forth in Exhibit B. Your obligation to make rental payments shall be absolute and unconditional in all events, except in the event of non-appropriation, and you will not assert any right of withholding, set-off or counterclaim. You agree to do everything lawfully within your power to obtain the appropriation of funds for making rental payments under this Agreement, including, for example, providing for rental payments in each budget submitted for approval and recommending the approval of that portion of the budget. If the funds sufficient to make rental payments for any term are not appropriated, you must give MSG prompt notice, and this Agreement will terminate. Termination will be effective at the end of the last term for which rental payments have been paid. You represent that your obligations under this Agreement will not violate any limitation on your creation of indebtedness under the laws of your state.

3. Representations. You represent and warrant that you are a public body, organized and existing under the Constitution and laws of your state, that you are duly authorized to execute and deliver this Agreement, and that you will do all things necessary to preserve your existences as a body corporate and politic. You further represent that, as of the date hereof, you have not exercised non-appropriation rights on any tax-exempt obligation(s).

4. The Equipment. You agree and acknowledge that (i) you have selected the Equipment to be financed by you, (ii) the Equipment is, and during the period of this Agreement shall remain, personal property, (iii) the Equipment will have a useful life in your hands that is substantially in excess of the initial term and all renewal terms of this Agreement, and (iv) you do not intend to sell, or otherwise dispose of, the Equipment during the term of the Agreement. You may contact the seller of the Equipment directly to effect the acquisition of the Equipment. When you accept the Equipment, you must deliver to MSG an Acceptance Certificate in the form of attached Exhibit D. MSG may establish an escrow account into which it will deposit the proceeds of the Agreement, to be utilized to acquire the Equipment.

5. Security Interest and Title of the Equipment. During this Agreement, you will have title to the Equipment, unless you default. You grant to MSG a first lien security interest in the Equipment and anything you attach to the Equipment, and all proceeds, including insurance proceeds. The Equipment must be kept free of all liens and encumbrances, except MSG's security interest, at all times. You acknowledge that financing statements will be filed, agree to sign all documents and pay all fees required to perfect, preserve, or maintain MSG's security interest. After you have paid to MSG all amounts due hereunder, MSG's security interest in the Equipment will be released, and you will have full title to the Equipment. You agree that the Colorado Uniform Commercial Code, as amended, will govern this Agreement.

6. Option to Prepay at any Time. You may elect to prepay all (and only all) of the rental payments for the Equipment at any time by paying the applicable Purchase Price plus accrued interest, if applicable, as shown in Exhibit B.

7. Responsibility for Repair and Maintenance. You agree to maintain the Equipment in good condition and make all necessary repairs and replacements at your expense. You agree to maintain a maintenance log for the Equipment and permit MSG to inspect the Equipment and the log(s). You must have the Equipment serviced and repaired at your expense when servicing or repair is required within intervals not exceeding 125% of those recommended in the owner's manual(s).

8. Tax Covenants. You will not make or direct any use of the proceeds of the obligation provided herein or any other funds which will cause such obligation to be an "arbitrage bond" within the meaning of Section 148 of the federal tax code (the "Code"), to be "federally guaranteed" within the meaning of Section 149 of the Code, or to be a "private activity bond" within the meaning of Section 141(a) of the Code. To that end, so long as any rental payments are unpaid, you, with respect to such proceeds and such other funds, will comply with all requirements of such Code sections and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and in effect. Furthermore, to the extent applicable pursuant to Section 148(f) of the Code, you covenant to complete or cause to be completed all reporting requirements and rebate all positive arbitrage to the United States of America. You covenant that the Equipment will be used only for the purpose of performing one or more of your governmental or proprietary functions, and the Equipment will not be used in a trade or business of any person or entity other than you on a basis different from the general public. You will not use or permit the use of the Equipment by any person for a "private business use" within the meaning of Section 141(b) of the Code in such manner or to such extent as would result in the inclusion of interest received hereunder in gross income for federal income tax purposes under Section 103 of the Code.

The parties will cooperate in performing all acts legally required or desirable in order to assure that the interest component of the rental payments will not be included in the gross income of MSG or its assigns for federal income tax purposes.

9. Your Risk of Loss or Damage. Upon receipt of the Equipment, you agree to bear all risk of loss, damage, destruction or theft. You must maintain insurance of the types and in at least the amounts shown on Exhibit C, directing your insurance company to give MSG a certificate showing MSG as lender loss payee and an additional named insured. If you do not maintain the required insurance, MSG may obtain it and charge you for it. You must give MSG prompt notice of (1) the loss, theft, or destruction of any part of the Equipment, (2) any damage to the Equipment exceeding \$500, or (3) any claim arising out of the ownership, maintenance, storage or use of the Equipment. The parties will cooperate in deciding if insurance proceeds will be applied to the repair of the Equipment or to its Purchase Price. If insurance proceeds exceed the amount of the Purchase Price, plus interest, or the amount required to complete the work, MSG will forward the excess proceeds to you.

10. Reimbursement Covenants. To the extent permitted by law, you shall and hereby agree to save MSG harmless against and from, and reimburse MSG for all costs, losses and expenses arising from, all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the conduct, management or ownership of, or from any work or thing done on, the Equipment during the Lease Term, occurring as a result of any act of negligence or negligent failure to act by you or your agents, contractors or employees or any violation of law by you or breach of any covenant or warranty by you hereunder. You shall save MSG harmless and reimburse MSG as specified above from any such claim arising as aforesaid, or in connection with any action or proceeding brought thereon and, upon notice from MSG, shall defend MSG, as the case may be, and pay the cost of such defense in any such action or proceeding. Notwithstanding anything in the foregoing to the contrary, in connection with any such claim, and in connection with any claim by MSG against you pursuant to this paragraph, nothing in this Section 10 or this Agreement shall be deemed or construed as a waiver or modification by you of any limitations of liability, protections from liability, or any other right or benefit to which you are, may, or would otherwise be entitled to under the Colorado Governmental Immunity Act, CRS 24-10-101, et seq.

11. Warranty. MSG MAKES NO EXPRESS OR IMPLIED WARRANTIES CONCERNING THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR USE. THIS SECTION IN NO EVENT IS INTENDED TO AFFECT THE WARRANTIES OR REPRESENTATIONS CONTAINED IN ANY CONTRACT ENTERED INTO FOR THE ACQUISITION OF THE EQUIPMENT.

12. Termination. This Agreement will terminate: (1) upon payment of all amounts due hereunder by you to MSG; (2) at the time and for the reason set forth in Section 2; (3) if you have returned the Equipment and paid all amounts due through the end of the term then in effect, including interest, (4) upon your prepayment of the Equipment under Section 6 and your payment of all amounts due, (5) at MSG's option if you default as described in Section 13, and (6) if all or any portion of the Equipment has been lost, stolen or damaged beyond repair, upon MSG's receipt of insurance proceeds covering the purchase price of the lost, stolen or damaged Equipment. When this Agreement terminates, if you have not paid to MSG all amounts due hereunder, you must, at your expense, return the Equipment you have not purchased to MSG at an address specified by MSG, in as good condition as when you received it, ordinary wear excepted. You must remove all signs and markings and make all repairs (other than for ordinary wear) requested by MSG. If you do not, MSG may do so and charge you for it. No prepaid interest will be rebated to you upon termination.

13. Default. You will be in default if you fail to perform any agreement of yours in this Agreement or any of your representations are found to be false or misleading. If any such default occurs, MSG, without notice or demand, may declare this Agreement in default and declare all amounts eligible or actually appropriated for rental payments under this Agreement to be immediately due and payable. Equipment must then be returned to MSG (at address specified by MSG) at your expense, and the Equipment and all your rights therein shall be deemed surrendered to MSG. Upon declaration of default, MSG may repossess the Equipment with or without process of law, and for the purposes may enter upon any of your premises or others' premises, wherever the Equipment may be found, without liability therefor. MSG may recover from you any unpaid amounts due or to become due for the rest of the term, together with all expenses including reasonable attorney's fees and legal expenses (to the extent permitted by law) incurred by MSG to enforce its rights. The repossession and sale of the Equipment shall not affect MSG's right to recover from you all damages which MSG has suffered because of your breach. MSG may sell or re-lease the Equipment with or without advertisement, at public or private sale or leasing, without notice to you, free of any of your interest, without any duty to account to you for MSG's actions or inaction or for any sale or re-lease proceeds. The proceeds of any sale or re-lease will be applied in the following order: (1) to the expenses (including reasonable attorney's fees) associated with the default, repossession, and restoration of title to MSG; (2) to the purchase price; and (3) if any proceeds remain, to you. If MSG is unable to repossess any Equipment after a default, the Equipment shall be deemed to have suffered a total loss compensable under Section 9. MSG may also enforce your performance of your covenants or recover damages for the breach of those covenants. MSG's rights and remedies in this section are not exclusive but are cumulative and in addition to all other rights and remedies that MSG has at law or in equity.

14. Limitation on Assignment. Assignment or sublease of this Agreement or any interest in it or the Equipment without MSG's prior written consent is prohibited. In no event may you assign or sublet this Agreement or any interest in it or the Equipment to a non-governmental entity. MSG may assign or sell its interest under this Agreement, in whole or in part, without your consent, but the assignment will not be effective until you have received notice disclosing the name and address of assignee.

15. Late Charges. If you do not pay rental payments due under this Agreement on their due date, you must pay a late charge of \$25.00 plus an additional finance charge. The finance charge accrues on the applicable rental payment amount at the rate equal to the lesser of (1) 12% or (2) the highest rate allowed by law.

16. Exhibits. All Exhibits and Supplements attached hereto are part of this Agreement, incorporated herein by reference, and must be executed by you.

17. Other Terms. This Agreement constitutes the entire agreement between the parties as to the subject matter it covers and may not be changed except by a written agreement signed by you and MSG. If any part of this Agreement is or becomes invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect the other or remaining provisions hereof. This Agreement and all rights and actions arising under it shall be governed by the laws of your state. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. This Agreement may be executed in several counterparts. All notices must be addressed to the parties at their addresses shown on Exhibit B, or at another address specified by either party in writing.

LESSEE: City of Westminster

Municipal Services Group, Inc.

By: _____

By: _____

Title: _____

Title: _____

Date: _____

ATTORNEY FOR LESSEE:

Opinion of Lessee's Counsel to Municipal Services Group, Inc. and its assignee: The foregoing Lease Purchase Agreement has been duly authorized and executed and is legal, valid, and binding.

Signature: _____

Name (please print): _____

Name & Address of Firm: _____

EXHIBIT A

RESOLUTION OF GOVERNING BODY

[REPLACE WITH CERTIFIED COPY OF SIGNED/ADOPTED RESOLUTION]

**EXHIBIT B
TERMS**

1. The Equipment which is the subject of the Agreement is:

- Two (2) Konica Biz Hub 182 Copiers
- One (1) Oki MC860 Multifunction Printer
- Two (2) Sharp MX 5001N Copiers
- Two (2) Sharp MX M503N Copiers
- One (1) Sharp MX-4101N Copier

2. Fixed Interest Rate: 5.000%

Provided all documents have been returned in a form acceptable to MSG within thirty days of the Dated Date (the "Period"), the fixed interest rate will remain in effect during the Period. If all documents have not been returned within the Period, MSG reserves the right to adjust and determine a new fixed interest rate.

Dated Date: June 28, 2010

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Price
1	7/15/2010	\$5,600.70	\$145.97	\$5,454.73	\$58,371.35
2	10/15/2010	\$5,600.70	\$715.34	\$4,885.36	\$53,388.28
3	1/15/2011	\$5,600.70	\$654.27	\$4,946.43	\$48,342.92
4	4/15/2011	\$5,600.70	\$592.44	\$5,008.26	\$43,234.50
5	7/15/2011	\$5,600.70	\$529.83	\$5,070.87	\$38,062.21
6	10/15/2011	\$5,600.70	\$466.45	\$5,134.25	\$32,825.27
7	1/15/2012	\$5,600.70	\$402.27	\$5,198.43	\$27,522.87
8	4/15/2012	\$5,600.70	\$337.29	\$5,263.41	\$22,154.20
9	7/15/2012	\$5,600.70	\$271.50	\$5,329.20	\$16,718.41
10	10/15/2012	\$5,600.70	\$204.88	\$5,395.82	\$11,214.68
11	1/15/2013	\$5,600.70	\$137.43	\$5,463.27	\$5,642.14
12	4/15/2013	\$5,600.70	\$69.19	\$5,531.51	\$-
Grand Totals		\$67,208.40	\$4,526.86	\$62,681.54	

3. The Documentation Fee of \$2,000, payable to Municipal Services Group, Inc., is due at closing and will be paid directly from the financed proceeds.

4. The physical address where the Equipment will be stored or housed is:

5. The address of Lessee, for notification purposes, is:

6.

6. The address of Municipal Services Group, Inc., for notification and payment purposes, is:

5125 South Kipling Parkway, #300
Littleton, CO 80127

LESSEE: City of Westminster

By: _____

Title: _____

EXHIBIT C

INSURANCE COVERAGE REQUIREMENTS

1. In accordance with Section 9 of the Agreement, we have instructed the insurance agent named below (please fill in name, address, contact person, telephone and facsimile numbers)

to issue:

a. All Risk Physical Damage Insurance on the financed Equipment evidenced by a Certificate of Insurance and Long Form **Lender Loss Payable Clause naming Lessor as Lender Loss Payee.**

b. Public Liability Insurance evidence by a Certificate of Insurance **naming Lessor as an Additional Insured.**

Minimum Coverage Required:
\$500,000.00 per person
\$500,000.00 aggregate bodily injury liability
\$300,000.00 property damage liability

OR

2. We are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.

3. Proof of insurance coverage will be provided to MSG prior to the time that the Equipment or unit thereof is delivered to us.

LESSEE: City of Westminster

By: _____

Title: _____

EXHIBIT D

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Agreement numbered 1774 with Municipal Services Group, Inc., acknowledges receipt in good condition of the Equipment described in the Agreement this _____ day of _____, _____, and certifies that MSG has fully and satisfactorily performed all of its covenants and obligations required under the Agreement.

Lessee confirms that it will make rental payments in accordance with the terms of the Agreement.

The undersigned officer of Lessee hereby reaffirms in all respects the provisions relating to arbitration contained in the Agreement, and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the date on which they were made, and are reasonable as of this date, and that there were, and are as of this date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: City of Westminster

By: _____

Title: _____



Agenda Item 10 O

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 35 re Refunding of Series 2001 and 2002 Sales and Use Tax Revenue Bonds in the amount not to exceed \$11,720,000

Prepared by: Tammy Hitchens, Finance Director
Bob Smith, Treasury Manager
Bob Byerhof, Sr. Financial Analyst
Rachel Price, Financial Analyst

Recommended City Council Action

Adopt Councillor's Bill No. 35 as an emergency ordinance, approving the sale of Sales and Use Tax Revenue Refunding Bonds to refund the Series 2001 and 2002 Sales and Use Tax Revenue Bonds in the amount not to exceed \$11,720,000, and to direct the Mayor, Finance Director and City Clerk to sign necessary documents on behalf of the City.

Summary Statement

Staff has identified an opportunity to significantly reduce the City's future debt service costs by refunding certain Sales and Use Tax Revenue Bonds that the City issued in prior years to fund capital projects. Staff anticipates the following result from the Series 2001 and 2002 refunding:

- Reduce debt service payments by approximately \$525,000 over the remaining life of the issue after deducting all costs of issuance.
- Reduce net interest rates on the respective refunded debt issue.
- Accomplish the reduction of debt service cost without extending the final maturity of the original issue.
- The City's underwriter was involved in the analysis of this refinancing and concurs with Staff's recommendation to proceed.
- This ordinance is proposed as an emergency ordinance in order to complete the issuance and sale of the bonds while favorable market conditions exist.

Expenditure Required: Not to exceed \$90,000

Source of Funds: All fees are included in the refunding issue; no additional funds need to be budgeted.

Policy Issue

Should the City refund the 2001 and 2002 Series Sales and Use Tax Revenue Bonds?

Alternatives

1. Do not refund the bonds. This option is not recommended. The proposed refunding will save approximately \$525,000 in interest costs without extending the final maturity of the original debt issue.
2. Delay the refunding in hopes that the Federal Reserve Board (Fed) will reduce short-term rates that may lead to further interest expense savings. This option is not recommended. While it is possible the Fed will reduce short-term rates, the impact would be in the short-term (two years and under) market. The risk to the City is that long-term rates will rise, due to inflation expectations. In this case, the total savings could be less than the anticipated \$525,000.

Background Information

Staff and the City's underwriter analyzed the potential financial benefit of refunding the 2001 and 2002 Series Sales and Use Tax Revenue Bonds. The refunding was analyzed assuming current market conditions. Given current interest rate market conditions, Staff and the underwriter believe it is in the City's best financial interest to refund the aforementioned obligations; thereby, lowering the overall interest rate cost inclusive of all closing fees and without extending the maturity dates beyond the original issue's horizon.

Staff projects that by refunding the Series 2001 and 2002 Sales and Use Tax Revenue Bonds, the City can reduce its future interest costs by about \$525,000. The savings represents approximately 4.63% of the refunded bonds. National guidelines suggest that to initiate refunding a prior bond issue the savings should at a minimum be in excess of three percent. The net interest cost for the Series 2001 and 2002 issues were 4.40% and 5.12%, respectively. It is estimated that the refunding may result in a net interest rate of about 3.32%, which is a significant reduction from the net interest cost of the debt to be refunded.

It is important to note that the savings from the refunding will be realized without extending the final maturities of the original bonds.

The proceeds of the sale of this new security will be appropriated in a separate City Council action in July, after the closing is held and the sales proceeds are received by the City.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **35**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AUTHORIZING THE ISSUANCE
OF SALES AND USE TAX REVENUE REFUNDING
BONDS, SERIES 2010, OF THE CITY OF WESTMINSTER,
COLORADO, PROVIDING OTHER DETAILS IN
CONNECTION THEREWITH, AND DECLARING AN
EMERGENCY**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. Definitions. As used herein, unless the context clearly indicates otherwise, the following terms shall have the respective meanings set forth below:

Beneficial Owner: any Person for which a Participant acquires an interest in the Bonds or Registered Coupons.

Bond Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the "2010 Sales and Use Tax Revenue Refunding Bonds" created by the provisions of this Ordinance.

Bond Insurance Policy: the financial guaranty insurance policy or municipal bond insurance policy issued by the Bond Insurer guaranteeing the payment when due of the principal of and interest on the Bonds, if set forth in the Sale Certificate.

Bond Insurer: means the provider of any financial guaranty insurance policy or municipal bond insurance policy, or any successor thereto, if set forth in the Sale Certificate.

Bond Purchase Agreement: the agreement between the City and the Underwriter, concerning the purchase of the Bonds by the Underwriter.

Bonds: the Sales and Use Tax Revenue Refunding Bonds, Series 2010, as authorized by this Ordinance.

Cede: Cede & Co., the nominee of DTC as record owner of the Bonds, or any successor nominee of DTC with respect to the Bonds.

Charter: the home rule charter of the City adopted in accordance with Article XX of the Colorado Constitution.

City: the City of Westminster, Adams and Jefferson Counties, Colorado.

Code: the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds.

Combined Average Annual Principal and Interest Requirements: with regard to any two or more particular issues of bonds or other obligations, the aggregate of all future payments of principal of and interest on all of said issues (excluding redemption premiums) to become due from the date of computation to the date of maturity of the latest maturing obligation of any of said issues, divided by the number of years between said dates; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

Continuing Disclosure Certificate: the undertaking executed by officers of the City simultaneous with the delivery of the Bonds which enables the Underwriter to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Council: the City Council of the City of Westminster, Colorado.

C.R.S.: the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

Depository: any securities depository as the City may provide and appoint to act as securities depository for the Bonds in accordance with the guidelines of the Securities and Exchange Commission, which shall act as a securities depository for the Bonds and the Registered Coupons.

DTC: the Depository Trust Company, New York, New York, and its successors and assigns.

Escrow Account: the account created and maintained by the Escrow Bank pursuant to the Escrow Agreement.

Escrow Agreement: the Escrow Agreement dated as of its date, between the City and the Escrow Bank.

Escrow Bank: means UMB Bank, n.a., Denver, Colorado, or its successors and assigns, acting as Escrow Bank under the Escrow Agreement.

Event of Default: any one or more of the events set forth in Section 22 of this Ordinance.

Federal Securities: direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

Finance Director: the Finance Director of the City.

General Debt Service Fund: the “General Debt Service Fund” heretofore established as a governmental fund of the City.

Letter of Representations: the letter of representations from the City to DTC to induce DTC to accept the Bonds and Registered Coupons as eligible for deposit at DTC.

Maximum Annual Combined Debt Service Requirement: the maximum amount of all required payments of principal and interest on the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and any Parity Lien Bonds proposed to be issued which will become due in any Fiscal Year; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

Ordinance: this Ordinance which authorizes the issuance of the Bonds and Registered Coupons.

Owners: the Beneficial Owners and the Registered Owners; provided however, that for purposes of Section 23 and Section 24 hereof, and to the extent provided in any ordinance authorizing the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and any Parity Lien Bonds, any bond insurer which is not in default in its obligations under its bond insurance policy insuring payment of any of the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds, and any Parity Lien Bonds shall be deemed the Owner thereof.

Parity Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is on a parity with the lien of the Bonds.

Participant: any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds or the Registered Coupons.

Paying Agent: UMB Bank, n.a., Denver, Colorado or its successor or assigns, acting as the paying agent for the Bonds and Registered Coupons, which shall perform the function of paying agent as set forth in this Ordinance.

Paying Agent Agreement: the Registrar and Paying Agent Agreement dated as of the date of delivery of the Bonds, between the City and the Registrar and Paying Agent.

Permitted Investments: any investment or deposit permitted for the City under the laws of the State.

Person: any natural person, firm, partnership, association, corporation, trust, public body, or other entity.

Pledged Revenue: so long as the rate of the Sales and Use Tax is three and eighty-five hundredths percent (3.85%), the revenue derived from the Sales and Use Tax, after deducting (i) 6.49% thereof for deposit to the City's Open Space Fund, (ii) 15.58% thereof which is reserved for the City's public safety related expenditures and (iii) all costs of administering and collecting the Sales and Use Tax; and so long as the rate of the Sales and Use Tax is three and sixty-hundredths percent (3.60%), the revenue derived from the Sales and Use Tax, (i) 16.67% thereof which is reserved for the City's public safety related expenditures and (ii) after deducting all costs of administering and collecting the Sales and Use Tax.

Preliminary Official Statement: the Preliminary Official Statement prepared in connection with the issuance of the Bonds and Registered Coupons.

Record Date: the fifteenth (15th) day of the calendar month next preceding each interest payment date of the Bonds.

Redemption Date: the earliest date after delivery of the Bonds on which the Refunded Bonds may be called for prior redemption.

Refunded Bonds: any or all of the 2001 Bonds and the 2002 Bonds as designated in the Sale Certificate.

Refunded Bond Requirements: means: (i) the payment of the interest due on the Refunded Bonds, both accrued and not accrued, as the same become due on and after the date of delivery of the Bonds and Registered Coupons and on and before the Redemption Date; (ii) the payment of principal of the Refunded Bonds as the same becomes due upon prior redemption on the Redemption Date; and (iii) the payment of any required redemption premium;

Refunding Project: the issuance of the Bonds for the purpose of defraying the costs of refunding the Refunded Bonds and payment of the costs of issuance of the Bonds.

Registered Owner: the registered owner of any Bond or Registered Coupon, as shown by the registration books maintained by the Registrar on behalf of the City.

Registered Coupon or Registered Coupons means, if so provided in the Sale Certificate, a coupon designated "Supplemental 'B' Interest Registered Coupon," which is in fully registered form evidencing supplemental interest on the Bond or the Bonds to which it is related and which, at the time of initial delivery of the Bonds to the Underwriter shall accompany the Bond or Bonds so delivered. If the Sale Certificate does not provide for Registered Coupons, then all references thereto in this Ordinance shall have no effect.

Registrar: UMB Bank, n.a., Denver, Colorado or its successor, which shall perform the registration and transfer functions of bond registrar as set forth in this Ordinance.

Required Reserve: the amount of the Reserve Fund required by Section 19(e) hereof.

Reserve Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the “Sales and Use Tax Revenue Bonds Reserve,” created by the provisions of Section 19(e) of this Ordinance.

Sale Certificate: a certificate executed by the Mayor, the City Manager or the Finance Director dated on or before the date of delivery of the Bonds and Registered Coupons, setting forth (i) the maturities and interest rates of the 2001 Bonds and/or 2002 Bonds to be refunded; (ii) the redemption date; (iii) the aggregate principal amount of the Bonds and final maturity amount of the Registered Coupons; (iv) the rates of interest on the Bonds, including the rates of interest evidenced by the Registered Coupons, if any; (v) the existence and amount of any reserve fund; (vi) the price at which the Bonds will be sold; (vii) the conditions on which and the prices at which the Bonds may be called for prior redemption; (viii) the denominations of the Bonds; (ix) the amount of principal of the Bonds maturing on each date; (x) the dates on which principal and interest will be paid and the first interest payment date; (xi) whether the Bonds will bear supplemental interest evidenced by Registered Coupons; (xii) whether the Bonds shall be secured by a municipal bond insurance policy; and (xiii) any other finding or determination authorized under the Supplemental Act, all subject to the parameters and restrictions contained in this Ordinance.

Sales and Use Tax: the sales and use tax of the City, as imposed by Title IV in effect as of the date hereof. The term “Sales and Use Tax” does not include any increases in the rate of sale and use taxes from the present rate of 3.85%, nor does it include any other excise taxes which may now or hereafter be imposed by the City, whether contained in Title IV or any other Chapter or ordinance of the City.

Sales and Use Tax Fund: the “Sales and Use Tax Special Revenue Fund” heretofore established as a governmental fund of the City.

Special Record Date: a special date fixed to determine the names and addresses of registered owners of Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest.

Subordinate Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is subordinate or junior to the lien of the Bonds.

Supplemental Act: the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S.

Term Bonds : Bonds that are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Title IV: Chapters 1 and 2 of Title IV of the Municipal Code of the City governing the imposition, collection, distribution, and enforcement of the Sales and Use Tax, and any successor or other ordinance pertaining to the Sales and Use Tax.

2001 Bonds: the City's Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001.

2002 Bonds: the City's Sales and Use Tax Revenue Bonds, Series 2002, dated December 1, 2002.

2007A Bonds: the City's Sales and Use Tax Revenue Refunding Bonds, Series 2007A, dated March 6, 2007.

2007C Bonds: the City's Sales and Use Tax Revenue Refunding Bonds, Series 2007C, dated October 16, 2007.

Underwriter: Piper Jaffray & Co., Denver, Colorado, the original purchaser of the Bonds, or its successor.

Section 2. Recitals.

A. This Ordinance shall be known as and may be cited by the short title "2010 Sales and Use Tax Bond Ordinance."

B. The City is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Colorado Constitution and the Charter.

C. Pursuant to Section 10.2 of the Charter and Title IV of the City's Municipal Code, the City has heretofore imposed and is collecting a sales and use tax upon the sale or use of tangible personal property and certain services.

D. Pursuant to said Title IV, for transactions consummated or contracts entered into on or after January 1, 2004, but prior to January 1, 2033, the rate of the sales and use tax shall be three and eighty-five hundredths percent (3.85%), and for transactions consummated or contracts entered into prior to January 1, 1986, or on or after January 1, 2033, the rate of the sales and use tax shall be three and sixty-hundredths percent (3.60%).

E. Pursuant to said Title IV, six and forty-nine hundredths percent (6.49%) of all sales and use taxes collected at the rate of three and eighty-five hundredths percent (3.85%) shall be distributed to the City's Open Space Fund and 15.58% thereof is reserved for the City's public safety related expenditures.

F. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, revenue bonds for any public purpose payable in whole or in part from the available proceeds of sales and use taxes which may be imposed pursuant to Chapter X of the Charter.

G. Pursuant to Chapter XI of the Charter, the City has heretofore duly authorized, sold, issued, and delivered to the purchasers thereof its 2001 Bonds, 2002 Bonds, 2007A Bonds and 2007C Bonds payable solely from certain sales and use tax and other excise tax revenues to be derived by the City.

H. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, bonds for the purpose of refunding outstanding bonds of the City.

I. Article X, Section 20 of the Colorado Constitution permits the City to issue bonds without an election to refund outstanding bonds at a lower rate of interest.

J. The 2001 Bonds maturing on and after December 1, 2012 are subject to redemption at the option of the City on December 1, 2011, or on any date thereafter at a redemption price equal to the principal amount so redeemed plus accrued interest to the Redemption Date.

K. The 2002 Bonds maturing on and after December 1, 2013, are subject to redemption at the option of the City on December 1, 2012, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the Redemption Date.

L. The City has determined that the issuance of the Refunding Bonds and undertaking the Refunding Project will result in a lower interest rate paid by the City.

M. The Bonds shall have an irrevocable and first lien, but not necessarily an exclusive such lien, on certain sales and use tax revenues of the City, as set forth herein.

N. The City has received a proposal in the form of a Bond Purchase Agreement from the Underwriter concerning the purchase of the Bonds.

O. The Council has determined that the Bonds shall be sold to the Underwriter in accordance with its proposal, and that such sale is to the best advantage of the City.

P. There are on file with the City Clerk the forms of the following documents: (i) the form of the Escrow Agreement; (ii) the form of the Bond Purchase Agreement; (iii) the form of the Paying Agent Agreement; (iv) the form of a Preliminary Official Statement for the Bonds; (v) the Letter of Representations; and (vi) the form of the Continuing Disclosure Certificate.

Q. It is necessary to provide for the form of the Bonds, the Registered Coupons, the Bond details, the payment of the Bonds, and other provisions relating to the authorization, issuance, and sale of the Bonds.

R. No member of the Council has any conflict of interest or is interested in any pecuniary manner in the issuance of the Bonds.

Section 3. Authorization. In accordance with the Constitution of the State of Colorado; the Charter; and all other laws of the State of Colorado thereunto enabling, and pursuant to the provisions of this Ordinance, the City hereby authorizes, for the purpose of paying the costs of the Refunding Project, the issuance of its "Sales and Use Tax Revenue Refunding Bonds, Series 2010." Section 11-57-204 of the Supplemental Act provides that a

Section 9 hereof. Pursuant to Section 11-57-210, C.R.S., such recital conclusively imparts full compliance with all the provisions of said sections, and the Bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

Either the City Manager or the Finance Director is hereby independently authorized and directed to execute and deliver the Sale Certificate and to make and approve the final determinations contained therein, subject to the parameters and restrictions of this Ordinance. Either the City Manager or the Finance Director is hereby authorized to determine if obtaining municipal bond insurance or financial guaranty insurance is in the best interests of the City, and if so, to select a bond insurer to issue a municipal bond insurance policy or financial guaranty insurance policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment. If it is determined that the Bonds will be sold without municipal bond or financial guaranty insurance, all references herein to Bond Insurer and Bond Insurance Policy are of no force and effect.

Section 4. Special Obligations. All of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable only out of the Bond Fund, into which the City covenants to deposit the Pledged Revenue in amounts sufficient to pay promptly, when due, the principal of, premium, if any, and interest on the Bonds. The Bonds shall constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided herein, but not necessarily an exclusive such lien, and the Pledged Revenue is hereby pledged to the payment of the Bonds as provided herein. The Owners may not look to any general or other revenue of the City, including without limitation the proceeds of ad valorem taxes, for the payment of the principal of, premium, if any, and interest on the Bonds. The Bonds shall not constitute a debt or an indebtedness of the City within the meaning of any constitutional, Charter, or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City.

Section 5. Bond Details.

A. The Bonds.

1. The Bonds shall be issued in fully registered form (i.e., registered as to payment of both principal and interest) initially registered in the name of Cede & Co. as nominee for DTC, as Depository for the Bonds. The Bonds shall be dated as of their date of delivery, and shall be issued in denominations of \$5,000 or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond may be issued for more than one maturity and interest rate).

2. The Bonds shall mature, bear “A” interest, and may bear supplemental “B” interest if so provided in the Sale Certificate (computed on the basis of a 360-day year of twelve 30-day months) payable to the Registered Owners thereof from their date to maturity or

prior redemption, be subject to redemption, and be sold, all as provided in the Sale Certificate; provided that:

(i) the Bonds shall mature no later than the final maturity of the Refunded Bonds;

(ii) the Bonds shall (a) not be subject to redemption prior to maturity at the option of the City, or, (b) subject to optional redemption at such time or times as set forth in the Sale Certificate, at a redemption price not to exceed 101%;

(iii) the net effective interest rate on the Bonds (including both "A" and "B" interest if applicable) and the net interest cost of the Bonds (including both "A" and "B" interest if applicable) shall not exceed the net effective interest rate and net interest cost of the Refunded Bonds;

(iv) the aggregate principal amount of the Bonds shall not exceed the aggregate principal amount of the bonds to be refunded;

(v) the purchase price of the Bonds shall not be less than 98% of the original principal amount of the Bonds;

(vi) the total amount of debt service on the Bonds in any one year shall not exceed the debt service on the Refunded Bonds in that year; and

(vii) the net present value savings based on the principal amount of the Refunded Bonds to be refunded shall be at least 3%.

Interest on the Bonds shall be payable semiannually on each June 1 and December 1, commencing on the date provided in the Sale Certificate.

3. The Bonds shall be numbered consecutively as determined by the Registrar.

B. The Registered Coupons. At the time of initial delivery of the Bonds to the Underwriter, if so provided in the Sale Certificate, there shall also be delivered to the Underwriter Registered Coupons evidencing additional interest on all or any portion of the Bonds. The Registered Coupons shall be in fully registered form (i.e., registered as to payment of the supplemental interest) provided that no Registered Coupon shall be issued for more than one due date. The Registered Coupons shall be dated as of the date of delivery of the Bonds. The Registered Coupons shall be numbered in such manner as the Registrar shall determine. Each Registered Coupon shall entitle the Registered Owner thereof to receive payment of a portion of the interest payable with respect to the Bonds as described herein. The Registered Coupons may be owned, transferred and presented for payment separately from the Bonds. References in this Ordinance to the Bonds shall be deemed to include the Registered Coupons where the context so requires. Except as specifically provided herein or in the Registered Coupons, no provision of this Ordinance relating to the Bonds shall be deemed to affect the rights of the owners of Registered Coupons to receive payments as provided herein.

Section 6. Payment of Bonds; Paying Agent and Registrar. The principal of and premium, if any, on each Bond or interest represented by the Registered Coupons, is payable in lawful money of the United States of America to the Registered Owner of such Bond or Registered Coupon upon maturity and presentation, at the principal office of the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the principal thereof is paid in full. To the extent “B” interest represented by any Registered Coupon is not paid when due, such “B” interest shall compound at the yield on such Registered Coupon as set forth in the Sale Certificate until paid.

Payment of interest on any Bond (excluding interest represented by the Registered Coupons) shall be made to the Registered Owner thereof by check, draft or wire sent by the Paying Agent, on or before each interest payment date, to the Registered Owner thereof at his or her address as it last appears on the registration records kept by the Registrar on the Record Date; but any such interest not so timely paid shall cease to be payable to the person who is the Registered Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of the Bonds not less than ten days prior to the Special Record Date by first-class mail to each such Registered Owner as shown on the Registrar’s registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest.

The Paying Agent may make payments of interest on any Bond (excluding interest represented by the Registered Coupons) by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Paying Agent; provided, however, that the City shall not be required to make funds available to the Paying Agent prior to the payment dates stated in this Ordinance. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent or Registrar.

If the date for making any payment or performing any action hereunder shall be a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed.

The principal of, premium, if any, and interest on the Bonds shall be paid in accordance with the terms of the Letter of Representations.

Section 7. Book-Entry System. The Bonds shall be initially issued in the form of a single, certificated, fully registered Bond for each maturity bearing the same interest rate, and the Registered Coupon for each payment date for which a Registered Coupon becomes due. Upon initial issuance, the ownership of each such Bond and Registered Coupon shall be registered in the registration books kept by the Registrar in the name of Cede.

With respect to Bonds and Registered Coupons registered in the name of Cede or held by a Depository, the City, the Registrar, and the Paying Agent shall have no responsibility or obligation to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds or Registered Coupons; (ii) the delivery to any Participant, Beneficial Owner, or Person other than the Registered Owner, of any notice concerning the Bonds, including notice of redemption; (iii) the payment to any Participant, Beneficial Owner, or Person other than the Registered Owner, of the principal of, premium if any, and interest on the Bonds. The City, the Registrar, and the Paying Agent may treat the Registered Owner of a Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest with respect to such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium if any, and interest on the Bonds only to or upon the order of the Registered Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the payment of the same. No Person, other than a Registered Owner, shall receive a certificated Bond evidencing the obligations of the City pursuant to this Ordinance.

DTC may determine to discontinue providing its service as Depository with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. Additionally, the Finance Director may terminate the services of DTC if she determines, in her sole and absolute discretion, that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book entry transfers through DTC is not in the best interests of the Beneficial Owners or the City. Such termination shall be effected by written notice of the same from the City to DTC and to the Registrar and Paying Agent. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the City or, if the Finance Director determines in her sole and absolute discretion that it is in the best interests of the Beneficial Owners or the City that the Beneficial Owners be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

Section 8. Prior Redemption.

(a) Optional Prior Redemption. The Bonds designated in the Sale Certificate, if any, will be subject to redemption at the option of the City from any legally available funds on the dates set forth in the Sale Certificate.

(b) Mandatory Redemption. The Term Bonds, if any, are subject to mandatory sinking fund redemption, at the times, in the amounts and at the prices provided in the Sale Certificate.

On or before thirty (30) days prior to each sinking fund installment date, the Registrar shall, without any notice or instruction from the City, proceed to call the Term Bonds (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next December 1, and give notice of such call without other instruction or notice from the City.

At its option, to be exercised on or before the sixtieth (60th) day next preceding each such sinking fund redemption date, the City may (a) deliver to the Registrar for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the same maturity subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Registrar at the principal amount thereof on the obligation of the City on such sinking fund redemption date and the principal amount of Term Bonds to be redeemed by operation of such sinking fund on such date will be accordingly reduced. The City will on or before the sixtieth day next preceding each sinking fund redemption date furnish the Registrar with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the preceding sentence are to be availed with respect to such sinking fund payment. Failure of the City to deliver such certificate shall not affect the Registrar's duty to give notice of sinking fund redemption as provided in this paragraph.

(c) Notice. Notice of redemption shall be given by the Registrar in the name of the City by sending a copy of such official notice by first-class, postage prepaid mail, not more than sixty nor less than thirty days prior to the redemption date to each Registered Owner at his address as it last appears on the registration books kept by the Registrar; but neither failure to give such notice nor any defect therein shall affect the redemption of any Bond. Such notice shall identify the Bonds to be so redeemed (if less than all are to be redeemed) and the redemption date, and shall further state that on such redemption date there will become and be due and payable upon each Bond so to be redeemed, at the Paying Agent, the principal amount thereof, any redemption premium, and accrued interest to the redemption date and that from and after such date interest will cease to accrue. Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be promptly canceled by the Paying Agent and such canceled Bonds shall be delivered by the Paying Agent or Registrar to the City if requested by the City, and shall not be reissued.

(d) Partial Redemption. In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in

(e) Conditional Call Provision. Notwithstanding the provisions of this section, any notice of optional redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 9. Form and Execution of Bonds. The Bonds shall be signed with the facsimile or manual signature of the Mayor, sealed with a facsimile or manual impression of the seal of the City, countersigned by the facsimile or manual signature of the Finance Director, and attested by the facsimile or manual signature of the City Clerk. The Registered Coupons, if any, accompanying the Bonds shall be executed in the name of and on behalf of the City by the manual or facsimile signature of the Mayor, sealed with the manual or facsimile impression of the seal of the City, attested by the manual or facsimile signature of the City Clerk, and countersigned by the facsimile or manual signature of the Finance Director. Should any officer whose facsimile or manual signature appears on the Bonds or Registered Coupons cease to be such officer before delivery of the Bonds or Registered Coupons to the Underwriter, such facsimile or manual signature shall nevertheless be valid and sufficient for all purposes. The Mayor, City Clerk and Finance Director may, by the execution of a signature certificate pertaining to the Bonds or Registered Coupons, adopt as and for their respective signatures the facsimiles thereof appearing on the Bonds or Registered Coupons. At the time of the execution of the signature certificate, the Mayor, City Clerk and Finance Director may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds or Registered Coupons

The Bonds and Registered Coupons shall be in substantially the following form:

[Form of Bond]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered Owner hereof, Cede & Co., has an interest herein.

No. R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTIES OF ADAMS AND JEFFERSON
CITY OF WESTMINSTER
SALES AND USE TAX REVENUE REFUNDING BOND, SERIES 2010

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

December 1, 20__

Date of Delivery

REGISTERED OWNER: CEDE & COMPANY

PRINCIPAL AMOUNT:

DOLLARS

The City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado (the “City”), for value received, hereby promises to pay from the special fund hereafter designated, but not otherwise, to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption, the principal amount specified above. This bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this bond. This bond is one of an authorized series issued pursuant to an ordinance of the City Council of the City adopted on June 28, 2010 (the “Bond Ordinance”). This bond bears interest, matures, is payable, is subject to redemption and is transferable as provided in the Bond Ordinance. To the extent not defined herein, terms used in this bond shall have the same meanings as set forth in the Bond Ordinance.

[At the time of delivery of the Bonds, there shall also be delivered to the Underwriter Registered Coupons evidencing additional interest on all or any portion of the Bonds. Each Registered Coupon shall entitle the Registered Owner thereof to receive payment of a portion of interest payable with respect to the Bonds, as more fully described in the Bond Ordinance.]

This Bond is one of a series aggregating [PAR AMOUNT] dollars (\$ _____) par value, all of like date, tenor, and effect except as to number, principal amount, interest rate, and date of maturity, issued by the City Council of the City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado, for the purpose of paying the costs of refunding certain obligations of the City, in accordance with the Constitution of the State of Colorado, the Charter of the City, Title 11, Article 57, Part 2, C.R.S. and all other laws of the State of Colorado thereunto enabling, and pursuant to the Bond Ordinance duly adopted prior to the issuance of this Bond. Pursuant to Section 11-57-210, C.R.S., this recital conclusively imparts full compliance with all of the provisions and limitations of said sections and this bond shall be incontestable for any cause whatsoever after its delivery for value.

The principal of, premium, if any, and interest on this Bond are payable only out of a special fund of the City created in full conformity with law and designated as the “2010 Sales and Use Tax Revenue Refunding Bonds” (the “Bond Fund”), into which the City covenants and agrees to credit, from certain sales and use tax proceeds defined hereafter as the “Pledged Revenue,” and other legally available revenues, amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when the same become due and payable, all as is more particularly set forth in the authorizing Bond Ordinance. The Pledged Revenue consists only of the revenue derived from the City’s existing 3.85% sales and use tax, after deducting 22.07% thereof for deposit to other accounts of the City and after deducting all costs of administering and collecting the sales and use tax; or to the extent the sales and use tax rate is reduced to 3.60% (as is presently provided by City ordinances), the Pledged Revenue will consist only of the revenue derived from the City’s 3.60% sales and use tax, after deducting 16.67% thereof which is reserved for the City’s public safety related expenditures and all costs of administering and collecting the sales and use tax. In the authorizing Bond Ordinance the City has covenanted that it will not amend or repeal the ordinance imposing the sales and use tax in any way which would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. The Bonds of this issue constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided in the Bond Ordinance, but not necessarily an exclusive such lien. Subject to expressed conditions, obligations in addition to the Bonds of this issue may be issued and made payable from the Pledged Revenue having a lien thereon subordinate and junior to the lien of the Bonds of this issue or, subject to additional expressed conditions, having a lien on the Pledged Revenue on a parity with the lien of the Bonds of this issue, in accordance with the provisions of said Bond Ordinance.

THIS BOND DOES NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, CHARTER, OR STATUTORY PROVISION OR LIMITATION, AND SHALL NOT BE CONSIDERED OR HELD TO BE A GENERAL OBLIGATION OF THE CITY.

It is hereby recited, certified, and warranted that all the requirements of law have been complied with fully by the proper officers of the City in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the constitution and laws of the State, with the Charter of the City, and with the Bond Ordinance; and that this Bond does not contravene any constitutional, statutory, or Charter limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Bond Ordinance until the certificate of authentication hereon shall have been signed by the Registrar.

IN TESTIMONY WHEREOF, the City Council of the City of Westminster, Colorado, has caused this Bond to be signed by the manual or facsimile signature of the Mayor, sealed with a facsimile of the seal of the City, countersigned with the manual or facsimile signature of the Finance Director, and attested by the manual or facsimile signature of the City Clerk, all as of _____, 2010.

CITY OF WESTMINSTER, COLORADO

(S E A L)

(Manual or Facsimile Signature)
Mayor

ATTESTED:

COUNTERSIGNED:

By: _____
(Manual or Facsimile Signature)
City Clerk

By: _____
(Manual or Facsimile Signature)
Finance Director

[End Form of Bond]

[Form of Registrar's Certificate of Authentication]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Bond Ordinance.

Date of Registration and Authentication: _____

UMB Bank, n.a., Denver, Colorado
in Denver, Colorado, as Registrar

By: _____
Authorized Officer or Employee

[End Form of Registrar's Certificate of Authentication]

[Form of Assignment]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

Social Security or Federal Employer
Identification Number of Assignee:

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint attorney, to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature of Registered Owner:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

(Bank, Trust Company, or Firm)

[End Form of Assignment]

[Form of Prepayment Panel]

The following installments of principal (or portion thereof) of this bond have been prepaid in accordance with the terms of the Bond Ordinance authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Principal Prepaid</u>	Signature of Authorized Representative <u>of the Depository</u>
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[End Form of Prepayment Panel]

[Form of Registered Coupon]

Unless this coupon is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the City or its agent for registration of transfer, exchange, or payment, and any coupon issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTIES OF ADAMS AND JEFFERSON**

**CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BOND
SERIES 2010**

SUPPLEMENTAL “B” INTEREST REGISTERED COUPON

REGISTERED COUPON NO.: _____

RELATED PRINCIPAL AMOUNT OF BONDS: _____

“B” INTEREST RATE: _____

INTEREST PAYABLE: _____

INTEREST PAYMENT DATE: _____

INTEREST START DATE: _____

REGISTERED OWNER: CEDE & CO.

CUSIP NO.: _____

On the Interest Payment Date specified above, City of Westminster, in the Counties of Adams and Jefferson, Colorado (the “City”), hereby promises to pay to the Registered Owner specified above, or registered assigns, in lawful money of the United States of America, the Interest Payable shown above, being partial interest on the Related Principal Amount of Bonds referred to above at the “B” Interest Rate per annum identified above for the period from the Interest Start Date specified above to the Interest Payment Date specified above. Such payment will be made to the Registered Owner hereof upon presentation and surrender of this

Supplemental “B” Interest Registered Coupon at the Principal Office of the Paying Agent, all in accordance with the ordinance authorizing the issuance of the Bonds and Registered Coupons adopted by the City Council on June 28, 2010 (the “Bond Ordinance”), and the provisions of the Bond Ordinance are hereby incorporated herein by reference.

This Supplemental “B” Interest Registered Coupon is issued by the City, upon its behalf and upon the credit thereof, for the purpose of defraying wholly or in part the costs of the Refunding Project (as defined in the Bond Ordinance), all under the authority of and in full conformity with the Constitution and laws of the State of Colorado and pursuant to the Bond Ordinance duly adopted and made a law of the City prior to the issuance of this Supplemental “B” Interest Registered Coupon. This Supplemental “B” Interest Registered Coupon is also issued pursuant to Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Act”). Pursuant to Section 11-57-210 of the Supplemental Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Supplemental “B” Interest Registered Coupon after its delivery for value.

This Supplemental “B” Interest Registered Coupon may be transferred, exchanged, and reissued at the Principal Office of the Registrar.

This Supplemental “B” Interest Registered Coupon shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the City Council of the City of Westminster, Colorado, has caused this Registered Coupon to be signed by the manual or facsimile signature of the Mayor, sealed with a facsimile of the seal of the City, countersigned with the manual or facsimile signature of the Finance Director, and attested by the manual or facsimile signature of the City Clerk, all as of _____, 2010.

CITY OF WESTMINSTER, COLORADO

(S E A L)

(Manual or Facsimile Signature)
Mayor

ATTESTED:

COUNTERSIGNED:

By: (Manual or Facsimile Signature)
City Clerk

By: (Manual or Facsimile Signature)
Finance Director

[End Form of Registered Coupon]

**[Form of Certificate of Authentication for
Supplemental “B” Interest Registered Coupon]**

Date of authentication and registration:

This is one of the Supplemental “B” Interest Registered Coupons described in the within-mentioned Bond Ordinance, and this Supplemental “B” Interest Registered Coupon has been duly registered on the registration books kept by the undersigned, as Registrar, for such Supplemental “B” Interest Registered Coupons.

UMB Bank, n.a., Denver, Colorado
as Registrar

By _____

**[End Form of Certificate of Authentication for
Supplemental “B” Interest Registered Coupon]**

[Form of Assignment]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

Social Security or Federal Employer
Identification Number of Assignee:

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint attorney, to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature of Registered Owner:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

(Bank, Trust Company, or Firm)

[End Form of Assignment]

[Form of Prepayment Panel]

The following installments of principal (or portion thereof) of this bond have been prepaid in accordance with the terms of the Bond Ordinance authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Principal Prepaid</u>	Signature of Authorized Representative <u>of the Depository</u>
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[End Form of Prepayment Panel]

Section 10. Authentication. No Bond or Registered Coupon shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication on such Bond or Registered Coupon substantially in the form hereinabove set forth shall have been duly executed by the Registrar, and such executed certificate of the Registrar upon any such Bond or Registered Coupon shall be conclusive evidence that such Bond or Registered Coupon has been authenticated and delivered under this Ordinance. The Registrar's certificate of authentication on any Bond or Registered Coupon shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Registrar, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds or Registered Coupons issued hereunder.

Section 11. Delivery of Bonds. Upon the adoption of this Ordinance, the City shall execute the Bonds and Registered Coupons and deliver them to the Registrar, and the Registrar shall authenticate the Bonds and Registered Coupons and deliver them to the Underwriter, as directed by the City, and in accordance with the Bond Purchase Agreement and the Letter of Representations.

Section 12. Registration, Transfer and Exchange of Bonds.

(a) Records for the registration and transfer of the Bonds or Registered Coupons shall be kept by the Registrar. Upon the surrender for transfer of any Bond or Registered Coupon at the Registrar, with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney, the Registrar shall enter such transfer in the registration records and shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate or a new Registered Coupon of a like aggregate payment amount of the same due date, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity and interest rate of other authorized denominations. Registered Coupons may be exchanged at the Registrar for equal aggregate payment amount and of the same due date. The Registrar shall authenticate and deliver a Bond or Bonds or Registered Coupon or Registered Coupons which the registered owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar may impose reasonable charges in connection with exchanges or transfers of Bonds or Registered Coupons, which charges (as well as any tax or other governmental charge required to be paid with respect to such transfer) shall be paid by the registered owner requesting such exchange or transfer.

(b) The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period beginning at the opening of business fifteen days preceding the mailing of notice calling any Bonds for prior redemption as herein provided and ending at the close of business on the day of such mailing or (2) to transfer or exchange all or a portion of a Bond after the mailing of notice calling such Bond or portion thereof for prior redemption except for the unredeemed portion of Bonds redeemed in part.

(c) Except as herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Bond or Registered Coupon shall be registered on the registration records kept by the Registrar shall be deemed and

(d) The officers of the City are authorized to deliver to the Registrar fully executed but unauthenticated Bonds or Registered Coupons in such quantities as may be convenient to be held in the custody of the Registrar pending use as herein provided.

(e) Whenever any Bond or Registered Coupon shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond or Registered Coupon shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the City.

Section 13. Destruction of Bonds. Whenever any outstanding Bond or Registered Coupon shall be delivered to the Registrar for cancellation pursuant to this Ordinance, and upon payment of the principal amount and interest represented thereby, as the case may be, or whenever any outstanding Bond or Registered Coupon shall be delivered to the Registrar for transfer pursuant to the provisions hereof, such Bond or Registered Coupon shall be canceled and destroyed by the Registrar. In the event a Bond is registered in the name of a Depository, cancellation may consist of the notation thereof on the registration books of the Registrar. The Registrar shall notify the Depository of all Bonds, Registered Coupons, or portions thereof, canceled in accordance with this Section.

Section 14. Lost Bonds. Any Bond or Registered Coupon that is lost, stolen, destroyed, or mutilated may be replaced or paid by the Registrar in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond or Registered Coupon shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law, or in the absence of specific requirements, as may be required by the Registrar.

Section 15. Disposition and Investment of Bond Proceeds. The Bonds and Registered Coupons shall be issued and sold for the purposes of paying the costs of the Refunding Project. All proceeds of the Bonds and Registered Coupons shall be deposited to such fund or account as the Finance Director determines and applied to pay the costs of the Refunding Project. Neither the Underwriter nor any subsequent owners of the Bonds or Registered Coupon shall be responsible for the application or disposal by the City or any of its officers of the funds derived from the sale thereof.

Section 16. Creation of Fund and Accounts. There are hereby created and established the following funds and accounts which shall be established as book accounts and maintained in accordance with this Ordinance:

- (a) the Bond Fund; and
- (b) the Reserve Fund pursuant to Section 19(e).

In accordance with generally accepted accounting principles, for the purpose of accounting for the moneys provided for in this Ordinance the Finance Director may create offsetting revenue and expense accounts not inconsistent with the provisions hereof, all as may be determined by the Finance Director.

Section 17. Payment of Principal and Interest; Attachment of Lien. The City shall credit to the Sales and Use Tax Fund all revenue derived from the Sales and Use Tax immediately upon receipt. Thereafter, the City shall apply the Pledged Revenue in the following order of priority:

FIRST: To the credit of the Bond Fund the amounts required by Section 18 hereof, and to the credit of any other fund or account established for the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds and the Bonds, or hereafter established for the payment of the principal of, premium if any, and interest on Parity Lien Bonds, in the amounts required by the ordinance or other enactment authorizing issuance of the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and the Parity Lien Bonds.

SECOND: To the credit of any sinking fund, reserve fund, or similar fund or account established in connection with the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds or any Parity Lien Bonds, in the amounts required by this Ordinance or the ordinance or other enactment authorizing issuance of the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and the Parity Lien Bonds.

THIRD: To the credit of any other fund or account hereafter established for the payment of the principal of, premium if any, and interest on Subordinate Lien Bonds, including any sinking fund, reserve fund, or similar fund or account established therefor, in the amounts required by the ordinance or other enactment authorizing issuance of the Subordinate Lien Bonds.

FOURTH: To the credit of any other fund as may be designated by the City, to be used for any lawful purpose, any Pledged Revenue remaining after the payments and accumulations set forth in Section 17 FIRST through THIRD hereof.

The lien of the Bonds on the Pledged Revenue shall attach immediately upon receipt of any Sales and Use Tax proceeds, shall remain in effect so long as such Pledged Revenue is credited to the Sales and Use Tax Fund or the Bond Fund or the Reserve Fund, and shall be extinguished with respect to any Pledged Revenue not required to be credited to the Bond Fund pursuant to Section 18 hereof or the Reserve Fund pursuant to Section 19(e) hereof and which is transferred to other funds of the City for other purposes.

Section 18. Bond Fund. The City shall credit to the Bond Fund from the Pledged Revenue, or other legally available moneys, in substantially equal monthly installments of the total principal to become due and interest to accrue on the Bonds on the next principal payment date and interest payment date, respectively. Notwithstanding the foregoing, the City shall credit to the Bond Fund from the Pledged Revenue an amount which, when combined with other legally available moneys credited thereto, will be sufficient to pay when due the principal of and interest on the Bonds.

Moneys credited to the Bond Fund may be invested or deposited in accordance with the Charter. The investment of moneys in the Bond Fund shall, however, be subject to the tax covenants and provisions of Section 19(f) hereof. Except to the extent otherwise required by Section 19(f) hereof, any investment income earned on amounts credited to the Bond Fund shall be credited to the Bond Fund, and for purposes of making the deposits required by this Section, any investment income so credited to the Bond Fund shall be deemed the credit of Pledged Revenue to the Bond Fund.

Section 19. Additional Covenants of the City. The City hereby irrevocably covenants and agrees with each and every Registered Owner and Beneficial Owner, that so long as any of said Bonds remain outstanding:

(a) It will not amend or repeal Title IV in any way that would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. Nothing shall prevent the City from amending said Title IV in order to increase the rate of tax above that currently imposed by said Title IV, or to make certain changes in the administration, collection, or enforcement of such Sales or Use Tax, provided that such changes do not materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund.

(b) It will administer, enforce, and collect, or cause to be administered, enforced, and collected, the Sales and Use Tax authorized by Title IV, and shall take such reasonable, necessary action to collect delinquent payments in accordance with law.

(c) It will keep or cause to be kept such books and records showing the proceeds of the Sales and Use Tax, in which complete entries shall be made in accordance with generally accepted accounting principles, as applicable to governments, and any Owner shall have the right at all reasonable times to inspect the records and accounts relating to the collection and receipts of such Sales and Use Tax.

(d) It will, at least once a year, cause an audit of the records relating to the collection and receipts of the Sales and Use Tax revenues. Such audit may be made part of and included within the general audit of the City, and made at the same time as such audit.

(e) In the event the City does not receive Pledged Revenue in any fiscal year in an amount at least equal to 200% of the Combined Average Annual Principal and Interest Requirements for the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and any Parity Lien Bonds, the City shall establish and maintain a reserve fund solely for the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds and Parity Lien

Bonds (the “Reserve Fund”), in an amount equal to 10% of the outstanding aggregate principal amount of the 2001 Bonds, the 2002 Bonds, the 2007A Bonds the 2007C Bonds, the Bonds and Parity Lien Bonds (the “Required Reserve”). The City shall accumulate the Required Reserve in the Reserve Fund by twelve equal monthly deposits. The City shall make the initial deposit into the Reserve Fund of Pledged Revenue within 90 days after the end of the fiscal year in which such deficiency occurs. Such Reserve Fund shall not be released after it has been established. Draws on the Reserve Fund must be replenished within one year. Investments purchased with funds on deposit in the Reserve Fund shall have an average aggregate weighted term to maturity not greater than five years.

(f) It will not take any action or omit to take any action with respect to the Bonds, the proceeds of the Bonds, any other funds of the City or the facilities financed or refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds (the “Code”), (ii) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 55(b)(2) of the Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would cause interest on the Bonds to lose the exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the above covenants under the Code and State law have been met.

(g) It will comply with the provisions of the Continuing Disclosure Certificate to be executed by City officers and delivered in connection with the delivery of the Bonds.

Section 20. Additional Bonds.

(a) No additional bonds, notes, interim securities, or other obligations shall be issued payable from the Pledged Revenue and having a lien thereon which is superior to the lien of the Bonds.

(b) The City may issue Parity Lien Bonds if:

i. No Event of Default has occurred and is continuing.

ii. The City is then current in the accumulation of all amounts required to be then accumulated in the Bond Fund as required by this Ordinance.

iii. The Pledged Revenue for the twelve (12) month period immediately preceding the date of issuance of such Parity Lien Bonds is sufficient to pay an amount representing not less than 200% of the Maximum Annual Combined Debt Service Requirement.

(c) A written certificate signed by the Finance Director that the requirements of Section 20(b) hereof are met shall conclusively determine the right of the City to authorize, issue, sell, and deliver Parity Lien Bonds.

(d) So long as no Event of Default shall have occurred and be continuing, nothing herein shall prevent the City from issuing Subordinate Lien Bonds.

Section 21. Delegated Powers; Authorization to Execute Collateral Documents. The officers of the City and the members of the Council be, and hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing: the execution and delivery of the Letter of Representations, the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement, the Continuing Disclosure Certificate, the printing of the Bonds and Registered Coupons; the procuring of bond insurance, if in the best interests of the City; entering into and executing appropriate agreements with The Depository Trust Company as to its services hereunder; the printing, distribution and execution of the Official Statement for the Bonds and Registered Coupons in substantially the form of the Preliminary Official Statement now before the Council, but with such amendments, additions and deletions as are in accordance with facts and not inconsistent herewith; and the execution of such certificates as may be required by the Underwriter, including, but not limited to, the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes. The execution of any instrument by the aforementioned officers or members of the Council shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof and thereof.

The form, terms and provisions of the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate are hereby approved, and the City shall enter into and perform its obligations under the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate in the forms of such documents presented to the Council at this meeting, with only such changes therein as are required by the circumstances and are not inconsistent herewith.

The City Manager or the Finance Director are hereby independently authorized to make the final pricing determinations as authorized in Section 3 hereof subject to the parameters set forth in Section 5 and execute the Bond Purchase Agreement and Sale Certificate relating to same. Additionally, the City Manager or the Finance Director are independently authorized to execute and deliver any documents necessary to obtain a municipal bond insurance policy or financial guaranty insurance to secure the payment of the principal of and interest on the Bonds or a reserve fund insurance policy to fund the Required Reserve.

Section 22. Events of Default. It is an Event of Default if:

(a) Payment of the principal of or premium due on any Bond is not made by the City when due at maturity or upon prior redemption;

(b) Payment of the interest on any Bond or Registered Coupon is not made by the City when due; or

(c) The City defaults in the punctual performance of its covenants hereunder for sixty (60) days after written notice shall have been given by the Owners of not less than 25% of the outstanding principal amount of the Bonds; or

(d) The City defaults under the provisions of an agreement between the City and a Bond Insurer relating to a Bond Insurance Policy.

Section 23. Remedies. Upon the happening of any Event of Default, any Owner, or a trustee therefor, may protect and enforce the rights of such Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the Council to act as if it were the trust of an express trust, or any combination of such remedies. All proceedings shall be maintained for the benefit of the Owners; provided however, that any action brought pursuant to an Event of Default under Section 22(c) hereof may be brought only upon the written consent of the Owner or Owners of not less than 25% of the outstanding principal amount of the Bonds. All proceedings shall be maintained for the equal benefit and protection of all Owners. The failure of any Owner to proceed does not relieve the City or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right which may exist under applicable law, and the exercise of any right by any Owner shall not be deemed a waiver of any other right. If any remedial action is discontinued, the Owners shall be restored to their positions prior to taking such action.

Section 24. Amendment.

(a) The City may, without the consent of, or notice to the Owners of the Bonds or Registered Coupons, adopt such ordinances supplemental hereto (which supplemental amendments shall thereafter form a part hereof) for any one or more or all of the following purposes:

i. to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Ordinance, or to make any provisions with respect to matters arising under this Ordinance or for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds or Registered Coupons;

ii. to subject to the lien of this Ordinance additional revenues, properties or collateral;

iii. to grant or confer upon the Paying Agent or Registrar for the benefit of the Owners of the Bonds or Registered Coupons any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners of the Bonds or Registered Coupons; or

iv. to qualify this Ordinance under the Trust Indenture Act of 1939.

(b) Exclusive of the amendatory ordinances permitted by paragraph (a) of this Section, this Ordinance may be amended or supplemented by ordinance adopted by the Council

in accordance with the law, without receipt by the City of any additional consideration but with the prior written consent of the Owners of at least a majority in aggregate principal amount of the Bonds and Registered Coupons outstanding at the time of the adoption of such amendatory or supplemental ordinance.

(c) Written consent of the Owners of all of the Bonds or Registered Coupons adversely affected thereby is required for any Ordinance that shall have the effect of permitting:

i. An extension of the maturity of any of the Bonds or the payment of any Registered Coupon authorized by this Ordinance; or

ii. A reduction in the principal amount of any of the Bonds, the rate of interest thereon, or the prior redemption premium thereon or the payment amount of any Registered Coupon; or

iii. The creation of a lien upon or pledge of the Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or

iv. A reduction of the principal amount of the Bonds required for consent to such amendatory or supplemental ordinance; or

v. The establishment of priorities as between the outstanding 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the 2007C Bonds, the Bonds or Registered Coupons and any Parity Lien Bonds or the establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or

vi. The modification of or otherwise affecting the rights of the Owners of less than all of the Bonds or Registered Coupons then outstanding.

Copies of any waiver, modification or amendment to this Ordinance shall be delivered to any entity then maintaining a rating on the Bonds at least 15 days prior to its execution or adoption.

Section 25. Bond Insurer as Owner. So long as the issuer of a Bond Insurance Policy, if any, is not then in default under such Bond Insurance Policy, any Bond Insurer shall be deemed to be the Owner of all Bonds or Registered Coupons insured by it for purposes of exercising remedies, waiving defaults, or granting consents pursuant to this Ordinance.

Section 26. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any Person, other than the City, the Registrar, the Paying Agent, and the Owners of the Bonds or Registered Coupons, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Registrar, the Paying Agent, and the Owners of the Bonds or Registered Coupons.

Section 27. Successor Registrar or Paying Agent. UMB Bank, n.a., Denver, Colorado is hereby appointed as Registrar and Paying Agent. If the Registrar or Paying Agent

Section 28. Defeasance. If, when the Bonds shall be paid in accordance with their terms (or payment of the Bonds has been provided for in the manner set forth in the following paragraph), then this Ordinance and all rights granted hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

Payment of any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been provided for within the meaning and with the effect expressed in this Section if (a) in case said Bond is to be redeemed on any date prior to its maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give on a date in accordance with the provisions of Section 8(c) hereof notice of redemption of such Bond on said redemption date, such notice to be given in accordance with the provisions of Section 8(c) hereof, (b) there shall have been deposited with the Paying Agent or a commercial bank exercising trust powers either moneys in an amount which shall be sufficient, or Federal Securities which shall not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Paying Agent or other commercial bank exercising trust powers at the same time, shall be sufficient to pay when due the debt service requirements due and to become due on said Bond on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bond is not by its terms subject to redemption within the next sixty days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 8(c) hereof, a notice to the Owner of such Bond that the deposit required by (b) above has been made with the Paying Agent or other a commercial bank exercising trust powers and that payment of said Bond has been provided for in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the debt service requirements of said Bond. Neither such securities nor moneys deposited with the Paying Agent or other commercial bank exercising trust powers pursuant to this Section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the debt service requirements of said Bond; provided any cash received from such principal or interest payments on such Federal Securities deposited with the Paying Agent or other commercial bank exercising trust powers, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities of the type described in (b) of this paragraph maturing at times and in amounts sufficient to pay when due the Bond Requirements to become due on said Bond on or prior to such redemption date or maturity date thereof, as the case may be. At such time as payment of a Bond has been provided for as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this

Ordinance, except for the purpose of any payment from such moneys or securities deposited with the Paying Agent or other commercial bank exercising trust powers as provided in this Section.

The release of the obligations of the City under this Section shall be without prejudice to the right of the Paying Agent to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable expenses, charges and other disbursements incurred on or about the administration of and performance of its powers and duties hereunder.

Upon compliance with the foregoing provisions of this Section with respect to all Bonds then outstanding, this Ordinance may be discharged in accordance with the provisions of this Section but the liability of the City in respect of the Bonds shall continue; provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Federal Securities deposited with the Paying Agent or other commercial bank exercising trust powers as provided in this Section.

Section 29. Costs and Expenses. All costs and expenses incurred in connection with the issuance and payment of the Bonds or Registered Coupons, including without limitation the Underwriter's discount and all expenses related to issuing the Bonds and Registered Coupons, shall be paid either from the proceeds of the Bonds or from legally available moneys of the City, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 30. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the City and members of the Council, not inconsistent with the provisions of this Ordinance, relating to the authorization, sale, issuance, and delivery of the Bonds, and the qualification of the Bonds for book-entry with DTC, are hereby ratified, approved, and confirmed.

Section 31. Approval of the Bond Purchase Agreement. The Council does hereby accept and approve the Bond Purchase Agreement as submitted by the Underwriter, and the Bonds shall be sold to the Underwriter upon the terms, conditions, and provisions as set forth in the Bond Purchase Agreement.

Section 32. Approval of Official Statement. The Council hereby approves the Preliminary Official Statement, in the form presented at this meeting. The Council hereby authorizes and directs the Finance Director to approve on behalf of the City a final Official Statement containing any updated information regarding items described in the Preliminary Official Statement which become known to the City prior to the date of delivery of the Bonds and Registered Coupons. Copies of said Preliminary Official Statement and final Official Statement are hereby authorized to be distributed by the Underwriter to all interested persons in connection with the sale of the Bonds and Registered Coupons. The Preliminary Official Statement is hereby deemed to be final as of its date within the meaning of Rule 15c2-12(b)(I) of the U.S. Securities and Exchange Commission. The execution of a final Official Statement by an officer of the City shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

Section 33. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds or Registered Coupons and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond or Registered specifically waives any such recourse.

Section 34. Creation and Maintenance of Escrow Account: The Escrow Account is created pursuant to the Escrow Agreement and shall be maintained in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption Date.

Section 35. Use of Escrow Account. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption date. Any moneys remaining in the Escrow Account after provision shall have been made for the payment in full of the Refunded Bonds shall be applied to any lawful purpose of the City as the Council may hereafter determine.

Section 36. Exercise of Option. The Council has elected and does hereby declare its intent to exercise on the behalf and in the name of the City its option to redeem the Refunded Bonds on the Redemption Date. Upon the issuance of the Bonds, the Council shall be obligated to exercise such option, which option shall be deemed to have been exercised when notice is duly given and completed as herein provided.

Section 37. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings of the City in connection with the authorization or issuance of the Bonds, including but not limited to the adoption of this Ordinance, shall be commenced more than thirty days after the authorization of the Bonds.

Section 38. Ordinance Irrepealable. After any of the Bonds have been issued, this Ordinance shall constitute an irrevocable contract between the City and the Owners, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged as herein provided.

Section 39. Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 40. Repealer. All orders, ordinances, resolutions, bylaws, and regulations of the City, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency.

Section 41. Holidays. If the date for making any payment or the last date for performing any act or exercising any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Registrar and Paying Agent are authorized by law to remain closed, such payment may be made, act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 42. Declaration of Emergency. In order to complete the issuance and sale of the Bonds while favorable market conditions exist to effect the Refunding Project, it is hereby declared that an emergency exists and that this ordinance is necessary for the immediate preservation of the public peace, health, safety and financial well-being of the City. This Ordinance is hereby declared, pursuant to Section 8.14 of the Charter, exempt from referendum.

Section 43. Effective Date, Recording and Authentication. This Ordinance shall be in full force and effect immediately upon enactment following final passage. This Ordinance shall be recorded in the City Book of Ordinances kept for that purpose, and shall be authenticated by the signatures of the Mayor and City Clerk, and published in accordance with law.

INTRODUCED, PASSED AND ADOPTED AS AN EMERGENCY
ORDINANCE on June 28, 2010.

(S E A L)

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney

STATE OF COLORADO)
)
 COUNTIES OF ADAMS) SS.
 AND JEFFERSON)
)
 CITY OF WESTMINSTER)

I, Linda Yeager, the duly elected, qualified and acting City Clerk of the City of Westminster, Colorado (the "City") do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance adopted by the City Council (the "Council") of the City at a regular meeting of the Council held at the City Hall on June 28, 2010.

2. The Ordinance has been signed by the Mayor, sealed with the corporate seal of the City, attested by me as City Clerk, and duly recorded in the books of the City; and that the same remains of record in the book of records of the City.

3. The passage of the Ordinance as an emergency was duly moved and seconded and the Ordinance was approved by vote of a ___ of ___ of the members of the Council as follows:

Name	"Yes"	"No"	Absent	Abstain
Bob Briggs				
Chris Dittman				
Mark L. Kaiser				
Mary Lindsey				
Scott Major				
Nancy McNally				
Faith Winter				

4. That notice of the meeting of June 28, 2010, in the form, attached hereto as Exhibit A, was duly given to the Council members and was posted in a designated public place within the boundaries of the City no less than twenty-four hours prior to the meeting as required by law.

5. That the ordinance was published in full after adoption in Westminster Window, a newspaper of general circulation within the City on _____, 2010. The affidavit of publication is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of
said City this _____ day of _____, 2010.

(SEAL)

City Clerk

EXHIBIT A

(Attach Notice of June 28, 2010 Meeting)

EXHIBIT B

(Attach Affidavit of Publication)



**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 36 re Refunding of the Golf Course Enterprise Revenue Bonds, Series 1998 and Certificates of Participation, Series 2001 (Public Safety Building) in the amount not to exceed \$18,220,000

Prepared by: Tammy Hitchens, Finance Director
Bob Smith, Treasury Manager
Bob Byerhof, Sr. Financial Analyst
Rachel Price, Financial Analyst

Recommended City Council Action

Adopt Councillor's Bill No. 36, as an emergency Ordinance, in the amount not to exceed \$18,220,000 to refund the Golf Course Enterprise Revenue Bonds Series 1998 and Certificates of Participation, Series 2001 (Public Safety Building).

Summary Statement

Staff has identified an opportunity to significantly reduce the City's future debt service costs by refunding certain Revenue Bonds and Certificates of Participation (COPS) that the City issued in prior years to fund capital projects. Staff anticipates the following result from refunding these issues:

- Reduce combined debt service payments by approximately \$1,454,000 over the remaining life of the issues after deducting all costs of issuance
- Reduce net interest rates on the respective refunded debt issues.
- Accomplish the reduction of debt service cost without extending the final maturities of the original issues to be refunded.
- The Golf Course Fund and General Fund will enjoy the benefits of this refunding over the coming years.
- The City's underwriter was involved in the analysis of this refinancing and concur with Staff's recommendation to proceed.
- This ordinance is proposed as an emergency ordinance in order to complete the issuance and sale of the bonds while favorable market conditions exist.

Expenditure Required: Not to exceed \$340,000

Source of Funds: All fees are included in the refunding issue; no additional funds need to be budgeted.

Policy Issue

Should the City refund the Golf Course Enterprise Revenue Bonds Series 1998 and Certificates of Participation, Series 2001 (Public Safety Building) in the amount not to exceed \$18,220,000?

Alternatives

1. Do not refund the Certificates of Participation. This option is not recommended. The proposed refunding will save approximately \$1,454,000 in interest costs without extending the final maturity of the original debt issue.
2. Delay the refunding in hopes that the Federal Reserve Board (Fed) will reduce short-term rates that may lead to further interest expense savings. This option is not recommended. While it is possible the Fed will reduce short-term rates, the impact would be in the short-term (two years and under) market. The risk to the City is that long-term rates will rise, due to inflation expectations. In this case, the total savings could be less than the anticipated \$1,454,000.

Background Information

Staff and the City's underwriter analyzed the potential financial benefit of refunding the Golf Course Enterprise Revenue Bonds Series 1998 and Certificates of Participation, Series 2001 (Public Safety Building). Given current interest rate market conditions, Staff and the underwriter concurred that it would be in the City's best financial interest to refund the aforementioned obligations; thereby, lowering the overall interest rate cost inclusive of all closing fees and without extending the maturity dates beyond the original issues' horizon.

It is projected that by refunding the Golf Course Enterprise Revenue Bonds Series 1998 and Certificates of Participation, Series 2001 (Public Safety Building) the City can reduce its future interest costs by about \$1,454,000. This savings represents approximately 13.78% of the refunded certificates. National guidelines suggest that to initiate a refunding issue the savings should at a minimum be in excess of three percent.

The net interest cost for the Golf Course Enterprise Revenue Bonds Series 1998 was 5.52% and for the Certificates of Participation, Series 2001 (Public Safety Building) was 5.11%. The net interest rate on the refunding issue is estimated to be approximately 3.44%, which is a significant reduction from the net interest cost of the debt to be refunded.

Staff projects the savings of the refunding will reduce the City's future debt service by approximately \$1,454,000 after deducting all costs of issuance. As with all debt issuance costs are paid at closing from the proceeds of the issue; therefore, therefore, no out of pocket costs are incurred.

It is important to note that the savings from the refunding will be realized without extending the final maturities of the original certificates.

The proceeds of the sale of this new security will be appropriated in a separate City Council action in August, after the closing is held and the sales proceeds are received by the City.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **36**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AUTHORIZING THE EXECUTION
AND DELIVERY BY THE CITY OF A SIXTH
AMENDMENT TO A PREVIOUSLY EXECUTED AND
AMENDED LEASE PURCHASE AGREEMENT, A
CONTINUING DISCLOSURE UNDERTAKING, AN
OFFICIAL STATEMENT AND RELATED DOCUMENTS;
RATIFYING ACTION PREVIOUSLY TAKEN
CONCERNING THE REFERENCED DOCUMENTS;
PROVIDING OTHER MATTERS RELATING THERETO;
AND DECLARING AN EMERGENCY**

WHEREAS, the City of Westminster, Adams and Jefferson Counties, Colorado (the "City") is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Constitution of the State of Colorado and the home rule charter of the City (the "Charter"); and

WHEREAS, pursuant to Chapter XI of the Charter, the City is authorized to enter into one or more leases or lease-purchase agreements for land, buildings, equipment and other property for governmental or proprietary purposes; and

WHEREAS, the City and The City of Westminster Building Authority (the "Authority") have previously entered into a Lease Purchase Agreement dated as of November 15, 1998, as amended by the First Amendment to Lease Purchase Agreement dated as of August 15, 1999, the Second Amendment to Lease Purchase Agreement dated as of February 1, 2000, the Third Amendment to Lease Purchase Agreement dated as of May 1, 2001, the Fourth Amendment to Lease Purchase Agreement dated May 1, 2005, and the Fifth Amendment to Lease Purchase Agreement dated as of March 1, 2007, all by and between the City and the Authority, whereby the City leases from the Authority certain real property and the buildings located thereon (the "Leased Property"); and

WHEREAS, the City Council of the City (the "City Council") has determined and now hereby determines that it is in the best interests of the City and its inhabitants that the City enter into a Sixth Amendment to Lease Purchase Agreement dated as of August 1, 2010, with the Authority (the "Sixth Amendment") (the 1998 Lease as collectively amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment and the Sixth Amendment is referred to as the "Lease") for the purpose of refunding

a portion of the outstanding Certificates of Participation, Series 2001 maturing on and after December 1, 2012 (the “2001 Certificates”); and

WHEREAS, the City Council has determined and now hereby determines that it is in the best interests of the City and its inhabitants that the City enter into the Sixth Amendment for the purpose of acquiring the Heritage at Westmoor Golf Course facility by paying the principal of and interest due on the City of Westminster, Colorado, Golf Course Activity Enterprise Revenue Bonds, Series 1998 (the “Golf Course Bonds”); and

WHEREAS, the refunding of the 2001 Certificates and the acquisition of the Heritage at Westmoor Golf Course by paying the redemption price of the Golf Course Bonds is collectively referred to herein as the “Refunding”; and

WHEREAS, pursuant to the Lease, as amended by the Sixth Amendment, and subject to the right of the City to terminate the Lease and other limitations as therein provided, the City will pay certain recalculated Base Rentals and Additional Rentals (as such terms are defined in the Lease) in consideration for the right of the City to use the Leased Property; and

WHEREAS, the City’s obligation under the Lease to pay Base Rentals and Additional Rentals (both as defined in the Lease) shall be from year to year only; shall constitute currently budgeted expenditures of the City; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter limitation or requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the City in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, the Authority and U.S. Bank National Association, as trustee (the “Trustee”), will enter into a Fifth Supplement to Mortgage and Indenture of Trust dated as of August 1, 2010 (the “Fifth Supplement”), which supplements the previously executed and previously supplemented and amended Mortgage and Indenture of Trust dated as of November 15, 1998, the First Supplement to Mortgage and Indenture of Trust dated as of August 15, 1999, the Second Supplement to Mortgage and Indenture of Trust dated as of May 1, 2001, the Third Supplement to Mortgage and Indenture of Trust dated as of May 1, 2005 and the Fourth Supplement to Mortgage and Indenture of Trust dated as of March 1, 2007 (as so supplemented, the “Indenture”), pursuant to which there will be issued Refunding Certificates of Participation, Series 2010, dated as of their date of delivery in the aggregate principal amount of not to exceed \$20,300,000 (the “2010 Certificates”); and

WHEREAS, the 2010 Certificates shall evidence assignments of the rights to receive certain Revenues (as defined in the Lease), shall be payable solely from the sources therein provided and shall not directly or indirectly obligate the City to make any payments beyond those appropriated for any fiscal year during which the Lease shall be in effect; and

WHEREAS, there has been presented to the City Council and are on file at the City offices the following: (i) the proposed form of the Sixth Amendment; (ii) the proposed

form of the Continuing Disclosure Certificate to be provided by the City (the “Disclosure Certificate”); and (iii) the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the 2010 Certificates; and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes (the “Supplemental Act”), provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act; and

WHEREAS, no member of the Council has any conflict of interest or is interested in any pecuniary manner in the transactions contemplated by this ordinance.

THE CITY OF WESTMINSTER ORDAINS:

Section 1. Short Title. This ordinance shall be known and may be cited by the short title “2010 COP Refunding Ordinance.”

Section 2. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this ordinance) by the City Council or the officers or agents of the City Council or the City relating to the Lease including the Sixth Amendment, and the completion of the Refunding is hereby ratified, approved and confirmed. The designation of the Preliminary Official Statement by the City’s Finance Director as a “nearly final Official Statement” for purposes of Rule 15c2-12 of the U.S. Securities and Exchange Commission is hereby ratified, approved and confirmed. The City Council hereby confirms and ratifies the appointment of the Finance Director as “City Representative” as that term is defined under the terms of the Lease.

Section 3. Finding of Best Interests. The City Council hereby finds and determines, pursuant to the Constitution, the laws of the State of Colorado and the Charter, that the Refunding under the terms and provisions set forth in the Lease and the Indenture is necessary, convenient and in furtherance of the City’s purposes and is in the best interests of the inhabitants of the City and the City Council hereby authorizes and approves the same.

Section 4. Supplemental Act; Parameters. The City Council hereby elects to apply all of the provisions of the Supplemental Act to the Lease and in connection therewith delegates to each of the City Manager or the Finance Director of the City the authority to independently make any determination delegable pursuant to Section 11-57-205(1)(a-i), Colorado Revised Statutes, in relation to the Lease, and to execute a sale certificate (the “Sale Certificate”) setting forth such determinations, subject to the following parameters and restrictions: (a) the aggregate principal amount of the Base Rentals relating to the 2010 Certificates shall not exceed \$20,300,000; (b) the maximum net effective interest rate on the interest component of the Base Rentals relating to the 2010 Certificates shall not exceed 5.00%; (c) the Lease Term shall end no later than December 1, 2028; (d) the Lease shall be subject to prepayment at the option of the City no later than December 1, 2020, without prepayment penalty; and (e) the purchase price of the 2010 Certificates shall not be less than 98%.

In addition, the City Manager or the Finance Director shall each have the independent authority to determine which of the outstanding 2001 Certificates (as defined in the Indenture) will be refunded by the 2010 Certificates.

Further, each of the City Manager or the Finance Director of the City is independently authorized by the City Council to execute and deliver a commitment for the issuance of a municipal bond insurance policy on the 2010 Certificates, if any, with a bond insurer, and enter into any related documents or agreements to secure the payment of principal of and interest on the 2010 Certificates, subject to the provisions of this ordinance, the Sale Certificate and the Supplemental Act.

Section 5. Approval of Documents. The Sixth Amendment and the Disclosure Certificate, in substantially the forms presented to the City Council and on file with the City, are in all respects approved, authorized and confirmed, and the Mayor of the City is hereby authorized and directed for and on behalf of the City to execute and deliver the Sixth Amendment and the Disclosure Certificate in substantially the forms and with substantially the same contents as presented to the City Council, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this ordinance.

Section 6. Approval of Official Statement. A final Official Statement, in substantially the form of the Preliminary Official Statement presented to the City Council and on file with the City, is in all respects approved and authorized. The Mayor is hereby authorized and directed, for and on behalf of the City, to execute and deliver the final Official Statement in substantially the form and with substantially the same content as the Preliminary Official Statement on file with the City, with such changes as may be approved by the City Finance Director. The distribution by the Purchaser of the Preliminary Official Statement and the final Official Statement to all interested persons in connection with the sale of the 2010 Certificates is hereby ratified, approved and authorized.

Section 7. Authorization to Execute Collateral Documents. The City Clerk is hereby authorized and directed to attest all signatures and acts of any official of the City in connection with the matters authorized by this ordinance and to place the seal of the City on any document authorized and approved by this ordinance. The Mayor and City Clerk and other appropriate officials or employees of the City are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, instruments and other papers, and to perform all other acts that they deem necessary or appropriate, in order to implement and carry out the transactions and other matters authorized by this ordinance. The appropriate officers of the City are authorized to execute on behalf of the City agreements concerning the deposit and investment of funds in connection with the transactions contemplated by this ordinance, and are specifically authorized and directed hereby to invest such funds in Permitted Investments as are defined and provided in the Indenture. The execution of any instrument by the aforementioned officers or members of the City Council shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof and thereof.

Section 8. No General Obligation Debt. No provision of this ordinance, the Lease, the Indenture, the 2010 Certificates, the Preliminary Official Statement or final Official Statement shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional or statutory provision, nor a mandatory charge or requirement against the City in any ensuing fiscal year beyond the then current fiscal year. The City shall have no obligation to make any payment with respect to the 2010 Certificates except in connection with the payment of the Base Rentals (as defined in the Lease) and certain other payments under the Lease, which payments may be terminated by the City in accordance with the provisions of the Lease. Neither the Lease nor the 2010 Certificates shall constitute a mandatory charge or requirement of the City in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter debt limitation and shall not constitute a multiple fiscal year direct or indirect City debt or other financial obligation whatsoever. No provision of the Lease or the 2010 Certificates shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the City within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. Neither the Lease nor the 2010 Certificates shall directly or indirectly obligate the City to make any payments beyond those budgeted and appropriated for the City's then current fiscal year.

Section 9. Reasonableness of Rentals. The City Council hereby determines and declares that the Base Rentals, as recalculated pursuant to the Sixth Amendment, do not exceed a reasonable amount so as to place the City under an economic compulsion to renew the Lease or to exercise its option to purchase the Leased Property pursuant to the Lease. The City Council hereby determines and declares that the period during which the City has an option to purchase the Leased Property (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Leased Property.

Section 10. Exercise of Option; Direction to Trustee. In order to effect the Refunding, the City Council has elected and does hereby declare its intent to exercise on the behalf and in the name of the City its option to redeem certain of the outstanding 2001 Certificates as set forth in the Sale Certificate (the "Refunded Certificates") on the earliest applicable redemption date. The City hereby irrevocably instructs the Trustee to give notice of refunding and defeasance to the Owners of the Refunded Certificates as soon as practicable after the execution and delivery of the 2010 Certificates, in accordance with the provisions of the Indenture and the Escrow Agreement between the Authority and the Trustee, as escrow agent.

Further, the City Council, acting as the governing body of the City of Westminster Golf Course Activity Enterprise (the "Enterprise"), hereby directs the Trustee to cause notice of redemption of the Golf Course Bonds to be given pursuant to the provisions of the ordinance approving the issuance of such Golf Course Bonds adopted and approved by the City, acting as the governing body of the Enterprise, on July 20, 1998.

Section 11. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the City Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent

for payment of the principal, interest or prior redemption premiums on the 2010 Certificates. Such recourse shall not be available either directly or indirectly through the City Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the 2010 Certificates and as a part of the consideration of their sale or purchase, any person purchasing or selling such certificate specifically waives any such recourse.

Section 12. Repealer. All bylaws, orders, resolutions and ordinances of the City, or parts thereof, inconsistent with this ordinance or with any of the documents hereby approved are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance of the City, or part thereof, heretofore repealed. All rules of the City Council, if any, which might prevent the final passage and adoption of this ordinance as an emergency measure at this meeting of the City Council be, and the same hereby are, suspended.

Section 13. Severability. If any section, subsection, paragraph, clause or provision of this ordinance or the documents hereby authorized and approved (other than provisions as to the payment of Base Rentals by the City during the Lease Term, provisions for the quiet enjoyment of the Leased Property by the City during the Lease Term and provisions for the conveyance of the Leased Property to the City under the conditions provided in the Lease) shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance or such documents, the intent being that the same are severable.

Section 14. Declaration of Emergency. In order to effect the Refunding while favorable market conditions exist, it is hereby declared that an emergency exists and that this ordinance is immediately necessary for the preservation of the public peace, health, safety and financial well-being of the City. This ordinance is hereby declared, pursuant to Section 8.14 of the Charter, exempt from referendum.

Section 15. Effective Date, Recording and Authentication. This ordinance shall be in full force and effect immediately upon enactment following final passage. This ordinance shall be recorded in "The Ordinance Book" of the City kept for that purpose, and shall be authenticated by the signatures of the Mayor and City Clerk, and published in accordance with law.

INTRODUCED, PASSED AND ADOPTED AS AN EMERGENCY
ORDINANCE on June 28, 2010.

Mayor

(SEAL)

ATTESTED:

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney

STATE OF COLORADO)
)
 COUNTIES OF ADAMS) SS.
 AND JEFFERSON)
)
 CITY OF WESTMINSTER)

I, Linda Yeager, the duly elected, qualified and acting City Clerk of the City of Westminster, Colorado (the “City”) do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance adopted by the City Council (the “Council”) of the City at a regular meeting of the Council held at the City Hall on June 28, 2010.

2. The passage of the Ordinance as an emergency was duly moved and seconded and the Ordinance was approved by vote of a ___ of ___ of the members of the Council as follows:

Name	“Yes”	“No”	Absent	Abstain
Bob Briggs				
Chris Dittman				
Mark L. Kaiser				
Mary Lindsey				
Scott Major				
Nancy McNally				
Faith Winter				

3. The members of the Council were present at such meeting and voted on the passage of the Ordinance as set forth above.

4. The Ordinance has been signed by the Mayor, sealed with the corporate seal of the City, attested by me as City Clerk, and duly recorded in the books of the City; and that the same remains of record in the book of records of the City.

5. There are no bylaws, rules or regulations of the Council which might prohibit the adoption of the Ordinance as an emergency.

6. Notice of the meeting of June 28, 2010, in the form, attached hereto as Exhibit A, was duly given to the Council members and was posted in a designated public place within the boundaries of the City no less than twenty-four hours prior to the meeting as required by law.

7. The ordinance was published in full after adoption in Westminster Window, a newspaper of general circulation within the City on _____, 2010. The affidavit of publication is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of
said City this _____ day of _____, 2010.

(SEAL)

City Clerk

EXHIBIT A

(Attach Notice of Meeting)

EXHIBIT B

(Attach Affidavit of Publication)



Agenda Item 10 Q

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Councillor's Bill No. 37 re Amendment to Title VI of the Westminster Municipal Code Adopting a New Chapter 17 Concerning the Residency of Sexually Violent Predators

Prepared By: Jane W. Greenfield, Assistant City Attorney
Mac Cummins, Planning Manager

Recommended City Council Action

Pass Councillor's Bill No. 37 on first reading amending the City Code by the addition of a new Chapter 6-17 entitled "Residency of Sexually Violent Predators."

Summary Statement

- The recent placement of a sexually violent predator at a Westminster residence located within close proximity to a public school has generated a discussion about the appropriateness of the residences of this category of registered sex offenders.
- After substantial research by Staff, discussion with the City Council occurred in Executive Session on May 24, 2010.
- Staff has prepared and is recommending an ordinance placing residency restrictions on sexual predators located within the Westminster City limits.
- The proposed ordinance places residency restrictions on sexually violent predators of 1,000 foot from schools, parks, recreation centers, swimming pools, and state-licensed day care centers and a 500 foot restriction from any publicly-created trail corridor; and prohibits a landlord from renting a residence to a sexually violent predator in violation of these distance limitations.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Does City Council want to adopt an ordinance restricting the location of residences of persons determined to be sexually violent predators?

Alternatives

1. City Council could direct Staff to increase the proposed distance limitations. Staff does not recommend this option as an analysis of the City's geographic layout reveals that a substantial portion of the residential units in the City already fall within the proposed this buffer zone. To increase the buffer area would preclude such individuals from any residence within the City, which approach is more likely to invite legal challenges.
2. City Council could determine that such an ordinance is not necessary for the protection of the general welfare. Staff believes that this ordinance is necessary for the general welfare.

Background Information

Research on sex offenders indicates that young persons are the most at-risk victim group for a number of reasons. Children are less likely to report an aggressor and are more easily intimidated. Most convicted adult rapists report they have also molested children. The rate of recidivism for sex offenders is high and current thinking on the reason for this statistic is that sex offending is a behavioral problem that cannot be "cured." As of June 2008, Colorado's Sex Offender Management Board (SOMB) identified over 10,000 registered sex offenders (RSO) living in the state, and of this number approximately 5% have been found to be sexually violent predators (SVP). Among the group of SVPs, most are in prison or otherwise incarcerated, but, at the present time, about 90 individuals have been released from Department of Corrections' facilities and are living somewhere among the general population in Colorado. The state legislature has determined that SVPs are those felony RSOs that are most likely to commit repeat offenses of a violent nature.

At this time, the Council is considering regulating a sub-category of RSO's, specifically SVP's. The basis for this distinction, and the City's desire to further regulate these individuals, would be that they pose a greater risk to public safety, especially children. The definitions, attached, of an RSO and SVP highlight some of these differences. While RSOs may have that status as a result of misdemeanor acts of a non-violent nature, SVPs are a more dangerous subset of the general population of convicted sex offenders as they have committed crimes of a violent nature and are more likely to repeat offend.

Staff has prepared a draft ordinance, attached, that proposes to place distance limitations between locations where children are likely to congregate and the residence of a SVP. Ordinances such as this are predicated upon the theory that such an individual may spend a large portion of the day at their residence, and increasing the distance between such residences and locations where children commonly gather will reduce the opportunity for minors to come in contact with such individuals. The proposed ordinance is patterned after the ordinances of other jurisdictions in Colorado and proposes the following:

- A 1,000 foot restriction from schools, parks, recreation centers, swimming pools or state licensed child care centers.
- A 500 foot restriction from any public recreational trail.
- Prohibits any person from renting a residence to any SVP in violation of the ordinance.
- Provides a method for measuring the distance limitations.
- Provides criminal penalties for the violation of the ordinance.

SUBJECT: Councillor's Bill re Amend Title VI re Residency of Sexually Violent Predators Page 3

Over the past 20 years, many studies have been done and a large volume of research exists regarding the patterns and habits of sex offenders. As might be expected, not all research yields consistent conclusions regarding the best approaches for preventing sexual victimization of the nation's children. A review of the literature indicates some of the pros and cons of residency restrictions, as listed below:

Pros:

- Reduces the ability of sex offenders to observe and pattern children
- Daily exposure and access to vulnerable victim pools such as children facilitates the potential for sex offender fantasies becoming a reality
- Reduces the potential for community unrest and vigilantism
- Reduces the potential for sex offenders to violate their conditions of parole or probation

Cons:

- May drive sex offenders "underground" or increase likelihood of "failure to register" offenders
- Restricts housing choices of sex offenders, which may reduce treatment options
- May cause the separation of family members
- May create sex offender ghettos

The factual statements and background information used in preparing this Agenda Memo have been drawn from the articles and resources listed in the bibliography below. While previously provided to Council, they are available for public review in the City Clerk's Office.

The proposed ordinance has been narrowly tailored to address potential legal challenges that may arise. The suggested limits of 1,000 and 500 lineal feet fall within the mid-range of those communities in Colorado that have chosen to adopt residency restriction distance limits. Additionally, the proposed ordinance limits the restriction to that category of sex offenders who have been determined by a state panel of experts and a district court judge to be sexually violent predators. For these reasons, staff recommends adoption of this ordinance.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments:

Bibliography
Definitions
Ordinance

Bibliography:

1. Association for the Treatment of Sexual Abusers (2008). (Press release), Retrieved from: <http://www.atsa.com/pubPPapers.html>
2. Center for Sex Offender Management (2001). “*Recidivism of Sex Offenders*”.
3. Colorado Coalition Against Sexual Assault. “*Teens and Sexual Assault*”.
4. Colorado Department of Public Safety, Division of Criminal Justice (2009). *White Paper on the Use of Residence Restrictions as a Sex Offender Management Strategy*. Denver, CO: Sex Offender Management Board.
5. Colorado Department of Public Safety, Division of Criminal Justice (2004). *Report on Safety Issues Raised by Living Arrangements for and Location of Sex Offenders in the Community*. Denver, CO: Sex Offender Management Board.
6. English, Kim; Pullen, Suzanne and Jones, Linda (1997). “Managing Adult Sex Offenders in the Community – A Containment Approach”. *National Institute of Justice*.
7. Heil, Peggy; Harrison, Linda; English, Kim and Ahlmeyer, Sean (2009). “Is Prison Sexual Offending Indicative of Community Risk?” *Criminal Justice and Behavior* 2009.
8. Levenson, J.S. (2007). “Residence Restrictions and Their Impact on Sex Offender Reintegration, Rehabilitation and Recidivism”. *ATSA Forum*, XVIII(2).
9. Rayburn Yung, Corey (2007). “Banishment by a Thousand Laws: Residency Restrictions on Sex Offenders”. *Washington University Law*; VOL 85:101.

Definitions:

Sex Offender

Sections 16-22-102(9) and 18-1.3-1008, C.R.S. define a sex offender as a person convicted of one of the following sex offenses:

- Sexual assault in the first, second or third degree;
- Unlawful sexual contact;
- Sexual assault on a child;
- Sexual assault on a child by one in a position of trust;
- Sexual assault on a client by a psychotherapist;
- Enticement of a child;
- Incest;
- Aggravated Incest;
- Trafficking in children;
- Sexual exploitation of children;
- Procurement of a child for sexual exploitation;
- Indecent exposure;
- Soliciting for child prostitution;
- Pandering of a child;
- Procurement of a child for prostitution;
- Keeping a place of child prostitution;
- Pimping of a child;
- Inducement of child prostitution;
- Patronizing a prostituted child;
- Engaging in sexual conduct in a penal institution;
- Wholesale promotion of obscenity to minors; and
- Promotion of obscenity to minors
- Criminal attempt, conspiracy or solicitation to commit any of the above offenses.
-

Sexually Violent Predator (SVP)

Per 18-3-414.5 C.R.S., a "Sexually violent predator" is an offender:

(I) Who is eighteen years of age or older as of the date the offense is committed or who is less than eighteen years of age as of the date the offense is committed but is tried as an adult;

(II) Who has been convicted on or after July 1, 1999, of one of the following offenses committed on or after July 1, 1997:

(A) Sexual assault in the first, second, or third degree (felony);

(B) Unlawful sexual contact;

(D) Sexual assault on a child;

(E) Sexual assault on a child by one in a position of trust;

(III) Whose victim was a stranger to the offender or a person with whom the offender established or promoted a relationship primarily for the purpose of sexual victimization; and

(IV) Who, based upon the results of a risk assessment screening instrument developed by the division of criminal justice in consultation with and approved by the sex offender management board, is likely to subsequently commit one or more of the offenses specified in subparagraph (II) under the circumstances described in subparagraph (III).

Based on the results of such assessment, the court or parole board shall make specific findings of fact and enter an order concerning whether the defendant is a sexually violent predator.

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **37**

SERIES OF 2010

INTRODUCED BY COUNCILLORS

A BILL

**FOR AN ORDINANCE AMENDING TITLE VI OF THE WESTMINSTER MUNICIPAL CODE
BY THE ADDITIONAL OF A NEW CHAPTER CONCERNING RESIDENCY OF SEXUALLY
VIOLENT PREDATORS**

WHEREAS, the City Council has reviewed evidence from the Colorado Department of Public Safety and the U.S. Department of Justice regarding sex offenders; and

WHEREAS, the City Council has been provided with evidence of the following facts:

- due to the nature of sexual crimes, less than 30% of its victims report the commission of those crimes to law enforcement;
- most sex offenders have committed multiple sexual crimes against both adults and children;
- sex offender research indicates sexual offending is a behavioral disorder that cannot be “cured”;
- the Colorado General Assembly and the Sex Offender Management Board of the state have concluded that sex offenders are dangerous because of the degree of harm they cause to victims and their risk of re-offending; and
- Colorado statutes have recognized a particular category of sex offender, namely, violent sexual predators, who pose a greater risk to society because of the nature of their offenses and an individualized analysis of the offender’s likelihood of recidivism.

NOW, THEREFORE, based on the foregoing reasons,

THE CITY OF WESTMINSTER ORDAINS:

Section 1. Title VI is hereby AMENDED BY THE ADDITION OF A NEW CHAPTER 17 as follows:

CHAPTER 17

RESIDENCY OF SEXUALLY VIOLENT PREDATORS

- 6-17-1: PURPOSE AND INTENT**
- 6-17-2: DEFINITIONS**
- 6-17-3: PROHIBITIONS**
- 6-17-4: EXCEPTIONS**
- 6-17-5: MEASUREMENT**
- 6-17-6: PENALTIES**

6-17-1: PURPOSE AND INTENT:

(A) The City Council hereby finds that persons who have been determined to be sexually violent predators, pursuant to §18-3-414.5, as amended from time to time, present an extreme threat to the public safety, and in particular, to children. Sex offenders have a high rate of recidivism, making the cost of sex offender victimization to society at large extremely high. Removing such offenders from regular proximity to places

where children congregate and limiting the frequency of contact between this category of sex offenders and children is likely to reduce the risk of a re-offense.

(B) This Section is intended to serve the City's compelling interest to promote, protect and improve the public health, safety and welfare by creating areas around locations where children regularly congregate in concentrated numbers where certain sexual predators are prohibited from establishing temporary or permanent residences.

6-17-2: DEFINITIONS:

(A) The following words, terms, and phrases, when used in this Title VI, shall have the following meanings, unless the context clearly indicates otherwise:

(1) "Child care center" means a facility that is maintained for the care of five or more children under the age of eighteen years for less than 24-hour programs of care, as more specifically defined at §26-6-102(1.5), C.R.S..

(2) "Park" means any publicly owned park, including playgrounds.

(3) "Permanent Residence" means a place where a person abides, lodges or resides for five (5) or more consecutive days.

(4) "Recreation Center" means a publicly owned recreation center.

(5) "School" means any public, private, parochial, charter or other school attended by students generally under the age of eighteen (18), except for home schools.

(6) "Sexual Predator" means any person who has been found to be a sexually violent predator pursuant to Section 18-3-414.5, C.R.S.

(7) "Swimming Pool" means a publicly owned outdoor water-filled structure used for the purpose of swimming or other water activities, including splash parks. As used in this Chapter, "swimming pool" shall not include any water-filled structures located at private, single-family residences.

(8) "Temporary Residence" means a place where a person abides, lodges or resides for a period of five (5) or more days in an aggregate calendar year and which is not the person's permanent residence; or a place where a person routinely abides, lodges or resides for a period of five (5) or more consecutive or nonconsecutive days in any month and which is not the person's permanent address.

6-17-3: PROHIBITIONS:

(A) It shall be unlawful for a sexual predator to establish a permanent or temporary residence within one thousand (1000) feet of any school, park, recreation center, swimming pool or state-licensed child care center or within five hundred (500) feet of the centerline of any public trail established by the City on open space or parklands.

(B) It shall be unlawful to let or rent any portion of any property, room, place, structure, trailer or other living space to a sexual predator with the knowledge that it will be used as a permanent or temporary residence in violation of this Chapter.

6-17-4: EXCEPTIONS:

(A) A sexual predator is not guilty of a violation of this Chapter if:

(1) The sexual predator had established the permanent or temporary residence prior to the effective date of this Chapter; provided, however, that this exception shall not apply if the sexual predator committed and was subsequently convicted of an offense, for which registration under the Colorado Sex Offender Registration Act is required, after the effective date of this Chapter;

(2) The sexual predator is placed in the residence pursuant to a state-licensed foster care program; or

(3) The school, park, swimming pool, state-licensed child care center, recreation center or trail was opened after the sexual predator established the permanent or temporary residence.

(B) A person who lets or rents any portion of any property, room, place, structure, trailer or other living space to a sexual predator with the knowledge that it will be used as a permanent or temporary residence in violation of this Chapter is not guilty of a violation of this Chapter if:

(1) The person let or rented the property, room, place, structure, trailer or other living space to the sexual predator prior to the effective date of this Chapter;

(2) The person lets or rents the property, room, place, structure, trailer or other living space to a sexual predator pursuant to a state-licensed foster care program; or

(3) The person let or rented the property, room, place, structure, trailer or other living space to the sexual predator prior to the opening of any school, park, swimming pool, state-licensed child care center, recreation center or trail.

6-17-5: MEASUREMENT: For the purpose of determining the minimum distance separation required herein, the measurement shall be made by following a straight line from the centerline of any trail or the outer property line of the property on which the park, school, recreation center, swimming pool or state licensed child care center is located to the nearest point of the structure or place of permanent or temporary residence, unless the facility and the residence are separated by a natural or man-made barrier that would preclude access from one point to the other. In the case of such physical barrier, the City Manager may determine based upon reasonable evidence that the measurement requirements have or have not been met. If any portion of a dwelling unit used as a temporary or permanent residence falls within the measurement area, the entire dwelling unit is presumed to be the residence. Geographic information system (GIS) data regarding the locations in question shall be prima facie evidence of the actual distance.

6-17-6: PENALTIES: Any violation of this chapter shall be deemed a criminal violation of this Code, punishable by a fine or imprisonment or both in accordance with the provisions of Section 1-8-1, W.M.C..

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 28th day of June, 2010.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 12th day of July, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office



Agenda Item 10 R

WESTMINSTER

COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Resolution No. 22 re Xcel Energy Street Lighting and Traffic Signal Lighting Service Agreement

Prepared By: Jane W. Greenfield, Assistant City Attorney
Dave Downing, City Engineer
Ray Porter, Street Operations Manager

Recommended City Council Action

Adopt Resolution No. 22 authorizing a Street Lighting and Traffic Signal Lighting Service Agreement with Xcel Energy.

Summary Statement

- On March 22, 2010, the City Council adopted the Franchise Agreement with Public Service Company of Colorado, doing business as Xcel Energy (Xcel).
- The Franchise provided for continued negotiation of a Street Lighting and Traffic Signal Lighting Service Agreement (Agreement) to be approved no later than June 30, 2010.
- At the time of franchise adoption, several issues concerning street lights and traffic signal lighting were still under consideration by the Public Utilities Commission (PUC) in the then-pending tariff revision application to which the City was a party. Those issues have since been decided by the PUC.
- The City and Xcel staffs have reached agreement on the remaining items affecting Company-owned street lights.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Should the City approve a street lighting agreement with Xcel?

Alternative

Council could decline to enter into such agreement with Xcel. This alternative is not viable as the City and Xcel entered into a renewed franchise agreement recently that contemplated the parties signing a subsequent street lighting agreement.

Background Information

At the time of the recent franchise negotiations with Xcel, the City was also involved as a local government intervenor in the PUC rate case. Subsequent to the franchise's approval, the PUC entered a final decision on the rate case resolving many of the outstanding issues regarding Company-owned street lights and regulations governing City-owned traffic signal lights. As the City is subject to Xcel's tariffs, rules and regulations after adoption by the PUC, there are very few issues that remain to be addressed in the attached Agreement. The Agreement covers:

- Service standards for installation, operation and maintenance of street lights
- Requirement for notice to City prior to painting street light poles
- Provision for annual bill inserts educating customers on street light outages reporting procedure
- The City's election to receive service under the Quality of Service Plan developed in 2006
- Requirement for investigation and development of energy efficient technologies and replacement of high intensity lamps with lower intensity at request of City
- Makes the Agreement subject to the Franchise

In the fall of 2008, when the City joined other communities in intervening in Xcel's rate case, the intent was to pursue some of the City's energy efficiency and budget stabilization goals. It was hoped that the rate case might be the vehicle for Xcel adopting an energy-only rate for municipal street lights, as well as Xcel's adopting an LED street lamp option. While the recent PUC decision did not achieve these goals outright, they did order Xcel and the cities to continue negotiations on achieving an energy-only rate within the next year. This process has already begun. Additionally, the PUC delayed, for one year, the date upon which new or reconfigured intersection are required to be metered until January 1, 2012 to allow Xcel and the cities more time to develop either a separate metered rate class for traffic signals, a continuation of the existing non-metered service, or the aggregation of small accounts for billing purposes. City Staff is continuing to pursue these avenues with Xcel and will be doing so over the next 12 to 18 months. Resolution of these issues will enable the City to reevaluate the possibility of acquiring some or all of the Xcel-owned street lights in order to achieve both energy savings and budget reductions in the future. This agreement will not preclude any of those efforts.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Resolution
- Street Lighting and Traffic Signal Lighting Agreement

RESOLUTION

RESOLUTION NO. **22**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

**A RESOLUTION
AUTHORIZING A STREET LIGHTING AND TRAFFIC SIGNAL LIGHTING SERVICE
AGREEMENT WITH XCEL ENERGY**

WHEREAS, the City has recently approved a renewed Franchise Agreement with Public Service Company of Colorado, d/b/a Xcel Energy; and

WHEREAS, said Franchise provides as a condition subsequent that a Street Lighting and Traffic Signal Lighting Service Agreement shall be entered into no later than June 30, 2010; and

WHEREAS, the parties have completed negotiation of such an agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER:

1. The Street Lighting and Traffic Signal Lighting Service Agreement (the "Agreement") between the City of Westminster and Public Service Company of Colorado d/b/a Xcel Energy, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, is hereby approved.
2. The Mayor is hereby authorized to execute and the City Clerk to attest the Agreement.

PASSED AND ADOPTED this 28th day of June, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office

EXHIBIT A

STREET LIGHTING AND TRAFFIC SIGNAL LIGHTING SERVICE AGREEMENT

THIS STREET LIGHTING AND TRAFFIC SIGNAL LIGHTING SERVICE AGREEMENT, made and entered into this ____ day of June 2010, by and between PUBLIC SERVICE COMPANY OF COLORADO d/b/a Xcel Energy, a corporation duly organized and existing under the laws of the State of Colorado, hereinafter referred to as the "Company", and the CITY OF WESTMINSTER, a municipal corporation of the State of Colorado, hereinafter referred to as the "City."

WITNESSETH:

WHEREAS, the Company is a public utility engaged in the distribution and sale of electric energy and electric service within the corporate limits of the City under the terms of a Franchise authorized by the City by Ordinance No. 1913 Series of 1989, and extended by Ordinance No. 3492 and presently provides for Street Lighting Service to the City,

WHEREAS, the City and the Company have reached agreement on a new franchise authorized by the City by Ordinance No. 3506 (the "Franchise") on March 22, 2010, which franchise became effective March 27, 2010; and

WHEREAS, the City and the Company desire to enter into an agreement for the continued provision of Street Lighting Service and the provision of Traffic Signal Lighting Service to the City which agreement shall be contingent upon the execution of the Franchise granting to the Company the right to continue to use City Streets and Utility Easements for the distribution and sale of electric energy and electric service in the City.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and promises of the Parties hereto, it is hereby agreed as follows:

ARTICLE 1 DEFINITIONS

For the purpose of this Street Lighting and Traffic Signal Lighting Service Agreement, the following words and phrases shall have the meaning given in this Article. When not inconsistent with context, words used in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural. The word "shall" is mandatory and "may" is permissive. Words not defined in this Article shall be given their common and ordinary meaning. Words defined in the Franchise shall be given the same meaning in this Agreement.

§1.1 "Agreement" refers to this agreement for the provision of Street Lighting and Traffic Signal Lighting Service entered between the City and the Company.

§1.2 "Company-Owned Non-Ornamental Street Lights" refers to luminaires and arms attached to brackets mounted on the Company's standard electric distribution system poles.

§1.3 "Company-Owned Ornamental Street Lights" refers to luminaires attached either to Company-owned street lighting standards or directly to vehicular underpass structures or vehicular tunnels.

§1.4 "Street Lighting Service" refers to the illumination of Streets and Other City Property by means of the furnishing of electric energy from the Company's distribution system for use in Company-owned street lights, pursuant to the rules and regulations relating to each service in the Company's Tariffs

§1.5 "Traffic Facilities" refers to any City-owned or authorized traffic signal, traffic signage or other traffic control or monitoring device, equipment or facility, including all associated controls, connections and other support facilities or improvements, located in any Streets, Utility Easements, or Other City Property.

§1.6 "Traffic Facility Occurrence" refers to outage, failure or damage to a Traffic Facility.

§1.7 "Traffic Signal Lighting Service" refers to the furnishing of electric energy from the Company's distribution system for use in Traffic Facilities pursuant to the rules and regulations relating to such service in the Company's Tariffs.

ARTICLE 2 PURPOSE AND SCOPE

§2.1 Purpose. The City and the Company wish to provide for certain terms and conditions under which the Company will provide Street Lighting and Traffic Signal Lighting Service within the City in order to facilitate and enhance the operations of City Facilities. They also wish to provide for other processes and procedures related to the provision of Street Lighting and Traffic Signal Lighting Service to the City.

§2.2 Scope. This Agreement shall extend to all areas of the City as it is now or hereafter constituted, to the extent those areas are within the Company's PUC-certificated service territory.

§2.3 Subject To Franchise and Tariffs. The Parties expressly acknowledge that this Agreement is subject to the terms and conditions of the Franchise granted by the City to the Company for the provision of Utility Service within the City and to the Company's Tariffs. In the event of a conflict between this Agreement and the Company's Tariffs, the applicable Tariffs shall control.

§2.4 Term And Execution of Agreement.

A. Term. This Agreement shall be effective for a period coincident with the term of the Franchise.

B. City Council Approval. Approval by the City Council of the City of Westminster, acting by resolution, shall be an express condition precedent to the lawful and binding execution, effect and performance of this Agreement. Such approval shall authorize the Mayor of the City and other necessary or proper officials of the City to sign this Agreement in the name of the City.

ARTICLE 3 CITY POLICE POWERS

§3.1 Compliance With Laws. The Company shall promptly and fully comply with all laws, regulations, permits, and orders enacted by the City to the same extent as set forth in the Franchise.

ARTICLE 4 STREET LIGHTING RATES, TERMS AND LIGHTING PERIODS

§4.1 Terms. The Company shall provide Street Lighting Service in accordance with the rates, charges, terms and conditions, and rules and regulations set forth in applicable Company Tariffs. The Company and City intend this Agreement to be consistent with the Company's Tariffs.

§4.2 Bill Inserts. At the request of the City, the Company agrees to provide and mail, or deliver as otherwise agreed by the parties, at least annually, a section in a customer communication insert in its bills to all Residents informing them of specific procedures for reporting outages of street lights.

ARTICLE 5
INSTALLATION, OPERATION AND MAINTENANCE
OF STREET LIGHTING SERVICE

§5.1 Installation of Facilities. Street lights will be installed when requested and authorized by the City in accordance with the following:

A. Company shall furnish and install permanent Company Owned Non Ornamental Street Lights and Company Owned Ornamental Street Lights supplied by overhead or underground feed from overhead or underground distribution circuits in accordance with the Service Connection and Distribution Line Extension Policy contained in the Company's Tariffs, as that policy may be amended from time to time, and any applicable rules and regulations of the Public Utilities Commission, provided that the City shall install any conduit and foundation for street lighting units on new bridges, viaducts, underpasses and other similar structures where such facilities are an integral part of the structures, to supply street lighting requested by the City. Company-Owned Ornamental Street Lights will be supplied by an underground feed unless otherwise mutually agreed.

B. The Company shall install at the request of the City temporary street lighting installations, provided that the City shall bear the cost of installing and removing all facilities necessary to supply the service requested, less the salvage value of the materials used. Temporary installations shall mean any street lighting unit installed for periods not to exceed eighteen (18) months, unless otherwise agreed. In the event an installation planned as a permanent installation is removed within eighteen (18) months, it shall be deemed to be a temporary installation and the City shall reimburse the Company accordingly.

C. The type and rating of all equipment shall not be less than the standard of the equipment most recently installed in the City and comparable to that currently accepted in the industry, provided that the type and rating of special ornamental standards installed by the City to accommodate both City traffic signals and Company-owned luminaires shall be subject to mutual agreement by the City and the Company.

D. All new Company-Owned Ornamental Street Light pole installations shall comply with the American Association of State Highway and Transportation Officials ("AASHTO") requirements for roadway setbacks. The Company will obtain easements for its street lighting units in those instances where the distance between the curb line and the property line along the Street is less than three (3) feet. If the Company is unable to obtain the necessary easements, it shall notify the City and the City may attempt to obtain the necessary easements. If the City is unable to obtain the easements, the Parties will work together to find alternate locations for pole installations.

§5.2 Repair, Replacement And Maintenance. The Company shall maintain, repair and, if necessary, replace, all street lights utilized in providing Street Lighting Service within the City in accordance with the applicable Tariffs on file with the Public Utilities Commission and the Franchise granted to the Company for provision of Utility Service.

§5.3 Painting. Subject to the provisions of the Maintenance Charges for Street Lighting Service included in the Company's Tariffs, the Company shall periodically paint all initially painted street light standards and brackets after giving the City at least ten (10) business days notice.

§5.4 Improvements.

A. The City shall at all times be the beneficiary of improvements in street illumination that are economically and technically feasible, and the Company agrees to cooperate with the City in the application of such improvements to Street Lighting Service. As burn-outs occur the Company agrees to substitute lamps of increased efficiency so long as such lamps are included

within the inventory offered by the Company under its tariffed Street Lighting Service offering and can be accommodated in the existing luminaire.

B. The Company also agrees upon request of the City to a change in the light intensity on Streets by replacing its existing street lighting lamps not classified as temporary. The City shall be responsible for the costs of such replacement as provided in the Company's Tariffs. The City will designate the lumen rating required and will pay the appropriate monthly rate set forth in Tariffs on file, and in effect from time to time, with the Public Utilities Commission.

C. The Company agrees to investigate and, if appropriate, to develop, in cooperation with the City, new, alternative streetlight and/or traffic signal facilities when economically and technically feasible, and to support before the Public Utilities Commission applicable Tariffs which are consistent with and reflect the purchase, installation and/or maintenance of such facilities by the Company.

§5.5 Determination of Lumen Rating. The lumen rating of electric discharge lamps shall be considered as the nominal rated initial lumens determined in accordance with standard industry practices.

ARTICLE 6 PERFORMANCE MEASURES FOR STREET LIGHTING SERVICE

§6.1 Election to Receive Special Services Pursuant to Tariffs. The Company's Tariffs provide an election for municipalities to receive burn out rate sampling studies, street light restoration reports, street light inventory reports and bill credits for excessive burn out rates and late repairs. This service is available under the Company's Tariffs for a monthly charge. The City hereby elects to subscribe to this service and agrees to pay the monthly charge for the service set forth in the Company Tariffs. The City may withdraw this election by providing 30 days advance written notice to the Company.

§6.2 No Duty to Third Parties. The performance measures established by the Company's Tariffs and by this Article 6 reflect a financial arrangement between the City and the Company to ensure that the City has received fair value for its payment for Street Lighting Services. Nothing in this Agreement shall be construed to create a standard of care or any duty to any third person or to the general public with respect to street lighting.

ARTICLE 7 MISCELLANEOUS

§7.1 Applicability of Franchise Terms. The applicable terms and conditions of Articles 17, 18, 19, 20, and 21 of the Franchise shall apply to this Agreement as if set forth herein.

§7.2 Approval By City Council. This Agreement, and each and every one of its provisions and terms, is expressly subject to, and shall not be or become effective or binding on the City or the Company, until approved by the City Council.

§7.3 Authority. Each Party represents and warrants that it has taken all actions that are necessary or that are required by its procedures, bylaws, or applicable law, to legally authorize the undersigned signatories to execute this Agreement on behalf of the Parties and to bind the Parties to its terms. The person(s) executing this Agreement on behalf of each of the Parties warrants that they have full authorization to execute this Agreement.

§7.4 Counterparts of Agreement. This Agreement may be executed in counterparts, each of which shall be deemed to be an original of this Agreement, and all of which, taken together, shall constitute one and the same document

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the day and year first above written.

CITY OF WESTMINSTER

ATTEST:

Clerk of the City of Westminster

Nancy McNally
Mayor, City of Westminster

APPROVED AS TO FORM:

Attorney for the City of Westminster

“CITY”

**PUBLIC SERVICE COMPANY OF
COLORADO**

By: _____
Jay Herrmann
Regional Vice President,
Customer and Community Services

Attest: _____
Asst. Secretary

“COMPANY”



**WESTMINSTER
COLORADO**

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Resolution No. 23 re One-Year Focused Workweek Trial

Prepared By: Aric Otzelberger, Senior Management Analyst

Recommended City Council Action

Adopt Resolution No. 23 establishing City Council's direction to pursue a one-year focused workweek trial for several City facilities, including City Hall and the Municipal Court.

Summary Statement

- At the June 7, 2010 Study Session, City Council gave Staff direction to pursue a one-year focused workweek trial for several City facilities and operations. This resolution is intended to formalize this direction.
- Under the proposed resolution, the City would move several operations and facilities to a focused workweek schedule for a one-year trial commencing August 2, 2010. Business hours for City Hall and several administrative offices would run from 7:00 am to 6:00 pm, Monday through Thursday. City Hall and several administrative offices would be closed on Fridays. The Municipal Court facility and associated operations would move to this schedule effective August 30, 2010. The delay in implementation at Municipal Court is due to the court docket already being set through this date.
- Facilities that would not be affected by the one-year focused workweek trial include the Public Safety Center, Fire Stations, Recreation Centers, Libraries, Standley Lake, Water and Wastewater Treatment Plants and other City facilities.
- Based on key research findings, Staff anticipates several benefits from a proposed move to a focused workweek for certain City operations, most notably enhancements to customer service and a reduced environmental impact from City operations. Ancillary anticipated benefits include modest cost savings, productivity gains in certain areas (and neutral impacts in others) and enhanced employee recruitment and retention.
- In-depth analysis and assessment will occur after nine months of the trial to examine the results of the new schedule; based on this assessment, Staff will return to City Council with a recommendation on whether or not to pursue a permanent change to this schedule.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Should the City Council take formal action to pursue a one-year focused workweek trial for several City facilities and operations?

Alternative

The City Council could choose not to pursue a one-year focused workweek trial at this time. Staff does not recommend this alternative for the reasons outlined below.

Background Information

Based on interest from City Council and the City Manager, Staff presented academic and “practitioner” research on the focused workweek to City Council at the Study Session meeting on June 7, 2010. Staff also presented employee survey results on the proposed focused workweek trial to City Council. Findings from this research, along with full survey results, are discussed in depth in the Staff Report on the proposed focused workweek trial that was presented to City Council on June 7, 2010.

For the City of Westminster, a focused workweek means a four-day, ten hour work week for employees with extended hours of operation from Monday through Thursday and Friday closures for certain facilities and operations. Staff is proposing to move certain administrative and operations Staff to a “focused” schedule with business hours from 7:00am to 6:00pm, Monday through Thursday. Certain facilities would be closed on Fridays, including City Hall, Municipal Court and several administrative offices. Facilities that would continue to operate under their existing “regular” hours include the Public Safety Center, Fleet Operations, Fire Stations, Recreation Centers, Libraries, Standley Lake, Water and Wastewater Treatment Plants and other City facilities. The proposed focused workweek schedule would commence on August 2, 2010 on a one-year trial basis. In-depth analysis and assessment would occur after nine months of the trial to examine the results of the new schedule; Staff will return to City Council with a recommendation on whether or not to pursue a permanent change to this schedule.

Currently, 574 or 58% of all City employees already work a “focused” schedule. This includes Staff in Police, Fire, Utilities Operations, Park Services, Utility Plants, Fleet and other Staff with various “compressed” schedules throughout the organization. The proposed focused workweek trial would apply to 311 or 32% of all City employees. City employees that would move to a “focused” schedule under Staff’s proposal includes Staff at City Hall, Police Administration, Fire Administration, Public Works and Utilities Administration, Building Operations and Maintenance, Parks, Recreation and Libraries Administration and Municipal Court Staff.

As is the case currently, some modifications to employees’ schedules would be allowed under the proposed focused workweek trial, based on operational needs, along with department head and division manager discretion (“flex schedules”).

Based on research and analysis, the potential benefits of a focused workweek include:

- **Improved/Expanded Customer Service** – While a focused workweek would involve closing certain operations on Friday, hours for these operations would be extended for citizens, businesses and other customers from Monday through Thursday. Based on discussions with other communities that have implemented a focused workweek, each respective community has experienced an overwhelmingly positive response to the alternative hours. It appears that working residents really appreciate being able to conduct business before and after work. Also, developers, contractors, etc. appreciate the early hours. Most communities with a focused workweek maintain business hours that run from 7:00am to 6:00pm, Monday through Thursday.

- **Environmental Benefits** – Most communities that have implemented focused workweeks have experienced environmental benefits. These benefits include reduced energy and water usage, reduced auto trips, reduced fuel usage, “improved air quality” due to reduced congestion and reduced carbon footprint. The anticipated environmental benefits are related to City operations and would reduce the City’s carbon footprint.
- **Cost Savings** – Overall, it appears that focused workweeks lead to cost savings for organizations. These cost savings are real, but they are modest savings. These cost savings are primarily found in energy, fuel, vehicle costs, janitorial costs, overtime and water usage.
- **Employee Productivity** – It appears that a focused workweek has a positive or neutral effect on productivity. Employees in a focused workweek have fewer “start up and shut down” tasks, as they work four days per week versus five. Also, several cities reported that these longer days allowed for “more concentration time.” Also, the data supports the notion that organizations with a focused workweek have less employee absenteeism, as employees are able to take care of doctor’s appointments, car repairs, etc. on Friday.
- **Employee Recruitment, Retention and Morale** – Based on the academic literature and experiences of other communities, focused workweeks provide a strategic benefit to employee recruitment and retention through the positive impact that they have on employee morale. While not all employees prefer a focused workweek schedule, a large majority of employees in organizations that have moved to focused workweeks report a positive impact on morale and work/life balance. From a human resources perspective, several organizations reported using the focused workweek “benefit” to help hire and retain talented employees. Several cities moved to focused workweeks as part of an overall response to financial difficulties. Some of these cities reduced salaries, eliminated positions and made other tough moves to balance their budgets. These cities view the focused workweek as an employee benefit that helps “offset” the other tough changes that were implemented.

Based on the City of Westminster employee survey results, 67% of employees support or strongly support a proposed focused workweek trial, 14% of employees were neutral and 19% do not support (i.e. disagree or strongly disagree) with this schedule. Besides the employee survey, the City Manager held three attendance optional employee meetings to discuss the proposed focused workweek trial. Combined attendance for these employee meetings was approximately 245 employees, which totaled about 87% of employees that would move to a focused workweek schedule under the trial. Staff also solicited feedback from the Employee Advisory Committee. As part of the transition to the proposed focused workweek trial, the City’s Wellness Program will offer classes, workshops and information to assist employees with transitional issues, including child care, advanced meal preparation and other items.

The City Manager discussed the proposed focused workweek trial with the Business Advisory Group (BAG) and received positive feedback from that group. In addition, the Westminster Window did a front page story on the proposed focused workweek and Staff received very limited feedback from the public.

Summary of Operational Adjustments Under a Proposed Focused Workweek Trial

All City departments who would move certain operations to a focused workweek schedule under the proposed trial identified and examined operational changes that would need to be made under the proposed new schedule. Overall, Staff feels confident in their ability to make necessary operational changes to adapt to the proposed focused workweek schedule. Most changes would be relatively minor or affect internal operations. Executive level Staff availability would not change under the proposed focused workweek trial and certain Staff would continue to be available to respond to events and inquiries on Fridays. In addition, Staff with outside meeting commitments on Fridays (e.g.; DRCOG, CML, etc.) would continue to meet those obligations on Fridays. Certain operations, such as police records and code enforcement, would continue to be offered on Fridays and would not move to the proposed focused workweek trial.

With the closure of City Hall on Fridays, one of the most significant changes would be the elimination of permitting and inspection services provided by the Building Division on Fridays. Currently, Friday has the least amount of activity/customer traffic in the Building Division. Regardless, Staff would pursue other services enhancements (in addition to the extended hours Monday through Thursday) to help address the Friday closure, including offering online permit applications, electronic plan submittals, dual inspections in a single day and greater accommodation of inspection requests outside of regular business hours.

Other service changes would include the elimination of in-person utility bill drop off opportunities of Fridays (with City Hall closure on Fridays). Currently, water shut-offs for non-payment occur on Wednesdays. Staff is evaluating the impacts of the current water shut-off schedule. Based upon current experience, Staff anticipates a significant improvement in customer service for water customers who have been shut-off for non-payment as they will have access to pay their bill after 5:00 pm and have water service restored. Another change would be the elimination of trials at Municipal Court on Fridays (Friday closures for Municipal Court).

Communication to the Public Regarding the Proposed Focused Workweek Trial

If City Council approves the proposed resolution, Public Information Staff will communicate with the City's many customers through several avenues. Staff will utilize traditional communication tools including City Edition, Weekly Edition, the City's Web site and Cable Channel 8 to get the word out. In addition, Staff across the City will inform customers at numerous "points of service" through flyers, signs and verbal notification during the transition period.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

RESOLUTION

RESOLUTION NO. **23**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

**A RESOLUTION
ESTABLISHING A ONE-YEAR FOCUSED WORKWEEK TRIAL FOR CITY HALL,
MUNICIPAL COURT AND SEVERAL ADMINISTRATIVE OFFICES**

WHEREAS, per interest from City Council, Staff conducted academic and practitioner research on the focused workweek and presented this information to City Council at the Study Session meeting on June 7, 2010. At this meeting, City Council expressed support for the pursuit of a focused workweek trial; and

WHEREAS, based on key research findings, Staff anticipates several benefits from a proposed move to a focused workweek for certain City operations, most notably enhancements to customer service and a reduced environmental impact for City operations. Ancillary anticipated benefits include modest cost savings, productivity gains in certain areas and enhanced employee recruitment and retention ability; and

WHEREAS, 67% of employees support or strongly support a proposed focused workweek trial and 14% of employees were neutral to this schedule; and

WHEREAS, City Staff feels confident in their ability to make necessary operational changes to adapt to the proposed focused workweek trial and most changes would be relatively minor or affect internal operations; and

WHEREAS, the Public Safety Center, Fire Stations, Recreation Centers, Libraries, Standley Lake, Water and Wastewater Treatment Plants and other City facilities would not be affected by the focused workweek trial; and

WHEREAS, in-depth analysis and assessment would occur after nine months of the trial to examine the results of the new schedule and Staff would prepare a recommendation to City Council on whether or not to pursue a permanent change to this schedule.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER that the City of Westminster will move several operations and facilities to a focused workweek schedule on a one-year trial basis commencing August 2, 2010. Business hours for City Hall and several administrative offices will run from 7:00 am to 6:00 pm, Monday through Thursday. City Hall and administrative offices for Police, Fire, Parks, Recreation and Libraries, and Public Works and Utilities will be closed on Fridays. The Municipal Court facility and associated operations will move to this schedule effective August 30, 2010.

PASSED AND ADOPTED this 28th day of June, 2010.

ATTEST:

Mayor

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney's Office



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
June 28, 2010



SUBJECT: Resolution No. 24 re General Leave Benefits Modifications

Prepared By: Dee Martin, Human Resources Administrator
Lisa Chrisman, Human Resources Administrator
Debbie Mitchell, Human Resources Manager

Recommended City Council Action

Adopt Resolution No. 24 amending City Employee General Leave Benefits.

Summary Statement

- As described in a June 21, 2010, Staff Report to City Council, the City Manager is planning to modify the Personnel Policies and Rules to include: adjustments necessary to move to a focused work week schedule, General Leave usage, accruals and cash out provisions, reduction in force provisions and other miscellaneous changes. Changes to the policies that are related to the compensation package for employees, in this case, the adjustment of employee leave benefits, require City Council approval.
- The recommended changes to the City's General Leave accrual program will reduce the City's increasing financial liability as it relates to General Leave bank cash value at separation of employment. The primary adjustment would cap the General Leave accrual rate at the 10-15 years of service rate for employees hired after June 30, 2010. Thus, the highest level of accrual for new employees would be the "ten years and over" category. Other changes include adjustments to current practices to provide a more consistent approach to leave usage in the categories of floating holidays, personal business as well as in provisional pay.
- In addition, Staff recommends the following changes to the City's General Leave Program related to the proposed focused work week:
 - General Leave accrual rates will reflect the move of holiday leave into a separate holiday leave bank (i.e., leave accrual rates will be reduced due to holiday leave tracking in a separate bank).
 - Creation of a Holiday Bank with eight designated holidays and one floating holiday of 10 hours each, prorated for Fire personnel working at 1.4 full time equivalency (FTE) or 14 hours per holiday.
 - Movement of the former balance of holiday hours (six) to maximum allowable vacation (previously 96 hours of holiday, the new bank has 90 hours). This keeps total leave hours for employees equal to current hours.
 - Elimination of the combined Holiday and Vacation Schedule (no longer necessary with Holiday Leave Bank broken out separately).
 - Holidays falling on a Friday or Saturday will be observed on the preceding Thursday.
 - Holidays falling on a Sunday will be observed on the following Monday.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issues

Does the City Council agree with the changes to the General Leave benefit changes recommended by the City Manager?

Does the City wish to reduce the General Leave accrual rate for employees who are hired after June 30, 2010?

Alternatives

Direct the City Manager to revise General Leave benefits so that the changes in leave accrual would apply to current employees. This alternative would reduce the expense of General Leave cash out at an earlier time but would likely have a significant negative impact on employee morale.

Make no change to General Leave accrual rates for the future. This alternative would force the organization to commit more money, increase the length of time that vacant positions are left unfilled or find another means to cover the funding for the increasing cost of General Leave cash outs.

Background Information

The City Manager plans on implementing modifications to General Leave benefits on June 29, 2010. The modifications to the General Leave benefits include adjustments necessary to move to a focused work week schedule, General Leave usage and cash out provisions and General Leave accrual rates.

The City's unfunded liability for cash out of General Leave continues to grow with a current liability of over \$4,000,000. The focused work week will likely result in less General Leave usage creating a greater future liability. Capping the accrual rate at the 10-15 year mark for new hire employees allows employees to accrue 4.75 weeks per year of General Leave plus the holiday bank of 90 hours of leave per year. Staff's proposed change will modify the leave accrual rate for employees hired after June 30, 2010, and will not change the accrual rate of current employees.

Modifications to the holiday schedule and associated General Leave accrual changes are being made Citywide to standardize the tracking and use of vacation and holiday leave in the present General Leave bank system. This proposed modification is part of the proposed focused work week that is scheduled to go into effect August 2, 2010, for a one-year pilot period.

This change eliminates the Friday after Thanksgiving as a designated holiday and reflects the 10 hour work day of the majority of City employees. The City's Holidays will be as follows:

- New Year's Day
- Martin Luther King, Jr. Day
- Presidents' Day
- Memorial Day
- 4th of July / Independence Day
- Labor Day
- Thanksgiving
- Christmas
- Floating Holiday

Single transition year issues (e.g. General Leave bank annual accruals and minimum and maximum leave usage) necessary to move to from one system to another in the middle of a calendar year are currently being made by the Finance Department and Human Resources Division.

SUBJECT: Resolution No. 24 re General Leave Benefits Modifications

Page 3

The modifications to the Personnel Policies and Rules will assist this organization in the smooth operation of providing service to the community while at the same time providing a consistent, fair and reasonable set of benefits to employees, thereby addressing Council's Strategic Plan goal of Financially Sustainable City Government. Input has been solicited and received from Department Heads on all the changes and General Leave changes have been reviewed with employees in meetings with the City Manager, via e-mail messages and at the Employee Advisory Committee.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

RESOLUTION

RESOLUTION NO. **24**

INTRODUCED BY COUNCILLORS

SERIES OF 2010

AMENDED CITY EMPLOYEE GENERAL LEAVE BENEFITS

WHEREAS, Section 1-24-2 of the Westminster Municipal Code provides that the City Council, upon recommendation of the City Manager, shall by resolution establish the compensation and benefits for all position classifications in the municipal service; and

WHEREAS, City Council previously approved the 2010 compensation and benefits during the 2009/2010 City Budget approval process; and

WHEREAS, the City Manager is recommending the implementation of a focused work week; and

WHEREAS, the City Manager is recommending adjustments to General Leave accrual rates that will maintain a competitive position in the labor market while reducing the City's long-term accrued leave liability.

NOW, THEREFORE, be it resolved by the City Council of the City of Westminster that the following changes will be made to the City employee annual leave benefit effective June 29, 2010:

Creation of a Holiday Bank with eight designated holidays and one floating holiday of 10 hours each (prorated for Fire personnel working at 1.4 full time equivalency (FTE) or 14 hours per holiday)

- The elimination of the Friday after Thanksgiving as a designated holiday to reflect the 10 hour work day of the majority of City employees;
- Paid City holidays will be as follows:
 - New Year's Day
 - Martin Luther King, Jr. Day
 - Presidents' Day
 - Memorial Day
 - 4th of July / Independence Day
 - Labor Day
 - Thanksgiving
 - Christmas
 - Floating Holiday
- Movement of the former balance of Holiday hours (six) to maximum allowable vacation (previously 96 hours of holiday, the new bank has 90 hours);
- Elimination of the combined Holiday and Vacation Schedule (no longer necessary with Holiday Leave Bank broken out separately);
- Holidays falling on a Friday or Saturday will be observed on the preceding Thursday;
- Holidays falling on a Sunday will be observed on the following Monday; and
- A change in the General Leave accrual rate for employees hired after June 30, 2010. The maximum accrual rate category for these employees will be "10 years and over" and shall be at the rate that is currently the "10 – 15 year" rate category.

PASSED AND ADOPTED this 28th day of June, 2010.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney