



# WESTMINSTER

## Staff Report

TO: The Mayor and Members of the City Council

DATE: June 11, 2014

SUBJECT: Study Session Agenda for June 16, 2014

PREPARED BY: J. Brent McFall, City Manager

Please Note: Study Sessions and Post City Council meetings are open to the public, and individuals are welcome to attend and observe. However, these meetings are not intended to be interactive with the audience, as this time is set aside for City Council to receive information, make inquiries, and provide Staff with policy direction.

Looking ahead to next Monday night's Study Session, the following schedule has been prepared:

*A light dinner will be served in the Council Family Room* 6:00 P.M.

### CITY COUNCIL REPORTS

1. Report from Mayor (5 minutes)
2. Reports from City Councillors (10 minutes)

### PRESENTATIONS

1. 2013 Comprehensive Annual Financial Report and Management Letter
2. Westminster Station Proposed Parking Structure

6:30 P.M.

### EXECUTIVE SESSION

None at this time.

### INFORMATION ONLY ITEMS

None at this time.

Additional items may come up between now and Monday night. City Council will be apprised of any changes to the Study Session meeting schedule.

Respectfully submitted,

J. Brent McFall  
City Manager

**NOTE:** Persons needing an accommodation must notify the City Manager's Office no later than noon the Thursday prior to the scheduled Study Session to allow adequate time to make arrangements. You can call 303-658-2161 /TTY 711 or State Relay) or write to [mbarajas@cityofwestminster.us](mailto:mbarajas@cityofwestminster.us) to make a reasonable accommodation request.



WESTMINSTER

## Staff Report

City Council Study Session Meeting  
June 16, 2014



SUBJECT: 2013 Comprehensive Annual Financial Report and Management Letter

PREPARED BY: Tammy Hitchens, Finance Director

### Recommended City Council Action

Review and discuss the 2013 Comprehensive Annual Financial Report (CAFR) and the Auditor's Communication to City Council and Management on the scope and results of the City's annual financial audit.

### Summary Statement

Finance staff along with Rob MaCoy, Partner, and Anna Thigpen, Audit Manager, of BKD, LLP, the City's independent audit firm, will present to Council the 2013 CAFR and discuss the audit scope and results. The CAFR is scheduled for formal acceptance at the Council meeting on June 23, 2014.

The City has received an unqualified opinion from BKD, LLP. This means the CAFR represents fairly the financial position of the City.

This Staff Report reviews the financial highlights of the CAFR and is accompanied by BKD's letter to Council and Management, which discusses items significant to the audit including financial estimates, financial statement disclosures, audit adjustments and auditor communications with management. There were no findings resulting from the 2013 financial audit.

**Expenditure Required:** \$0

**Source of Funds:** N/A

### **Policy Issue**

Section 9.10 of the City Charter requires that an independent audit be conducted at least annually in accordance with generally accepted accounting principles as they pertain to governments for all funds reported in the Comprehensive Annual Financial Report. The audit is required to be conducted by Certified Public Accountants, experienced in municipal accounting. The 2013 audit was performed by BKD, LLC, Certified Public Accountants.

### **Alternative**

Require Staff to make changes to the report. Minor changes could be made to the report without affecting the audit opinion; however, major changes may result in the report not being in compliance with generally accepted accounting principles as they pertain to governments and could result in a change of the auditor's opinion.

### **Background Information**

Each year Finance staff prepares a CAFR and contracts with an independent auditor to conduct an audit of the City's financial statements. The 2013 CAFR received an unqualified opinion from BKD, LLP, the City's independent auditors. An unqualified opinion indicates that the financial data of the City is fairly presented according to generally accepted accounting principles.

### **Financial Highlights**

- Government-wide: Combined net position of governmental and business-type activities increased \$31.5 million, including a \$19.4 million increase in governmental activities net position and a \$12.1 million increase in business-type activities net position.
- General Fund: The fund balance of the General Fund increased \$1.3 million in 2013. Of the \$30.8 million ending fund balance, \$19.0 million was unassigned and available for future spending. Sales and Use Tax funded \$61.4 million, or 65.0%, of General Fund operations.
- General Capital Improvement Fund: Operating revenues increased by \$1.6 million and expenditures increased \$6.9 million over 2012. These changes as well as sale of asset revenue and interfund transfer activity resulted in an increase in Fund Balance of \$4.9 million.
- Westminster Economic Development Authority: Fund balance decreased \$2.6 million to \$52.9 million primarily due to debt service costs. \$52.1 million of fund balance is either nonspendable property held for resale or restricted for capital additions and improvements as well as debt service.
- Utility Fund: Net Position increased \$11.5 million (\$11.1 million when including a change in accounting principle) to \$418.1 million in 2013. This is primarily the result of one-time tap fee and developer contributions totaling \$9.3 million.
- During 2013, the City adopted Governmental Accounting Standards Board Statement No. 65 (GASB 65), *Items Previously Reported as Assets and Liabilities*. GASB 65 primarily establishes accounting and financial reporting standards that reclassify and recognize certain items previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources.

Adoption of GASB 65 resulted in a decrease in beginning net position as of January 1, 2012, of \$1,420,275 for Governmental Activities and \$521,520 for Business-type Activities, which

includes a decrease of \$463,374 in the Utilities Fund and a decrease of \$58,146 in the Golf Course Fund.

These changes resulted from the requirement in GASB 65 that debt issuance costs, except for any portion related to prepaid bond insurance costs, be recognized as an expense in the period incurred. Other changes resulting from the application of GASB 65 are the reclassification of property tax and assets recorded in the fund statements for which revenue is not yet available as deferred inflows of resources. Additionally, deferred charges on refunded debt are reclassified as deferred outflows of resources.

- Capital spending was funded with pay-as-you-go resources, grants awards, and debt proceeds. Capital spending for all projects included the following:

General Capital Improvement Fund	\$15,308,764
Westminster Economic Development Authority	1,161,035
Conservation Trust Fund	557,772
Community Development Block Grant Fund	460,086
Utility Fund	<u>15,038,518</u>
Total capital project spending	<u>\$32,526,175</u>

#### **Auditor's Communication to City Council and Management**

BKD's letter to Council and Management discusses items of significance to the audit, such as financial estimates, management assertions, financial statement disclosures, communications, adjustments, and when applicable, audit findings and suggestions for improvement.

Staff is pleased to inform Council that BKD noted no findings from its 2013 financial audit of the City.

#### **Final Comments**

Many thanks go to accounting manager Cherie Sanchez; accountants Vicki Adams, Karen Barlow, Karen Creager, Gary Newcomb, and Sherri Rickard; accounting specialist Leslie Krough; retirement administrator Kim McDaniel; financial analyst Rachel Price; senior financial analyst Fred Kellam, treasury manager Bob Byerhof; sales tax manager Barb Dolan; and administrative secretary Maggie Hunter for making this audit such a success. Staff would also like to thank and acknowledge BKD for their professionalism, communication and helpfulness in completing the 2013 audit.

Staff and representatives from BKD will attend the June 16, 2014 Study Session to answer City Council's questions. This review of the City's CAFR and the 2013 financial audit scope and results supports the City's strategic goal of Excellence in City Services.

Respectfully submitted,

J. Brent McFall  
City Manager

#### **Attachments**

CAFR Draft

Auditor's Letter to Council and Management (attachments to Auditor's Letter to Council and Management are on file in the City's Finance Department)

# City of Westminster

COLORADO

*Comprehensive Annual Financial Report  
for the year ended December 31, 2013*





**WESTMINSTER**  

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**COLORADO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2013

**Prepared by:**

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

**[www.cityofwestminster.us](http://www.cityofwestminster.us)**

## On the Cover:

The Jessica Ridgeway Memorial Park on Moore Street in Westminster, Colorado was built in remembrance of 10-year-old Jessica Ridgeway, who was abducted and murdered on October 5, 2012. The construction took place from May 17 through September 2013. Ribbons of purple, Jessica's favorite color, were tied to trees and structures throughout the Denver metro area as a symbol of hope for her return. Jessica frequently played with friends at the renovated park, formerly known as Chelsea Park. Dozens of volunteers, including the police officers and firefighters who searched for Jessica, spent two days constructing the playground equipment, spreading the safety surface and dedicating the park. Many of the volunteers see this park as a place where the community can heal. It was dedicated October 5, 2013 during a brief ceremony. About 800 people joined in the emotional program to honor Jessica and celebrate her life.

The park theme is centered on the whimsy and movement of ribbon with Jessica's favorite colors of purple and green, playful sculptural ribbons and knock-knock jokes provided by her classmates at nearby Witt Elementary School. To read all the jokes, one must follow a sphere-shaped labyrinth around and around as it winds down into an ever-smaller circle. The park is laced with purple slides and swings. It includes a dragon fly teeter totter for a school project she was enjoying and is speckled with butterflies, an insect she loved. The swing set is entirely purple and the structure is in the shape of two ribbons. Another piece of playground equipment similar to a zip line also features purple and green ribbons on top. The City of Westminster park designers worked closely with national playground suppliers to develop unique designs that fit with the shared vision of the family and community, and resulted in something not seen anywhere else in the country.

The Jessica Ridgeway Memorial Park project was funded primarily through community donations. Approximately \$450,000 in cash contributions towards the park were received from nearly 400 donors through a fundraising campaign run by the Westminster Legacy Foundation. Staff collaborated with business owners and volunteers for services, which allowed grant and donated funds to be used on custom park pieces rather than on installation and labor costs. The City of Westminster donated the old playground equipment to "Kids Around the World," a nonprofit organization that repurposes equipment for children in third world countries, some of whom have never seen a playground before.

Christine Ridgeway, Jessica's grandmother, said "I see people who helped create a park full of Jessica's smiles and love. Jessica's laughter will be here echoing forever." "What Jessica leaves as a legacy is much bigger than a park. She reminded us how precious life is and how fleeting it can be," said Westminster Police Chief Lee Birk. "As I look out at the Jessica Ridgeway Memorial Park, I hear the laughter of children. I see Jessica's smile," said Westminster Mayor Nancy McNally. While we all mourn Jessica's loss, and while we continue to find a way to heal, Jessica has taught us all to be strong, to realize what's important in life, to never fail to be a community, to work together, and to realize that people from all walks of life can come together and accomplish something greater than themselves. For this, we will always be indebted to Jessica and her joyful spirit that inspired us all.

# CITY OF WESTMINSTER, COLORADO

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# INTRODUCTION

INTRODUCTION



WESTMINSTER  
COLORADO

June 24, 2014

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

We are pleased to present to you the 2013 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's operations and financial position.

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

### **The Past Year**

The City of Westminster delivers exceptional value and quality of life through SPIRIT. SPIRIT – Service, Pride, Integrity, Responsibility, Innovation and Teamwork. We'd like to highlight two significant accomplishments that occurred in 2013. From a community standpoint, Justice for Jessica was obtained as her kidnapper and killer will never leave prison. On October 5<sup>th</sup>, a year to the day that Jessica Ridgeway went missing, a newly renovated park was dedicated in her memory. The park was filled with playground equipment and colors that reflected on Jessica's life. Many volunteers helped put the new park together and many others helped fund the new park and playground equipment. While Jessica can't be brought back, the community and the City did what it could to honor her memory and spirit. The front and back covers reflect the new beginnings.

From an organization perspective, the City recognizes the importance of supporting healthy habits and the impact of these habits on employees, family members, the organization and ultimately the community. The city has a long history of providing a culture that supports employee health and well-being. In January, the City implemented an on-site employee health clinic with the goal of creating an environment that assists individuals in sustaining healthy lifestyles and behaviors, thus reducing insurance costs for the employee and the City. It is operated through an outside vendor ensuring confidentiality of patient information. Savings will be experienced through direct provision of various medical services. Initial analysis and research project a profitable return on investment to the City, reducing claims and the healthcare trend factor by up to 50%. The health conscious culture of the organization is one that has benefited the employees, the City, and ultimately the taxpayers and provides an opportunity to protect and enhance a valuable component of the City's comprehensive compensation package in a fiscally responsible manner.

Among other projects, the Community Development Department took on two major initiatives. The 2004 Comprehensive Land Use Plan was updated and expanded in scope to encompass all aspects of physical planning in the city. Disciplines addressed by the plan include land use, economic development, transportation and circulation, city identity and design, parks, recreation and open space, and public utilities and services. The process began in November 2012 with a first round of focused

public outreach, followed by drafting of guiding principles, a concept plan and two additional rounds of community-wide and neighborhood-oriented public outreach. Led by the Planning Division within Community Development, the effort was a cohesive, citywide effort and included participation and input from all departments within the city. The Comprehensive Plan was adopted November 11, 2013.

Initiated in July of 2013 and adopted in November of 2013, the Downtown Westminster Framework Plan sets the stage for future planning and development on the former Westminster Mall site. Led by the Planning Division in Community Development, the process commenced with a three-day multi-department charette to develop the concept for the plan. A framework plan with streets, blocks, land use and green space was subsequently developed into a Preliminary Development Plan. Working study sessions with City Council and community-wide outreach were major components of the development and testing of the vision for the Downtown Westminster Framework Plan.

For the Parks, Recreation and Libraries Department, 2013 was a remarkable year of conducting a community wide survey and achieving a unified team strategic direction. PRL staff adopted a new mission statement in 2013. *Together we create exceptional opportunities for a vibrant community with a commitment to nature, wellness and literacy.*

The Information Technology Department is proud to report that for a record 11th time, the City of Westminster is once again one of the most digitally savvy cities in the nation, according to the 2013 Digital Cities Survey, an annual study conducted by the Center for Digital Government. Westminster ranked fourth in the population category of 75,000 to 125,000. This is the 11th year Westminster has received a top 10 ranking. Westminster was the highest ranked city in Colorado in this population category. The Center for Digital Government evaluated Westminster and other participating cities from across the nation in the areas of strategic planning, hardware and software technologies, citizen engagement, green initiatives, city services offered through web sites, use of mobile technology and policies, technology use in public safety, geographic information system capabilities, and voice and data networks. The Center for Digital Government is a national research and advisory institute on information technology policies and best practices in state and local government.

The City Attorney's Office supported the organization in many different ways. One area was collecting over \$225,000 of unpaid Sales and Use taxes. Additional service was provided in the completing of 33+ capital improvement contracts and 20+ Intergovernmental Agreements and acquiring three new open spaces.

The City Manager's Office was able to attract a major employer bringing 1,500 new, higher paying jobs to the community as well as filling a near vacant building. In addition, redevelopment is happening around the site, revitalizing an area that was once a central and vibrant part of the City.

The Finance Department also had a productive year. In January, the City refunded outstanding Certificates of Participation which resulted in \$644,000 of interest savings. In addition, pension plan documents were updated and filed with the IRS for a letter of determination. Finally a concerted effort was made to get utility customers to switch to e-billing. Each customer that switches saves the utility roughly 45 cents per month.

In the General Services Department, Building Operations and Maintenance staff led the efforts to retrofit the heating, ventilation and air conditioning system at the Heritage golf course club house. Using lifecycle cost analysis, the mechanical equipment was replaced with an energy efficient system which produces more heat and cooling using less energy.

The Fire Department integrated the Business Retention Program into the Fire Inspection Program. When the Fire personnel were doing their inspections, they also had discussions with the business owners/managers about their experience in and with the City. The Fire Department also embarked on an energy conservation program at the fire stations. The wildland fire team deployed to four major wildland fires and the northern Colorado floods. The Urban Search and Rescue team also deployed to the northern Colorado floods.

The Police Department purchased and installed a new state of the art radio system. This was a \$2.5 million project that involved a number of complex and critical pieces of technology that was accomplished in a very short time period. All Patrol Officers were also trained in Advanced Roadside Impaired Driving Enforcement to better equip themselves to detect impaired drivers under the influence of drugs and alcohol. This was especially critical due to the legalization of marijuana in Colorado.

During the flooding that hit northern Colorado, Public Works and Utilities were able to maintain compliance with Safe Drinking Water Act regulations during and after the flooding, despite poor water quality entering the treatment facilities. This was by far the “muddiest” raw water the City’s water treatment facilities have ever treated. The City experienced only 35 water main breaks for the entire year. This is the lowest number of breaks since records started being kept in 1978. This can be attributed to the City’s proactive water main replacement program.

## **Looking Forward**

The City is looking forward to new opportunities and meeting the challenges of 2014.

Due to term limits, in November, a new Mayor and three new Councillors were elected to govern the City. Since the newly elected Mayor was a mid-term Councillor, a fourth new Councillor was appointed to complete his term. The Council met in April and confirmed the vision for the City and developed their strategic plan.

With an eye toward transit oriented development, staff has been working to get the parking garage plans finalized for the South Westminster station area. The infrastructure work is also in the process of being designed and built.

The City is excited to announce that an exclusive negotiating agreement has been entered into with OliverMcMillan for the redevelopment of the former Westminster Mall site. OliverMcMillan is a national boutique real estate firm that specializes in mixed use projects. A final development agreement is anticipated by the end of the year. In the meantime, Westminster has begun the planning and design for the infrastructure related to the new development.

Some of the new City Council initiatives in the plans are an effort to increase voter participation, a diversity task force, working toward alternative energy and becoming a more solar friendly City, and looking at ease of mobility including trail connectivity, bike paths and connecting Westminster with enhanced mass transit.

The Parks, Recreation and Libraries Department is embarking on a Community Outreach campaign. The campaign will entail developing the communication, marketing, public, and corporate relations strategies to promote the Parks, Recreation and Libraries Department. It will focus on planning and implementation of marketing/branding/visibility plans and initiatives for the entire Department using electronic and printed materials, social media and communications to media outlets. They will also implement strategic community events consistent with the outreach goals and objectives of the department.

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

### **Independent Audit**

Pursuant to Section 9.10 of the City Charter, an audit of the accounts and financial statements has been completed by the City's independent Certified Public Accountants, BKD, LLP. Their 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 93% built out, with just over 7% 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 related services such as human resources, finance, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA) which is utilized in housing initiatives,
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections,
- Seven General Improvement Districts that were created for infrastructure improvements and maintenance.
  - Amherst General Improvement District
  - Sheridan Crossing General Improvement District
  - 136<sup>th</sup> Avenue General Improvement District
  - Mandalay Town Center General Improvement District
  - Parking Garage General Improvement District
  - 144<sup>th</sup> Avenue General Improvement District
  - Orchard Park Place 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.

## **Internal Controls and Limitations**

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

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

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; SAS 99, *Consideration of Fraud in a Financial Statement Audit*, 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, 2012. 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 thirty 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.

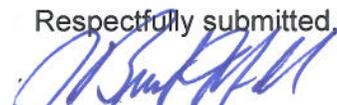
In particular, our sincere appreciation is due to Cherie Sanchez, Accounting Manager; Vicki Adams, Accountant; Karen Barlow, Accountant; Karen Creager, Accountant; Gary Newcomb, Accountant; Sherri Rickard, Accountant; Leslie Krough, Accounting Specialist; Kim McDaniel, Retirement Administrator; Rachel Price, Financial Analyst; Fred Kellam, Senior Financial Analyst; Barb Dolan,

Sales Tax Manager; Bob Byerhof, 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, BKD, LLP were very helpful. Their assistance and professional approach contributed to a thorough and smooth audit.

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

Respectfully submitted,



J. Brent McFall  
City Manager



Tammy Hitchens  
Director of Finance



# ORGANIZATIONAL CHART

## Citizens



**Herb Atchison**  
Mayor



**Faith Winter**  
Mayor Pro Tem



**Bruce Baker**  
Councillor



**Bob Briggs**  
Councillor



**Alberto Garcia**  
Councillor



**Emma Pinter**  
Councillor



**Anita Seitz**  
Councillor



**Marty McCullough**  
City Attorney



**J. Brent McFall**  
City Manager



**Steve Smithers**  
Deputy City Manager



**John Stipech**  
Presiding Judge



**Jody Andrews**  
Director of Public Works & Utilities



**Lee Birk**  
Police Chief



**John Carpenter**  
Director of Community Development



**Doug Hall**  
Fire Chief



**Tammy Hitchens**  
Director of Finance



**Debbie Mitchell**  
Director of General Services



**David Punterney**  
Director of Information Technology



**Don Tripp**  
Director of Parks, Recreation & Libraries



Government Finance Officers Association

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

Presented to

**City of Westminster  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

# FINANCIAL SECTION

FINANCIAL SECTION

## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2013, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Westminster, Colorado as of December 31, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note T, during the year ended December 31, 2013, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and other supplementary information, including the schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory and statistical sections 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 not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* in considering the City's internal control over financial reporting and compliance.

*BKD, LLP*

Denver, Colorado  
June 5, 2014

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# **Management's Discussion And Analysis**

And Analysis  
Discussion



**WESTMINSTER**  
**COLORADO**

City of Westminster, Colorado

**Management's Discussion and Analysis (Unaudited)**

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2013 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 service, pride, integrity, responsibility, innovation and teamwork 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 109,000, the City is approximately 93% built out, with just about 7% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 58 developed parks and 4 undeveloped parks, 3,002 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 56.6% of the City's governmental activities revenues. Property taxes comprise approximately 3.0% of the City's governmental activities revenues. Property tax increment contributes an additional 5.9%. 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**

The City took advantage of current financial market conditions to significantly reduce future debt service costs by partially refunding Certificates of Participation (COPS) that were issued in 2005. \$11.1 million in refunding COPs were issued in January with fixed interest rate coupons ranging from 2.0% to 4.0% for net interest cost of 2.4%. The refinancing was accomplished without extending the life of the issue. More information on this debt transactions may be found on page 66.

The City received \$1.2 million in grant reimbursements for open space acquisitions awarded by the Natural Resource Damage Fund and Adams County Open Space. Additional open space

reimbursements totaling \$0.6 million were received from Adams and Jefferson County Open Space for the Metzger Farm master plan, Jessica Ridgeway Memorial Park, and Kings Mill Park renovation.

The City received public safety grant reimbursements totaling \$0.3 million from Federal, State, County, other entities. \$0.2 million in grant reimbursements was received from the Federal government for the citywide radio replacement project.

The City received capital contributions of land and land rights totaling \$5.4 million from developers for the Orchard Parkway and Big Dry Creek Buffer projects and from the Colorado Department of Transportation for the US 36 Managed Lanes project.

The City's Utility Fund received capital contributions from developers totaling \$9.3 million in the form of contributed water and sewer lines as well as fees for tapping into the City's water utility system. This is a \$3.9 million, or 70.6% increase over 2012.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2013 by \$758.5 million (\$323.3 million in governmental activities and \$435.2 million in business-type activities). Of the governmental activities net position total, \$107.3 million, or 33.2%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$87.0 million, or 20.0%, of business-type activities net position are unrestricted.

Total net position of the City increased \$31.5 million (\$29.6 million when including a change in accounting principle), or 4.3%, compared to 2012. The net position of the City's governmental activities increased \$19.4 million (\$18.0 million when including a change in accounting principle), which represents an increase of 6.4% from 2012. The net position of the City's business-type activities increased \$12.1 million (\$11.6 million when including a change in accounting principle), or 2.9%, over 2012.

The total expenses of all the City's programs increased \$1.8 million, or 1.1%, compared to 2012. The cost of governmental activities program expenses increased \$3.6 million, or 3.0%, to \$125.4 million, while business-type activities expenses decreased \$1.8 million, or 3.7%, to \$47.2 million from 2012.

Total revenues, excluding special items and transfers, increased \$10.2 million, or 5.3%, compared to 2012. Governmental activities revenues increased \$12.3 million, or 9.2%, to \$145.6 million, while revenues of business-type activities decreased \$2.1 million, or 3.5%, to \$58.5 million compared to 2012.

As of December 31, 2013, the City's governmental funds reported a combined ending fund balance of \$125.3 million. Approximately 46.8%, or \$58.6 million, is committed, assigned or unassigned fund balance and, therefore, available for spending at the City's discretion within the purposes specified for the City's funds.

The General Fund reported a fund balance of \$30.8 million as of December 31, 2013 of which \$24.7 million was assigned or unassigned.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

### **The Statement of Net Position and the Statement of Activities**

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

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

The **Statement of Activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows.

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

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

## **FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into 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 the constraints on the use of fund balances at the end of the fiscal year. Information about limitations on financial resources is useful in evaluating the City's short-term financing requirements.

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

The City maintains 15 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are reported as major funds for the City. Financial information for the other

12 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements 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. The Utility Fund is considered a major fund of the City; the Golf Course Fund and the Westminster Housing Authority are nonmajor funds.
- **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 Volunteer Fire Pension Fund is shown as a Fiduciary Fund as a defined benefit plan. 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 58-61. 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.

Required Supplementary Information includes budgetary comparison schedules for the General Fund and Westminster Economic Development Authority, and schedules of funding progress for the City's volunteer firefighter pension plan and post-employment benefits other than pension (OPEB).

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Analysis of Net Position**

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$758.5 million at December 31, 2013. Governmental activities make up \$323.3 million (42.6%) of the net position, with business-type activities making up the remaining \$435.2 million (57.4%). Total net position increased by \$29.6 million (4.1%) in 2013. The increase is comprised of the following:

Total assets increased \$7.9 million, or 0.8%, to \$1,052.0 million. This included an increase in capital assets of \$2.2 million and an increase in current and other assets of \$5.7 million. The increase in current and other assets was primarily due to an increase of \$7.4 million of cash, cash equivalents, and investments resulting from favorable operations and a decrease of \$2.2 million in prepaid items as a result of the new reporting requirements of the Governmental Accounting Standards Board, Statement No. 65 (GASB 65), *Items previously reported as Assets and Liabilities*, which changed the timing requirements for recognition of certain debt issuance costs. More information on the City's implementation of GASB 65 can be found in the notes to the financial statements on page 66.

- \$32.0 million of depreciation was recognized while \$35.4 million of assets were added. \$12.1 million previously classified as Construction in Progress was placed in service and reclassified to depreciable asset classes.
- Total liabilities decreased \$27.4 million, or 8.7%, to \$287.8 million. This primarily related to reduction in bonds, loans, notes, and leases outstanding in the Governmental Activities of \$19.9 million, and \$4.9 million in the Business-type Activities.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012*	2013	2012*	2013	2012*
Current and other assets	\$ 174.3	\$ 172.0	\$ 98.1	\$ 94.7	\$ 272.4	\$ 266.7
Capital assets	378.9	381.5	400.7	395.9	779.6	777.4
Total assets	553.2	553.5	498.8	490.6	1,052.0	1,044.1
Deferred outflow of resources	7.9	-	-	-	7.9	-
Current and other liabilities	13.7	27.1	5.1	3.6	18.8	30.7
Long-term liabilities	210.5	221.1	58.5	63.4	269.0	284.5
Total liabilities	224.2	248.2	63.6	67.0	287.8	315.2
Deferred inflow of resources	13.6	-	-	-	13.6	-
Net Position:						
Net investment in capital assets	181.5	176.0	343.1	336.9	524.6	512.9
Restricted	34.5	33.0	5.1	5.2	39.6	38.2
Unrestricted	107.3	96.3	87.0	81.5	194.3	177.8
Total net position	\$ 323.3	\$ 305.3	\$ 435.2	\$ 423.6	\$ 758.5	\$ 728.9

\*2012 amounts have not been adjusted for the adoption of GASB 65.

By far the largest portion of the City's net position reflects its investment of \$779.6 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire 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. Net investment in capital assets was \$524.6 million as of December 31, 2013, or 69.2% of total net position.

An additional portion of the City's net position, \$39.6 million (5.0%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$194.3 million (25.6%) may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$87.0 million in unrestricted net position of the City's business-type activities may not be used to fund governmental activities.

### **Analysis of Changes in Net Position**

As can be seen from Table 2, the City's net position increased \$31.5 million during 2013. This increase is explained in the governmental and business-type activities discussion below.

#### **Governmental Activities**

Net position of governmental activities increased by \$19.4 million during 2013. This was \$8.1 million more than the increase of \$11.3 million in 2012. Governmental activities revenues increased \$12.3 million from 2012. The change can be attributed to increases in the amount of revenues from Sales Tax (\$4.0 million), Use Tax (\$2.1 million), Capital Grants and Contributions (\$5.8 million), Other (\$1.1 million), Charges for Services (\$0.6 million), Accommodations Taxes (\$0.5 million), and Business Fees and Other Taxes (\$0.3 million), offset by a decreases in Sales Tax Increment (\$0.9 million), Interest (\$0.7 million), Operating Grants and Contributions (\$0.4 million) and Rentals (\$0.1 million).

Governmental expenses increased \$3.6 million (3.0%) from 2012. Most of the change is attributable to increased expenses in General Government and Public Safety, offset by decreases in expenses in Community Development and Culture and Recreation.

An adjustment for the GASB 65 accounting change decreased net position by \$1.4 million from the ending balance previously reported for 2012, as shown at the bottom of Table 2 on the following page.

As can be seen in Table 2, Public Safety expenses accounted for 27.7% of Governmental expenses. 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 30.4% and Culture and Recreation accounted for 16.3% of total Governmental expenses.

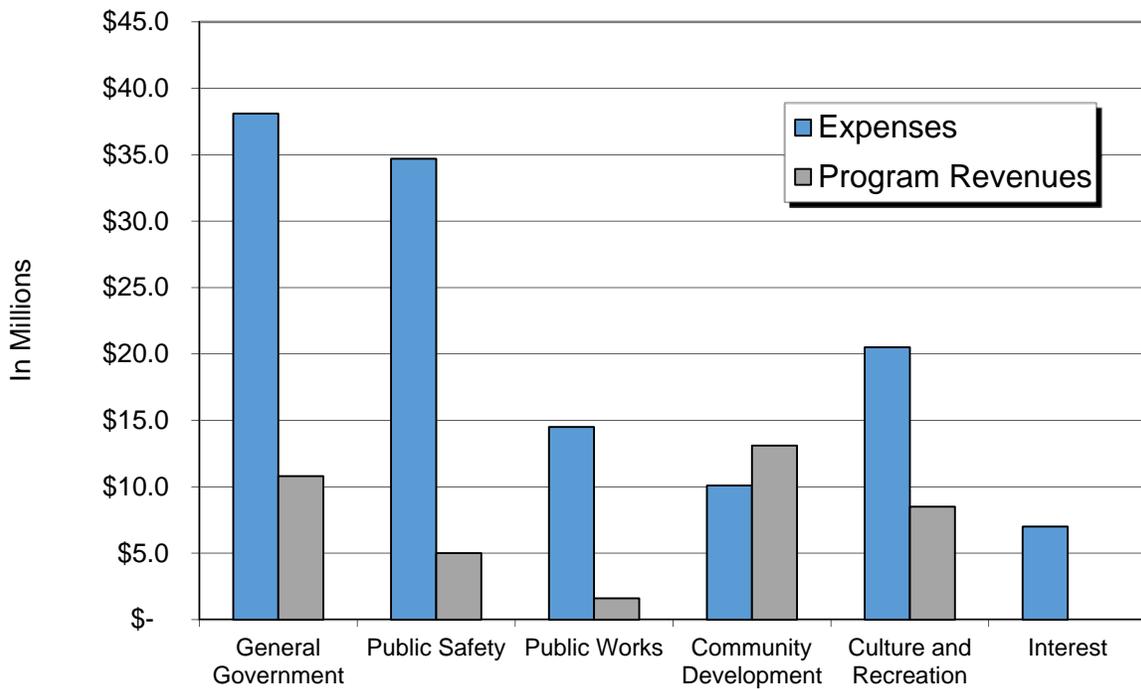
Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012*	2013	2012*	2013	2012*
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 17.7	\$ 17.1	\$ 48.2	\$ 53.1	\$ 65.9	\$ 70.2
Operating grants and contributions	6.3	6.7	-	-	6.3	6.7
Capital grants and contributions	15.1	9.3	9.3	5.5	24.4	14.8
General revenues						
Property taxes	4.3	4.3	-	-	4.3	4.3
Sales taxes	68.5	64.5	-	-	68.5	64.5
Uses taxes	14.1	12.0	-	-	14.1	12.0
Property tax increment	8.6	8.6	-	-	8.6	8.6
Sales tax increment	0.2	1.1	-	-	0.2	1.1
Business fees and other taxes	5.6	5.3	-	-	5.6	5.3
Accommodations tax	2.9	2.4	-	-	2.9	2.4
Intergovernmental	0.7	0.7	-	-	0.7	0.7
Interest	0.1	0.8	-	0.8	0.1	1.6
Rentals	0.4	0.5	-	-	0.4	0.5
Other	1.1	-	0.9	1.2	2.0	1.2
Gain on sale of assets	-	-	0.1	-	0.1	-
<b>Total revenues</b>	<b>145.6</b>	<b>133.3</b>	<b>58.5</b>	<b>60.6</b>	<b>204.1</b>	<b>193.9</b>
Program expenses						
General government	38.1	35.9	-	-	38.1	35.9
Public safety	34.7	32.7	-	-	34.7	32.7
Public works	14.5	14.5	-	-	14.5	14.5
Community development	10.1	10.3	-	-	10.1	10.3
Culture and recreation	20.5	21.4	-	-	20.5	21.4
Utility	-	-	43.3	44.9	43.3	44.9
Golf	-	-	3.8	3.4	3.8	3.4
Housing Authority	-	-	0.1	0.7	0.1	0.7
Interest and fiscal charges	7.0	6.7	-	-	7.0	6.7
Refunding fee	0.2	-	-	-	0.2	-
Unallocated depreciation	0.3	0.3	-	-	0.3	0.3
<b>Total expenses</b>	<b>125.4</b>	<b>121.8</b>	<b>47.2</b>	<b>49.0</b>	<b>172.6</b>	<b>170.8</b>
<b>Excess before transfers</b>	<b>20.2</b>	<b>11.5</b>	<b>11.3</b>	<b>11.6</b>	<b>31.5</b>	<b>23.1</b>
Special items	-	-	-	3.9	-	3.9
Transfers	(0.8)	(0.2)	0.8	0.2	-	-
<b>Change in net position</b>	<b>19.4</b>	<b>11.3</b>	<b>12.1</b>	<b>15.7</b>	<b>31.5</b>	<b>27.0</b>
<b>Net position before restatement</b>	<b>305.3</b>	<b>294.0</b>	<b>423.6</b>	<b>407.9</b>	<b>728.9</b>	<b>701.9</b>
<b>Adjustment for accounting change</b>	<b>(1.4)</b>	<b>-</b>	<b>(0.5)</b>	<b>-</b>	<b>(1.9)</b>	<b>-</b>
<b>Net position - beginning</b>	<b>303.9</b>	<b>294.0</b>	<b>423.1</b>	<b>407.9</b>	<b>727.0</b>	<b>701.9</b>
<b>Net position - ending</b>	<b>\$323.3</b>	<b>\$305.3</b>	<b>\$435.2</b>	<b>\$423.6</b>	<b>\$ 758.5</b>	<b>\$ 728.9</b>

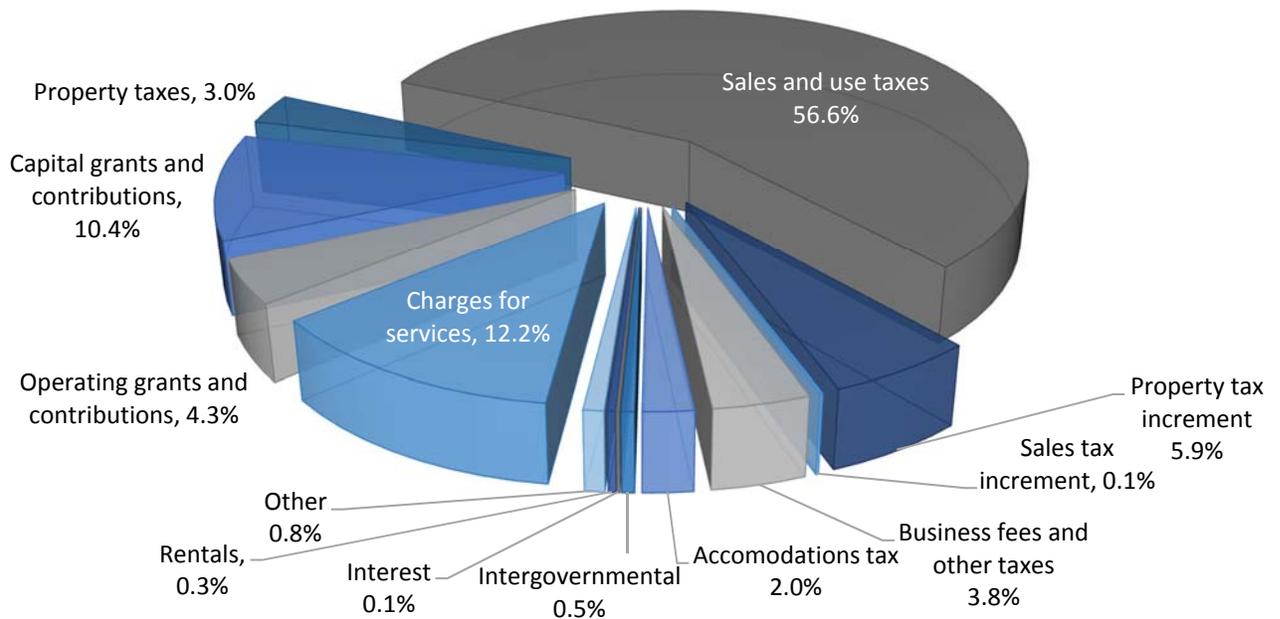
\*2012 amounts have not been adjusted for the adoption of GASB 65.

Charts 1 and 2 illustrate the City's governmental expenses and revenues by function and its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, sales and use taxes are the largest single source (56.6%), followed by charges for services (12.2%).

**Chart 1: Expenses and Program Revenues  
Governmental Activities**



**CHART 2: REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES**



## Business-type Activities

Net position in business-type activities increased \$12.1 million in 2013. This is \$3.6 million, or 22.9%, less than the increase of \$15.7 million in 2012. The 2012 \$3.9 million special item for the sale of the Westminster Commons accounts for most this difference. An adjustment for the GASB 65 accounting change decreased this change in net position \$0.5 million from the ending balance previously reported for 2012, as shown at the bottom of Table 2.

Chart 3: Expenses and Program Revenues  
Business Type Activities

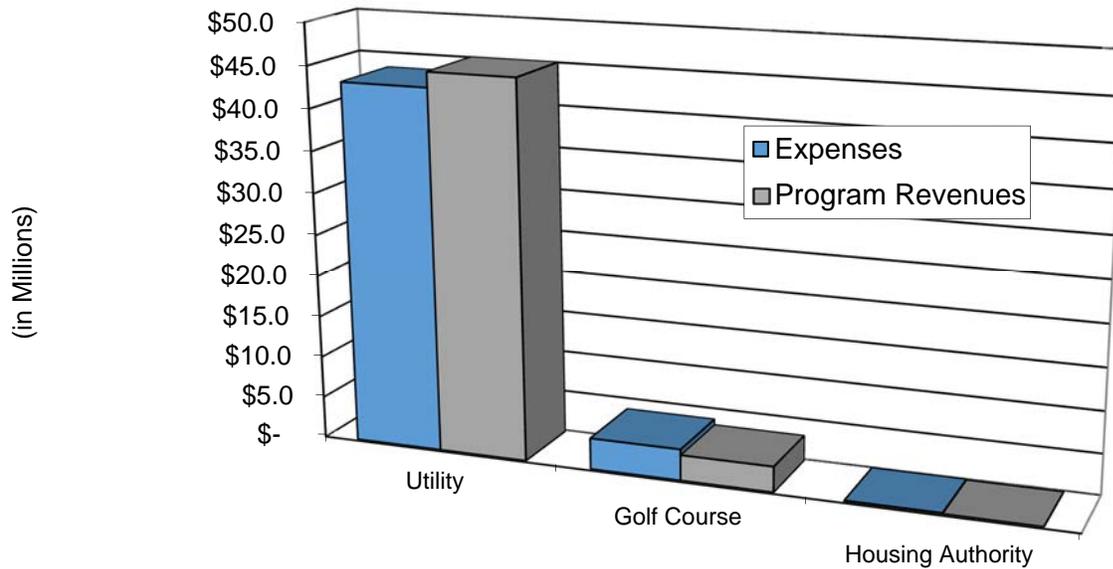
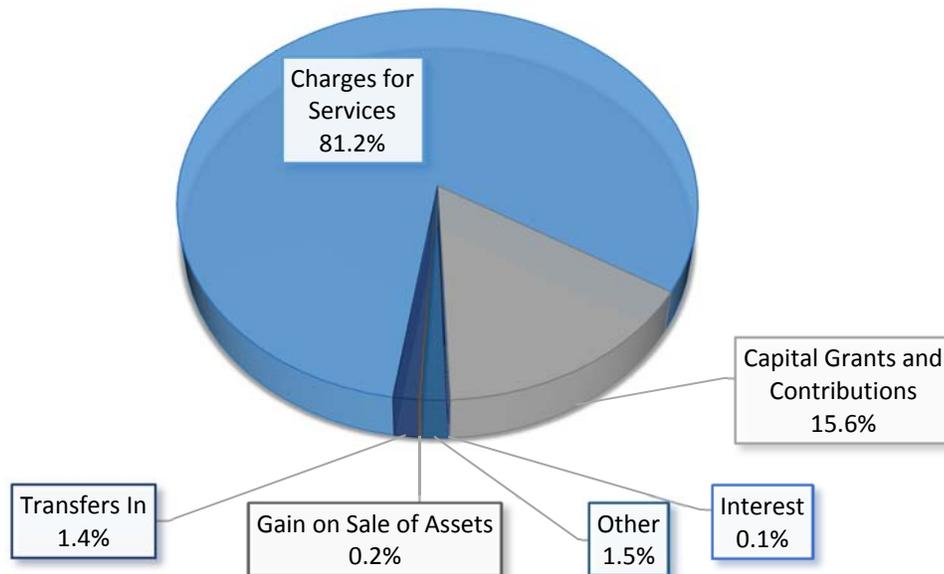


CHART 4: REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



Total business-type revenues decreased \$2.1 million, or 3.5%, compared to 2012. This decrease was due primarily to a decrease of \$4.9 million, or 9.2%, in Charges for Service and \$0.8 million, or 0.1% in interest earnings offset by an increase of \$3.8 million, or 69.1%, in Capital Grants and Contributions. The Governmental Accounting Standards Board requires recognition of unrealized changes in the fair value of investments at December 31; an unrealized loss in 2013 coupled with a reversal of the 2012 unrealized gain significantly impacted interest earnings reported for the year. The 2012 sale of the Westminster Commons resulted in a loss in tenant rent of \$0.7 million that is reflected in the decrease in Charges for Services.

Expenses of business-type activities decreased \$1.8 million, or 3.7%, compared to 2012. The decrease was due primarily to a decrease in costs associated with providing utility services and low income housing subsequent to sale of the Westminster Commons in 2012.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 91.7% of total business-type expenses. Charges for Services provides the largest share of revenues (81.2%), followed by Capital Grants and Contributions (15.6%).

### THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

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

At December 31, 2013, the City's governmental funds reported a combined ending fund balance of \$125.3 million, an increase of \$3.6 million, or 2.9%, compared to 2012. Based on the level of

constraint imposed on the use of financial resources, fund balance is reported as either nonspendable; restricted; or as committed, assigned or unassigned.

- Nonspendable fund balance related to property held for resale primarily related to property acquired the WURP area remained at \$31.3 million.
- Fund balance restricted for capital projects remained at \$13.8 million.
- Fund balance restricted for debt service decreased \$0.6 million, or 3.7%, to \$15.6 million.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$32.9 million from \$26.7, or 23.5%.
- Committed fund balance decreased for urban renewal to \$1.3 million from \$2.7 million, or 52.7%, due to project spending and payoff of a note.
- Unassigned fund balance increased \$0.9 million, or 5.3%, to \$18.3 million compared to 2012. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is not available for new spending.

The General Fund is the primary operating fund of the City. At the end of 2013, the unassigned fund balance of the General Fund was \$19.0 million, while total fund balance was \$30.8 million. Total fund balance increased in the General Fund by \$1.3 million, or 4.5%, compared to 2012. The unassigned fund balance represents 17.0% 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 \$103.3 million. \$5.6 million of carryover from 2012 was utilized in the General Fund. Actual General Fund expenditures and transfers out totaled \$111.3 million.

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

Chart 5: General Fund Budget and Actual Revenue by Source, less Transfers

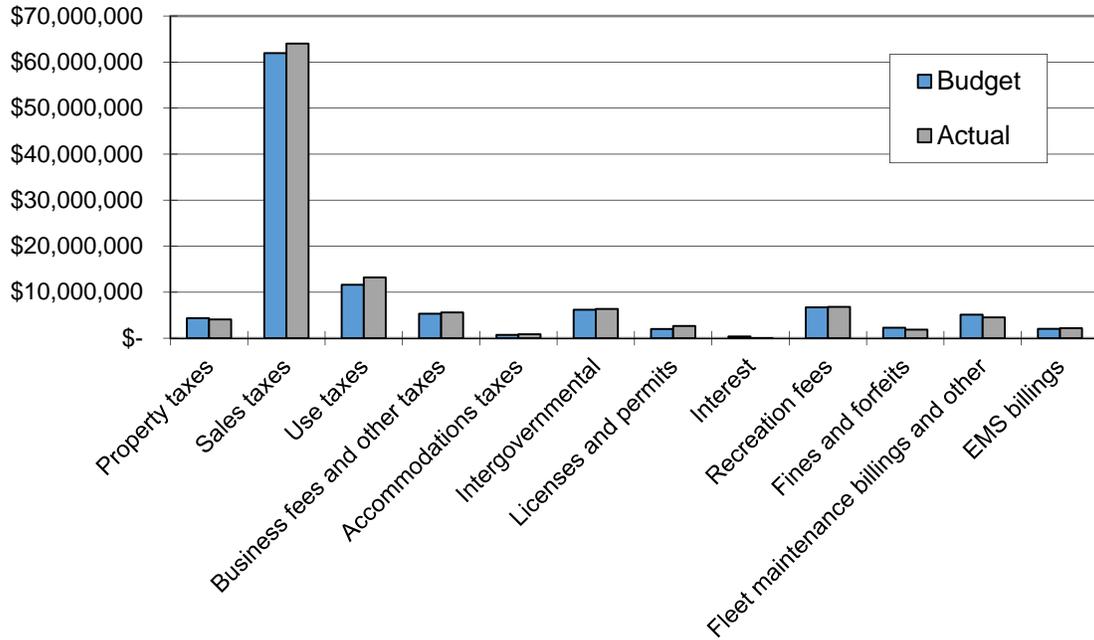
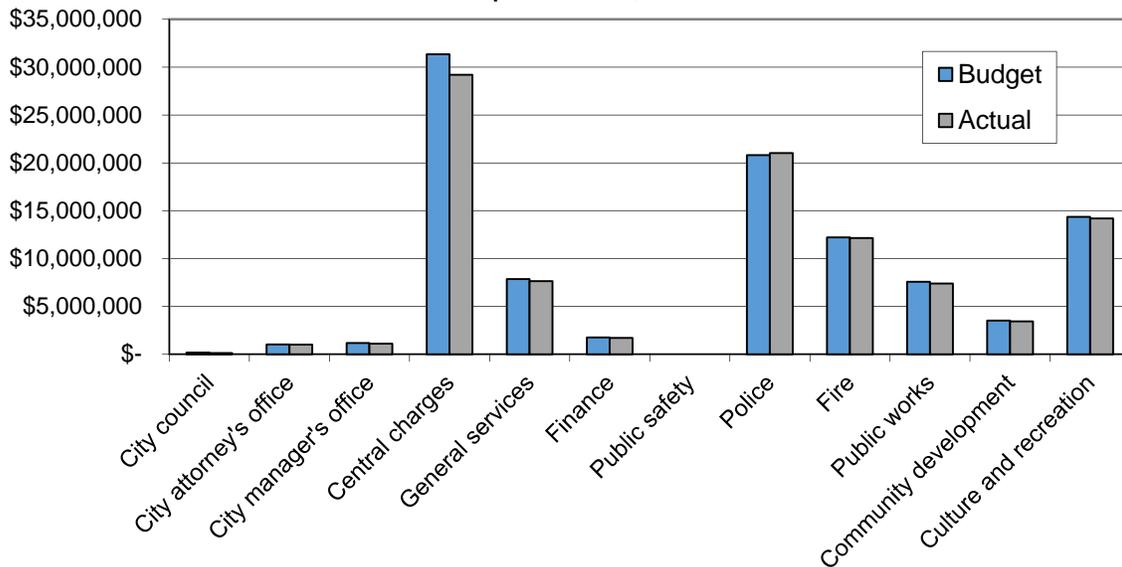


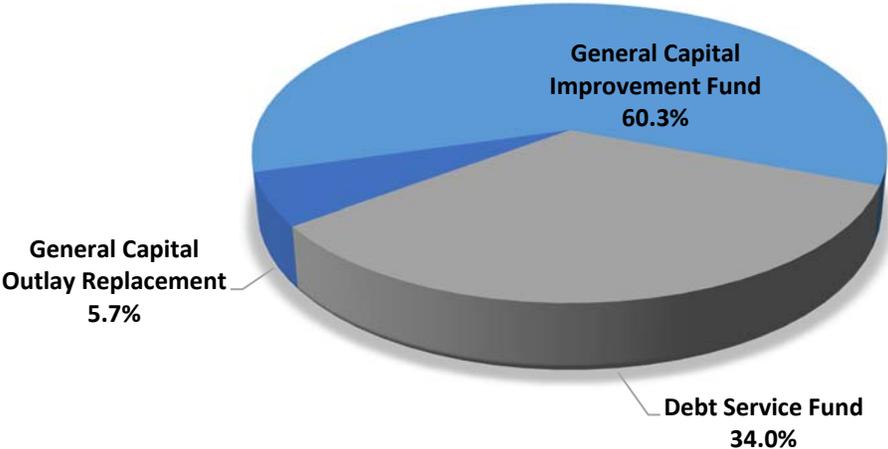
Chart 6: General Fund Budget and Actual Expenditures by Department, less Transfers



Sales and use taxes are the primary funding source for the City’s governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 7 illustrates, 60.3% of the sales and use tax was transferred to the General Capital Improvement Fund, 34.0% was transferred to the Debt Service Fund, and 5.7% was transferred to the General Capital Outlay Replacement Fund. \$61.4 million was budgeted in the General Fund for operating purposes.

Sales and use tax increased 23.7%, or \$6.1 million, compared to 2012.

**CHART 7: GENERAL FUND TRANSFERS OF SALES AND USE TAX**



The General Capital Improvement Fund is used to account for financial resources used for the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2013, the fund had a fund balance of \$35.3 million.

The General Capital Improvement Fund revenues include accommodations taxes, interest, revenues from other governments, and transfers from other funds. The fund’s revenues increased by \$1.6 million due to increases in accommodations tax of \$0.4 million, contributions of \$0.5 million and other revenue of \$0.8 million. Expenditures totaling \$15.7 million were \$6.9 million more than 2012 due to substantial capital project activity that included replacement of the citywide radio system, work on the transportation oriented development in south Westminster, and acquisition of the Heritage Golf Course back nine.

The Westminster Economic Development Authority is the City’s urban renewal authority. The fund balance decreased \$2.6 million from 2012. As of December 31, 2013, Fund Balance was \$52.9 million.

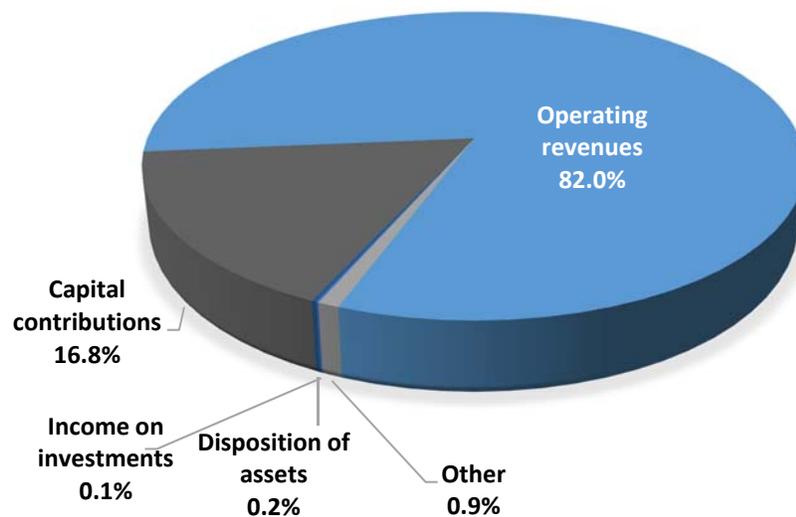
Revenue for the Westminster Economic Development Authority decreased by \$0.9 million, or 8.9%, compared to 2012. The decrease was due primarily to a decrease in sales tax increment of \$0.8 million and rentals and interest revenue of \$0.1 million. Expenditures decreased by \$2.6 million, or 15.2% compared to 2012. The decrease was due to a decrease in economic development assistance and debt service expenditures. Most significantly, other financings sources and uses decreased \$5.7 million. The decrease was due to 2012 financing activities and 2013 transfers from the General Capital Improvement Fund to assist WEDA with costs related to the Westminster Center Urban Reinvestment project.

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

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2013 with net position equal to \$418.1 million. Of that amount, \$83.8 million is unrestricted. Net position increased \$11.5 million, or 1.4%, compared to 2012 (\$11.1 million when including a change in accounting principle).

Operating revenues decreased \$4.4 million, or 8.8%, compared to 2012. Chart 8 illustrates both operating and nonoperating revenues by source. The primary reason for the decrease in operating revenues is due to decreased demand.

CHART 8: UTILITY FUND REVENUES BY SOURCE



Utility Fund operating expenses decreased \$1.6 million, or 3.8%, compared to 2012. The primary reason is due to the decreased demand mentioned above.

## 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, 2013, amounts to \$779.6 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 \$2.2 million, or 0.3%. Net capital assets of governmental activities decreased \$2.6 million, or 0.7%, and business-type activities increased \$4.8 million, or 1.2%.

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

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land and property rights	\$ 128.0	\$ 120.6	\$ 114.0	\$ 111.3	\$ 242.0	\$ 231.9
Buildings and plants	41.1	44.1	147.5	153.8	188.6	197.9
Improvements other than buildings	21.5	23.4	124.5	122.9	146.0	146.3
Parks	24.8	26.1	0.5	0.6	25.3	26.7
Ice Center	4.8	5.0	-	-	4.8	5.0
Infrastructure	144.0	150.3	-	-	144.0	150.3
Construction in progress	2.5	1.3	9.4	2.2	11.9	3.5
Machinery and equipment	12.2	10.7	4.8	5.1	17.0	15.8
<b>Totals</b>	<b>\$ 378.9</b>	<b>\$ 381.5</b>	<b>\$ 400.7</b>	<b>\$ 395.9</b>	<b>\$ 779.6</b>	<b>\$ 777.4</b>

Major capital asset activity during 2013 included the following:

#### Governmental Activities

- \$2.5 million for citywide radio system replacement program
- \$1.8 million for South Westminster transportation oriented development project
- \$2.4 million for Heritage Golf Course back nine acquisition
- \$1.0 million for Hyland Village public/private Improvement project
- \$0.9 million for the Westminster Center urban reinvestment project

#### Business-type activities

- \$3.9 million for Little Dry Creek regional detention project
- \$2.5 million for 87<sup>th</sup> Avenue and Wadsworth lift station replacement project
- \$2.5 million for South Westminster transportation oriented development sewer utilities
- \$1.5 million for Wandering View water tank repair and replacement
- \$0.9 million for the zone 4 pipeline system improvements

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

## Debt Administration

At December 31, 2013 the City's bond ratings carry investment grade ratings as follows:

<u>Bond Issue</u>	<u>Standard &amp; Poors</u>	<u>Fitch Ratings</u>	<u>Moody's</u>
Sales Tax Revenue	AA+	AA+	Not Requested
Sales Tax Revenue - POST	AA-	AA-	Not Requested
General Obligation	Not Requested	Not Requested	Not Requested
Utility Enterprise	AA	AAA	Aa2
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 \$298.2 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	
	2013	2012	2013	2012	2013	2012
Revenue Bonds (backed by specific tax and fee revenues)	\$ 45.3	\$ 50.6	\$ 31.6	\$ 33.5	\$ 76.9	\$ 84.1
Tax Increment Revenue Bonds and Loans	92.0	101.4	-	-	92.0	101.4
Notes and Loans	1.6	1.6	20.6	23.6	22.2	25.2
Leases	60.9	66.1	4.4	4.4	65.3	70.5
<b>Total</b>	<b>\$199.8</b>	<b>\$219.7</b>	<b>\$56.6</b>	<b>\$61.5</b>	<b>\$256.4</b>	<b>\$281.2</b>

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

## NEXT YEAR'S BUDGETS AND RATES

**Budgets and Plans for 2013.** In April, 2013, 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, 2013-2018.
  1. Strong, Balanced Local Economy
  2. Safe and Healthy Community
  3. Financially Sustainable City Government Providing Exceptional Services
  4. Vibrant Neighborhoods in One Livable Community
  5. Beautiful and Environmentally Sensitive City

City Council adopted the 2013-2014 budget on October 22, 2012. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separated for budgeting, legal and administrative purposes. Highlights of the 2014 budget include the following:

- The 2014 General Fund operating expenditures are budgeted at \$99.9 million (including contingencies).
- The 2014 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$64.2 million, which is a 4.6% increase over the 2013 transfer payment of \$61.4 million.
- In 2014, the Contingency account is \$1 million in the General Fund. The 2014 General Reserve Fund is projected to be \$10.2 million, the General Fund Stabilization Reserve is projected to be \$4.7 million, the Utility Capital Project Reserve Fund is projected to be \$19.3 million and the Utility Rate Stabilization Reserve is projected to be \$12.8 million.
- The total number of full-time equivalent (FTE) staffing in 2014 is 918.741 FTE, a net increase of 1.35 FTE.
- In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2014 Budget. For 2014, total general capital improvements are \$11.4 million and total utility capital improvements are \$29.3 million. 100% of the 2014 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. 92<sup>nd</sup> Ave  
Westminster, CO 80031  
303-658-2036  
[thitchen@cityofwestminster.us](mailto:thitchen@cityofwestminster.us)

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# Basic Financial Statements

Statements

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,316,963	\$ 4,009,824	\$ 8,326,787
Cash and cash equivalents with fiscal agent	176,220	-	176,220
Investments	81,860,697	76,123,010	157,983,707
Receivables:			
Taxes	21,926,362	-	21,926,362
Accounts	3,671,921	4,700,712	8,372,633
Notes and leases	4,537,740	-	4,537,740
Grants	821,889	-	821,889
Interest	222,938	215,358	438,296
Internal balances	(2,880,879)	2,880,879	-
Inventories	704,360	1,665,027	2,369,387
Property held for resale	31,257,607	-	31,257,607
Prepaid items	395,256	275,859	671,115
Restricted assets:			
Cash and cash equivalents	99,070	708,008	807,078
Cash and cash equivalents with fiscal agent	23,753,189	1,479,134	25,232,323
Investments	1,882,332	4,499,316	6,381,648
Capital assets:			
Non-depreciable assets	130,518,620	123,453,677	253,972,297
Depreciable assets, net	248,373,343	277,291,426	525,664,769
Notes receivable	-	458,006	458,006
Other assets	687,011	1,082,022	1,769,033
Investment in joint venture	902,239	-	902,239
Total assets	<u>553,226,878</u>	<u>498,842,258</u>	<u>1,052,069,136</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>7,945,372</u>	<u>41,969</u>	<u>7,987,341</u>
<b>LIABILITIES</b>			
Accounts payable and other	9,440,729	4,537,373	13,978,102
Accrued liabilities	2,331,602	464,259	2,795,861
Unearned revenue	210,387	28,963	239,350
Accrued interest	813,973	126,382	940,355
Estimated claims	939,391	-	939,391
Noncurrent liabilities:			
Due within one year	17,267,520	5,169,126	22,436,646
Due in more than one year	193,199,975	53,333,440	246,533,415
Total liabilities	<u>224,203,577</u>	<u>63,659,543</u>	<u>287,863,120</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>13,666,459</u>	<u>-</u>	<u>13,666,459</u>
<b>NET POSITION</b>			
Net investment in capital assets	181,518,179	343,060,522	524,578,701
Restricted for:			
Emergencies	4,028,065	-	4,028,065
Capital projects	10,160,493	-	10,160,493
Improvements and open space conservation	4,714,417	-	4,714,417
Debt service	15,571,005	5,207,324	20,778,329
Other purposes	34,118	-	34,118
Unrestricted	107,275,937	86,956,838	194,232,775
Total net position	<u>\$ 323,302,214</u>	<u>\$ 435,224,684</u>	<u>\$ 758,526,898</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, 2013**

Function/Program Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 38,096,012	\$ 4,883,189	\$ 5,949,577	\$ -
Public safety	34,701,963	4,204,733	273,036	528,197
Public works	14,526,130	1,630,161	-	-
Community development	10,053,995	190,322	43,560	12,862,491
Culture and recreation	20,547,209	6,765,100	-	1,742,728
Interest and fiscal charges	7,012,596	-	-	-
Refunding issuance costs	157,626	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	308,894	-	-	-
<b>Total governmental activities</b>	<b>125,404,425</b>	<b>17,673,505</b>	<b>6,266,173</b>	<b>15,133,416</b>
<b>Business-type activities:</b>				
Utility	43,302,750	45,097,929	1,695	9,313,996
Golf	3,809,085	3,090,119	-	-
Westminster Housing Authority	106,956	-	-	-
<b>Total business-type activities</b>	<b>47,218,791</b>	<b>48,188,048</b>	<b>1,695</b>	<b>9,313,996</b>
<b>Total</b>	<b>\$ 172,623,216</b>	<b>\$ 65,861,553</b>	<b>\$ 6,267,868</b>	<b>\$ 24,447,412</b>

**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  
Assessments  
Interest  
Rentals  
Other  
Gain on sale of assets

**TRANSFERS**

**Total general revenues and transfers**

**Change in net position**

**Net position - beginning, before restatement**

**Adjustment for accounting change**

**Net position - beginning as restated**

**Net position - ending**

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (27,263,246)	\$ -	\$ (27,263,246)
(29,695,997)	-	(29,695,997)
(12,895,969)	-	(12,895,969)
3,042,378	-	3,042,378
(12,039,381)	-	(12,039,381)
(7,012,596)	-	(7,012,596)
(157,626)	-	(157,626)
(308,894)	-	(308,894)
<u>(86,331,331)</u>	<u>-</u>	<u>(86,331,331)</u>
-	11,110,870	11,110,870
-	(718,966)	(718,966)
-	(106,956)	(106,956)
<u>-</u>	<u>10,284,948</u>	<u>10,284,948</u>
(86,331,331)	10,284,948	(76,046,383)
4,298,487	-	4,298,487
68,485,106	-	68,485,106
14,110,138	-	14,110,138
8,648,710	-	8,648,710
227,019	-	227,019
5,587,433	-	5,587,433
2,905,893	-	2,905,893
672,693	-	672,693
2,000	-	2,000
139,218	32,742	171,960
409,789	587	410,376
1,084,214	883,951	1,968,165
-	98,245	98,245
(774,544)	774,544	-
<u>105,796,156</u>	<u>1,790,069</u>	<u>107,586,225</u>
19,464,825	12,075,017	31,539,842
305,257,664	423,671,187	728,928,851
(1,420,275)	(521,520)	(1,941,795)
<u>303,837,389</u>	<u>423,149,667</u>	<u>726,987,056</u>
<u>\$ 323,302,214</u>	<u>\$ 435,224,684</u>	<u>\$ 758,526,898</u>

**CITY OF WESTMINSTER, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2013**

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,403,000	\$ 1,735,521	\$ 176,475	\$ 127,585	\$ 3,442,581
Cash and cash equivalents with fiscal agent	9,869	-	-	-	9,869
Investments	26,495,394	32,974,903	3,353,019	2,424,117	65,247,433
Receivables:					
Taxes	12,103,150	-	9,017,998	805,214	21,926,362
Accounts	2,628,648	1,031,790	226	11,257	3,671,921
Notes and leases	4,005,000	194,847	337,893	-	4,537,740
Grants	74,767	444,355	-	302,767	821,889
Interest	71,862	86,348	9,059	11,467	178,736
Due from other funds	6,310	-	-	-	6,310
Inventories	704,360	-	-	-	704,360
Property held for resale	31,474	366,000	30,100,523	759,610	31,257,607
Prepaid items	31,735	-	-	-	31,735
Restricted assets:					
Cash and cash equivalents	-	-	1,522	97,548	99,070
Cash and cash equivalents with fiscal agent	1,166,270	-	22,046,995	539,924	23,753,189
Investments	-	-	28,924	1,853,408	1,882,332
Loans to other funds	120,000	1,125,000	-	-	1,245,000
Total assets	<u>\$ 48,851,839</u>	<u>\$ 37,958,764</u>	<u>\$ 65,072,634</u>	<u>\$ 6,932,897</u>	<u>\$ 158,816,134</u>
<b>LIABILITIES</b>					
Accounts payable and other	\$ 6,649,366	\$ 1,984,206	\$ 143,567	\$ 48,367	\$ 8,825,506
Accrued liabilities	2,305,638	4,813	290	1,237	2,311,978
Unearned revenue	178,289	-	32,098	-	210,387
Due to other funds	-	-	-	6,310	6,310
Accrued interest	-	-	-	1,125	1,125
Loans from other funds	-	-	2,670,000	-	2,670,000
Total liabilities	<u>9,133,293</u>	<u>1,989,019</u>	<u>2,845,955</u>	<u>57,039</u>	<u>14,025,306</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>8,960,689</u>	<u>639,202</u>	<u>9,355,891</u>	<u>535,996</u>	<u>19,491,778</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Long-term receivables	120,000	-	-	-	120,000
Prepays and inventories	736,095	-	-	-	736,095
Property held for resale	31,474	366,000	30,100,523	759,610	31,257,607
Restricted for:					
Capital additions and improvements	-	2,060,960	7,570,772	3,939,753	13,571,485
Contractual obligations	107,024	-	-	18,332	125,356
Debt service	1,059,246	-	14,500,052	-	15,559,298
Emergencies - TABOR	4,011,374	-	-	16,691	4,028,065
Open space conservation and improvements	-	-	-	1,303,425	1,303,425
Public safety	-	-	-	15,786	15,786
Committed for:					
Capital additions and improvements	-	32,903,583	-	-	32,903,583
Urban renewal	-	-	1,301,134	-	1,301,134
Assigned to:					
Community development	-	-	-	126,259	126,259
Debt service	-	-	-	180,223	180,223
Emergencies	5,732,552	-	-	-	5,732,552
Unassigned	18,960,092	-	(601,693)	(20,217)	18,338,182
Total fund balances	<u>30,757,857</u>	<u>35,330,543</u>	<u>52,870,788</u>	<u>6,339,862</u>	<u>125,299,050</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 48,851,839</u>	<u>\$ 37,958,764</u>	<u>\$ 65,072,634</u>	<u>\$ 6,932,897</u>	<u>\$ 158,816,134</u>

**CITY OF WESTMINSTER, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

Fund balances - total government funds		\$ 125,299,050
<p>Amounts reported for governmental activities in the statement of net position is different because:</p>		
<p>Capital assets used in governmental activities excluding internal service fund capital assets of \$6,661,213, are not financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	685,714,492	
Less accumulated depreciation	<u>(313,483,742)</u>	372,230,750
<p>Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Bond insurance costs	326,601	
Investment in joint venture	902,239	
Volunteer Fire Pension Plan - net pension asset	<u>687,011</u>	1,915,851
<p>Deferred outflows of resources reflecting the future consumption of net position are not financial resources and therefore are not reported in the governmental funds.</p>		
Deferred loss on refunding of long-term debt		7,945,372
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Governmental long-term debt payable	(198,380,215)	
Premiums/discounts on long-term debt payable	(5,189,891)	
Compensated absences	(5,190,535)	
Comp time	(18,264)	
Postemployment benefits	(155,234)	
Accrued interest	<u>(787,136)</u>	(209,721,275)
<p>Deferred inflows of resources in governmental funds susceptible to full accrual on the entity-wide statements.</p>		
		5,825,319
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.</p>		
Internal Service Funds, net position	21,263,026	
Internal Service Funds, activity related to enterprise funds	<u>(1,455,879)</u>	19,807,147
Net position of governmental activities		<u><u>\$ 323,302,214</u></u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Improvement	Funds	Funds
<b>REVENUES</b>				
Property taxes	\$ 4,074,386	\$ -	\$ 224,101	\$ 4,298,487
Sales taxes	64,032,833	-	4,452,273	68,485,106
Use taxes	13,194,388	-	915,750	14,110,138
Property tax increment	-	-	8,648,710	8,648,710
Sales tax increment	-	-	227,019	227,019
Business fees and other taxes	5,587,433	-	-	5,587,433
Accommodations taxes	872,232	2,033,661	-	2,905,893
Intergovernmental	6,349,897	4,065,083	54,700	13,444,290
Assessments	-	39,199	-	41,199
Licenses and permits	2,653,281	-	-	2,653,281
Interest	36,558	42,655	38,193	139,740
Rentals	-	-	409,789	425,569
Contributions	-	3,389,088	-	3,389,088
Recreation fees	6,788,407	-	-	6,788,407
Fines and forfeitures	1,864,733	-	3,962	1,868,695
Fleet maintenance billings and other	4,508,886	-	-	4,508,886
EVS billings	2,173,899	-	-	2,173,899
Other	-	759,254	22,067	810,454
<b>Total revenues</b>	<u>112,136,933</u>	<u>10,328,940</u>	<u>9,400,478</u>	<u>140,506,294</u>
<b>EXPENDITURES</b>				
General government	40,840,264	391,879	522,274	42,191,325
Public safety	33,173,376	-	173	33,173,549
Public works	7,398,650	-	-	7,398,650
Community development	3,437,687	-	2,309,199	5,746,886
Culture and recreation	14,186,013	-	-	14,186,013
Capital projects	-	15,308,764	1,161,035	17,487,657
Debt service:				
Principal	-	-	9,371,000	14,651,000
Interest and fiscal charges	-	-	3,428,493	5,769,157
Refunding bond issuance costs	157,626	-	-	157,626
<b>Total expenditures</b>	<u>99,193,616</u>	<u>15,700,643</u>	<u>14,482,802</u>	<u>140,761,863</u>
<b>Excess of revenues over (under) expenditures</b>	<u>12,943,317</u>	<u>(5,371,703)</u>	<u>(5,082,324)</u>	<u>(255,569)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding debt	11,095,000	-	-	11,095,000
Premium on refunding debt	1,167,165	-	-	1,167,165
Payment to refunded bond escrow agent	(12,065,594)	-	-	(12,065,594)
Sale of capital asset	33,201	815,253	-	848,454
Transfers in	265,458	12,584,792	2,968,000	23,123,984
Transfers (out)	(12,112,741)	(3,107,000)	(500,000)	(20,342,531)
<b>Total other financing sources (uses):</b>	<u>(11,617,511)</u>	<u>10,293,045</u>	<u>2,468,000</u>	<u>3,826,478</u>
<b>Net change in fund balance</b>	1,325,806	4,921,342	(2,614,324)	3,570,909
<b>Fund balance, beginning</b>	29,432,051	30,409,201	55,485,112	121,728,141
<b>Fund balance, ending</b>	<u>\$ 30,757,857</u>	<u>\$ 35,330,543</u>	<u>\$ 52,870,788</u>	<u>\$ 125,299,050</u>

**CITY OF WESTMINSTER, COLORADO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

Net changes in fund balances - total government funds \$ 3,570,909

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

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

Expenditures for capital assets	13,149,949	
Transfers of capital assets to enterprise funds	(2,677,401)	
Current year depreciation	<u>(17,689,438)</u>	(7,216,890)

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 assets	(848,454)	
Loss on sale of capital assets	<u>(169,804)</u>	(1,018,258)

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

Issuance of refunding debt	(11,095,000)	
Premium on refunding debt	(1,167,165)	
Payment to refunded bond escrow agent	12,065,594	
Principal payments	<u>20,336,072</u>	20,139,501

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 bond insurance costs	(1,264,549)	
Accrual of interest expense	21,110	
Adjustment to long-term compensated absences liability	(183,821)	
Adjustment to postemployment benefit obligation	(136,066)	
Adjustment to Net Pension Asset	<u>687,011</u>	(876,315)

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

Capital contributions		5,391,651
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements until they become available. As a result, some revenues recognized in governmental funds may have been recognized in the statement of activities in prior years. These amounts are the difference in the treatment of revenue recognition.

Investment in Joint Venture	82,037	
Intergovernmental revenue	(322,393)	
Fines and forfeitures	(59,330)	
Recreation fees	(18,605)	
Fleet maintenance billing and other	<u>64,140</u>	(254,151)

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

Change in net position, Internal Service Funds	42,964	
Internal allocation to Business-type activities	<u>(314,586)</u>	(271,622)

Change in net position of governmental activities		<u>\$ 19,464,825</u>
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**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2013**

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Other Nonmajor Proprietary Funds	Total	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,933,772	\$ 76,052	\$ 4,009,824	\$ 874,382
Cash and cash equivalents w ith fiscal agent	-	-	-	166,351
Investments	74,741,661	1,381,349	76,123,010	16,613,264
Receivables:				
Accounts	4,700,633	79	4,700,712	-
Interest	211,638	3,720	215,358	44,202
Inventories	1,467,325	197,702	1,665,027	-
Bond costs and other prepaid items	247,438	28,421	275,859	36,920
Total current assets	<u>85,302,467</u>	<u>1,687,323</u>	<u>86,989,790</u>	<u>17,735,119</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	708,008	-	708,008	-
Cash and cash equivalents w ith fiscal agent	1,479,134	-	1,479,134	-
Investments	4,499,316	-	4,499,316	-
Loans to other funds	1,425,000	-	1,425,000	-
Capital assets:				
Non-depreciable assets	109,796,830	13,656,847	123,453,677	-
Depreciable assets, net	272,543,014	4,748,412	277,291,426	6,661,213
Notes receivable	61,129	396,877	458,006	-
Other assets	1,082,022	-	1,082,022	-
Total noncurrent assets	<u>391,594,453</u>	<u>18,802,136</u>	<u>410,396,589</u>	<u>6,661,213</u>
Total assets	<u>476,896,920</u>	<u>20,489,459</u>	<u>497,386,379</u>	<u>24,396,332</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>-</u>	<u>41,969</u>	<u>41,969</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and other	4,497,933	39,440	4,537,373	615,223
Accrued liabilities	404,737	59,522	464,259	1,360
Unearned revenue	-	28,963	28,963	-
Bonds payable, current portion	2,025,000	-	2,025,000	-
Notes payable, current portion	2,664,245	-	2,664,245	-
Lease payable, current portion	-	350,926	350,926	394,573
Other liabilities, current portion	122,467	6,488	128,955	6,034
Accrued interest	115,781	10,601	126,382	25,712
Estimated claims	-	-	-	939,391
Total current liabilities	<u>9,830,163</u>	<u>495,940</u>	<u>10,326,103</u>	<u>1,982,293</u>
Noncurrent liabilities:				
Bonds payable	29,552,255	-	29,552,255	-
Notes payable	18,413,096	-	18,413,096	-
Leases payable	-	4,166,011	4,166,011	1,129,646
Other liabilities payable	953,816	248,262	1,202,078	21,367
Total noncurrent liabilities	<u>48,919,167</u>	<u>4,414,273</u>	<u>53,333,440</u>	<u>1,151,013</u>
Total liabilities	<u>58,749,330</u>	<u>4,910,213</u>	<u>63,659,543</u>	<u>3,133,306</u>
<b>NET POSITION</b>				
Net investment in capital assets	329,172,200	13,888,322	343,060,522	4,797,487
Restricted for:				
Debt service	5,207,324	-	5,207,324	-
Unrestricted	83,768,066	1,732,893	85,500,959	16,465,539
Total net position	<u>\$ 418,147,590</u>	<u>\$ 15,621,215</u>	<u>433,768,805</u>	<u>\$ 21,263,026</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,455,879	
Net position of business-type activities			<u>\$ 435,224,684</u>	

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Other Nonmajor Proprietary Funds	Total	
<b>Operating revenues</b>				
Charges for services	\$ 45,097,929	\$ 3,090,119	\$ 48,188,048	\$ 17,132,815
Rentals	-	587	587	-
Other	403,126	4,688	407,814	18,488
<b>Total operating revenues</b>	<u>45,501,055</u>	<u>3,095,394</u>	<u>48,596,449</u>	<u>17,151,303</u>
<b>Operating expenses</b>				
Personnel services	15,021,617	1,584,980	16,606,597	254,799
Contractual services	10,621,468	728,231	11,349,699	2,046,906
Commodities	1,368,552	551,598	1,920,150	24,980
Capital expense	1,542,593	443,826	1,986,419	1,061,969
Insurance and other expenses	2,805	-	2,805	11,415,686
Depreciation expense	12,423,554	432,492	12,856,046	1,454,893
<b>Total operating expenses</b>	<u>40,980,589</u>	<u>3,741,127</u>	<u>44,721,716</u>	<u>16,259,233</u>
<b>Operating income (loss)</b>	<u>4,520,466</u>	<u>(645,733)</u>	<u>3,874,733</u>	<u>892,070</u>
<b>Nonoperating revenues (expenses)</b>				
Income on investments	34,860	(2,118)	32,742	5,512
Interest expense	(2,641,027)	(149,426)	(2,790,453)	(38,091)
Grants	1,695	-	1,695	-
Gain/(loss) on disposition of capital assets	98,245	(21,208)	77,037	62,069
Other	476,137	-	476,137	-
<b>Total nonoperating revenues (expenses)</b>	<u>(2,030,090)</u>	<u>(172,752)</u>	<u>(2,202,842)</u>	<u>29,490</u>
<b>Income (loss) before contributions and transfers</b>	<u>2,490,376</u>	<u>(818,485)</u>	<u>1,671,891</u>	<u>921,560</u>
Capital contributions	9,313,996	2,677,401	11,991,397	-
Transfers in	-	582,143	582,143	-
Transfers (out)	(285,000)	(2,200,000)	(2,485,000)	(878,596)
<b>Change in net position</b>	<u>11,519,372</u>	<u>241,059</u>	<u>11,760,431</u>	<u>42,964</u>
<b>Net position before restatement</b>	<u>407,091,592</u>	<u>15,438,302</u>		<u>21,220,062</u>
<b>Adjustment for accounting change</b>	<u>(463,374)</u>	<u>(58,146)</u>		<u>-</u>
<b>Net position - beginning</b>	<u>406,628,218</u>	<u>15,380,156</u>		<u>21,220,062</u>
<b>Net position - ending</b>	<u>\$418,147,590</u>	<u>\$ 15,621,215</u>		<u>\$ 21,263,026</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			314,586	
Change in net position of business-type activities			<u>\$ 12,075,017</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Other Nonmajor Proprietary Funds	Total	
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 45,069,548	\$ 3,106,861	\$ 48,176,409	\$ -
Receipts from interfund charges for risk management services	-	-	-	11,716,006
Receipts from interfund charges for capital outlay replacement	-	-	-	2,785,285
Cash payments to employees for services	(11,623,617)	(1,566,404)	(13,190,021)	(247,566)
Cash payments to suppliers for goods and services	(12,925,355)	(1,713,838)	(14,639,193)	(14,631,543)
Payments to other funds	(3,609,584)	-	(3,609,584)	2,698,761
Other operating revenues	403,126	-	403,126	-
Net cash provided by (used in) operating activities	<u>17,314,118</u>	<u>(173,381)</u>	<u>17,140,737</u>	<u>2,320,943</u>
<b>Cash flows from noncapital financing activities:</b>				
Interfund lending	625,000	-	625,000	-
Transfer in	-	582,143	582,143	-
Transfer out	(285,000)	(2,200,000)	(2,485,000)	(878,596)
Grant proceeds not restricted to capital purposes	1,695	-	1,695	-
Net cash provided by (used in) noncapital financing activities	<u>341,695</u>	<u>(1,617,857)</u>	<u>(1,276,162)</u>	<u>(878,596)</u>
<b>Cash flows from capital and related financing activities:</b>				
Principal paid on long-term debt	(4,938,196)	(431,539)	(5,369,735)	(376,668)
Interest paid on long-term debt	(2,696,270)	(157,809)	(2,854,079)	(31,531)
Acquisition and construction of capital assets	(13,618,825)	(47,106)	(13,665,931)	(1,011,530)
Proceeds from sale of capital assets	133,492	4,830	138,322	114,705
Contributions	8,947,544	-	8,947,544	-
Proceeds from capital lease	-	484,282	484,282	-
Interest subsidy on capital debt	476,137	-	476,137	-
Net cash (used in) capital and related financing activities	<u>(11,696,118)</u>	<u>(147,342)</u>	<u>(11,843,460)</u>	<u>(1,305,024)</u>
<b>Cash flow from investing activities:</b>				
Sale/(purchase) of investments	(8,089,890)	1,698,577	(6,391,313)	(889,980)
Interest received on investments	(530,144)	4,781	(525,363)	58,556
Net cash provided by (used in) investing activities	<u>(8,620,034)</u>	<u>1,703,358</u>	<u>(6,916,676)</u>	<u>(831,424)</u>
Net (decrease) in cash and cash equivalents	(2,660,339)	(235,222)	(2,895,561)	(694,101)
Cash and cash equivalents - beginning of year	<u>8,781,253</u>	<u>311,274</u>	<u>9,092,527</u>	<u>1,734,834</u>
Cash and cash equivalents - end of year	<u>\$ 6,120,914</u>	<u>\$ 76,052</u>	<u>\$ 6,196,966</u>	<u>\$ 1,040,733</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**  
**(Continued)**

	Business-type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Utility	Other Nonmajor Proprietary Funds	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 4,520,466	\$ (645,733)	\$ 3,874,733	\$ 892,070
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	12,423,554	432,492	12,856,046	1,454,893
(Increase) decrease in accounts receivable	(28,381)	11,818	(16,563)	48,748
(Increase) in inventories	(311,979)	6,688	(305,291)	-
(Increase) decrease in prepaid items	(1,526)	(863)	(2,389)	(34,220)
(Decrease) in unearned revenue	-	(350)	(350)	-
Increase (decrease) in accounts payable and other	665,389	22,567	687,956	(24,915)
Increase (decrease) in accrued liabilities	46,595	-	46,595	-
Increase in estimated claims	-	-	-	(15,633)
Total adjustments	12,793,652	472,352	13,266,004	1,428,873
Net cash provided by (used in) operating activities	<u>\$ 17,314,118</u>	<u>\$ (173,381)</u>	<u>\$ 17,140,737</u>	<u>\$ 2,320,943</u>

Non-cash investing, capital, and financing activities:

- \* The Utility Fund received trade in allowances of \$51,950 in excess of the net book value of the assets traded.
- \* A contribution of \$16,860 was recorded in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority.
- \* Capital contributions were received by the Utility Fund from developers totaling \$349,592.
- \* Capital contributions were received by the Golf Fund from the General Capital Improvement Fund and the Conservation Trust Fund totalling \$2,650,198.
- \* Capital contributions were received by the Westminster Housing Authority from the General Capital Improvement Fund totalling \$27,203.
- \* Accounts payable and retainage used to acquire capital assets increased by \$914,144 for the Utility Fund.
- \* The unrecognized loss recorded to value the non-cash investments of the enterprise funds to fair market value was \$633,476.
- \* Net amortization totaling (\$82,327) was recognized through the amortization of bond premiums, discounts, deferred loss on refunding, and bond insurance costs.
- \* Accrued interest decreased for enterprise funds by \$22,054.
- \* An allowance for doubtful collection was recorded for a note receivable in the amount of \$205,000 in the Westminster Housing Authority.
- \* An note receivable with a face value of \$2,250,000 was included as part of the sale of an asset in the Westminster Housing Authority. However, the unsecured loan is recorded on the financial statements at \$396,877. The note provides for annual payments from available project cash flows over a 40 year period.

CITY OF WESTMINSTER, COLORADO  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2013

	Volunteer Fire Pension
<b>ASSETS</b>	
Investments with fiscal agent	<u>\$ 2,591,192</u>
<b>NET POSITION</b>	
Held in trust for pension benefits	<u><u>\$ 2,591,192</u></u>

CITY OF WESTMINSTER, COLORADO  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Volunteer Fire Pension
<b>ADDITIONS</b>	
Net investment income	<u>\$ 373,364</u>
<b>DEDUCTIONS</b>	
Benefits	191,940
Administrative expense	22,885
Total deductions	<u>214,825</u>
<b>Change in net position</b>	158,539
<b>Net position - beginning</b>	2,432,653
<b>Net position - ending</b>	<u><u>\$ 2,591,192</u></u>

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**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

**Component Units**

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

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

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

***Westminster Economic Development Authority (WEDA)*** was established on September 14, 1987 with the primary purpose of undertaking urban renewal activities with the City. The governing body of WEDA is the same as the City's governing body. The City has access to WEDA resources, if necessary, to use for the purposes for which the revenues were intended. The City maintains all accounting records and reports WEDA as a governmental fund.

***General Improvement Districts (GID)***

- *Sheridan Crossing GID* was established on September 9, 1996 with the primary purpose of operating and maintaining storm drainage improvements and maintenance of all necessary incidental and appurtenant properties and facilities within the GID.
- *Amherst GID* was established on September 26, 1988 with the primary purpose of maintaining landscaped right-of-way, open space and drainage areas within the GID.
- *136th Avenue GID* was established on August 14, 2000 with the primary purpose of financing a new interchange at 136th Avenue and Interstate 25 benefitting the GID.
- *Orchard Park Place North GID* was established on September 14, 2009 with the primary purpose of financing the repayment of cost recoveries associated with the Orchard View Development within the GID.
- *Promenade Parking GID* was established on August 14, 2000 with the primary purpose of financing, operating and maintaining a parking garage within the GID.
- *Mandalay Town Center GID* was established on September 8, 2003 with the primary purpose of financing a portion of the costs of street improvements and other necessary and related appurtenance facilities in the GID.
- *144th Avenue GID* was established on August 30, 2004 with the primary purpose of paying debt associated with public improvements within or without the GID.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

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

**Westminster Building Authority (WBA)**

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

**B. Basic Financial Statements**

The basic financial statements include government-wide and fund financial statements. The government-wide statements focus on the City as a whole and the fund financial statements focus on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds. The government-wide 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.

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

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

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

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

**Fund Financial Statements**

The fund financial statements emphasis is on major governmental and proprietary fund categories. Nonmajor funds (by category) are summarized into a single column, unless the City believes a nonmajor

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fund (under major fund criteria) is particularly important to financial statement users, in which case it is reported as a major fund.

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

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

**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 position of internal service funds is consolidated with governmental activities when presented at the government-wide level. As appropriate, surplus or deficits are allocated back to customers in the entity-wide Statement of Activities and are therefore not eliminated in the consolidation of interfund services provided and used.

The Volunteer Firefighter Pension Fund is presented in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. 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, net position, revenues and expenditures or expenses. The various funds are reported by generic classification within the financial statements.

GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, 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 nonmajor funds are combined in a column in the fund financial statements and detailed in the combining statements section.

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

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

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

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

The City reports the following major governmental funds:

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

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

**Westminster Economic Development Authority Fund** is a special revenue fund that 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 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 nonoperating 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 nonoperating revenues and expenses.

The City reports the following major proprietary fund:

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

The City additionally reports the following Fund types:

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

**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.

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

**Deposits and Investments**

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

Investments are reported at fair value. For cash and cash equivalents, the fair value approximates the carrying value. For long-term investments, fair value is determined via dealer quotes. The City considers all investments with original maturities at three months or less to be cash equivalents.

**Receivables**

The receivables for property taxes are recognized as of the lien date. Taxes are liened on January 1, certified to the counties in December, levied on January 1 of the following year, and subsequently paid in either one installment on April 30, or two installments on February 28 and June 15. Property taxes are recognized as receivables and deferred 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.

**Property Held for Resale**

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

**Restricted Assets**

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position and Fund Statement Balance Sheets because their use is limited by applicable debt covenants. The General Fund; Westminster Economic Development Authority Special Revenue Fund; 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 Community Development Block Grant 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 is 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 over their estimated useful lives:

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Depreciable Life Schedule

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

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

Included in business-type activities is the interest incurred during the construction phase of capital assets, net of interest earned on the invested proceeds over the same period (other than for taxable debt).

**Long-Term Debt Insurance Costs**

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

**Deferred Outflows Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding debt reported in the proprietary fund statements and in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Long-Term Debt Premiums and Discounts**

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

**Other Long-Term Liabilities**

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

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

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

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**Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues primarily from property taxes, grants and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Use of Estimates**

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

**E. Net Position/Fund Balances**

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

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

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

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

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

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

*Unassigned Fund Balance* is unconstrained and comprised of residual uncategorized fund balance amounts.

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

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In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2013, the General Fund Stabilization Reserve balance was \$4,630,183. This amount is included in the unassigned fund balance on the balance sheet.

**F. Interfund Transactions**

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

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

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

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

**NOTE 2 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**Deposits**

The bank balance of the City's cash deposits at December 31, 2013 was \$6,060,776, of which \$500,000 was covered by Federal Deposit Insurance and \$5,560,776 was uninsured but collateralized in accordance with provision of the Colorado Public Deposit Protection Act (PDPA). The collateral is pooled and held in trust for all uninsured deposits as a group. An additional \$500,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The carrying amount of deposits and cash on hand at December 31, 2013 was \$6,210,816.

**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 as further defined in the Investment policy.

The City's securities at December 31, 2013, were in compliance with the City's Investment Policy. The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes. In addition, public funds are protected by the Public Depository Protection Act, which require that 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 Pool.** At December 31, 2013, the City had invested \$2,676,747 in Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle 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 Pool.

CSAFE is a 2a7-like investment pool and is not subject to interest rate risk disclosure. CSAFE operates similar to a money market fund where 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 pool is rated AAA by Standard and Poor's.

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.

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Cash, cash equivalents and investments as reported on the financial statements at December 31, 2013

Cash and cash equivalents	\$ 8,326,787
Cash and cash equivalents with fiscal agent	176,220
Investments	157,983,707
Restricted cash and cash equivalents	807,078
Restricted cash and cash equivalents with fiscal agent	25,232,323
Restricted investments	6,381,648
Total per Statement of Net Position:	<u><u>\$ 198,907,763</u></u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S &amp; P Rating</u>	<u>% of Total</u>
Local Investment - CSAFE	AAA	1.39%
Commercial Paper Barclays US Funding	A-1	2.07%
Commercial Paper ING Funding	A-1	3.32%
Commercial Paper Societe Generale NA	A-1	1.30%
Corporate General Electric	AA+	2.66%
Corporate Johnson & Johnson	AAA	1.51%
Corporate Met Life Glob	AA-	3.20%
Corporate New York Life Global Funding	AA+	1.42%
Corporate Procter & Gamble	AA-	1.33%
Corporate Toyota Motor Credit	AA-	3.16%
Corporate Walmart	AA	0.52%
Municipal Milwaukee Cnty WI GO	AA	0.75%
Municipal Westminster EDA	NR	1.41%
US Treasury Securities	N/A	17.58%
Federal Farm Credit Banks	AA+	6.65%
Federal Home Loan Bank System	AA+	10.87%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	13.16%
Fannie Mae (Federal National Mortgage Association)	AA+	14.36%
First American Money Market Fund	AAAm	13.34%

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Colorado Surplus Asset Fund (CSAFE)	\$ 2,676,747	-
Commercial Paper	12,891,708	0.40
US Treasuries	33,887,300	2.10
US Instrumentalities	86,798,808	2.63
Domestic Corporate Securities	26,572,619	1.31
Municipal	4,156,371	3.01
First American Money Market Fund	25,713,395	0.12
Total Investments controlled by City	<u><u>\$ 192,696,948</u></u>	
Portfolio weighted average maturity		1.84

(1) Weighted average maturity for CSAFE reported as zero as this is a cash equivalent from the city's perspective; funds may be redeemed on demand and without redemption penalty.

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**B. Disaggregation of Receivables**

Receivables at December 31, 2013, were as follows:

	Taxes	Accounts	Notes and Leases	Grants	Interest	Total Receivables
<b>Governmental Activities:</b>						
General	\$ 12,103,150	\$ 4,503,713	\$ 4,005,000	\$ 74,767	\$ 71,862	\$ 20,758,492
GCIF	-	1,031,790	194,847	444,355	86,348	1,757,340
WEDA	9,017,998	226	337,893	-	9,059	9,365,176
Other Governmental	805,214	11,257	-	302,767	11,467	1,130,705
Less: Allowance for Doubtful Accounts	-	(1,875,065)	-	-	-	(1,875,065)
Subtotal	21,926,362	3,671,921	4,537,740	821,889	178,736	31,136,648
Reconciliation of balances in fund financial statements to government-wide financial statements						
	-	-	-	-	44,202	44,202
Total - Governmental Activities	\$ 21,926,362	\$ 3,671,921	\$ 4,537,740	\$ 821,889	\$ 222,938	\$ 31,180,850
<b>Business-type Activities:</b>						
Utilities	\$ -	\$ 4,700,633	\$ 61,129	\$ -	\$ 211,638	\$ 4,973,400
Golf Course	-	79	-	-	2,101	2,180
Housing Authority	-	-	2,455,000	-	1,619	2,456,619
Less: Allowance for Doubtful Accounts	-	-	(2,058,123)	-	-	(2,058,123)
Total - Business-type Activities:	\$ -	\$ 4,700,712	\$ 458,006	\$ -	\$ 215,358	\$ 5,374,076

**C. Notes and Leases Receivable**

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

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

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

The note with Community Resources & Housing Development Corp. is for the construction and purchase of a 12,000 square foot building located in the South Westminster Urban Renewal Area. The note requires monthly payments of principal and interest, with a balloon payment due in January, 2017. Interest rates on the loan change annually and range from 2.5% to 3.0%.

The City considers these amounts to be fully collectable and therefore, no reserve has been established. The City will periodically reassess the collectability of the notes receivable and record a reserve if deemed necessary.

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Description of notes and leases receivable

PRIMARY GOVERNMENT	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
<b>Governmental Activities</b>					
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time pymt	*
Hyland Hills Park and Recreation District	Ice Centre	4,975,000	4,005,000	semi-annually	2022
Community Resources & Housing Development Corp	Development Corp Building Construction	355,513	337,893	monthly	2017
Total Governmental Activities		<u>\$ 5,525,360</u>	<u>\$ 4,537,740</u>		

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

The Westminster Housing Authority entered into a note with Community Builders for the construction of a 12,000 square foot building. Certain performance provisions of the note were satisfied in 2009. Therefore, the principal is forgiven at the rate of 10% per year. An allowance for doubtful accounts has been established for the remaining balance of \$205,000 at December 31, 2013.

The Westminster Housing Authority entered into a note with Westminster Commons VOA, LP as part of the sale of the Westminster Commons senior housing complex. Repayment will be made from projected cash flows generated by the project beginning in 2015 with a balloon payment of any unpaid principal and accrued interest in 2052. Interest is compounded annually at the rate of 3.6%. Due to the limited projected cash flows and unsecured subordinate note, an allowance for doubtful accounts has been established in the amount of \$1,853,123 at December 31, 2013. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

The Utility Fund entered into notes receivable with West 117th Master HOA, Village at Park Center HOA and Life Fellowship Church. These notes allow the water system user to pay for the cost of connecting to the water system over a period of time. Payment amounts are based on water usage and collected along with the monthly usage billing. Since repayment is based on water usage the notes do not have a defined term. An allowance for doubtful accounts is not established as the City can lien the associated property.

Description of notes and leases receivable

PRIMARY GOVERNMENT	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
<b>Business-type Activities</b>					
Community Builders	Development Corp Building Construction	\$ 410,000	*	*	*
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 **	396,877	annually	2052
Utility Customers	Water System Connection	97,763	61,129	monthly	***
Total Business-Type Activities		<u>\$ 2,757,763</u>	<u>\$ 458,006</u>		

\*In accordance with the agreement, this note is forgiven at a rate of 10% per year until extinguished; therefore, no outstanding amount is reflected in the statements.

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

\*\*\* The payment amount is based on water usage not a defined term.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

Notes and Leases Receivable Maturities

Year Ending	Governmental activities				Business-type activities			
	Catellus	Hyland Hills	Colorado Rural Housing	Total	Community Builders	Westminster Commons VOA, LP	Utility Customers	Total
2014	\$ 194,847	\$ 342,500	\$ 8,509	\$ 545,856	\$ -	\$ -	\$ 17,030	\$ 17,030
2015	-	352,500	8,148	360,648	-	9,720	5,752	15,472
2016	-	365,000	8,347	373,347	-	13,678	5,956	19,634
2017	-	375,000	312,889	687,889	-	14,307	6,168	20,475
2018	-	387,500	-	387,500	205,000	14,931	6,387	226,318
2019-2023	-	2,182,500	-	2,182,500	-	83,796	19,836	103,632
2024-2028	-	-	-	-	-	98,306	-	98,306
2029-2033	-	-	-	-	-	112,920	-	112,920
2034-2038	-	-	-	-	-	127,770	-	127,770
2039-2043	-	-	-	-	-	142,620	-	142,620
2044-2048	-	-	-	-	-	157,470	-	157,470
2049-2053	-	-	-	-	-	136,668	-	136,668
	194,847	4,005,000	337,893	4,537,740	205,000	912,186	61,129	1,178,315
Net present value/ principal adjustment	-	-	-	-	(205,000)	(515,309)	-	(720,309)
Total	\$ 194,847	\$ 4,005,000	\$ 337,893	\$ 4,537,740	\$ -	\$ 396,877	\$ 61,129	\$ 458,006

**D. Interfund Receivables and Payables**

The composition of interfund balances as of December 31, 2013, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<b><i>Due to/from other funds:</i></b>		
General Fund	Community Development Block Grant	<u>\$ 6,310</u>
<b><i>Loans from/to other funds:</i></b>		
General Fund	Westminster Economic Development Authority	120,000
General Capital Improvement	Westminster Economic Development Authority	1,125,000
Utility Fund	Westminster Economic Development Authority	1,425,000
	Total loans from/to other funds	<u>\$ 2,670,000</u>

At December 31, 2013, the General Fund covered the overdrawn cash balance of the Community Development Block Grant Fund in the amount of \$6,310.

The loans of \$2,670,000 to the WEDA Fund 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 near term.

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.

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**E. Capital Assets**

Capital Assets at December 31, 2013 were as follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
<b>Governmental Activities</b>					
Land & Land Rights	\$ 114,225,702	\$ 10,448,599	\$ (2,354,347)	\$ (637,880)	\$ 121,682,074
Water Rights	1,000,000	-	-	-	1,000,000
Joint Venture	5,361,000	-	-	-	5,361,000
Construction in progress	1,324,366	7,284,177	(6,132,997)	-	2,475,546
Total nondepreciable assets	<u>121,911,068</u>	<u>17,732,776</u>	<u>(8,487,344)</u>	<u>(637,880)</u>	<u>130,518,620</u>
Buildings	90,029,220	-	94,543	-	90,123,763
Improvements other than buildings	43,432,122	9,562	109,931	-	43,551,615
Parks	57,226,229	-	1,059,280	-	58,285,509
Ice Center	6,972,384	-	-	-	6,972,384
Infrastructure	327,104,582	-	2,584,429	(420,000)	329,269,011
Machinery and equipment	41,695,012	2,509,797	1,961,760	(2,861,330)	43,305,239
Total depreciable assets	<u>566,459,549</u>	<u>2,519,359</u>	<u>5,809,943</u>	<u>(3,281,330)</u>	<u>571,507,521</u>
Less accumulated depreciation for:					
Buildings	(45,886,028)	(3,151,021)	-	-	(49,037,049)
Improvements other than buildings	(20,024,309)	(2,072,107)	-	-	(22,096,416)
Parks	(31,080,115)	(2,421,461)	-	-	(33,501,576)
Ice Center	(2,033,612)	(145,258)	-	-	(2,178,870)
Infrastructure	(176,817,633)	(8,490,884)	-	54,634	(185,253,883)
Machinery and equipment	(30,996,467)	(2,863,599)	-	2,793,682	(31,066,384)
Total accumulated depreciation	<u>(306,838,164)</u>	<u>(19,144,330)</u>	<u>-</u>	<u>2,848,316</u>	<u>(323,134,178)</u>
Net total depreciable assets	<u>259,621,385</u>	<u>(16,624,971)</u>	<u>5,809,943</u>	<u>(433,014)</u>	<u>248,373,343</u>
Governmental activities capital assets, net	<u>\$ 381,532,453</u>	<u>\$ 1,107,805</u>	<u>\$ (2,677,401)</u>	<u>\$ (1,070,894)</u>	<u>\$ 378,891,963</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,278,539
Public safety	2,002,039
Public works	6,607,319
Community development	2,742,553
Culture and Recreation	6,204,986
Unallocated depreciation-Internal Service Funds	308,894
Total depreciation expense	<u>\$ 19,144,330</u>

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
<b>Business-type activities:</b>					
Land & Land Rights	\$ 20,379,993	\$ 345,233	\$ 2,354,347	\$ -	\$ 23,079,573
Water rights	90,951,295	-	-	-	90,951,295
Construction in progress	2,225,348	13,207,532	(6,010,071)	-	9,422,809
Total nondepreciable assets	<u>113,556,636</u>	<u>13,552,765</u>	<u>(3,655,724)</u>	<u>-</u>	<u>123,453,677</u>
Buildings and plants	238,923,550	-	-	-	238,923,550
Improvements other than buildings	194,242,426	349,592	5,652,649	-	200,244,667
Parks	1,563,487	-	27,202	-	1,590,689
Machinery and equipment	20,112,707	1,202,160	653,274	(1,267,403)	20,700,738
Total depreciable assets	<u>454,842,170</u>	<u>1,551,752</u>	<u>6,333,125</u>	<u>(1,267,403)</u>	<u>461,459,644</u>
Less accumulated depreciation for:					
Buildings and plants	(85,098,861)	(6,362,473)	-	-	(91,461,334)
Improvements other than buildings	(71,338,073)	(4,443,599)	-	-	(75,781,672)
Parks	(983,952)	(78,222)	-	-	(1,062,174)
Machinery and equipment	(15,045,454)	(1,971,752)	-	1,154,168	(15,863,038)
Total accumulated depreciation	<u>(172,466,340)</u>	<u>(12,856,046)</u>	<u>-</u>	<u>1,154,168</u>	<u>(184,168,218)</u>
Net total depreciable assets	<u>282,375,830</u>	<u>(11,304,294)</u>	<u>6,333,125</u>	<u>(113,235)</u>	<u>277,291,426</u>
Business-type activities capital assets, net	<u>\$ 395,932,466</u>	<u>\$ 2,248,471</u>	<u>\$ 2,677,401</u>	<u>\$ (113,235)</u>	<u>\$ 400,745,103</u>

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

Utility	\$ 12,423,554
Golf	382,684
Westminster Housing Authority	49,808
Total depreciation expense	<u>\$ 12,856,046</u>

During the year ended December 31, 2013, the City recorded \$122,900 of capitalized Interest.

**CITY OF WESTMINSTER, COLORADO**  
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The following is a summary of machinery and equipment purchased by capital lease with a liability outstanding as of December 31, 2013.

2013 Leased Assets

	<b>Historical Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
Governmental Activities	\$ 2,949,035	\$ (1,317,521)	\$ 1,631,514
General Capital Outlay Replacement Fund	4,116,994	(1,053,775)	3,063,219
Golf Course Fund	604,389	(560,659)	43,730
<b>Total</b>	<b>\$ 7,670,418</b>	<b>\$ (2,931,955)</b>	<b>\$ 4,738,463</b>

**F. Disaggregation of Payables**

Payables at December 31, 2013, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
<b>Governmental Funds:</b>					
General	\$ 1,887,732	\$ 4,761,634	\$ 2,305,638	\$ -	\$ 8,955,004
GCIF	1,875,486	108,720	4,813	-	1,989,019
WEDA	114,231	29,336	290	-	143,857
Other Governmental	36,480	11,887	1,237	1,125	50,729
Subtotal - Governmental Funds	3,913,929	4,911,577	2,311,978	1,125	11,138,609
Reconciliation of balances in fund financial statements to government wide financial statements					
Internal service funds	-	-	18,264	787,136	805,400
	-	615,223	1,360	25,712	642,295
Total - Governmental Activities	\$ 3,913,929	\$ 5,526,800	\$ 2,331,602	\$ 813,973	\$ 12,586,304
<b>Business-type Activities:</b>					
Utilities	\$ 4,026,731	\$ 471,202	\$ 404,737	\$ 115,781	\$ 5,018,451
Golf Course	26,669	2,414	59,522	10,601	99,206
Housing Authority	10,357	-	-	-	10,357
Total - Business-type Activities	\$ 4,063,757	\$ 473,616	\$ 464,259	\$ 126,382	\$ 5,128,014

**CITY OF WESTMINSTER, COLORADO  
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**G. Interfund Transfers**

Transfer activity for the year ended December 31, 2013 was as follows:

TRANSFERS OUT	TRANSFERS IN					Grand Total
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Golf Course Fund	
General Fund	\$ -	\$ 8,162,741	\$ 200,000	\$ 3,750,000	\$ -	\$ 12,112,741
General Capital Improvement Fund	-	-	2,768,000	-	339,000	3,107,000
Westminster Economic Development Authority	-	500,000	-	-	-	500,000
Nonmajor Governmental Funds	-	843,455	-	3,536,192	243,143	4,622,790
Internal Service Fund	-	878,596	-	-	-	878,596
Housing Authority	-	2,200,000	-	-	-	2,200,000
Utility Fund	265,458	-	-	19,542	-	285,000
<b>Grand Totals</b>	<b>\$ 265,458</b>	<b>\$ 12,584,792</b>	<b>\$ 2,968,000</b>	<b>\$ 7,305,734</b>	<b>\$ 582,143</b>	<b>\$ 23,706,127</b>

The matrix summarizes the City's interfund transfer activity. Most transfers between the General, General Capital Improvement, and Nonmajor Governmental Funds are routinely used to reallocate resources to fund City operations, capital construction, land purchases, debt service and governmental subsidies. In 2013, onetime transfers totaling \$2,968,000 from the General Capital Improvement Fund and General Fund to the Westminster Economic Development Authority (WEDA) transpired to provide funding for redevelopment efforts within the City's various urban renewal areas. Transfer activity between governmental and business-type funds is detailed below:

**Reconciliation of Transfers between Governmental and Proprietary Funds:**

From the Utility Fund to the General Fund in lieu of taxes	\$ 265,458
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	19,542
From the General Capital Improvement Fund to the Golf Course Fund for operating subsidies	(339,000)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(243,143)
From the Housing Authority to the General Capital Improvement Fund to supplement other fund sources	2,200,000
Total transfers between Governmental and Business Type Activities Funds	<u>\$ 1,902,857</u>

**Reconciliation of Transfers between Governmental and Business-type Activities**

Transfers between Governmental and Proprietary Funds	\$ 1,902,857
Reassignment of capital asset contributions between governmental and business-type activities	(2,677,401)
	<u>\$ (774,544)</u>

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**H. Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds, loans, leases and other payable:					
Revenue bonds	\$ 50,485,000	\$ -	\$ (5,155,000)	\$ 45,330,000	\$ 5,480,000
Registered interest coupons	125,000	-	(125,000)	-	-
Tax increment bonds and loans	101,420,000	-	(9,371,000)	92,049,000	5,310,000
Notes & Loans	1,612,724	-	-	1,612,724	-
Capital leases	66,119,057	11,530,393	(16,736,740)	60,912,710	6,187,045
	<u>219,761,781</u>	<u>11,530,393</u>	<u>(31,387,740)</u>	<u>199,904,434</u>	<u>16,977,045</u>
Add:					
Bond premium	5,123,341	1,167,165	(936,409)	5,354,097	-
Bond discount	(202,920)	-	38,714	(164,206)	-
	<u>224,682,202</u>	<u>12,697,558</u>	<u>(32,285,435)</u>	<u>205,094,325</u>	<u>16,977,045</u>
Other liabilities:					
Compensated absences	5,016,089	7,171,450	(6,969,603)	5,217,936	290,475
OPEB	19,168	149,264	(13,198)	155,234	-
Total other liabilities	<u>5,035,257</u>	<u>7,320,714</u>	<u>(6,982,801)</u>	<u>5,373,170</u>	<u>290,475</u>
Governmental activities long-term liabilities	<u>\$ 229,717,459</u>	<u>\$ 20,018,272</u>	<u>\$ (39,268,236)</u>	<u>\$ 210,467,495</u>	<u>\$ 17,267,520</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Business-Type Activities:</b>					
Bonds, notes and leases payable:					
Revenue bonds	\$ 33,460,000	\$ -	\$ (1,930,000)	\$ 31,530,000	\$ 2,025,000
Notes	23,629,405	-	(3,007,391)	20,622,014	2,664,245
Capital leases	4,377,174	484,283	(432,343)	4,429,114	350,926
	<u>61,466,579</u>	<u>484,283</u>	<u>(5,369,734)</u>	<u>56,581,128</u>	<u>5,040,171</u>
Add:					
Bond/Notes premium	737,891	-	(104,810)	633,081	-
Bond discount	(48,026)	-	5,350	(42,676)	-
	<u>62,156,444</u>	<u>484,283</u>	<u>(5,469,194)</u>	<u>57,171,533</u>	<u>5,040,171</u>
Other liabilities:					
Compensated absences	983,277	1,415,675	(1,380,502)	1,018,450	50,527
OPEB	207,777	28,937	(2,559)	234,155	-
Pollution Remediation	128,835	-	(50,407)	78,428	78,428
Total other liabilities	<u>1,319,889</u>	<u>1,444,612</u>	<u>(1,433,468)</u>	<u>1,331,033</u>	<u>128,955</u>
Business-type activities long-term liabilities	<u>\$ 63,476,333</u>	<u>\$ 1,928,895</u>	<u>\$ (6,902,662)</u>	<u>\$ 58,502,566</u>	<u>\$ 5,169,126</u>

**CITY OF WESTMINSTER, COLORADO  
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Long-term liability outstanding at December 31, 2013 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 1,470,000	4.5-5.0%	12/01/21
Sales and Use Tax Revenue Series 2007A	Refunding/Street Improvements	10,715,000	4,325,000	4.25% - 5.5%	12/01/16
Sales and Use Tax POST Series 2007B	Refunding/Open Space Purchases	13,680,000	5,280,000	5.0% - 5.5%	12/01/16
Sales and Use Tax Refunding Series 2007C	Refunding/Street Improvements	10,910,000	4,445,000	4.125% - 5.25%	12/01/16
Sales and Use Tax POST Series 2007D	Open Space Purchases/Facility Improvements	20,000,000	20,000,000	4.0% - 5.0%	12/01/31
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	10,545,000	9,810,000	2.125% - 5.0%	12/01/22
Total Governmental Activities			<u>45,330,000</u>		
Water/Wastewater Revenue Series 2001	Refunding	20,990,000	2,025,000	5.50%	12/01/14
Water/Wastewater Revenue Series 2010	Build America Bonds	29,505,000	29,505,000	3.232% - 5.818%	12/01/30
Total Business-type Activities			<u>31,530,000</u>		
Total Revenue bonds			<u>\$ 76,860,000</u>		

Annual debt service requirements to maturity for revenue bonds and registered interest coupons are as follows:

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2014	\$ 5,480,000	\$ 2,107,664	\$ 7,587,664	2014	\$ 2,025,000	\$ 1,589,259	\$ 3,614,259
2015	5,835,000	1,864,233	7,699,233	2015	1,475,000	1,477,884	2,952,884
2016	6,105,000	1,582,208	7,687,208	2016	1,505,000	1,430,212	2,935,212
2017	2,185,000	1,305,463	3,490,463	2017	1,540,000	1,374,602	2,914,602
2018	2,275,000	1,226,713	3,501,713	2018	1,580,000	1,313,079	2,893,079
2019-2023	11,095,000	4,450,163	15,545,163	2019-2023	8,640,000	5,440,902	14,080,902
2024-2028	7,180,000	2,286,575	9,466,575	2024-2028	10,160,000	3,114,304	13,274,304
2029-2033	5,175,000	499,225	5,674,225	2029-2033	4,605,000	404,351	5,009,351
Total	<u>\$ 45,330,000</u>	<u>\$ 15,322,244</u>	<u>\$ 60,652,244</u>	Total	<u>\$ 31,530,000</u>	<u>\$ 16,144,593</u>	<u>\$ 47,674,593</u>

**Tax Increment Bonds and Loans**

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
WEDA Revenue Refunding Bonds Series 2009	Westminster Plaza Redevelopment	\$ 5,330,000	\$ 2,720,000	3.800%	12/01/17
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	28,900,000	26,360,000	2.0%-5.0%	12/01/28
Total Tax Increment Bonds			<u>29,080,000</u>		
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	56,189,000	3.510%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	6,780,000	(1)	12/01/28
Total Tax Increment Loans			<u>62,969,000</u>		
Total Governmental Activities			<u>\$ 92,049,000</u>		

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

Year	Governmental Activities		
	Principal	Interest	Total
2014	\$ 5,310,000	\$ 3,196,646	\$ 8,506,646
2015	5,487,000	3,017,916	8,504,916
2016	5,683,000	2,833,685	8,516,685
2017	5,857,000	2,694,340	8,551,340
2018	5,285,000	2,486,862	7,771,862
2019-2023	29,256,000	9,623,095	38,879,095
2024-2028	35,171,000	4,014,504	39,185,504
Total	<u>\$ 92,049,000</u>	<u>\$ 27,867,048</u>	<u>\$ 119,916,048</u>

(1) The 2012 WEDA South Sheridan Loan has a fixed interest rate for the first 5 years of the loan at 2.8%. Subsequent years' interest is variable based on 70% of applicable LIBOR rate based on period selected plus 2.25%.

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Capital Leases	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Capital lease	12 Energy Saving Equipment (05 refinance)	\$ 2,262,993	\$ 649,305	1.39%	10/15/16
Capital lease	12 Fire truck (07 refinance)	396,932	14,971	1.39%	01/15/14
Capital lease	12 Fire truck (08 refinance)	603,450	111,399	1.39%	01/15/15
Capital lease	12 Pumper Truck (08 refinance)	216,475	62,898	1.39%	10/15/15
Capital lease	12 Parks Equipment (09 refinance)	527,540	88,613	1.39%	10/15/14
Capital lease	12 Heavy Rescue Truck (10 refinance)	274,999	145,771	1.39%	01/31/17
Capital lease	12 Pumper Truck (10 refinance)	451,416	255,308	1.39%	10/15/17
Capital lease	10 Energy Saving Equipment	2,517,094	1,980,572	4.100%	04/01/21
Capital lease	11 Fire Ladder	683,383	498,480	2.18%	10/15/17
Capital lease	13 Fire Pumper	435,393	435,393	1.95%	01/15/20
Capital lease - Certificates of Participation 05	144th & I-25 Interchange	17,130,000	1,635,000	3.75% - 4.5%	12/01/15
Capital lease - Broomfield/Westminster Foundation	Metzger Farm Open Space	4,920,000	1,555,000	4.25% - 4.3%	12/01/16
Capital lease - Certificates of Participation 07	Refunding/Capital Facilities & Streets	32,210,000	23,470,000	4.0% - 5.0%	12/01/25
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	12,825,000	11,035,000	3.0% - 4.25%	12/01/22
Capital lease - Certificates of Participation 10	Ice Centre Refunding	9,950,000	8,010,000	3.0% - 4.5%	12/01/22
Capital lease - Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	10,965,000	2.0% - 4.0%	12/01/25
Total Governmental Activities			<u>60,912,710</u>		
Golf Course capital lease	12 Maintenance Equipment (07 refinance)	547,000	42,721	1.39%	04/15/14
Golf Course capital lease	13 Golf Cart Joint Lease	484,283	426,393	2.40%	04/15/14
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	3,960,000	3.0% - 4.25%	12/01/22
Total Business-type Activities			<u>4,429,114</u>		
Total Capital Leases			<u>\$ 65,341,824</u>		

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

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2014	\$ 6,187,045	\$ 2,367,774	\$ 8,554,819	2014	\$ 350,926	\$ 150,949	\$ 501,875
2015	6,384,348	2,138,865	8,523,213	2015	486,068	138,062	624,130
2016	6,557,308	1,908,516	8,465,824	2016	498,999	124,180	623,179
2017	5,999,219	1,654,589	7,653,808	2017	453,121	106,369	559,490
2018	6,117,731	1,412,354	7,530,085	2018	405,000	90,200	495,200
2019-2023	24,192,059	3,766,496	27,958,555	2019-2023	2,235,000	251,063	2,486,063
2024-2028	5,475,000	341,775	5,816,775	2024-2028	-	-	-
Total	<u>\$ 60,912,710</u>	<u>\$ 13,590,369</u>	<u>\$ 74,503,079</u>	Total	<u>\$ 4,429,114</u>	<u>\$ 860,823</u>	<u>\$ 5,289,937</u>

Notes & Loans	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	12 CHF Shoenberg Farm Note	\$ 112,724	\$ 112,724	3.00%	01/01/17
Loan	12 Section 108 HUD Loan	1,500,000	1,500,000	(2)	08/01/32
Total Governmental Activities			<u>1,612,724</u>		
Colorado Water Power Authority Note 97	Reclamation Facility	13,246,525	3,652,030	4.54%	06/01/17
Colorado Water Power Authority Note 98	Reclamation Facility	4,085,697	936,642	3.96%	06/01/17
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	5,952,031	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	9,950,000	3.32%	06/01/25
Rehfeld Note	Purchase of water shares	180,000	131,311	4.00%	03/31/23
Total Business-type Activities			<u>20,622,014</u>		
Total Notes and Loans			<u>\$ 22,234,738</u>		

Annual debt service requirements to maturity for notes are as follow s:

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2014	\$ -	\$ 13,081	\$ 13,081	2014	\$ 2,664,245	\$ 924,330	\$ 3,588,575
2015	-	13,081	13,081	2015	2,754,305	832,090	3,586,395
2016	-	13,081	13,081	2016	2,886,621	704,612	3,591,233
2017	112,724	11,390	124,114	2017	2,881,314	577,920	3,459,234
2018	-	9,699	9,699	2018	1,789,029	462,290	2,251,319
2019-2023	-	48,495	48,495	2019-2023	6,099,001	1,253,452	7,352,453
2024-2028	300,000	46,554	346,554	2024-2028	1,547,499	136,151	1,683,650
2029-2033	1,200,000	11,639	1,211,639	Total	<u>\$ 20,622,014</u>	<u>\$ 4,890,845</u>	<u>\$ 25,512,859</u>
Total	<u>\$ 1,612,724</u>	<u>\$ 167,020</u>	<u>\$ 1,779,744</u>				

(2) The 2012 Section 108 Housing and Urban Development Loan has variable interest based on 3 month LIBOR plus 0.20% as of the reset date. As of 12/31/2013 the total Development Block Grant allocation is pledged as security for repayment of this note in the event of a default on the note.

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**I. Net Position**

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

Net Investment in Capital Assets at December 31, 2013 was as follows:

**Governmental activities:**

Capital Assets: \$ 378,891,963

Related Debt:

Issue	Amount Outstanding	Premiums/ (Discounts)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2001	\$ 1,470,000	\$ (3,017)	\$ 1,466,983	\$ -	\$ 1,466,983
Sales and Use Tax Revenue Series 2007A	4,325,000	197,287	4,522,287	-	4,522,287
Sales and Use Tax POST Series 2007B	5,280,000	196,829	5,476,829	-	5,476,829
Sales and Use Tax Refunding Series 2007C	4,445,000	181,830	4,626,830	-	4,626,830
Sales and Use Tax POST Series 2007D	20,000,000	309,351	20,309,351	-	20,309,351
Sales and Use Tax Refunding Series 2010	9,810,000	794,021	10,604,021	-	10,604,021
Sales and Use Tax Refunding Series 2010 "B interest coupons"	-	(4,822)	(4,822)	-	(4,822)
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	26,360,000	1,550,570	27,910,570	-	27,910,570
WEDA Revenue Loan Series 2012 (North Huron)	56,189,000	-	56,189,000	6,380,125	49,808,875
WEDA Revenue Loan Series 2012 (South Sheridan)	6,780,000	-	6,780,000	-	6,780,000
Notes, Loans & Capital Lease	62,525,434	1,967,847	64,493,281	528,761	63,964,520
Accounts payable incurred for capital asset purchases	1,908,340	-	1,908,340	-	1,908,340
Total Governmental Activities *	<u>\$ 199,092,774</u>	<u>\$ 5,189,896</u>	<u>\$ 204,282,670</u>	<u>\$ 6,908,886</u>	<u>197,373,784</u>

**Net investment in capital assets, governmental activities**

181,518,179

**Business-type activities:**

Capital Assets: 400,745,103

Related Debt:

Issue	Amount Outstanding	Premiums/ (Discounts)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2001	\$ 2,025,000	\$ 47,255	\$ 2,072,255	\$ -	\$ 2,072,255
Water/Wastewater Revenue Series 2010	29,505,000	-	29,505,000	1,476,442	28,028,558
Certificates of Participation 10 (Golf Course Portion)	3,960,000	87,823	4,047,823	-	4,047,823
Water Notes	20,622,014	455,327	21,077,341	-	21,077,341
Capital Leases	469,114	-	469,114	-	469,114
Accounts payable incurred for capital asset purchases	1,989,490	-	1,989,490	-	1,989,490
Total Business Type Activities	<u>\$ 58,570,618</u>	<u>\$ 590,405</u>	<u>\$ 59,161,023</u>	<u>\$ 1,476,442</u>	<u>57,684,581</u>

**Net investment in capital assets, business-type activities**

343,060,522

**Total net investment in capital assets**

\$ 524,578,701

\* The 2009 WEDA debt was not used for capital purposes and therefore is not included in the calculation of net investment in capital assets, governmental activities.

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**J. Pledged Revenues**

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

- \$13,275,000 issued in 2001 to refund the Series 1991 refunding and improvement bonds originally issued to finance capital improvements.
- \$10,715,000 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.
- \$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.
- \$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.
- \$20,000,000 issued in December 2007 to finance the acquisition, development, enhancement, and maintenance of open space and parkland throughout the City.
- \$10,545,000 issued in July 2010 to refund certain of the City's outstanding series 2001 and 2002 sales and use tax revenue refunding and improvement bonds, originally issued to finance capital improvements.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$7,595,864 were paid from sales and use tax revenue totaling \$64,588,667. Total principal and interest payments remaining on the bonds is \$60,652,241 payable through December 2031.

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

- \$5,330,000 issued in 2009 as tax increment revenue refunding bonds to refund the Series 1997 used to finance the redevelopment in the South Westminster Urban Renewal Area.
- \$28,900,000 issued in 2012 as tax increment revenue refunding bonds to refund the Series 2009 tax increment adjustable rate revenue refunding bonds that refunded an earlier Series used to finance redevelopment in the Mandalay Gardens Urban Renewal Area.
- \$59,000,000 issued in 2012 to refinance the 2009 loan that refunded the Series 2005 tax increment adjustable rate revenue bonds used to finance new development in the North Huron Urban Renewal Area.
- \$7,420,000 issued in 2012 to refinance the 2009 loan that refinanced the Series 2007 tax increment adjustable rate revenue bonds used to finance redevelopment in the South Sheridan Urban Renewal Area.

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Of the \$12,799,493 principal interest and fees reported in the WEDA statements, \$8,515,573 in principal, interest and fees were paid using \$8,953,036 incremental net pledged revenues plus prior year revenues. Total principal and interest remaining on the bonds and loans is \$119,916,048, payable through December 2028.

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
- \$15,440,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

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Revenue Bonds:

- \$20,990,000 issued in December 2001 to refund 1992 and 1994 General Obligation bonds
- \$29,505,000 issued in May 2010 to acquire and develop improvements to the System throughout the City

The notes and bonds are payable solely from water and waste water pledged net revenues. For the current year, principal and interest payments were \$7,192,308 and total water and waste water net revenues were \$25,219,278. Total principal and interest payments remaining on the bonds and notes are \$73,025,558 payable through December 2030.

**K. Disaggregation of Deferred Outflows/Inflows of Resources**

Deferred flow of resources as of December 31, 2013

<u>Deferred Outflows of Resources</u>	Charges on refunding debt
Governmental Fund Activities:	\$ -
Reconciliation of balances in fund financial statements to government- wide financial statements	<u>7,945,372</u>
Total - Governmental Activities	<u>\$ 7,945,372</u>
Business-type Activities:	
Golf Course	41,969
Total - Business-type Activities:	<u>\$ 41,969</u>
Total Government-wide Activities	<u>\$ 7,987,341</u>

<u>Deferred Inflows of Resources</u>	Property taxes	Grants	Assessments	Other	Total
Governmental Fund Activities:					
General	\$ 4,220,384	\$ 41,025	\$ -	\$ 4,699,280	\$ 8,960,689
GCIF	-	444,355	194,847	-	639,202
WEDA	9,017,998	-	-	337,893	9,355,891
Other Governmental	233,230	302,766	-	-	535,996
Subtotal	<u>13,471,612</u>	<u>788,146</u>	<u>194,847</u>	<u>5,037,173</u>	<u>19,491,778</u>
Reconciliation of balances in fund financial statements to government- wide financial statements	-	(788,146)	-	(5,037,173)	(5,825,319)
Total - Governmental Activities	<u>\$ 13,471,612</u>	<u>\$ -</u>	<u>\$ 194,847</u>	<u>\$ -</u>	<u>\$ 13,666,459</u>

**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 2012 to 2013. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

**Medical and Dental Self-Insurance Internal Service Fund**

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

The City has an Administrative Service Only plan with Cigna, whereby the City pays Cigna a separate amount for administrative costs, insurance taxes, and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$150,000 per individual per year. This Open Access Plus plan has an unlimited lifetime

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benefit. The City has recorded a liability in this fund totaling \$498,128 for open and estimated claims not yet reported at December 31, 2013.

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

**Workers' Compensation Self-Insurance Internal Service Fund**

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2013, the program covers individual losses up to \$500,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$132,704 for open claims and estimated claims not yet reported at December 31, 2013.

**Property and Liability Self-Insurance Internal Service Fund**

The City established a program for property and liability claims effective January 1, 1988. The purpose of this program is to pay property and liability claims against the City and to reduce total annual insurance coverage cost to the City. The program covers individual losses up to \$250,000 per claim. Greater individual losses are covered through a risk sharing pool for Colorado municipalities. Property losses are insured through the pool for the total insured value of all property owned by the city up to a maximum shared pool total of \$500,500,000. State liability losses are limited as set forth by statutory liability limits for Colorado public jurisdictions up to \$150,000 per person and \$600,000 per occurrence for claims occurring prior to June 30, 2013. Effective July 1, 2013, the Colorado state legislature increased the limits to \$350,000 per person and \$999,000 per occurrence. Through the pool, the City also carries excess liability coverage that covers the City for federal acts and out-of-state claims in excess of the self-insured deductible limits. In addition to property insurance including boiler and machinery, the program covers automobile liability, general liability, police professional, errors and omissions, crime and fiduciary liability.

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$308,559 for open claims at December 31, 2013.

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

Year	Beginning Balance		Cumulative Claim Payments	Ending Balance Unpaid Claims
	Unpaid Claims	Incurred Claims		
2012	\$ 750,009	\$ 8,245,952	\$ 8,040,938	\$ 955,023
2013	955,023	8,144,468	8,160,100	939,391

**B. Public Entity Risk Pools**

The Colorado Intergovernmental Risk Sharing Agency ("CIRSA") was formed by an intergovernmental agreement by member municipalities pursuant to the provisions of regulation 24-10-115.5, C.R.S. (1982 Repl. Vol.), as amended, 29-1-201 et seq., C.R.S. (1977 Repl. Vol.), as amended, 29-13-102, C.R.S. (1977 Repl. Vol.), as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is restricted to Colorado municipalities, which are members of the Colorado Municipal League. The City only participates in the property and liability coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2013, there were 216 member municipalities and 35 Affiliated Public Entities, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides

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insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2013 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 \$500,500,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence prior to June 30, 2013 then \$350,000 per person and \$999,000 per occurrence. (Claims not subject to Governmental Immunity Act up to \$5,000,000 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 four-year terms, governs CIRSA. All actions of the membership require a two-thirds vote of the members present at a meeting.

**C. Contingent Liabilities**

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

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

Various suits and claims are pending against the City as of December 31, 2013. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

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**D. Construction and Other Significant Commitments**

At December 31, 2013, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

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

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

Construction and Other Significant Commitments

	Appropriation 12/31/2013	Cumulative Expenditures 12/31/2013	Authorized Available 12/31/2013
Governmental activities:			
General Capital Improvement Fund	\$ 39,376,211	\$ 2,047,054	\$ 37,329,157
Westminster Economic Development Authority	2,760,943	272,831	2,488,112
Nonmajor governmental funds	3,084,966	155,662	2,929,304
General Capital Outlay Replacement Fund	2,766,306	-	2,766,306
Total Governmental activities	<u>\$ 47,988,426</u>	<u>\$ 2,475,547</u>	<u>\$ 45,512,879</u>
Business-type activities			
Utility Fund	<u>\$ 47,140,178</u>	<u>\$ 9,353,757</u>	<u>\$ 37,786,421</u>

**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. Permitted usage varies from month-to-month and peaks during the summer months. By contract the City is obligated to take or pay for 1,750 acre-feet of water during Denver's fiscal year, which runs from July 1 to June 30. As a result of Denver declaring stage one and stage two watering restrictions during 2013, the City was not required to take or pay for 1,750 acre-feet of water. The 2013 rate charged per acre-foot by the Denver Water Board was \$296.52. The 2013 annual lease cost based on this rate was \$518,910.

**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 provided that Westminster could perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. The rate on January 1, 2013, was \$3.48 per thousand gallons for an annual cost of \$1,923,951. In 2009, the City of Westminster signed an agreement with the City of Brighton that states Brighton will take the full amount of water, up to 2.2 million gallons, and pay the City of Westminster, which will pass the payment on to Thornton. All future rate increases will be passed through in a similar fashion, and Brighton will have all responsibility for the lease.

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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, 2013, 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:

	2011	2012	2013
Police Pension Plan City contributions at 10.25%	\$1,207,172	\$1,259,875	\$ 1,335,400
Police Pension Plan Mandatory employee contributions at 10%	1,256,349	1,295,783	1,326,929
Police Pension Plan Voluntary employee contributions up to 10%	11,639	11,324	11,581
General Pension Plan City contributions at 10.25%	3,178,344	3,188,218	3,199,617
General Pension Plan Mandatory employee contributions at 10%	3,350,521	3,426,770	3,491,953
General Pension Plan Voluntary employee contributions up to 10%	67,506	65,472	63,146
General Pension Plan Rollover contributions	84,476	137,147	83,408
<b>Total</b>	<b>\$9,156,007</b>	<b>\$ 9,384,589</b>	<b>\$ 9,512,034</b>

**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, 2013, 2012, 2011 were \$1,780,720, \$1,671,590, and \$1,650,819, 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:

State Fire and Police Pension Plan Contribution Summary				
Description	2011	2012	2013	Total
Employee Contribution 10%	\$ 554,814	\$ 556,206	\$ 574,760	\$ 1,685,780
Employee Contribution 8%	253,202	269,833	307,629	830,664
Employee Drop Program 10% *	34,787	19,512	15,942	70,241
Employer Contribution 10%	554,814	556,206	574,760	1,685,780
Employer Contribution 8%	253,202	269,833	307,629	830,664
<b>Total</b>	<b>\$ 1,650,819</b>	<b>\$ 1,671,590</b>	<b>\$ 1,780,720</b>	<b>\$ 5,103,129</b>

\*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 to the Statewide Death and Disability Plan in 2011 for firefighters hired on or after January 1, 1997, of which 1.8% and 0.8% were funded by the City and plan members, respectively through October 31, 2011. Beginning November 1, 2011, the contribution of 2.6% changed, so that 1.02% and 1.58% were funded by the City and plan members, respectively. The contribution rate may vary from year to year, depending on actuarial experience.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**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, 2013, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	30
Terminated volunteers entitled to benefits but not receiving them	0
Active plan members	<u>0</u>
Total	<u>30</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, 2013, 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 \$687,011. Therefore, no additional contributions are required at this time by either the Volunteers or the City. State statutes govern contribution requirements. For 2013, 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 contribution was determined as part of the 2013 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 <u>31-Dec</u>	Required <u>Contribution</u>	Actual <u>Contribution</u>	Percentage <u>Contributed</u>
2011	-	-	100%
2012	-	-	100%
2013	-	-	100%

(Note: From 2011 – 2013, there was no active plan members and therefore, no actual or required contributions.)

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

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 Governmental Accounting Standards Board (GASB), "Accounting for Pensions by State and Local Government Employers," 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, prior to dissolving the plan, Council established the final benefit. The maximum benefit for a volunteer beneficiary has been permanently capped. With the approval of the Volunteer Fire Pension Board and the City Council of Westminster, the assets of the plan were transferred to the 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 plan is included in FPPA's audited annual financial report, which 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.

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.

	<u>2013 Actuarial Valuation*</u>	
Actuarial Value of Assets	\$	2,514,869
Actuarial Accrued Liability (AAL)		1,827,858
Excess/(Shortfall) of Assets over AAL		687,011
Funded Ratio		138%

\*Actuarial Valuation performed every two years. Next valuation is scheduled for 2015.

**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 2013 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 five-year smooth fair market value.
- e) Investment rate of return: 7.5%
- f) No projected salary increases
- g) No cost of living increases
- h) Inflation rate: 3.0%

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**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 reaching the Medicare qualification age. Retirees may not stay on the Program after age 65. Benefits are provided for active employees and retirees under the same health care plan.

The Program offers a self-funded Open Access Point of Service plan as well as a fully insured HMO plan. 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 \$347,254 during 2013. Program members receiving benefits contributed \$331,498 in actual premiums equal to 100% of the equivalent premium recognized for active employees. The City's pay-as-you-go program funding totaled \$15,756 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).

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.

	2013
Annual required contribution	\$ 177,521
Interest on net OPEB obligation	8,511
Annual required contribution adjustment	(7,832)
Annual OPEB cost	178,200
Contributions made	(15,756)
Increase (decrease) in annual OPEB obligation	162,444
OPEB obligation - beginning of year	226,945
OPEB obligation - end of year	\$ 389,389

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for years 2011-2013 is as follows:

Fiscal Year	Annual OPEB	Percentage of	Net OPEB
Ended	Cost	Annual OPEB Cost Contributed	Obligation
12/31/2011	270,773	118.9%	375,279
12/31/2012	270,709	154.8%	226,945
12/31/2013	178,200	8.8%	389,389

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**Funded Status and Funding Progress.** As of January 1, 2013, the most recent actuarial valuation date, the Program was not funded. The unfunded actuarial accrued liability (UAAL) was \$2,718,852. The covered payroll (annual payroll of active employees covered by the Program) was \$52,816,246. The ratio of the UAAL to covered payroll was 5.1 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 multiyear 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, 2013 valuation, the Projected Unit Credit cost method was used. The actuarial assumptions included a 3.75 percent investment rate of return to calculate 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 9% and 5%, respectively. Select trends are reduced 0.5% each year until reaching the ultimate trend. These rates reflect the growth in health care costs and are used to project the benefit costs for current and future retirees.

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, 2013, amounts required as Emergency Reserves in compliance with the Amendment total \$4,011,374 for the general government and an aggregate of \$16,691 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**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.

**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 sublease. The sublease calls for Hyland Hills to make lease payments to the City equivalent to one-half of the rental obligation due from the City to the Westminster Building Authority. The agreement entitles Hyland Hills to an undivided fifty percent interest in the Ice Centre, which in the event of default, would be reduced by two percent for each year the lease obligation was not met.

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

The City receives one-half of the net revenues from operations of the Ice Centre and the Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2013 was \$701,478. At December 31, 2013, the net book value of the Ice Centre joint venture was \$4,793,514 and Carroll Butts Park was \$441,000, which are included in the City's fixed assets. There are not separate financial statements for the joint venture.

*Broomfield-Westminster Open Space Foundation.* The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The 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, 2013, the City's fifty percent equity interest in the Foundation is \$902,239.

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

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**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 position as "Other Assets" in the Utility Fund. At December 31, 2013, the City's equity interest in the Church Ditch Authority was \$1,082,022.

**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, which totaled \$199,865 in 2013. This agreement allows the City to occupy space in the facility for up to 50 years. After 33 years, either party may terminate this agreement by giving two years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

**P. 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.

**Q. 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. WEDA continues to maintain the property as a potential redevelopment site of approximately 5.7 acres. At December 31, 2013, the property was reported in the financial statements at the fair market value of \$850,000. WEDA has also acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site. Demolition on the site is complete; however, no redevelopment agreement has been finalized. At December 31, 2013, the properties were reported as property held for resale in the financial statements at the fair market value of \$29,250,523, which is less than cost.

The City acquired an approximate 295,000 square foot parcel of land in the South Westminster Transportation Oriented District. Roughly 168,000 square feet of the parcel will be used for the future development of a parking garage and street rights-of-way, while the balance will be sold at a later date. At December 31, 2013 the portion of the property held for resale was reported in the General Capital Improvement Fund at the prorated cost of \$366,000.

The City purchased a 40,000 square foot/.9183 acre parcel located at the southwest corner of 92<sup>nd</sup> Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2013, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

The City acquired three properties located in the 7200 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds. The City has an agreement with a developer. Upon development plan approval, the City plans to convey these properties to the developer in exchange for the developer assuming the debt. As of December 31, 2013, the properties held for resale were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a cost of \$759,610.

**R. 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 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 mobile enhanced fluid recovery remediation method selected by the City.

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, 2013, the pollution remediation liability recorded was \$78,428. 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%.

**S. Debt Issue**

On January 23, 2013 the City issued \$11,095,000 of Refunding Certificates of Participation, Series 2013 with an arbitrage yield of 2.17% to advance refund \$10,675,000 of \$13,080,000 outstanding Certificates of Participation, Series 2005. The net proceeds of \$12,220,559 were allocated to cover the cost of issuance fees and underwriter's discount of \$206,055 and to immediately redeem a portion of the Series 2005 Certificates of Participation (COPs), plus accrued interest. The proceeds of the 2013 refunding COPs were deposited in an irrevocable trust with an escrow agent who purchased U.S. Government Obligations sufficient to provide for all future debt service payments on the portion of the Series 2005 certificates refunded. As a result, the portion of the Series 2005 certificates refunded is considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

The City advance refunded a portion of the Series 2005 certificates to reduce its total debt service payments over the next 12 years by \$737,629 and to obtain the economic gain (difference between the present values of the debt service payments on the old and new debt) of \$643,572. A deferred amount on refunding of \$1,185,142 was recorded.

**T. Adoption of Governmental Accounting Standards Board Statement No. 65**

During 2013, the City adopted GASB Statement No. 65 of the Governmental Accounting Standards Board (GASB 65), *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify and recognize certain items previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. GASB 65 also provides other financial reporting guidance related to the impact of these financial statement elements such as changes in the determination of major fund calculations and limiting the use of the term "deferred" in financial statement presentations.

Adoption of GASB 65 resulted in a decrease in beginning net position as of January 1, 2012, of \$1,420,275 for Governmental Activities and \$521,520 for Business-type Activities, which includes a decrease of \$463,374 in the Utilities Fund and a decrease of \$58,146 in the Golf Course Fund. These changes resulted from the requirement in GASB 65 that debt issuance costs, except for any portion related to prepaid bond insurance costs, be recognized as an expense in the period incurred. Other changes resulting from the application of GASB 65 are the reclassification of property tax and assets recorded in the fund statements for which revenue is not yet available as deferred inflows of resources. Additionally, deferred charges on refunded debt are reclassified as deferred outflows of resources.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**U.     Subsequent Event**

On April 17, 2014, the City added \$1,101,068 to its master lease agreement with Key Government Finance for golf equipment. Lease payments will be made annually beginning on April 17, 2014 at an interest rate of 2.30%.

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# **Required Supplemental Information**

Supplemental Information

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 4,345,000	\$ 4,345,000	\$ 4,074,386	\$ (270,614)
Sales taxes	58,655,385	61,948,412	64,032,833	2,084,421
Use taxes	10,664,750	11,621,658	13,194,388	1,572,730
Business fees and other taxes	5,332,037	5,332,037	5,587,433	255,396
Accommodations taxes	715,000	715,000	872,232	157,232
Intergovernmental	6,068,296	6,184,453	6,349,897	165,444
Licenses and permits	1,619,750	2,013,262	2,653,281	640,019
Interest	360,846	360,846	36,558	(324,288)
Recreation fees	6,710,438	6,711,391	6,788,407	77,016
Fines and forfeits	2,260,000	2,260,000	1,864,733	(395,267)
Fleet maintenance billings and other	4,686,274	5,124,753	4,508,886	(615,867)
EMS billings	2,018,500	2,018,500	2,173,899	155,399
<b>Total revenues</b>	<u>103,436,276</u>	<u>108,635,312</u>	<u>112,136,933</u>	<u>3,501,621</u>
<b>EXPENDITURES</b>				
General government				
City council	193,703	193,703	137,247	56,456
City attorney's office	1,037,018	1,036,918	1,024,511	12,407
City manager's office	1,175,142	1,181,142	1,112,897	68,245
Central charges	25,666,309	31,340,029	29,191,315	2,148,714
General services	7,801,175	7,866,340	7,652,933	213,407
Finance	1,760,188	1,760,188	1,721,361	38,827
Public safety				
Police	20,505,551	20,813,658	21,016,650	(202,992)
Fire	12,083,841	12,217,282	12,156,726	60,556
Public works	7,570,367	7,578,119	7,398,650	179,469
Community development	3,494,285	3,527,202	3,437,687	89,515
Culture and recreation	14,275,401	14,352,751	14,186,013	166,738
Debt service:				
Bond issuance costs	-	157,626	157,626	-
<b>Total expenditures</b>	<u>95,562,980</u>	<u>102,024,958</u>	<u>99,193,616</u>	<u>2,831,342</u>
<b>Excess of revenues over (under) expenditures</b>	<u>7,873,296</u>	<u>6,610,354</u>	<u>12,943,317</u>	<u>6,332,963</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding debt	-	11,095,000	11,095,000	-
Premium on refunding debt	-	1,167,165	1,167,165	-
Payment to refunded bond escrow agent	-	(12,104,539)	(12,065,594)	38,945
Sale of capital asset	30,000	30,000	33,201	3,201
Transfers in	265,458	265,458	265,458	-
Transfers (out)	(7,767,908)	(12,666,741)	(12,112,741)	554,000
<b>Total other financing sources (uses):</b>	<u>(7,472,450)</u>	<u>(12,213,657)</u>	<u>(11,617,511)</u>	<u>596,146</u>
<b>Net change in fund balance</b>	<u>\$ 400,846</u>	<u>\$ (5,603,303)</u>	1,325,806	<u>\$ 6,929,109</u>
<b>Fund balance, beginning</b>			29,432,051	
<b>Fund balance, ending</b>			<u>\$ 30,757,857</u>	

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Property tax increment	\$ 8,783,564	\$ 8,783,564	\$ 8,648,710	\$ (134,854)
Sales tax increment	191,839	191,839	227,019	35,180
Intergovernmental	60,900	60,900	54,700	(6,200)
Interest	16,358	31,307	38,193	6,886
Rentals	-	409,789	409,789	-
Other	-	-	22,067	22,067
<b>Total revenues</b>	<u>9,052,661</u>	<u>9,477,399</u>	<u>9,400,478</u>	<u>(76,921)</u>
<b>EXPENDITURES</b>				
General government	636,488	640,317	522,274	118,043
Capital projects	4,067,405	3,458,756	1,161,035	2,297,721
Debt service:				
Principal	5,171,000	9,371,000	9,371,000	-
Interest and fiscal charges	3,603,802	3,735,594	3,428,493	307,101
<b>Total expenditures</b>	<u>13,478,695</u>	<u>17,205,667</u>	<u>14,482,802</u>	<u>2,722,865</u>
<b>Excess of revenues (under) expenditures</b>	<u>(4,426,034)</u>	<u>(7,728,268)</u>	<u>(5,082,324)</u>	<u>2,645,944</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,768,000	2,968,000	200,000
Transfers (out)	(500,000)	(500,000)	(500,000)	-
<b>Total other financing sources (uses):</b>	<u>(500,000)</u>	<u>2,268,000</u>	<u>2,468,000</u>	<u>200,000</u>
<b>Net change in fund balance</b>	<u>\$ (4,926,034)</u>	<u>\$ (5,460,268)</u>	<u>(2,614,324)</u>	<u>\$ 2,845,944</u>
<b>Fund balance, beginning</b>			55,485,112	
<b>Fund balance, ending</b>			<u>\$ 52,870,788</u>	

**CITY OF WESTMINSTER, COLORADO**  
**Schedules of Funding Progress**  
**December 31, 2013**

**Volunteer Firefighter Pension Plan**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age Actuarial Cost Method	Overfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2009	\$ 2,710,097	\$ 1,975,712	\$ 734,385	137.00%	(a)	NA
1/1/2011	2,594,924	1,855,408	739,516	140.00%	(a)	NA
1/1/2013	2,514,869	1,827,858	687,011	138.00%	(a)	NA

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

**Retiree Health Program**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2009	\$ -	\$ 4,000,000	\$ 4,000,000	0%	\$ 52,697,614	7.6%
1/1/2011	-	2,402,366	2,402,366	0%	51,742,297	4.6%
1/1/2013	-	2,718,852	2,718,852	0%	52,816,246	5.1%

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2013**

**Budgetary Information**

A biennial city budget is legally adopted by City Council on a basis consistent with generally accepted accounting principles for all fund types, except for the Investigation Recovery Special Revenue Fund, Volunteer Firefighter Pension Fund, internal service self-insurance funds, capital project funds, and blended component units of the City.

A biennial budget is adopted for the Westminster Economic Development Authority by the Authority's Board and annual budgets are adopted for the Westminster Housing Authority and general improvement districts by their respective Boards.

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 55 for detail on the continuing appropriations for capital project and project length budgets.

# Combining Statements

Statements

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

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

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

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

**Promenade Parking General Improvement District 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 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.

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

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

**Investigation Recovery Fund** - accounts for proceeds from police seizures, forfeitures and restitutions. Spending is restricted by both Federal and State law to Police Department equipment, commodities, and/or training needs above budgeted amounts. In 2013, the City of Westminster did not receive any federal forfeited assets.

## **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 originally issued; \$1,620,000 remaining after 2010 refunding, due in annual installments through December 1, 2021; interest at 4.3 to 5.0 percent. Financing is provided by the City's 3 percent sales and use tax.
- b) 2007A Sales and Use Tax Revenue Refunding Bonds of \$10,715,000 due in annual installments through December 1, 2016; interest at 4.25 to 5.5 percent. Financing is provided by the City's 3 percent sales and use tax.
- c) 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.
- d) 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.
- e) 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.
- f) 2010 Sales and Use Tax Revenue Refunding Bonds of \$10,545,000 in annual installments through December 1, 2022; interest at 2.13 to 5.0 percent. Financing is provided by the City's 3 percent 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 and the Section 108 Loan Guarantee Program. Community Development Block Grant entitlements are used to finance low income and senior housing. Section 108 loan Guarantee Program Funds are used for economic and community development activities. Additional financing is provided by General Fund revenues and investment earnings.

## **Proprietary Funds**

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

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

## **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.

**CITY OF WESTMINSTER, COLORADO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

	Special Revenue Funds					
	Parks, Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID	Promenade Parking GID
<b>ASSETS</b>						
Cash and cash equivalents	\$ 44,002	\$ 55,970	\$ 16,808	\$ 537	\$ 32	\$ 4
Investments	836,038	1,063,430	319,342	10,204	607	82
Receivables:						
Taxes	571,984	105,521	63,371	10,515	1,649	131
Accounts	-	526	328	1,192	26	-
Grants	282,550	-	-	-	-	-
Interest	2,276	2,845	831	44	-	-
Property held for resale	-	-	-	-	-	-
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Cash and cash equivalents with fiscal agent	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Total assets	<u>\$ 1,736,850</u>	<u>\$ 1,228,292</u>	<u>\$ 400,680</u>	<u>\$ 22,492</u>	<u>\$ 2,314</u>	<u>\$ 217</u>
<b>LIABILITIES</b>						
Accounts payable and other	\$ 23,830	\$ 70	\$ 215	\$ -	\$ -	\$ -
Accrued liabilities	786	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-
Total liabilities	<u>24,616</u>	<u>70</u>	<u>215</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>282,550</u>	<u>105,521</u>	<u>63,371</u>	<u>10,515</u>	<u>1,649</u>	<u>131</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Property held for resale	-	-	-	-	-	-
Restricted for:						
Capital additions and improvements	-	1,119,488	335,052	-	507	-
Contractual obligations	-	-	-	4,759	-	82
Emergencies	-	3,213	2,042	7,218	158	4
Open space conservation and improvements	1,303,425	-	-	-	-	-
Public safety	-	-	-	-	-	-
Assigned to:						
Community development	126,259	-	-	-	-	-
Debt service	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>1,429,684</u>	<u>1,122,701</u>	<u>337,094</u>	<u>11,977</u>	<u>665</u>	<u>86</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,736,850</u>	<u>\$ 1,228,292</u>	<u>\$ 400,680</u>	<u>\$ 22,492</u>	<u>\$ 2,314</u>	<u>\$ 217</u>

Mandalay Town Center GID	144th Avenue GID	Conservation Trust	Investigation Recovery	Total Special Revenue Funds	Debt Service Fund  Debt Service	Capital Project Fund  Community Development Block Grant	Total Other Governmental Funds
\$ 197	\$ 352	\$ -	\$ 656	\$ 118,558	\$ 9,027	\$ -	\$ 127,585
3,746	6,689	-	12,471	2,252,609	171,508	-	2,424,117
24,650	27,393	-	-	805,214	-	-	805,214
3,602	2,961	-	2,615	11,250	-	7	11,257
-	-	-	-	282,550	-	20,217	302,767
-	-	4,989	44	11,029	438	-	11,467
-	-	-	-	-	-	759,610	759,610
-	-	97,548	-	97,548	-	-	97,548
-	-	-	-	-	-	539,924	539,924
-	-	1,853,408	-	1,853,408	-	-	1,853,408
<u>\$ 32,195</u>	<u>\$ 37,395</u>	<u>\$ 1,955,945</u>	<u>\$ 15,786</u>	<u>\$ 5,432,166</u>	<u>\$ 180,973</u>	<u>\$ 1,319,758</u>	<u>\$ 6,932,897</u>
\$ -	\$ -	\$ -	\$ -	\$ 24,115	\$ 750	\$ 23,502	\$ 48,367
-	-	-	-	786	-	451	1,237
-	-	-	-	-	-	6,310	6,310
-	-	-	-	-	-	1,125	1,125
-	-	-	-	24,901	750	31,388	57,039
24,650	27,393	-	-	515,780	-	20,216	535,996
-	-	-	-	-	-	759,610	759,610
-	-	1,955,945	-	3,410,992	-	528,761	3,939,753
5,589	7,902	-	-	18,332	-	-	18,332
1,956	2,100	-	-	16,691	-	-	16,691
-	-	-	-	1,303,425	-	-	1,303,425
-	-	-	15,786	15,786	-	-	15,786
-	-	-	-	126,259	-	-	126,259
-	-	-	-	-	180,223	-	180,223
-	-	-	-	-	-	(20,217)	(20,217)
<u>7,545</u>	<u>10,002</u>	<u>1,955,945</u>	<u>15,786</u>	<u>4,891,485</u>	<u>180,223</u>	<u>1,268,154</u>	<u>6,339,862</u>
<u>\$ 32,195</u>	<u>\$ 37,395</u>	<u>\$ 1,955,945</u>	<u>\$ 15,786</u>	<u>\$ 5,432,166</u>	<u>\$ 180,973</u>	<u>\$ 1,319,758</u>	<u>\$ 6,932,897</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Special Revenue Funds					
	Parks, Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID	Promenade Parking GID
<b>REVENUES</b>						
Property taxes	\$ -	\$ 98,890	\$ 63,083	\$ 11,450	\$ 252	\$ 146
Sales taxes	4,452,273	-	-	-	-	-
Use taxes	915,750	-	-	-	-	-
Intergovernmental	1,232,899	7,373	4,642	229,083	5,049	-
Assessments	-	-	-	-	-	-
Interest	2,556	822	327	59	(22)	(3)
Rentals	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Other	29,133	-	-	-	-	-
Total revenues	<u>6,632,611</u>	<u>107,085</u>	<u>68,052</u>	<u>240,592</u>	<u>5,279</u>	<u>143</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	28,600	27,156	240,797	7,904	499
Public safety	-	-	-	-	-	-
Community development	2,309,199	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	14,401	-	-	-	-	-
Total expenditures	<u>2,323,600</u>	<u>28,600</u>	<u>27,156</u>	<u>240,797</u>	<u>7,904</u>	<u>499</u>
<b>Excess of revenues over (under) expenditures</b>	<u>4,309,011</u>	<u>78,485</u>	<u>40,896</u>	<u>(205)</u>	<u>(2,625)</u>	<u>(356)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	19,542	-	-	-	-	-
Transfers (out)	(4,622,790)	-	-	-	-	-
Total other financing sources (uses):	<u>(4,603,248)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(294,237)	78,485	40,896	(205)	(2,625)	(356)
<b>Fund balance, beginning</b>	1,723,921	1,044,216	296,198	12,182	3,290	442
<b>Fund balance, ending</b>	<u>\$ 1,429,684</u>	<u>\$ 1,122,701</u>	<u>\$ 337,094</u>	<u>\$ 11,977</u>	<u>\$ 665</u>	<u>\$ 86</u>

					Debt Service Fund	Capital Project Fund	
Mandalay Town Center GID	144th Ave GID	Conservation Trust	Investigation Recovery	Total Special Revenue Funds	Debt Service	Community Development Block Grant	Total Other Governmental Funds
\$ 21,795	\$ 28,485	\$ -	\$ -	\$ 224,101	\$ -	\$ -	\$ 224,101
-	-	-	-	4,452,273	-	-	4,452,273
-	-	-	-	915,750	-	-	915,750
43,285	41,438	880,207	-	2,443,976	230,625	300,009	2,974,610
-	-	-	-	-	2,000	-	2,000
114	65	409	(91)	4,236	17,894	204	22,334
-	-	-	-	-	-	15,780	15,780
-	-	-	3,962	3,962	-	-	3,962
-	-	-	-	29,133	-	-	29,133
<u>65,194</u>	<u>69,988</u>	<u>880,616</u>	<u>3,871</u>	<u>8,073,431</u>	<u>250,519</u>	<u>315,993</u>	<u>8,639,943</u>
65,027	66,925	-	-	436,908	-	-	436,908
-	-	-	173	173	-	-	173
-	-	-	-	2,309,199	-	-	2,309,199
-	-	557,772	-	557,772	-	460,086	1,017,858
-	-	-	-	-	5,280,000	-	5,280,000
-	-	-	-	14,401	2,319,089	7,174	2,340,664
<u>65,027</u>	<u>66,925</u>	<u>557,772</u>	<u>173</u>	<u>3,318,453</u>	<u>7,599,089</u>	<u>467,260</u>	<u>11,384,802</u>
167	3,063	322,844	3,698	4,754,978	(7,348,570)	(151,267)	(2,744,859)
-	-	-	-	19,542	7,286,192	-	7,305,734
-	-	-	-	(4,622,790)	-	-	(4,622,790)
-	-	-	-	(4,603,248)	7,286,192	-	2,682,944
167	3,063	322,844	3,698	151,730	(62,378)	(151,267)	(61,915)
7,378	6,939	1,633,101	12,088	4,739,755	242,601	1,419,421	6,401,777
<u>\$ 7,545</u>	<u>\$ 10,002</u>	<u>\$ 1,955,945</u>	<u>\$ 15,786</u>	<u>\$ 4,891,485</u>	<u>\$ 180,223</u>	<u>\$ 1,268,154</u>	<u>\$ 6,339,862</u>

**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Sales taxes	\$ 4,326,264	\$ 4,452,273	\$ 126,009
Use taxes	759,061	915,750	156,689
Intergovernmental	1,108,899	1,232,899	124,000
Interest	10,000	2,556	(7,444)
Other	95,906	29,133	(66,773)
<b>Total revenues</b>	<u>6,300,130</u>	<u>6,632,611</u>	<u>332,481</u>
<b>EXPENDITURES</b>			
Community development	2,816,476	2,309,199	507,277
Debt service:			
Principal	425,000	-	425,000
Interest and fiscal charges	21,545	14,401	7,144
<b>Total expenditures</b>	<u>3,263,021</u>	<u>2,323,600</u>	<u>939,421</u>
<b>Excess of revenues over expenditures</b>	<u>3,037,109</u>	<u>4,309,011</u>	<u>1,271,902</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	19,542	19,542	-
Transfers (out)	(4,622,790)	(4,622,790)	-
<b>Total other financing sources (uses):</b>	<u>(4,603,248)</u>	<u>(4,603,248)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (1,566,139)</u>	<u>(294,237)</u>	<u>\$ 1,271,902</u>
<b>Fund balance, beginning</b>		1,723,921	
<b>Fund balance, ending</b>		<u>\$ 1,429,684</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance w with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 99,370	\$ 98,890	\$ (480)
Intergovernmental	6,700	7,373	673
Interest	9,528	822	(8,706)
<b>Total revenues</b>	<u>115,598</u>	<u>107,085</u>	<u>(8,513)</u>
<b>EXPENDITURES</b>			
General government	67,391	28,600	38,791
<b>Total expenditures</b>	<u>67,391</u>	<u>28,600</u>	<u>38,791</u>
<b>Net change in fund balance</b>	<u>\$ 48,207</u>	78,485	<u>\$ 30,278</u>
<b>Fund balance, beginning</b>		1,044,216	
<b>Fund balance, ending</b>		<u>\$ 1,122,701</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance w ith Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 63,056	\$ 63,083	\$ 27
Intergovernmental	4,000	4,642	642
Interest	2,500	327	(2,173)
<b>Total revenues</b>	<u>69,556</u>	<u>68,052</u>	<u>(1,504)</u>
<b>EXPENDITURES</b>			
General government	63,946	27,156	36,790
<b>Total expenditures</b>	<u>63,946</u>	<u>27,156</u>	<u>36,790</u>
<b>Net change in fund balance</b>	<u>\$ 5,610</u>	40,896	<u>\$ 35,286</u>
<b>Fund balance, beginning</b>		296,198	
<b>Fund balance, ending</b>		<u>\$ 337,094</u>	

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Final Budget	Actual	Variance w ith Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 11,449	\$ 11,450	\$ 1
Intergovernmental	227,553	229,083	1,530
Interest	79	59	(20)
<b>Total revenues</b>	<u>239,081</u>	<u>240,592</u>	<u>1,511</u>
<b>EXPENDITURES</b>			
General government	240,797	240,797	-
<b>Total expenditures</b>	<u>240,797</u>	<u>240,797</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (1,716)</u>	(205)	<u>\$ 1,511</u>
<b>Fund balance, beginning</b>		12,182	
<b>Fund balance, ending</b>		<u>\$ 11,977</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 252	\$ 252	\$ -
Intergovernmental	4,871	5,049	178
Interest	-	(22)	(22)
<b>Total revenues</b>	<u>5,123</u>	<u>5,279</u>	<u>156</u>
<b>EXPENDITURES</b>			
General government	7,926	7,904	22
<b>Total expenditures</b>	<u>7,926</u>	<u>7,904</u>	<u>22</u>
<b>Net change in fund balance</b>	<u>\$ (2,803)</u>	(2,625)	<u>\$ 178</u>
<b>Fund balance, beginning</b>		3,290	
<b>Fund balance, ending</b>		<u>\$ 665</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 PROMENADE PARKING GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 146	\$ 146	\$ -
Interest	-	(3)	(3)
<b>Total revenues</b>	<u>146</u>	<u>143</u>	<u>(3)</u>
<b>EXPENDITURES</b>			
General government	502	499	3
<b>Total expenditures</b>	<u>502</u>	<u>499</u>	<u>3</u>
<b>Net change in fund balance</b>	<u>\$ (356)</u>	(356)	<u>\$ -</u>
<b>Fund balance, beginning</b>		442	
<b>Fund balance, ending</b>		<u>\$ 86</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 25,478	\$ 21,795	\$ (3,683)
Intergovernmental	41,300	43,285	1,985
Interest	75	114	39
<b>Total revenues</b>	<u>66,853</u>	<u>65,194</u>	<u>(1,659)</u>
<b>EXPENDITURES</b>			
General government	71,282	65,027	6,255
<b>Total expenditures</b>	<u>71,282</u>	<u>65,027</u>	<u>6,255</u>
<b>Net change in fund balance</b>	<u>\$ (4,429)</u>	167	<u>\$ 4,596</u>
<b>Fund balance, beginning</b>		7,378	
<b>Fund balance, ending</b>		<u>\$ 7,545</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 144th AVENUE GENERAL IMPROVEMENT DISTRICT  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 28,345	\$ 28,485	\$ 140
Intergovernmental	36,400	41,438	5,038
Interest	50	65	15
<b>Total revenues</b>	<u>64,795</u>	<u>69,988</u>	<u>5,193</u>
<b>EXPENDITURES</b>			
General government	66,925	66,925	-
<b>Total expenditures</b>	<u>66,925</u>	<u>66,925</u>	-
<b>Net change in fund balance</b>	<u>\$ (2,130)</u>	3,063	<u>\$ 5,193</u>
<b>Fund balance, beginning</b>		6,939	
<b>Fund balance, ending</b>		<u>\$ 10,002</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 CONSERVATION TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 650,000	\$ 880,207	\$ 230,207
Interest	-	409	409
<b>Total revenues</b>	<u>650,000</u>	<u>880,616</u>	<u>230,616</u>
<b>EXPENDITURES</b>			
Capital projects	2,066,644	557,772	1,508,872
<b>Total expenditures</b>	<u>2,066,644</u>	<u>557,772</u>	<u>1,508,872</u>
<b>Net change in fund balance</b>	<u>\$ (1,416,644)</u>	322,844	<u>\$ 1,739,488</u>
<b>Fund balance, beginning</b>		1,633,101	
<b>Fund balance, ending</b>		<u>\$ 1,955,945</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 DEBT SERVICE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 235,000	\$ 230,625	\$ (4,375)
Assessments	-	2,000	2,000
Interest	49,999	17,894	(32,105)
<b>Total revenues</b>	<u>284,999</u>	<u>250,519</u>	<u>(34,480)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	5,155,000	5,280,000	(125,000)
Interest and fiscal charges	2,444,089	2,319,089	125,000
<b>Total expenditures</b>	<u>7,599,089</u>	<u>7,599,089</u>	<u>-</u>
<b>Excess of revenues (under) expenditures</b>	<u>(7,314,090)</u>	<u>(7,348,570)</u>	<u>(34,480)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	7,286,192	7,286,192	-
<b>Total other financing sources (uses):</b>	<u>7,286,192</u>	<u>7,286,192</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (27,898)</u>	(62,378)	<u>\$ (34,480)</u>
<b>Fund balance, beginning</b>		242,601	
<b>Fund balance, ending</b>		<u>\$ 180,223</u>	

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**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**DECEMBER 31, 2013**

	Golf Course	Westminster Housing Authority	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 44,864	\$ 31,188	\$ 76,052
Investments	788,776	592,573	1,381,349
Receivables:			
Accounts	79	-	79
Interest	2,101	1,619	3,720
Inventories	197,702	-	197,702
Bond costs and other prepaid items	28,421	-	28,421
Total current assets	<u>1,061,943</u>	<u>625,380</u>	<u>1,687,323</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable assets	13,455,674	201,173	13,656,847
Depreciable assets, net	3,772,659	975,753	4,748,412
Notes receivable	-	396,877	396,877
Total noncurrent assets	<u>17,228,333</u>	<u>1,573,803</u>	<u>18,802,136</u>
Total assets	<u>18,290,276</u>	<u>2,199,183</u>	<u>20,489,459</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	 <u>41,969</u>	 <u>-</u>	 <u>41,969</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other	29,083	10,357	39,440
Accrued liabilities	59,522	-	59,522
Unearned revenue	28,963	-	28,963
Lease payable, current portion	350,926	-	350,926
Other liabilities, current portion	6,488	-	6,488
Accrued interest	10,601	-	10,601
Total current liabilities	<u>485,583</u>	<u>10,357</u>	<u>495,940</u>
Noncurrent liabilities:			
Leases payable	4,166,011	-	4,166,011
Other liabilities payable	248,262	-	248,262
Total noncurrent liabilities	<u>4,414,273</u>	<u>-</u>	<u>4,414,273</u>
Total liabilities	<u>4,899,856</u>	<u>10,357</u>	<u>4,910,213</u>
<b>NET POSITION</b>			
Net investment in capital assets	12,711,396	1,176,926	13,888,322
Unrestricted	720,993	1,011,900	1,732,893
Total net position	<u>\$ 13,432,389</u>	<u>\$ 2,188,826</u>	<u>\$ 15,621,215</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Golf Course	Westminster Housing Authority	Total
<b>Operating revenues</b>			
Charges for services	\$ 3,090,119	\$ -	\$ 3,090,119
Rentals	-	587	587
Other	4,688	-	4,688
<b>Total operating revenues</b>	<u>3,094,807</u>	<u>587</u>	<u>3,095,394</u>
<b>Operating expenses</b>			
Personnel services	1,584,980	-	1,584,980
Contractual services	672,638	55,593	728,231
Commodities	550,043	1,555	551,598
Capital expense	443,826	-	443,826
Depreciation expense	382,684	49,808	432,492
<b>Total operating expenses</b>	<u>3,634,171</u>	<u>106,956</u>	<u>3,741,127</u>
<b>Operating income (loss)</b>	<u>(539,364)</u>	<u>(106,369)</u>	<u>(645,733)</u>
<b>Nonoperating revenues (expenses)</b>			
Income on investments	518	(2,636)	(2,118)
Interest expense	(149,426)	-	(149,426)
Loss on disposition of capital assets	(21,208)	-	(21,208)
<b>Total nonoperating revenues (expenses)</b>	<u>(170,116)</u>	<u>(2,636)</u>	<u>(172,752)</u>
<b>Income (loss) before contributions and transfers</b>	<u>(709,480)</u>	<u>(109,005)</u>	<u>(818,485)</u>
Capital contributions	2,650,198	27,203	2,677,401
Transfers in	582,143	-	582,143
Transfers (out)	-	(2,200,000)	(2,200,000)
<b>Change in net position</b>	<u>2,522,861</u>	<u>(2,281,802)</u>	<u>241,059</u>
<b>Net position before restatement</b>	<u>10,967,674</u>	<u>4,470,628</u>	<u>15,438,302</u>
<b>Adjustment for accounting change</b>	<u>(58,146)</u>	<u>-</u>	<u>(58,146)</u>
<b>Net position - beginning</b>	<u>10,909,528</u>	<u>4,470,628</u>	<u>15,380,156</u>
<b>Net position - ending</b>	<u>\$ 13,432,389</u>	<u>\$ 2,188,826</u>	<u>\$ 15,621,215</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Golf Course	Westminster Housing Authority	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,102,447	\$ 4,414	\$ 3,106,861
Cash payments to employees for services	(1,566,404)	-	(1,566,404)
Cash payments to suppliers for goods and services	(1,659,577)	(54,261)	(1,713,838)
Net cash (used in) operating activities	<u>(123,534)</u>	<u>(49,847)</u>	<u>(173,381)</u>
Cash flows from noncapital financing activities:			
Transfer in	582,143	-	582,143
Transfer out	-	(2,200,000)	(2,200,000)
Net cash provided by (used in) noncapital financing activities	<u>582,143</u>	<u>(2,200,000)</u>	<u>(1,617,857)</u>
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(431,539)	-	(431,539)
Interest paid on long-term debt	(157,809)	-	(157,809)
Acquisition and construction of capital assets	(47,106)	-	(47,106)
Proceeds from sale of capital assets	4,830	-	4,830
Proceeds from capital lease	484,282	-	484,282
Net cash (used in) capital and related financing activities	<u>(147,342)</u>	<u>-</u>	<u>(147,342)</u>
Cash flow from investing activities:			
Sale/(purchase) of investments	(321,434)	2,020,011	1,698,577
Interest received on investments	4,781	-	4,781
Net cash provided by (used in) investing activities	<u>(316,653)</u>	<u>2,020,011</u>	<u>1,703,358</u>
Net (decrease) in cash and cash equivalents	(5,386)	(229,836)	(235,222)
Cash and cash equivalents - beginning of year	<u>50,250</u>	<u>261,024</u>	<u>311,274</u>
Cash and cash equivalents - end of year	<u>\$ 44,864</u>	<u>\$ 31,188</u>	<u>\$ 76,052</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**  
**(Continued)**

	Golf Course	Westminster Housing Authority	Total
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ (539,364)	\$ (106,369)	\$ (645,733)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	382,684	49,808	432,492
(Increase) decrease in accounts receivable	7,991	3,827	11,818
(Increase) in inventories	6,688	-	6,688
(Increase) decrease in prepaid items	(863)	-	(863)
(Decrease) in unearned revenue	(350)	-	(350)
Increase (decrease) in accounts payable and other	19,680	2,887	22,567
Total adjustments	415,830	56,522	472,352
Net cash provided by operating activities	<u>\$ (123,534)</u>	<u>\$ (49,847)</u>	<u>\$ (173,381)</u>

Non-cash investing, capital, and financing activities:

- \* The unrecognized loss recorded to value the non-cash investments of the non-major enterprise funds to fair market value was \$23,995.
- \* Net amortization totaling (\$1,926) was recognized through the amortization of bond premiums, discounts, deferred loss on refunding, and bond insurance costs.
- \* Accrued interest decreased for non-major enterprise funds by \$6,458.
- \* An allowance for doubtful collection was recorded for a note receivable in the amount of \$205,000 in the Westminster Housing Authority.
- \* Capital contributions were received by the Golf Fund from the General Capital Improvement Fund and the Conservation Trust Fund in the amount of \$2,650,198.
- \* Capital contributions were received by the Westminster Housing Authority from the General Capital Improvement Fund in the amount of \$27,203.
- \* In 2012, a note receivable with a face value of \$2,250,000 was included as part of the sale of an asset in the Westminster Housing Authority. However, the unsecured loan is recorded on the financial statements at \$396,877. The note provides for annual payments from available project cash flows over a 40 year period.

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**UTILITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Operating revenues</b>			
Charges for services	\$ 47,397,766	\$ 45,097,929	\$ (2,299,837)
Other	510,000	403,126	(106,874)
<b>Total operating revenues</b>	<u>47,907,766</u>	<u>45,501,055</u>	<u>(2,406,711)</u>
<b>Operating expenses</b>			
Personnel services	15,892,912	14,969,069	923,843
Contractual services	12,630,172	10,621,468	2,008,704
Commodities	2,200,415	1,680,531	519,884
Capital expense	51,698,770	15,038,518	36,660,252
Insurance and other expenses	-	2,805	(2,805)
<b>Total operating expenses</b>	<u>82,422,269</u>	<u>42,312,391</u>	<u>40,109,878</u>
<b>Operating income (loss)</b>	<u>(34,514,503)</u>	<u>3,188,664</u>	<u>37,703,167</u>
<b>Nonoperating revenues (expenses)</b>			
Income on investments	720,008	34,860	(685,148)
Debt service	(7,223,889)	(7,634,466)	(410,577)
Grants	-	1,695	1,695
Disposition of assets	67,746	185,442	117,696
Other	-	476,137	476,137
<b>Total nonoperating revenues (expenses)</b>	<u>(6,436,135)</u>	<u>(6,936,332)</u>	<u>(500,197)</u>
<b>Loss before contributions and transfers</b>	<u>(40,950,638)</u>	<u>(3,747,668)</u>	<u>37,202,970</u>
Capital contributions	4,585,000	9,313,996	4,728,996
Transfers in	2,533,172	8,817,265	6,284,093
Transfers (out)	(9,102,265)	(9,102,265)	-
<b>Change in net position</b>	<u>\$ (42,934,731)</u>	<u>5,281,328</u>	<u>\$ 48,216,059</u>
<b>Adjustments to GAAP basis</b>			
<b>Debt</b>			
Principal payments		4,938,196	
Amortization of prepaid bond sale expense		(173,469)	
Amortization of premiums and discounts		90,216	
Accrued interest adjustment		15,596	
<b>Capital assets</b>			
Acquisitions		13,618,825	
Net book value of disposals		(87,197)	
Depreciation		(12,423,554)	
<b>Inventories</b>		311,979	
<b>General leave accrual</b>		(52,548)	
<b>Change in net position, GAAP basis</b>		<u>\$ 11,519,372</u>	

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GOLF COURSE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Operating revenues</b>			
Charges for services	\$ 2,967,608	\$ 3,090,119	\$ 122,511
Other	-	4,688	4,688
<b>Total operating revenues</b>	<u>2,967,608</u>	<u>3,094,807</u>	<u>127,199</u>
<b>Operating Expenses</b>			
Personnel services	1,659,942	1,579,202	80,740
Contractual services	1,282,549	1,261,986	20,563
Commodities	571,180	543,355	27,825
Capital expense	520,363	490,933	29,430
<b>Total operating expenses</b>	<u>4,034,034</u>	<u>3,875,476</u>	<u>158,558</u>
<b>Operating loss</b>	<u>(1,066,426)</u>	<u>(780,669)</u>	<u>285,757</u>
<b>Nonoperating revenues (expenses)</b>			
Income on investments	-	518	518
Issuance of debt	-	484,283	484,283
<b>Total nonoperating revenues (expenses)</b>	<u>-</u>	<u>484,801</u>	<u>484,801</u>
<b>Loss before transfers</b>	<u>(1,066,426)</u>	<u>(295,868)</u>	<u>770,558</u>
Transfers in	-	582,143	582,143
<b>Change in net position</b>	<u>\$ (1,066,426)</u>	<u>286,275</u>	<u>\$ 1,352,701</u>
<b>Adjustments to GAAP basis</b>			
<b>Debt</b>			
Principal payments		431,539	
Issuance of leases		(484,283)	
Amortization of prepaid bond sale expense		(2,901)	
Amortization of premiums and discounts		4,827	
Accrued interest adjustment		6,457	
<b>Capital assets</b>			
Acquisitions		47,107	
Net book value of disposals		(21,208)	
Capital contributions		2,650,198	
Depreciation		(382,684)	
<b>Inventories</b>			
		(6,688)	
<b>General leave accrual</b>			
		(5,778)	
<b>Change in net position, GAAP basis</b>		<u>\$ 2,522,861</u>	

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 WESTMINSTER HOUSING AUTHORITY  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Operating revenues</b>			
Rentals	\$ -	\$ 587	\$ 587
<b>Total operating revenues</b>	<u>-</u>	<u>587</u>	<u>587</u>
<b>Operating expenses</b>			
Contractual services	66,000	55,593	10,407
Commodities	1,500	1,555	(55)
<b>Total operating expenses</b>	<u>67,500</u>	<u>57,148</u>	<u>10,352</u>
<b>Operating loss</b>	<u>(67,500)</u>	<u>(56,561)</u>	<u>10,939</u>
<b>Nonoperating revenues (expenses)</b>			
Income on investments	-	(2,636)	(2,636)
<b>Total nonoperating revenues (expenses)</b>	<u>-</u>	<u>(2,636)</u>	<u>(2,636)</u>
<b>Loss before transfers</b>	(67,500)	(59,197)	8,303
Transfers (out)	(2,200,000)	(2,200,000)	-
<b>Change in net position</b>	<u>\$ (2,267,500)</u>	<u>(2,259,197)</u>	<u>\$ 8,303</u>
<b>Adjustments to GAAP basis</b>			
<b>Capital assets</b>			
Capital contributions		27,203	
Depreciation		(49,808)	
<b>Change in net position, GAAP Basis</b>		<u>\$ (2,281,802)</u>	

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**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2013**

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 225,575	\$ 263,965	\$ 227,907	\$ 156,935	\$ 874,382
Cash and cash equivalents w with fiscal agent	166,351	-	-	-	166,351
Investments	4,285,922	5,015,340	4,330,231	2,981,771	16,613,264
Receivables:					
Interest	11,466	13,348	11,510	7,878	44,202
Prepaid items	15,518	-	21,402	-	36,920
Total current assets	<u>4,704,832</u>	<u>5,292,653</u>	<u>4,591,050</u>	<u>3,146,584</u>	<u>17,735,119</u>
Noncurrent assets:					
Capital assets:					
Depreciable assets, net	-	-	-	6,661,213	6,661,213
Total assets	<u>4,704,832</u>	<u>5,292,653</u>	<u>4,591,050</u>	<u>9,807,797</u>	<u>24,396,332</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other	199,979	22,689	50,869	341,686	615,223
Accrued liabilities	486	-	874	-	1,360
Lease payable, current portion	-	-	-	394,573	394,573
Other liabilities, current portion	1,411	-	4,623	-	6,034
Accrued interest	-	-	-	25,712	25,712
Estimated claims	498,128	132,704	308,559	-	939,391
Total current liabilities	<u>700,004</u>	<u>155,393</u>	<u>364,925</u>	<u>761,971</u>	<u>1,982,293</u>
Noncurrent liabilities:					
Leases payable	-	-	-	1,129,646	1,129,646
Other liabilities payable	14,954	-	6,413	-	21,367
Total noncurrent liabilities	<u>14,954</u>	<u>-</u>	<u>6,413</u>	<u>1,129,646</u>	<u>1,151,013</u>
Total liabilities	<u>714,958</u>	<u>155,393</u>	<u>371,338</u>	<u>1,891,617</u>	<u>3,133,306</u>
<b>NET POSITION</b>					
Net investment in capital assets	-	-	-	4,797,487	4,797,487
Unrestricted	3,989,874	5,137,260	4,219,712	3,118,693	16,465,539
Total net position	<u>\$ 3,989,874</u>	<u>\$ 5,137,260</u>	<u>\$ 4,219,712</u>	<u>\$ 7,916,180</u>	<u>\$ 21,263,026</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	Governmental Activities				Total
	Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
<b>Operating revenues</b>					
Charges for services	\$ 11,548,689	\$ 993,094	\$ 1,822,770	\$ 2,768,262	\$ 17,132,815
Other	18,396	92	-	-	18,488
<b>Total operating revenues</b>	<u>11,567,085</u>	<u>993,186</u>	<u>1,822,770</u>	<u>2,768,262</u>	<u>17,151,303</u>
<b>Operating expenses</b>					
Personnel services	93,151	1,215	160,433	-	254,799
Contractual services	1,449,393	100,572	496,941	-	2,046,906
Commodities	21,978	1,158	1,844	-	24,980
Capital expense	-	-	-	1,061,969	1,061,969
Insurance and other expenses	10,377,680	417,771	620,235	-	11,415,686
Depreciation	-	-	-	1,454,893	1,454,893
<b>Total operating expenses</b>	<u>11,942,202</u>	<u>520,716</u>	<u>1,279,453</u>	<u>2,516,862</u>	<u>16,259,233</u>
<b>Operating income (loss)</b>	<u>(375,117)</u>	<u>472,470</u>	<u>543,317</u>	<u>251,400</u>	<u>892,070</u>
<b>Nonoperating revenues (expenses)</b>					
Income on investments	1,055	3,447	2,951	(1,941)	5,512
Interest expense	-	-	-	(38,091)	(38,091)
Gain on disposition of capital assets	-	-	-	62,069	62,069
<b>Total nonoperating revenues (expenses)</b>	<u>1,055</u>	<u>3,447</u>	<u>2,951</u>	<u>22,037</u>	<u>29,490</u>
<b>Income (loss) before transfers</b>	<u>(374,062)</u>	<u>475,917</u>	<u>546,268</u>	<u>273,437</u>	<u>921,560</u>
Transfers (out)	-	-	-	(878,596)	(878,596)
<b>Change in net position</b>	<u>(374,062)</u>	<u>475,917</u>	<u>546,268</u>	<u>(605,159)</u>	<u>42,964</u>
<b>Net position - beginning</b>	4,363,936	4,661,343	3,673,444	8,521,339	21,220,062
<b>Net position - ending</b>	<u>\$ 3,989,874</u>	<u>\$ 5,137,260</u>	<u>\$ 4,219,712</u>	<u>\$ 7,916,180</u>	<u>\$ 21,263,026</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	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:					
Receipts from interfund charges for risk management services	\$ 11,567,085	\$ 63,358	\$ 85,563	\$ -	\$ 11,716,006
Receipts from interfund charges for capital outlay replacement	-	-	-	2,785,285	2,785,285
Cash payments to employees for services	(90,041)	(1,215)	(156,310)	-	(247,566)
Cash payments to suppliers for goods and services	(11,843,257)	(505,833)	(1,214,172)	(1,068,281)	(14,631,543)
Payments from other funds	-	960,055	1,738,706	-	2,698,761
Net cash provided by (used in) operating activities	<u>(366,213)</u>	<u>516,365</u>	<u>453,787</u>	<u>1,717,004</u>	<u>2,320,943</u>
Cash flows from noncapital financing activities:					
Transfer out	-	-	-	(878,596)	(878,596)
Net cash (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(878,596)</u>	<u>(878,596)</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(376,668)	(376,668)
Interest paid on long term debt	-	-	-	(31,531)	(31,531)
Acquisition and construction of capital assets	-	-	-	(1,011,530)	(1,011,530)
Proceeds from sale of capital assets	-	-	-	114,705	114,705
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,305,024)</u>	<u>(1,305,024)</u>
Cash flow from investing activities:					
Sale/(purchase) of investments	126,722	(714,223)	(623,651)	321,172	(889,980)
Interest received on investments	30,410	28,941	24,736	(25,531)	58,556
Net cash provided by (used in) investing activities	<u>157,132</u>	<u>(685,282)</u>	<u>(598,915)</u>	<u>295,641</u>	<u>(831,424)</u>
Net decrease in cash and cash equivalents	(209,081)	(168,917)	(145,128)	(170,975)	(694,101)
Cash and cash equivalents - beginning of year	601,007	432,882	373,035	327,910	1,734,834
Cash and cash equivalents - end of year	<u>\$ 391,926</u>	<u>\$ 263,965</u>	<u>\$ 227,907</u>	<u>\$ 156,935</u>	<u>\$ 1,040,733</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	<u>\$ (375,117)</u>	<u>\$ 472,470</u>	<u>\$ 543,317</u>	<u>\$ 251,400</u>	<u>\$ 892,070</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	1,454,893	1,454,893
(Increase) decrease in accounts receivable	-	30,226	1,499	17,023	48,748
Decrease in prepaid items	(15,518)	2,700	(21,402)	-	(34,220)
Increase (decrease) in accounts payable and other	(28,194)	(5,294)	14,885	(6,312)	(24,915)
Increase (decrease) in estimated claims	52,616	16,263	(84,512)	-	(15,633)
Total adjustments	<u>8,904</u>	<u>43,895</u>	<u>(89,530)</u>	<u>1,465,604</u>	<u>1,428,873</u>
Net cash provided by (used in) operating activities	<u>\$ (366,213)</u>	<u>\$ 516,365</u>	<u>\$ 453,787</u>	<u>\$ 1,717,004</u>	<u>\$ 2,320,943</u>

Non-cash investing, capital, and financing activities:

- \* The unrecognized loss recorded to value the non-cash investments of the City's internal service funds to fair market value was \$137,577.
- \* Accrued interest increased for the General Capital Outlay Replacement Internal Service Fund by \$6,560.
- \* Accounts payable used to acquire capital assets increased by \$263,613 for the General Capital Outlay Replacement Internal Service Fund.
- \* A lease payable in the amount of \$435,393 was entered into for the purchase of an asset; payments will commence in 2014.

**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
GENERAL CAPITAL OUTLAY REPLACEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Charges for services	\$ 2,768,262	\$ 2,768,262	\$ -
<b>Total operating revenues</b>	<u>2,768,262</u>	<u>2,768,262</u>	<u>-</u>
<b>Operating expenses</b>			
Capital expense	5,017,524	2,073,499	2,944,025
<b>Total operating expenses</b>	<u>5,017,524</u>	<u>2,073,499</u>	<u>2,944,025</u>
<b>Operating income (loss)</b>	<u>(2,249,262)</u>	<u>694,763</u>	<u>2,944,025</u>
<b>Nonoperating revenues (expenses)</b>			
Income on investments	-	(1,941)	(1,941)
Debt service	(408,197)	(408,199)	(2)
Disposition of assets	-	114,705	114,705
Issuance of debt	435,393	435,393	-
<b>Total nonoperating revenues (expenses)</b>	<u>27,196</u>	<u>139,958</u>	<u>112,762</u>
<b>Income (loss) before transfers</b>	(2,222,066)	834,721	3,056,787
Transfers (out)	(878,596)	(878,596)	-
<b>Change in net position</b>	<u><u>\$ (3,100,662)</u></u>	<u><u>(43,875)</u></u>	<u><u>\$ 3,056,787</u></u>
<b>Adjustments to GAAP basis</b>			
<b>Debt</b>			
Principal payments		376,668	
Issuance of leases		(435,393)	
Accrued interest adjustment		(6,560)	
<b>Capital assets</b>			
Acquisitions		1,011,530	
Net book value of disposals		(52,636)	
Depreciation		(1,454,893)	
<b>Change in Net Position, GAAP Basis</b>		<u><u>\$ (605,159)</u></u>	

# STATISTICS

STATISTICS

## **STATISTICAL SECTION (Unaudited)**

### **Table**

#### **Financial Trends Information**

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

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

#### **Revenue Capacity Information**

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

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

#### **Debt Capacity Information**

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

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

#### **Demographic and Economic Information**

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

Demographic and Economic Statistics	12
Principal Employers	13

#### **Operating Information**

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

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**Table 1**  
**City of Westminster**

**Net Position by Component**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental activities</b>										
Net Investment in capital assets	\$ 181,518,179	\$ 176,064,347	\$ 167,459,905	\$ 166,119,255	\$ 158,875,846	\$ 160,998,545	\$ 177,034,028	\$ 174,180,185	\$ 198,949,426	\$ 182,883,693
Restricted	34,508,098	32,889,201	35,378,439	32,828,397	36,445,526	30,686,285	30,387,925	45,756,100	3,978,822	3,275,792
Unrestricted	107,275,937	96,304,116	91,201,675	78,848,530	67,848,480	72,256,476	62,116,184	32,614,076	53,798,749	60,247,261
<b>Total governmental activities net position</b>	<b>\$ 323,302,214</b>	<b>\$ 305,257,664</b>	<b>\$ 294,040,019</b>	<b>\$ 277,796,182</b>	<b>\$ 263,169,852</b>	<b>\$ 263,941,306</b>	<b>\$ 269,538,137</b>	<b>\$ 252,550,361</b>	<b>\$ 256,726,997</b>	<b>\$ 246,406,746</b>
<b>Business-type activities</b>										
Net Investment in capital assets	\$ 343,060,522	\$ 336,924,153	\$ 337,605,101	\$ 336,344,413	\$ 329,710,391	\$ 343,627,745	\$ 321,320,685	\$ 296,968,005	\$ 288,116,734	\$ 280,402,901
Restricted	5,207,324	5,206,778	5,484,664	5,483,098	5,486,422	3,424,753	3,406,636	3,384,483	3,371,769	3,939,139
Unrestricted	86,956,838	81,540,256	64,814,804	55,893,678	58,676,671	73,164,925	83,341,972	96,573,378	81,944,889	74,959,025
<b>Total business-type activities net position</b>	<b>\$ 435,224,684</b>	<b>\$ 423,671,187</b>	<b>\$ 407,904,569</b>	<b>\$ 397,721,189</b>	<b>\$ 393,873,484</b>	<b>\$ 420,217,423</b>	<b>\$ 408,069,293</b>	<b>\$ 396,925,866</b>	<b>\$ 373,433,392</b>	<b>\$ 359,301,065</b>
<b>Total</b>										
Net Investment in capital assets	\$ 524,578,701	\$ 512,988,500	\$ 505,065,006	\$ 502,463,668	\$ 488,586,237	\$ 504,626,290	\$ 498,354,713	\$ 471,148,190	\$ 487,066,160	\$ 463,286,594
Restricted	39,715,422	38,095,979	40,863,103	38,311,495	41,931,948	34,111,038	33,794,561	49,140,583	7,350,591	7,214,931
Unrestricted	194,232,775	177,844,372	156,016,479	134,742,208	126,525,151	145,421,401	145,458,156	129,187,454	135,743,638	135,206,286
<b>Total net position</b>	<b>\$ 758,526,898</b>	<b>\$ 728,928,851</b>	<b>\$ 701,944,588</b>	<b>\$ 675,517,371</b>	<b>\$ 657,043,336</b>	<b>\$ 684,158,729</b>	<b>\$ 677,607,430</b>	<b>\$ 649,476,227</b>	<b>\$ 630,160,389</b>	<b>\$ 605,707,811</b>

Note: Prior year transactions affecting the beginning Net Position 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 Position**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Expenses</b>										
Governmental activities:										
General government	\$ 38,096,012	\$ 35,878,873	\$ 35,365,276	\$ 37,650,090	\$ 36,876,436	\$ 37,827,492	\$ 30,083,440	\$ 26,755,382	\$ 28,375,433	\$ 27,373,824
Public safety	34,701,963	32,690,106	31,572,328	31,705,261	31,552,454	31,797,184	30,077,636	29,526,569	28,211,005	25,188,099
Public works	14,526,130	14,484,672	10,278,949	14,468,243	13,941,301	13,748,911	14,501,794	14,385,925	7,793,659	6,669,236
Community development	10,053,995	10,294,204	14,367,026	12,014,109	12,454,872	17,656,461	14,059,071	24,290,269	14,849,423	20,668,261
Culture and recreation	20,547,209	21,450,331	17,403,563	17,608,348	20,368,098	17,307,667	17,829,533	11,481,246	13,498,043	13,487,779
Capital projects	-	-	-	-	-	-	-	-	-	7,761,325
Interest and fiscal charges	7,012,596	6,697,736	6,952,116	7,803,642	8,449,810	7,845,618	7,394,096	9,052,813	2,964,876	4,721,589
Refunding issuance costs	157,626	-	-	-	-	-	-	-	-	-
Unallocated depreciation	308,894	309,553	347,847	443,359	479,427	488,012	1,095,078	1,099,897	11,354,543	11,885,480
Total governmental activities expenses	125,404,425	121,805,475	116,287,105	121,693,052	124,122,398	126,671,345	115,040,648	116,592,101	107,046,982	117,755,593
Business-type activities:										
Utility	43,302,750	44,861,022	42,845,082	44,664,016	48,678,931	45,569,405	40,329,042	37,840,442	30,937,189	31,668,693
Golf	3,809,085	3,354,014	3,389,873	3,526,264	4,017,357	4,128,726	3,410,562	3,301,699	3,171,327	3,534,028
Westminster Building Authority	-	-	-	-	-	-	-	-	68,559	120,821
Westminster Housing Authority	106,956	696,930	792,691	1,243,300	922,689	969,722	995,606	947,135	1,325,012	996,062
Total business-type activities expenses	47,218,791	48,911,966	47,027,646	49,433,580	53,618,977	50,667,853	44,735,210	42,089,276	35,502,087	36,319,604
Total primary government expenses	172,623,216	170,717,441	163,314,751	171,126,632	177,741,375	177,339,198	159,775,858	158,681,377	142,549,069	154,075,197
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	4,883,189	4,055,921	3,737,240	6,116,547	4,497,892	5,666,074	7,432,044	5,319,186	5,591,578	6,297,375
Public safety	4,204,733	4,507,902	4,550,427	4,160,047	4,225,333	4,096,692	4,053,890	4,498,935	4,195,334	3,692,640
Public works	1,630,161	1,810,028	1,744,118	1,419,414	1,777,317	1,527,937	-	-	-	-
Community development	190,322	(12,469)	186,524	297,219	400,784	246,084	77,884	117,934	178,163	228,753
Culture and recreation	6,765,100	6,747,706	6,550,418	7,139,822	6,249,434	6,908,729	5,753,903	6,297,123	5,913,673	5,649,992
Operating grants and contributions	6,266,173	6,669,118	6,550,602	4,496,790	4,300,000	5,486,482	5,748,908	5,329,834	4,165,796	4,716,909
Capital grants and contributions	15,133,416	9,309,177	9,094,638	11,701,408	7,113,267	8,736,385	14,261,659	10,067,149	10,400,100	9,012,841
Total program revenues	39,073,094	33,087,383	32,413,967	35,331,247	28,564,027	32,668,383	37,328,288	31,630,161	30,444,644	29,598,510
Business-type activities:										
Charges for services:										
Utility	45,097,929	49,243,639	44,227,706	43,638,168	37,785,693	41,355,962	37,009,477	37,639,880	34,574,051	29,890,164
Golf	3,090,119	3,141,318	2,679,816	2,682,977	2,730,028	3,137,704	3,197,655	2,993,881	2,932,389	2,825,291
Westminster Building Authority	-	-	-	-	-	-	-	-	15,655	17,020
Westminster Housing Authority	-	723,307	944,917	942,564	920,327	901,313	902,899	887,721	878,870	835,157
Operating grants and contributions	1,695	36,435	-	1,972	-	-	-	-	-	-
Capital grants and contributions	9,313,996	5,460,466	7,589,453	4,221,676	3,534,458	12,590,561	7,809,021	15,704,276	14,934,514	11,002,884
Total business-type activities program revenues	57,503,739	58,605,165	55,441,892	51,487,357	44,970,506	57,985,540	48,919,052	57,225,758	53,335,479	44,570,516
Total revenues	96,576,833	91,692,548	87,855,859	86,818,604	73,534,533	90,653,923	86,247,340	88,855,919	83,780,123	74,169,026
<b>Net (expense)/revenue</b>										
Governmental activities	(86,331,331)	(88,718,092)	(83,873,138)	(86,361,805)	(95,558,371)	(94,002,962)	(77,712,360)	(84,961,940)	(76,602,338)	(88,157,083)
Business-type activities	10,284,948	9,693,199	8,414,246	2,053,777	(8,648,471)	7,317,687	4,183,842	15,136,482	17,833,392	8,250,912
Total primary government net expense	(76,046,383)	(79,024,893)	(75,458,892)	(84,308,028)	(104,206,842)	(86,685,275)	(73,528,518)	(69,825,458)	(58,768,946)	(79,906,171)

**Table 2 (continued)**  
**City of Westminster**

**Changes in Net Position**  
**Last ten fiscal years**

**General revenues and other changes in net position**

<b>Governmental activities:</b>										
Taxes										
Property taxes	12,947,197	12,891,503	13,334,499	13,326,123	10,737,251	9,020,419	6,348,656	5,272,024	4,600,304	4,331,501
Sales taxes	68,712,125	65,544,298	64,746,106	66,078,878	63,634,222	65,369,753	60,290,173	56,725,466	54,419,354	52,568,207
Use taxes	14,110,138	11,946,218	11,614,468	11,432,450	10,382,385	12,436,326	13,610,159	12,634,095	11,683,748	11,422,307
Business fees and other taxes	5,587,433	5,275,222	5,342,892	5,092,047	4,797,606	5,137,132	4,556,637	4,300,682	4,185,604	3,950,630
Accommodations taxes	2,905,893	2,427,226	2,365,444	2,231,693	2,045,874	2,627,010	1,425,434	1,239,740	1,078,023	945,908
Intergovernmental not restricted to a specific purpose	672,693	672,172	673,423	1,612,345	1,360,925	1,079,951	1,052,427	1,060,315	818,642	1,086,271
Assessments	2,000	6,000	2,000	-	-	-	-	-	-	-
Interest	139,218	811,117	913,339	1,261,427	1,979,580	6,043,261	6,496,200	5,760,231	3,087,962	1,043,447
Rentals	409,789	470,674	569,867	-	-	-	-	-	-	-
Other	1,084,214	35,000	273,002	-	597,423	1,420,276	1,980,122	2,152,680	991,884	434,985
Gain on Sale of Assets	-	21,879	632,142	809,511	-	604,571	-	-	-	-
Special Item	-	-	-	-	-	(14,825,447)	-	-	-	-
Transfers	(774,544)	(165,572)	(350,207)	(856,339)	(748,349)	(507,121)	(1,059,672)	(1,035,000)	5,521,091	2,181,901
<b>Total governmental activities</b>	<b>105,796,156</b>	<b>99,935,737</b>	<b>100,116,975</b>	<b>100,988,135</b>	<b>94,786,917</b>	<b>88,406,131</b>	<b>94,700,136</b>	<b>88,110,233</b>	<b>86,386,612</b>	<b>77,965,157</b>
<b>Business-type activities:</b>										
Interest	32,742	840,406	901,668	670,337	1,177,710	3,978,172	5,899,913	4,325,952	1,802,480	822,480
Rentals	587	839	-	-	-	-	-	-	-	-
Other	883,951	1,190,155	517,259	267,252	-	-	-	-	17,546	584,271
Gain on Sale of Assets	98,245	-	-	-	1,019	895,150	-	4,093,643	-	-
Special Item	-	3,876,447	-	-	-	-	-	-	-	-
Transfers	774,544	165,572	350,207	856,339	748,349	507,121	1,059,672	1,035,000	(5,521,091)	(2,181,901)
<b>Total business-type activities</b>	<b>1,790,069</b>	<b>6,073,419</b>	<b>1,769,134</b>	<b>1,793,928</b>	<b>1,927,078</b>	<b>5,380,443</b>	<b>6,959,585</b>	<b>9,454,595</b>	<b>(3,701,065)</b>	<b>(775,150)</b>
<b>Total</b>	<b>107,586,225</b>	<b>106,009,156</b>	<b>101,886,109</b>	<b>102,782,063</b>	<b>96,713,995</b>	<b>93,786,574</b>	<b>101,659,721</b>	<b>97,564,828</b>	<b>82,685,547</b>	<b>77,190,007</b>
<b>Change in net position</b>										
Governmental activities	19,464,825	11,217,645	16,243,837	14,626,330	(771,454)	(5,596,831)	16,987,776	3,148,293	9,784,274	(10,191,926)
Adjustment for accounting change	(1,420,275)	-	-	-	-	-	-	-	-	-
Business-type activities	12,075,017	15,766,618	10,183,380	3,847,705	(6,721,393)	12,698,130	11,143,427	24,591,077	14,132,327	7,475,762
Adjustment for accounting change	(521,520)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 29,598,047</b>	<b>\$ 26,984,263</b>	<b>\$ 26,427,217</b>	<b>\$ 18,474,035</b>	<b>\$ (7,492,847)</b>	<b>\$ 7,101,299</b>	<b>\$ 28,131,203</b>	<b>\$ 27,739,370</b>	<b>\$ 23,916,601</b>	<b>\$ (2,716,164)</b>

Note: Prior period adjustments affecting expenses are noted in Table 1  
2013: Adjustment for accounting change due to implementation of GASB 65

**Table 3**  
**City of Westminster**

**Fund Balances, Governmental Funds**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General fund</b>										
Reserved				\$ 7,220,548	\$ 4,971,225	\$ 5,299,062	\$ 5,203,223	\$ 6,539,253	\$ 7,623,125	\$ 7,387,538
Unreserved				11,628,557	14,873,895	12,045,241	9,859,229	11,015,978	10,172,500	11,058,947
Nonspendable	\$ 887,569	\$ 943,056	\$ 1,060,299							
Restricted	5,177,644	4,849,535	4,822,404							
Committed	-	-	-							
Assigned	5,732,552	5,843,851	5,802,983							
Unassigned	18,960,092	17,795,609	15,243,510							
<b>Total general fund</b>	<b>\$30,757,857</b>	<b>\$29,432,051</b>	<b>\$26,929,196</b>	<b>\$18,849,105</b>	<b>\$19,845,120</b>	<b>\$17,344,303</b>	<b>\$15,062,452</b>	<b>\$17,555,231</b>	<b>\$17,795,625</b>	<b>\$18,446,485</b>
<b>All other governmental funds</b>										
Reserved				\$ 53,287,957	\$ 32,504,877	\$ 49,434,107	\$ 55,624,752	\$ 41,493,854	\$ 51,749,047	\$ 13,894,852
Unreserved, reported in:										
Special revenue funds				11,702,434	9,959,421	10,975,428	12,304,218	7,472,186	14,949,783	3,161,386
Capital project funds				17,652,289	35,179,303	46,104,714	41,475,007	33,713,081	47,985,815	40,797,055
Nonspendable	\$ 31,226,133	\$ 32,351,416	\$ 27,391,523							
Restricted	29,425,771	30,475,367	32,119,519							
Committed	34,204,717	29,391,324	24,387,010							
Assigned	306,482	460,677	338,688							
Unassigned	(621,910)	(382,694)	(754,471)							
<b>Total all other governmental funds</b>	<b>\$94,541,193</b>	<b>\$92,296,090</b>	<b>\$83,482,269</b>	<b>\$82,642,680</b>	<b>\$77,643,601</b>	<b>\$106,514,249</b>	<b>\$109,403,977</b>	<b>\$82,679,121</b>	<b>\$114,684,645</b>	<b>\$57,853,293</b>

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

**Table 4**  
**City of Westminster**

**Changes in Fund Balance, Governmental Funds**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Revenues</b>										
Taxes and business fees	\$104,262,786	\$ 98,084,467	\$ 97,403,409	\$ 98,161,191	\$ 91,597,338	\$ 94,590,640	\$ 86,231,059	\$ 80,172,007	\$ 76,079,765	\$ 73,218,549
Intergovernmental	13,444,290	13,363,386	14,690,316	14,485,838	13,354,111	14,316,029	12,626,793	14,815,789	9,821,702	9,891,407
Assessments	41,199	45,935	43,361	41,905	46,471	42,886	149,199	160,425	932,647	629,422
Licenses and permits	2,653,281	2,006,610	1,824,264	1,708,941	1,127,900	2,133,832	2,654,027	2,616,662	2,101,468	2,321,833
Interest	139,740	828,450	937,931	1,265,429	2,029,458	6,102,824	6,554,612	5,781,155	3,119,849	1,043,728
Rentals	425,569	476,399	569,867	-	-	-	-	-	-	-
Contributions	3,389,088	2,846,572	2,893,030	2,444,022	341,739	771,595	4,349,528	1,460,160	4,850,163	3,128,934
Recreation fees	6,788,407	6,751,616	6,443,748	6,372,404	5,766,441	6,379,855	5,735,111	5,867,809	5,311,991	5,072,051
Fines and forfeits	1,868,695	2,010,118	2,251,882	2,077,598	2,066,013	1,977,465	2,164,544	2,512,044	2,222,848	1,991,265
Fleet maintenance billings and other	4,508,886	4,529,238	4,442,594	5,427,769	6,544,888	6,886,037	5,058,804	3,699,601	3,425,398	2,988,540
EMS billings	2,173,899	2,357,911	2,016,677	2,031,040	1,858,670	2,026,555	2,020,583	1,937,237	1,814,699	1,492,350
Miscellaneous and other	810,454	127,277	317,947	128,456	336,893	973,939	80,040	10,737	376,850	254,296
<b>Total revenues</b>	<b>140,506,294</b>	<b>133,427,979</b>	<b>133,835,026</b>	<b>134,144,593</b>	<b>125,069,922</b>	<b>136,201,657</b>	<b>127,624,300</b>	<b>119,033,626</b>	<b>110,057,380</b>	<b>102,032,375</b>
<b>Expenditures</b>										
Current:										
General government	42,191,325	41,025,193	40,160,148	39,544,389	38,893,287	38,981,777	32,017,213	29,101,545	29,270,288	29,781,843
Public safety	33,173,549	31,434,925	30,521,418	30,409,003	30,241,887	30,411,901	28,794,062	28,183,148	27,315,730	24,067,713
Public works	7,398,650	7,210,468	3,280,134	7,391,466	6,754,884	6,753,727	7,238,076	7,071,716	6,506,687	6,635,754
Community development	5,746,886	5,416,821	8,948,499	7,090,959	4,647,250	9,807,146	6,634,975	15,393,627	6,608,216	8,168,892
Culture and recreation	14,186,013	13,674,664	13,047,644	13,771,317	14,036,487	14,009,673	13,456,076	12,868,421	12,407,022	11,683,528
Capital projects	17,487,657	11,361,038	13,070,798	19,731,978	32,958,628	26,018,509	29,413,964	49,866,552	45,506,648	51,364,097
Debt service:										
Principal	14,651,000	11,635,000	12,585,000	8,720,000	15,538,875	4,920,000	5,480,000	5,240,000	14,411,670	4,910,000
Interest and fiscal charges	5,769,157	9,816,176	6,584,681	6,973,932	7,883,680	7,519,672	7,278,409	8,706,148	7,570,896	4,309,524
Issuance costs	157,626	383,516	-	483,318	1,003,757	-	1,558,275	-	-	-
<b>Total expenditures</b>	<b>140,761,863</b>	<b>131,957,801</b>	<b>128,198,322</b>	<b>134,116,362</b>	<b>151,958,735</b>	<b>138,422,405</b>	<b>131,871,050</b>	<b>156,431,157</b>	<b>149,597,157</b>	<b>140,921,351</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(255,569)</b>	<b>1,470,178</b>	<b>5,636,704</b>	<b>28,231</b>	<b>(26,888,813)</b>	<b>(2,220,748)</b>	<b>(4,246,750)</b>	<b>(37,397,531)</b>	<b>(39,539,777)</b>	<b>(38,888,976)</b>
<b>Other financing Sources (Uses)</b>										
Issuance of bonds	11,095,000	5,812,724	-	1,134,410	535,337	-	29,485,488	-	68,300,000	9,000,000
Issuance of notes	-	-	3,500,000	-	-	-	-	-	-	-
Issuance of leases	-	-	-	2,575,190	562,530	32,792	40,626	5,045,733	20,651,235	488,414
Issuance of refunding debt	-	96,366,606	-	-	-	-	-	-	-	-
Premium on refunding debt	1,167,165	1,756,197	-	-	-	-	-	-	-	-
Discount on refunding debt	-	(67,028)	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(12,065,594)	(94,287,102)	-	-	-	-	-	-	-	-
Sale of capital asset	848,454	43,519	50,770	1,121,572	169,464	1,071,525	702,109	1,140,880	5,484,526	8,213,870
Transfers in	23,123,984	15,240,547	21,348,099	92,160,117	67,485,765	75,333,568	72,740,073	71,995,567	85,070,154	67,737,574
Transfers (out)	(20,342,531)	(15,018,965)	(21,615,893)	(93,016,456)	(68,234,114)	(75,840,689)	(74,489,469)	(73,030,567)	(83,785,646)	(65,555,673)
<b>Total other financing sources (uses)</b>	<b>3,826,478</b>	<b>9,846,498</b>	<b>3,282,976</b>	<b>3,974,833</b>	<b>518,982</b>	<b>597,196</b>	<b>28,478,827</b>	<b>5,151,613</b>	<b>95,720,269</b>	<b>19,884,185</b>
<b>Net change in fund balances</b>	<b>\$ 3,570,909</b>	<b>\$ 11,316,676</b>	<b>\$ 8,919,680</b>	<b>\$ 4,003,064</b>	<b>\$(26,369,831)</b>	<b>\$(1,623,552)</b>	<b>\$ 24,232,077</b>	<b>\$(32,245,918)</b>	<b>\$ 56,180,492</b>	<b>\$(19,004,791)</b>
Debt Service as a percentage of noncapital expenditures	16.1%	17.5%	16.4%	13.4%	19.1%	10.5%	13.0%	12.6%	23.5%	9.4%

**Table 5**  
**City of Westminster**

**Sales and Use Tax Revenue**  
**Last ten fiscal years**

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax <sup>1</sup>	Open Space Sales and Use Tax <sup>2</sup>	Total Direct Tax Rate
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	57,689,143	11,526,170	4,801,294	3.85%
2010	60,677,400	11,832,426	5,001,503	3.85%
2011	59,520,797	11,887,799	4,951,978	3.85%
2012	60,408,927	12,058,508	5,023,081	3.85%
2013	64,567,679	12,886,561	5,368,023	3.85%

Source: City Sales Tax Division

<sup>1</sup> The Public Safety Sales and Use Tax was implemented January 1, 2004

<sup>2</sup> 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 <sup>3</sup>		
	City Sales and Use Tax	Public Safety Sales and Use Tax <sup>1</sup>	Open Space Sales and Use Tax <sup>2</sup>	Total Direct Tax Rate	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
2004	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	0.80%
2005	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	1.20%
2006	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	1.20%
2007	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.20%
2008	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.20%
2009	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.20%
2010	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.20%
2011	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.20%
2012	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.10%
2013	3.00%	0.60%	0.25%	3.85%	0.75%	0.50%	1.10%

Source: City Sales Tax Division

<sup>1</sup> The Public Safety Sales and Use Tax was implemented January 1, 2004

<sup>2</sup> The Open Space Sales and Use Tax was implemented January 1, 1985

<sup>3</sup> 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 2013			Fiscal Year 2004		
	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	\$ 18,642,556	1	22.5%	\$ 11,867,395	1	18.5%
Utility/Telecommunications	9,446,085	2	11.4%	7,442,109	2	11.6%
Restaurants	9,274,614	3	11.2%	6,084,584	5	9.5%
Automobile	7,091,115	4	8.6%	6,166,670	3	9.6%
Building/Home Improvement	6,895,928	5	8.3%	4,818,361	6	7.5%
Grocery	4,971,213	6	6.0%	6,131,373	4	9.6%

Source: City Sales Tax Division

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

**Table 8**  
**City of Westminster**

**Ratios of Outstanding Debt by Type**  
**Last ten fiscal years**

Fiscal Year	Governmental Activities						Business-Type Activities				Total Primary Government	Percentage of Personal	
	General Obligation Bonds	Revenue Bonds	Tax Increment Bonds	Special Assessment Bonds	Capital Leases	Notes	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes		Income <sup>1</sup>	Per Capita <sup>1</sup>
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
2010	-	60,300,000	105,990,000	-	76,667,485	-	-	37,090,000	5,390,622	31,258,393	316,696,500	6.9%	2,727
2011	-	55,465,000	101,740,000	-	72,008,017	-	-	35,310,000	4,934,076	28,644,252	298,101,345	6.7%	2,719
2012	-	50,485,000	101,420,000	-	66,119,057	1,612,724	-	33,460,000	4,377,176	23,629,405	281,103,362	6.3%	2,604
2013	-	45,330,000	92,049,000	-	60,912,710	1,612,724	-	31,530,000	4,429,114	20,622,014	256,485,562	5.7%	2,343

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

<sup>1</sup>Personal 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, 2013**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County School District #12	\$ 286,987,166	27.18%	\$ 78,003,112
Adams County School District #50	86,735,000	45.53%	39,490,446
Apex Park & Rec District	6,835,000	6.68%	456,578
Arvada Fire Protection District	13,150,000	13.49%	1,773,935
Bradburn Metro #2	5,067,000	100.00%	5,067,000
Bradburn Metro #3	7,260,000	100.00%	7,260,000
Church Ranch Metro District	2,370,000	120.73%	2,861,301
Country Club Highlands Metro District	2,055,000	100.00%	2,055,000
Country Club Village Metro District	2,865,000	100.00%	2,865,000
Countrydale Metropolitan District	25,570,000	420.79%	107,596,003
Hunington Trails Metro District	6,380,000	100.00%	6,380,000
Hyland Hills Park & Recreation	10,390,000	54.30%	5,641,770
Jefferson County School District R-1	473,965,000	8.25%	39,102,113
NBC Metropolitan District	1,444,500	98.91%	1,428,755
North Metro Fire and Rescue	21,875,000	0.14%	30,625
Southwest Adams Fire Protection District #2	388,100	0.03%	116
Westglenn Metro District	4,822,358	103.37%	4,984,871
Subtotal, overlapping debt			\$ 304,996,625
City Direct debt			199,904,434
Total direct and overlapping debt			\$ 504,901,059

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**

**Legal Debt Margin Calculation for Fiscal Year 2013**

Actual value of taxable property <sup>1</sup>		
Adams County portion of the City	\$ 5,801,239,761	
Jefferson County portion of the City	4,138,728,947	
Total actual value		<u>\$ 9,939,968,708</u>
Debt limit (3% of actual value <sup>2</sup> )		\$ 298,199,061
Debt applicable to limit:		
Bonded debt - general obligation only	\$ -	
Installment of lease/purchase contracts for purchase of property or equipment <sup>3</sup>	65,341,824	
		<u>65,341,824</u>
Less deductions allowed by law:		<u>-</u>
Total net debt applicable to limit		<u>65,341,824</u>
Legal debt margin		<u>\$ 232,857,237</u>

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt limit	\$ 298,199,061	\$ 294,623,453	\$ 296,197,301	\$ 305,686,451	\$ 306,001,998	\$ 315,072,736	\$ 311,178,234	\$ 300,968,004	\$ 295,891,298	\$ 281,817,584
Total net debt applicable to limit	65,341,824	70,496,233	76,942,093	82,058,107	77,901,812	85,685,000	83,852,128	86,810,539	85,369,906	68,503,976
Legal debt margin	<u>\$ 232,857,237</u>	<u>\$ 224,127,220</u>	<u>\$ 219,255,208</u>	<u>\$ 223,628,344</u>	<u>\$ 228,100,186</u>	<u>\$ 229,387,736</u>	<u>\$ 227,326,106</u>	<u>\$ 214,157,465</u>	<u>\$ 210,521,392</u>	<u>\$ 213,313,608</u>
Total net debt applicable to the limit as a percentage of debt limit	21.91%	23.93%	25.98%	26.84%	25.46%	27.20%	26.95%	28.84%	28.85%	24.31%

<sup>1</sup> Source Adams County and Jefferson County Assessors' Offices

<sup>2</sup>CRS 31-15-302 (3% limit)

<sup>3</sup>Included in general obligation indebtedness per Section 11.1 of City Charter

**Table 11**  
**City of Westminster**

**Pledged Revenue Coverage**  
**Last ten fiscal years**

<b>Utilities Revenue Bonds</b>						
Fiscal Year	Applicable Revenues	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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
2010	45,945,519	(29,813,687)	16,131,832	4,055,665	2,446,814	2.48
2011	50,529,479	(27,931,057)	22,598,422	4,190,557	3,006,017	3.14
2012	54,605,982	(29,478,283)	25,127,699	4,337,883	2,852,651	3.49
2013	52,903,911	(27,684,633)	25,219,278	4,501,875	2,690,433	3.51

<b>Golf Course Enterprise Revenue Bonds</b>						
Fiscal Year	Applicable Revenues	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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)
2010	-	-	-	-	-	0.00
2011	-	-	-	-	-	0.00
2012	-	-	-	-	-	0.00
2013	-	-	-	-	-	0.00

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

Source: City's Treasury Division

**Table 11**  
**City of Westminster**

**Pledged Revenue Coverage**  
**Last ten fiscal years**

<b>Sales and Use Tax Revenue Bonds</b>						
Fiscal Year	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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
2010	53,964,035	(439,522)	53,524,513	3,220,000	2,347,240	9.61
2011	54,419,273	(434,196)	53,985,077	3,345,000	1,348,146	11.50
2012	56,057,366	(448,515)	55,608,851	3,435,000	1,211,039	11.97
2013	59,734,283	(454,483)	59,279,800	3,545,000	1,172,826	12.57

<b>Parks Open Space Trails Sales and Use Tax Revenue Bonds</b>						
Fiscal Year	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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	-	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
2010	4,998,817	(36,603)	4,962,214	1,435,000	658,614	2.37
2011	4,930,898	(36,160)	4,894,738	1,490,000	1,389,438	1.70
2012	5,039,265	(37,352)	5,001,913	1,545,000	1,329,837	1.74
2013	5,346,716	(37,849)	5,308,867	1,610,000	1,268,038	1.84

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**

<b>1997 Westminster Economic Development Authority (WEDA) Revenue Bonds (Westminster Plaza Urban Reinvestment Project)</b>							
Fiscal Year	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
*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	-	33,436	33,436	7.75
2010	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	N/A

\*Record interfund loan

\*\*Record write-off of portion of interfund loan and interest

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

**WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2003 (Mandalay Gardens Project)**

	Gross Pledged Revenues	Less:		Capitalized Interest	Total Revenues Available for Debt Service		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue		Principal	Interest and Fees	Total Debt Service		
2004	\$ 250,881	\$ -	\$ 250,881	\$ 882,932	\$ 1,133,813	\$ -	\$ 882,932	\$ 882,932	1.28
2005	1,513,135	(2,637)	1,510,498	1,569,189	3,079,687	-	1,569,188	1,569,188	1.96
*2006	356,308	-	356,308	582,016	938,324	70,000	335,245	405,245	2.32
2007	-	-	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A

\*Refunded in March 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**

<b>WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2005 (North Huron Project)</b>									
	<u>Less:</u>				<u>Debt Service</u>				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	150,255	-	150,255	1,399,574	1,549,829	-	1,399,574	1,399,574	1.11
2006	898,979	-	898,979	2,721,347	3,620,326	-	2,721,347	2,721,347	1.33
2007	3,469,600	(6,103)	3,463,497	1,439,736	4,903,233	-	2,868,641	2,868,641	1.71
2008	6,369,646	(116,079)	6,253,567	-	6,253,567	-	2,316,866	2,316,866	2.70
*2009	2,245,860	(42,450)	2,203,410	-	2,203,410	5,925,000	792,075	6,717,075	0.33
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A

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

<b>WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2006 (Mandalay Gardens Project)</b>									
	<u>Less:</u>				<u>Debt Service</u>				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	-	-	N/A
2006	2,124,836	(8,130)	2,116,706	640,675	2,757,381	-	1,336,471	1,336,471	2.06
2007	3,154,147	(14,067)	3,140,080	-	3,140,080	250,000	1,609,735	1,859,735	1.69
2008	3,126,504	(23,084)	3,103,420	-	3,103,420	-	1,298,745	1,298,745	2.39
*2009	2,798,958	(27,004)	2,771,954	-	2,771,954	2,857,875	1,056,631	3,914,506	0.71
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A

\*Refunded in September 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**

<b>WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2007 (South Sheridan Project)</b>									
	Less:				Total Revenues Available for Debt Service	Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest		Principal	Interest and Fees		
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	-	-	N/A
2007	24,974	-	24,974	183,171	208,145	-	183,171	183,171	1.14
2008	722,502	(550,629)	171,873	282,866	454,739	-	282,866	282,866	1.61
*2009	563,172	(401,776)	161,396	156,055	317,451	416,000	128,584	544,584	0.58
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A

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

<b>WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009</b>									
	Less:				Total Revenues Available for Debt Service	Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees		
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	-	-	N/A
*2009	269,431	(3,341)	266,090	97,929	364,019	265,000	121,697	386,697	0.94
2010	379,965	(5,601)	374,364	373,106	747,470	555,000	192,470	747,470	1.00
2011	408,035	(5,948)	402,087	344,293	746,380	575,000	171,380	746,380	1.00
2012	469,479	(6,081)	463,398	281,132	744,530	595,000	149,530	744,530	1.00
2013	469,946	(6,390)	463,556	283,364	746,920	620,000	126,920	746,920	1.00

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

Source: City's Sales Tax Division

<b>WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009 (Mandalay Gardens Project)</b>							
	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
*2009	803,667	(6)	803,661	-	376,662	376,662	2.13
2010	2,697,327	(31,954)	2,665,373	1,125,000	614,960	1,739,960	1.53
2011	2,175,755	(31,752)	2,144,003	1,185,000	589,869	1,774,869	1.21
2012	1,830,823	(27,462)	1,803,361	-	392,699	392,699	4.59
2013	-	-	-	-	-	-	N/A

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

<b>WEDA Tax Increment Loan Series 2009 (North Huron Project)</b>							
	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
*2009	4,529,320	(40,366)	4,488,954	1,170,000	1,911,157	3,081,157	1.46
2010	5,993,927	(81,617)	5,912,310	2,125,000	2,760,466	4,885,466	1.21
2011	5,352,616	(82,240)	5,270,376	2,215,000	2,664,608	4,879,608	1.08
2012	5,326,071	(82,895)	5,243,176	-	1,627,997	1,627,997	3.22
2013	-	-	-	-	-	-	N/A

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

Source: City's Sales Tax Division

WEDA Tax Increment Loan Series 2009 (South Sheridan Project)							
	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
*2009	1,429,709	(637,131)	792,578	120,000	220,579	340,579	2.33
2010	2,368,657	(1,090,879)	1,277,778	260,000	399,282	659,282	1.94
2011	2,087,819	(1,204,614)	883,205	275,000	386,265	661,265	1.34
2012	1,153,846	(845,516)	308,330	-	252,923	252,923	1.22
2013	-	-	-	-	-	-	N/A

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

Source: City's Sales Tax Division

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)									
	Gross Pledged Revenues	Less:			Total Revenues Available for Debt Service	Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees	Total Debt Service	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2005	-	-	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
*2012	125,145	(1,022)	124,123	1,306,770	1,430,893	1,150,000	280,893	1,430,893	1.00
2013	1,795,005	(26,105)	1,768,900	565,075	2,333,975	1,390,000	943,975	2,333,975	1.00

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

Source: City's Sales Tax Division

**Table 11**  
**City of Westminster**

**Pledged Revenue Coverage**  
**Last ten fiscal years**

<b>WEDA Tax Increment Loan Series 2012 (North Huron Project)</b>										
		<u>Less:</u>			<u>Debt Service</u>					
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	N/A
2005	-	-	-	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	-	N/A
*2012	26,490	(388)	26,102	508,941	535,043	-	535,043	535,043	1.00	
2013	5,620,846	(301,220)	5,319,626	-	5,319,626	2,811,000	2,071,163	4,882,163	1.09	

\*Loan was entered into August 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

<b>WEDA Tax Increment Loan Series 2012 (South Sheridan Project)</b>										
		<u>Less:</u>			<u>Debt Service</u>					
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage	
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	N/A
2005	-	-	-	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	-	N/A
*2012	263,400	(286,612)	(23,212)	358,834	335,622	290,000	45,622	335,622	1.00	
2013	614,018	(90,586)	523,432	29,083	552,515	350,000	202,515	552,515	1.00	

\*Loan was entered into September 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

Source: City's Sales Tax Division

**Table 12**  
**City of Westminster**

**Demographic and Economic Statistics**  
**Last ten fiscal years**

Fiscal Year	Population <sup>1</sup>	Total Personal Income <sup>2</sup>	Per Capita Personal Income (Weighted Avg.) <sup>3</sup>	Unemployment Rate <sup>4</sup>
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	4,327,786,043	38,899	5.6%
2009	109,353	4,238,522,280	38,760	7.7%
2010	106,114	4,574,427,144	43,109	9.0%
2011	109,652	4,475,336,728	40,814	8.9%
2012	107,967	4,477,067,589	41,467	8.0%
2013	109,456	4,511,010,128	41,213	6.0%

Source:

<sup>1</sup> 2013 Population - City of Westminster GIS group 2012 estimate from US Census Bureau (prior years data revised when updated data available)

<sup>2</sup> Total Personal Income - Product of Per Capita Personal Income by Population

<sup>3</sup> Per Capita Personal Income - US Bureau of Economic Analysis 2004 -2012 weighted average of Adams and Jefferson County figures. 2013 estimated by applying CPI-U growth rate (2.8%) to 2012 income.

<sup>4</sup> Unemployment Rate obtained from the Colorado Department of Labor and calculated as a weighted average of rates for Adams and Jefferson Counties.

**Table 13**  
**City of Westminster**

**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	Fiscal Year 2013			Fiscal Year 2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Avaya	1000	1	2.65%	1771	1	5.00%
St. Anthony North Hospital	860	2	2.28%	690	3	1.95%
McKesson Information Solutions	650	3	1.72%			
Kaiser Permanente	600	4	1.59%	277	6	0.78%
Alliance Data Systems	540	5	1.43%			
Ball Corporation	525	6	1.39%	782	2	2.21%
Tri State Generation	523	7	1.39%	350	4	0.99%
LPS Asset Management	500	8	1.32%			
Trimble Navigation	430	9	1.14%			
Reed Group	325	10	0.86%			
GE Access				350	5	0.99%
Corporate Express				250	7	0.71%
Finali Corporation				200	8	0.56%
Celestica				140	9	0.40%
Voyant Technologies				132	10	0.37%

Source: City Economic Development Division

**Table 14**  
**City of Westminster**

**Full-time Equivalent City Employees by Function/Program**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Government</b>										
City Attorney's Office	13.700	13.700	13.700	13.950	13.950	13.950	13.950	12.650	12.650	12.800
City Manager's Office	15.500	15.500	14.800	16.900	16.900	11.900	11.900	12.900	12.500	12.900
Finance	27.500	26.750	26.750	29.000	29.000	28.000	28.000	27.000	27.000	28.000
General Services	72.766	71.766	71.766	78.326	76.326	75.826	75.826	75.826	75.326	77.326
<b>Public Safety</b>										
Fire Department	135.300	135.300	135.300	143.500	142.500	142.500	141.500	140.000	140.000	139.500
Police Department	261.600	262.600	262.600	274.800	275.300	277.300	276.300	273.300	269.300	269.200
<b>Public Works</b>										
Street Maintenance	24.000	24.000	24.000	26.000	26.000	26.000	26.000	25.750	24.750	25.750
Infrastructure	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	4.000	4.000
<b>Community Development</b>										
Administration	6.100	6.100	6.100	7.600	7.600	7.600	7.600	7.100	7.100	7.100
Economic Development	0.000	0.000	0.000	0.000	0.000	4.000	4.000	3.500	2.500	2.500
Planning Division	14.200	14.200	14.200	14.200	14.700	14.700	14.700	15.200	15.200	14.200
Building Division	16.000	16.000	16.000	16.500	18.500	18.500	18.500	18.500	18.500	18.500
Engineering Division	13.000	13.000	13.000	14.500	14.500	14.500	16.000	16.500	16.500	17.000
Open Space	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Westminster Housing Authority	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000	1.000
<b>Culture and Recreation</b>										
Administration	15.200	15.200	15.200	16.200	10.200	10.200	10.200	10.200	11.000	11.000
Parks Services	35.800	35.800	35.800	42.400	49.400	49.400	49.400	49.400	49.400	52.000
Library Services	40.275	40.275	40.275	42.200	42.200	42.200	42.200	42.200	40.725	42.200
Recreation Programs	15.600	15.000	15.000	16.500	16.500	15.300	13.800	12.600	11.800	11.800
Recreation Facilities	50.300	50.300	50.300	64.048	65.298	65.298	65.800	65.998	62.998	69.498
<b>Utilities</b>										
Administration	41.800	41.800	42.300	44.300	46.800	45.700	45.200	40.450	36.850	36.250
Water Resources & Treatment	54.750	53.750	52.750	53.750	52.750	51.750	51.750	49.250	50.250	45.600
Field Operations	42.500	38.500	38.500	44.500	42.000	42.000	42.000	47.000	47.000	48.000
<b>Golf Courses</b>										
Legacy Ridge	10.000	10.000	9.000	10.500	10.500	10.500	10.500	10.500	10.500	11.000
The Heritage	9.000	9.000	10.000	10.500	10.500	10.500	10.500	10.500	10.500	11.000
<b>Total</b>	917.391	911.041	909.841	982.674	983.924	981.124	979.126	973.824	959.849	970.624

Source: City Annual Pay Plan

**Table 15**  
**City of Westminster**

**Operating Indicators by Function/Program**  
**Last ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Public Safety</b>										
Total Fire/EMS Incidents	6,709	9,267	8,834	8,288	7,980	8,058	8,147	8,277	7,883	7,312
EMS Transports by fire department	6,589	5,166	4,804	4,710	4,493	4,622	4,687	4,661	4,486	3,921
Police emergency responses	1,049	874	964	1,142	1,361	1,858	2,827	3,082	2,878	2,791
Traffic Citations (municipal)	8,325	9,190	11,528	11,739	10,536	9,771	11,897	15,666	16,684	14,843
<b>Public Works</b>										
Curb miles swept	3,258	4,426	3,112	4,001	8,004	7,361	6,166	7,306	7,634	7,379
Lane miles rehabilitated	103	101	103	104	98	133	77	160	112	103
<b>Community Development</b>										
Official Development Plans processed	129	120	92	137	123	176	242	191	186	150
Building Permits issued	4,994	5,456	5,079	6,007	5,978	4,244	3,986	3,992	3,908	4,239
<b>Culture and Recreation</b>										
Library circulation	1,015,864	1,102,660	1,183,780	1,403,597	1,533,879	1,475,611	1,435,330	1,464,817	1,472,460	1,399,389
Facility participants	955,079	943,876	918,842	918,842	675,855	924,843	811,064	805,880	698,826	671,037
Program registrants	97,325	91,397	97,447	97,447	91,640	88,483	90,652	80,972	78,160	66,237
<b>Utilities</b>										
Water gallons treated (in millions)	5,873	6,867	6,244	6,298	5,825	6,241	5,795	6,628	6,533	5,917
Water customers	32,163	32,040	31,938	31,815	31,659	31,730	31,519	31,245	31,127	31,484
Wastewater gallons treated (in millions)	2,508	2,603	3,681	2,746	2,470	2,345	2,552	2,359	2,417	2,251
Wastewater customers	30,726	30,626	30,526	30,042	30,299	30,296	30,145	29,992	29,806	30,113
<b>Golf Courses</b>										
Paid golf rounds played	61,899	61,439	58,382	54,792	51,825	58,300	58,678	55,220	50,210	49,498
Golf course acres maintained	414	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Note: 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 ten fiscal years**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Public Safety</b>										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	71	71	71	70	62	59	56	53	52	52
<b>Public Works</b>										
Total Lane Miles	1,100	1,099	1,099	1,106	1,061	1,057	1,054	1,053	1,025	1,021
<b>Community Development</b>										
Traffic Signals	111	111	111	110	109	105	103	102	92	90
<b>Culture and Recreation</b>										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	212	200	196	194	188	157	153	132	126	125
Neighborhood, community & citywide parks	53	53	53	53	52	52	51	50	50	48
<b>Utilities</b>										
Water mains	509	508	509	509	508	504	509	492	481	478
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4	4	4
<b>Golf Courses</b>										
Golf Courses	2	2	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team

# COMPLIANCE SECTION

COMPLIANCE SECTION

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters Based  
on an Audit of the Financial Statements Performed in Accordance  
with *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 5, 2014.

***Internal Control Over Financial Reporting***

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the City's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

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

### **Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**BKD, LLP**

Denver, Colorado  
June 5, 2014

**Independent Auditor's Report on Compliance With  
Requirements That Could Have a Direct and Material  
Effect on Each Major Program and on Internal Control Over  
Compliance in Accordance With OMB Circular A-133**

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

**Report on Compliance for Each Major Federal Program**

We have audited the City of Westminster's, Colorado (the City) compliance with the types of compliance requirements described in the OMB Circular A-133, *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance.

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

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

### **Report on Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*BKD, LLP*

Denver, Colorado  
June 5, 2014

**City of Westminster, Colorado**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2013**

**Summary of Auditor's Results**

*Financial Statements*

1. The opinion expressed in the independent auditor's report was:  
 Unmodified       Qualified       Adverse       Disclaimer
  
2. The independent auditor's report on internal control over financial reporting disclosed:  
 Significant deficiency(ies)?       Yes       None Reported  
 Material weakness(es)?       Yes       No
  
3. Noncompliance considered material to the financial statements was disclosed by the audit?       Yes       No
  
4. The independent auditor's report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:  
 Significant deficiency(ies)?       Yes       None Reported  
 Material weakness(es)?       Yes       No
  
5. The opinion expressed in the independent auditor's report on compliance with requirements that could have a direct and material effect on major federal awards was:  
 Unmodified       Qualified       Adverse       Disclaimer
  
6. The audit disclosed findings required to be reported by OMB Circular A-133?       Yes       No
  
7. The City's major programs were:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster
97.044	Assistance to Firefighters

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000.

**City of Westminster, Colorado**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2013**

9. The City qualified as low-risk auditee as that term is defined in OMB Circular A-133?  Yes  No

**Findings Required to be Reported by *Government Auditing Standards***

Reference Number	Finding	Questioned Costs
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No matters are reportable.

**Findings Required to be Reported by OMB Circular A-133**

Reference Number	Finding	Questioned Costs
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No matters are reportable.

**City of Westminster, Colorado**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended December 31, 2013**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
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No matters are reportable.

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**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2013**

<u>Cluster/Grant Program</u>	<u>Federal CFDA Number</u>	<u>Total Federal Program Expenditures</u>
<u>Department of Housing and Urban Development</u>		
Community Development Block Grants/Entitlement Grants (CDBG Entitlement Grant Cluster)	14.218	\$ 275,681
Community Development Block Grants_Section 108 Loan Guarantees	14.248	191,580
Subtotal		<u>467,261</u>
<u>Department of Justice</u>		
Missing Children's Assistance	16.543	2,835
Bulletproof Vest Partnership Program	16.607	2,128
Edward Byrne Memorial Justice Assistance Grant Program (JAG Program Cluster)	16.738	35,974
Subtotal		<u>40,937</u>
<u>Department of Homeland Security</u>		
Assistance to Firefighters	97.044	144,604
Passed through Colorado Department of Local Affairs		
National Urban Search and Rescue (US&R) Response System	97.025	34,822
Emergency Management Performance Grants	97.042	46,440
Subtotal		<u>225,866</u>
<u>Department of Transportation</u>		
Passed through the Colorado Department of Transportation		
Highway Planning and Construction (Highway Planning and Construction Cluster)	20.205	149,193
State and Community Highway Safety (Highway Safety Cluster)	20.600	8,156
Subtotal		<u>157,349</u>
TOTAL FEDERAL ASSISTANCE		<u>\$ 891,413</u>

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2013**

**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.

**NOTE 2:        Subrecipients**

In relation to the federal expenditures presented in this schedule, \$58,483 in federal awards was passed through to Brothers Redevelopment, Inc., a non-profit organization, under the Community Development Block Grant Program (CFDA #14.218) in 2013.

**NOTE 3:        Department of Housing and Urban Development, HUD Section 108 Loan Guarantee**

The original note was issued on October 05, 2012, for \$1,500,000. The outstanding loan balance as of December 31, 2013 is \$1,500,000. The terms of the loan are a 20-year repayment with the first 15 years set at interest-only payments, and the principal will be repaid in the remaining 5 years. The final maturity date is August 1, 2032. The loan has a variable interest based on 3 month LIBOR plus 0.20% as of the reset date. As of December 31, 2013, the total rate paid was 0.6466%. The Community Development Block Grant allocation is pledged as security for repayment of this note in the event of a default on the note.



<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE:	
		Colorado	
		YEAR ENDING (mm/yy):	
		December 2013	

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	27,347
b. Other local imposts:		b. Traffic Fines & Penalties	1,724,908
1. Sales Taxes	2,825,309	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	440,246	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,265,555	h. Other	755,165
c. Total (a. + b.)	3,265,555	i. Total (a. through h.)	2,507,420
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	3,238,573	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	77,688
c. Motor Vehicle Registrations	362,727	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	43,560	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	406,287	g. Total (a. through f.)	77,688
4. Total (1. + 2. + 3.f)	3,644,860	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	358,120	691,844	1,049,964
b. Engineering Costs			0
c. Construction:			
(1). New Facilities	0	44,831	44,831
(2). Capacity Improvements	285,125	855,356	1,140,481
(3). System Preservation	0	9,250	9,250
(4). System Enhancement & Operation	0	103,283	103,283
(5). Total Construction (1) + (2) + (3) + (4)	285,125	1,012,720	1,297,845
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	643,245	1,704,564	2,347,809
			(Carry forward to page 1)

<b>Notes and Comments:</b>			

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

As part of our audits of the financial statements and compliance of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2013, we wish to communicate the following to you.

## AUDIT SCOPE AND RESULTS

**Auditor's Responsibility Under 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 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations**

An audit performed 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 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* is designed to obtain reasonable, rather than absolute, assurance about the financial statements and about whether noncompliance with the types of compliance requirements described in OMB Circular A-133 that could have a direct and material effect on a major federal program occurred. In performing auditing procedures, we establish scopes of audit tests in relation to the financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the financial statement and compliance audits that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

Audits of the financial statements and compliance do not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

## **Qualitative Aspects of Significant Accounting Policies and Practices**

### *Significant Accounting Policies*

The City's significant accounting policies are described in Note 1 of the audited financial statements.

### *Alternative Accounting Treatments*

We had discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices for material items, including recognition, measurement and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

- No matters are reportable

### *Management Judgments and Accounting Estimates*

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. The following areas involve significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates:

- Liability for other postemployment benefits
- Pollution remediation obligations
- Liability for claims incurred but not reported
- Allowance for doubtful accounts
- Unbilled utility revenues
- Compensated absences (general leave)
- Useful lives of capital assets

### *Financial Statement Disclosures*

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Revenue recognition
- Real estate transactions
- Adoption of new accounting principle

### **Audit Adjustments**

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments which, in its judgment, are required to prevent the financial statements from being materially misstated. Some adjustments proposed were not recorded because their aggregate effect is not currently material; however, they involve areas in which adjustments in the future could be material, individually or in the aggregate.

#### Proposed Audit Adjustments Recorded

- No matters are reportable

#### Proposed Audit Adjustments Not Recorded

- No matters are reportable

### **Auditor's Judgments About the Quality of the City's Accounting Principles**

During the course of the audit, we made the following observations regarding the City's application of accounting principles:

- Adoption of Governmental Accounting Standards Board Statement (GASB) No, 65, *Items Previously Reported as Assets and Liabilities*

### **Disagreements with Management**

The following matters involved disagreements which if not satisfactorily resolved would have caused a modified auditor's opinion on the financial statements:

- No matters are reportable

### **Significant Issues Discussed with Management**

#### Prior to Retention

During our discussion with management prior to our engagement, the following issues regarding application of accounting principles or auditing standards were discussed:

- No matters are reportable

During the Audit Process

During the audit process, the following issues were discussed or were the subject of correspondence with management:

- Implementation of GASB No. 65
- Deferred loss refunding calculation
- Accounting for land acquisition including charitable contribution and City fee waiver

**Difficulties Encountered in Performing the Audit**

Our audit requires cooperative effort between management and the audit team. During our audit, we found significant difficulties in working effectively on the following matters:

- No matters are reportable

**Other Material Written Communications**

Listed below are other material written communications between management and us related to the audit:

- Management representation letter (attached)

\* \* \* \* \*

This communication is intended solely for the information and use of management, Members of City Council, others within the City and is not intended to be and should not be used by anyone other than these specified parties.

*BKD, LLP*

June 5, 2014



## WESTMINSTER

June 5, 2014

**BKD, LLP**  
Certified Public Accountants  
1700 Lincoln Street, Suite 1400  
Denver, CO

City of Westminster  
Department of  
Finance

4800 West 92nd Avenue  
Westminster, Colorado  
80031

303-658-2400  
FAX 303-706-3923

We are providing this letter in connection with your audits of our financial statements as of and for the year ended December 31, 2013 and your audit of our compliance with requirements applicable to each of our major federal awards programs as of and for the year ended December 31, 2013. We confirm that we are responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, operations and compliance, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following:

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated August 14, 2013, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.



4. We have provided you with:
  - (a) Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters.
  - (b) Additional information that you have requested from us for the purpose of the audit.
  - (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - (d) All minutes of meetings of the governing body held through the date of this letter.
  - (e) All significant contracts and grants.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We have informed you of all current risks of a material amount that are not adequately prevented or detected by entity procedures with respect to:
  - (a) Misappropriation of assets.
  - (b) Misrepresented or misstated assets, liabilities or net position.
7. We have no knowledge of any known or suspected:
  - (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.
  - (b) Fraudulent financial reporting or misappropriation of assets involving others that could have a material effect on the financial statements.



8. We have no knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, customers, regulators, suppliers or others.
9. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America. We understand that the term related party refers to an affiliate; management, and members of their immediate families, component units; and any other party with which the entity may deal if it can significantly influence, or be influenced by, the management or operating policies of the other. The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with us.
10. Except as reflected in the financial statements, there are no:
  - (a) Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.
  - (b) Material transactions omitted or improperly recorded in the financial statements.
  - (c) Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
  - (d) Events occurring subsequent to the statement of net position/balance sheet date through the date of this letter requiring adjustment or disclosure in the financial statements.
  - (e) Agreements to purchase assets previously sold.
  - (f) Restrictions on cash balances or compensating balance agreements.



- (g) Guarantees, whether written or oral, under which the City is contingently liable.
11. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
  12. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.
  13. Adequate provisions and allowances have been accrued for any material losses from:
    - (a) Uncollectible receivables.
    - (b) Reducing obsolete or excess inventories to estimated net realizable value.
    - (c) Sales commitments, including those unable to be fulfilled.
    - (d) Purchase commitments in excess of normal requirements or above prevailing market prices.
  14. Except as disclosed in the financial statements, we have:
    - (a) Satisfactory title to all recorded assets, and they are not subject to any liens, pledges or other encumbrances.
    - (b) Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or



other cognizant regulatory agency with authority to enforce environmental laws and regulations.

15. We have evaluated the City's operations under GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* and do not believe there are matters for which accruals are required under this standard, except as recorded and disclosed in the financial statements.
16. With regard to deposit and investment activities:
  - (a) All deposit and investment transactions have been made in accordance with legal and contractual requirements.
  - (b) Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
  - (c) We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
17. We acknowledge that we are responsible for compliance with applicable laws, regulations and provisions of contracts and grant agreements.
18. We have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
19. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.



20. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts or violations of provisions of contracts or grant agreements that you or other auditors report.
21. We have a process to track the status of audit findings and recommendations.
22. We have identified to you any previous financial audits, attestation engagements, performance audits or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements or other studies.
23. With regard to federal awards programs:
  - (a) We have identified in the schedule of expenditures of federal awards all assistance provided (either directly or passed through other entities) by federal agencies in the form of grants, contracts, loans, loan guarantees, insurance, direct appropriations or in any other form.
  - (b) We have identified the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* regarding activities allowed or unallowed; allowable costs/cost principles; cash management; Davis-Bacon Act; eligibility; equipment and availability of federal funds; procurement and suspension and debarment; program income; real property acquisition and relocation assistance; reporting; subrecipient monitoring; and special tests and provisions that are applicable to each of our federal awards programs. We have identified to you our interpretation of any applicable compliance requirements subject to varying interpretations.
  - (c) We are responsible to understand and comply with the requirements of laws, regulations, contracts and grants applicable to each of our federal awards programs and have disclosed to you any and all instances of noncompliance with those requirements occurring during the period of your audit or



subsequent thereto to the date of this letter of which we are aware. Except for any instances of noncompliance we have disclosed to you, we believe the City has complied with all applicable compliance requirements.

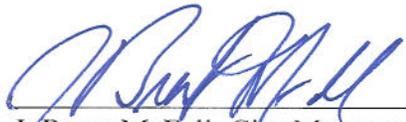
- (d) We are responsible for establishing and maintaining effective internal control over compliance to provide reasonable assurance we have administered each of our federal awards programs in compliance with requirements of laws, regulations, contracts and grants applicable to those programs.
- (e) We have made available to you all contracts and grant agreements, including any amendments, and any other correspondence or documentation relevant to each of our federal awards programs and to our compliance with applicable requirements of those programs.
- (f) The information presented in federal awards program financial reports and claims for advances and reimbursements is supported by the books and records from which our financial statements have been prepared.
- (g) Amounts claimed or used for matching were determined in accordance with the applicable OMB Circular regarding cost principles.
- (h) We have monitored any subrecipients to determine that they have expended federal awards in accordance with applicable laws and regulations and have met the audit and other requirements of OMB Circular A-133.
- (i) We have taken appropriate corrective action on a timely basis after receipt of any subrecipient's auditor's report that identified findings and questioned costs pertaining to federal awards programs passed through to the subrecipient by us.
- (j) We have considered the results of any subrecipient's audits received and made any necessary adjustments to our books and records.

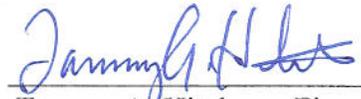


- (k) We have disclosed to you any communications from grantors and pass-through entities concerning possible noncompliance with the applicable compliance requirements for each of our federal awards programs, including any communications received from the end of the period of your audit through the date of this letter.
  - (l) We have identified to you any previous compliance audits, attestation engagements and internal or external monitoring related to the objectives of your compliance audit, including findings received and corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements or other monitoring.
24. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, budgetary comparisons, other postemployment benefits and pension information, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
25. With regard to supplementary information:
- (a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria.
  - (b) We believe the supplementary information is fairly presented, both in form and content, in accordance with the applicable criteria.



- (c) The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period.
  - (d) We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.
26. Due care has been exercised in the preparation of the Introduction and Statistical Sections of the comprehensive annual financial report and we are unaware of any information in those sections that is materially inconsistent with the information reported in the basic financial statements.

  
\_\_\_\_\_  
J. Brent McFall, City Manager

  
\_\_\_\_\_  
Tammy A. Hitchens, Finance Director



WESTMINSTER

## Staff Report

City Council Meeting  
June 16, 2014



**SUBJECT:** Westminster Station Parking Structure Design/Build Contract

**PREPARED BY:** John Burke, P.E., Senior Projects Engineer

### Recommended City Council Action

Review the Westminster Station Parking Structure design/build team proposals and provide any feedback prior to the Staff bringing forward formal actions on proposed award of the design/build contract to the Beck team.

### Summary Statement

The City and the Regional Transportation District (RTD) entered into an intergovernmental agreement (IGA) pertaining to the Northwest Rail Electrified Segment Westminster Station in June 2012. The IGA allows the City to implement an alternative approach to RTD's base plan for the design and construction of commuter and bus access, parking, and pedestrian areas that will support the proposed Westminster Station. Per the IGA, the City is required to provide 350 parking spaces within the proposed parking structure for RTD patron use by the opening day of the station in spring 2016. This proposed design/build contact will allow staff to begin the process of designing the parking structure that will be used by RTD riders as well as residents and customers of the Transit Oriented Development (TOD) residences and businesses that will eventually surround the station site.

**Expenditure Required:** \$1,376,004

**Source of Funds:** General Capital Improvement Fund - Westminster Station Projects (Design Work)

**Total Cost** \$1,376,004

## **Policy Issues**

Should the City continue to pursue an alternative design of the Westminster Station layout in order to better facilitate transit-oriented development in the vicinity of the station, and, if so, should the City award a design/build contract to the Beck team in order to begin the implementation of that alternative design?

## **Alternatives**

Alternatives to the selection of the Beck team to design and build the proposed parking structure would be to (1) select the Weitz team for this task, (2) reissue the Request for Proposals or (3) abandon the concept of providing a parking garage at this location. None of these alternatives are recommended due to Council's previously stated goal of transforming this portion of south Westminster into a desirable live-work environment supported by the commuter rail transit. Staff is confident that the qualifications based selection process that was utilized to evaluate the teams that responded to the RFP yielded the group that is best equipped to deliver a high-quality product for RTD and City use by opening day.

## **Background Information**

The Request for Proposals (RFP) for the Westminster Station parking garage and redevelopment project was published in August 2013. Interested companies were invited to propose on any of three potential options for a contract with the City. Option (a) was the design and construction of just the parking structure; option (b) was only the redevelopment of the land located adjacent to the proposed parking structure; and option (c) was the combination of the construction of the parking structure along with the redevelopment of the adjacent property. Three proposals were received in October 2013, and the City's selection committee, comprised of members from the City Manager's Office, Community Development, Finance, City Attorney's Office and General Services, narrowed the field down to two finalists. As is typical for a design/build effort on a significant structure, the proposals from both finalists identified a team of contractors and consultants that would be performing various tasks associated with the project. For staff's convenience, the two finalists were dubbed the "Beck team" and the "Weitz team" identifying the lead contracting firms that would build the garage.

By February of this year, it still was not clear to staff which of the two teams would provide the best value to the City even though several efforts were made to clarify the scope of the deliverables. Each team brought different strengths to the project. The potential redevelopment effort, which could include additional private property acquisitions near the site of the parking structure, was very enticing but was also complicated from both a timing and financing perspective. For example, it was evident that both of the final teams would likely seek financial incentives from the City in order to accomplish any redevelopment activity, and it was feared that the entire project might be delayed while those negotiations took place.

In order to minimize the risk of delay claims of nearly \$9,000 per day from RTD for impacts to the District's revenue service if the opening of the station was postponed due to the City's failure to deliver on promises made in the IGA, the selection committee decided to de-couple the construction of the parking structure from the redevelopment of the surrounding land. In other words, staff chose to pursue option (a) in the RFP.

In order to achieve an "apples-to-apples" comparison of the complicated bids from the two finalists, the selection committee hired an outside firm, CBRE, Inc., to serve as an owner's representative in this process. CBRE sent one final addendum to the RFP to the two finalists asking both teams to prepare bids in a format that would provide a more direct comparison of the scopes of work.

Because of the complexity and nuisances associated with design/build projects, a weighted scoring matrix that was 70% qualifications based and 30% fee based was used per the State of Colorado's standard request for proposal forms and procedures. In addition, CBRE compared both proposals to those of other, historic design/build projects in order to get a better feel for whether the experience and fees of the two finalists were within the industry standard for this type of project.

The following table shows the results of this RFP process:

Design/Build Team	RFP fee for General Conditions, Overhead and Design	Negotiated Fee with Beck based upon selection committee direction
<b>Beck</b>	\$1,499,685	\$1,376,004
<b>Weitz</b>	\$1,004,440	
<b>*Typical Case</b>	\$1,345,200	

\*The "Typical Case" represents historical data prepared by CBRE for projects of this size and type

The attached cover letter and design/build RFP score sheet prepared by CBRE, Inc. ranked the Beck team as the best qualified and responsive bidder based on the results of the weighted scoring matrix.

It is important to note that the lowest bidder on a design/build project does not necessarily bring the best value to the owner. This is particularly true in this case when considering such factors as the number of design hours proposed by the Weitz team, which were less than half of what the industry standard would predict on this type of project. An inappropriately low number of design hours would likely translate into an inferior design and/or a high number of expensive design change orders.

Staff performed follow up interviews with both teams prior to making the final selection. One of the critical factors that was learned from these interviews was that Beck is a true, "in-house" design/build team that has worked together on dozens of previous design/build projects. Their architects, design engineers, cost estimators and construction superintendents all work in the same office and offer continuous collaboration and value engineering services through streamlined communications. In stark contrast, the Weitz team had never worked together before.

For these reasons, staff is requesting authorization to award the design portion of this design/build contract to Beck. Staff will work with Beck over the next few months to design the parking structure, and will return to City Council this fall with a request for authorization of the "build" component of this project, which will be subject to a Guaranteed Maximum Price (GMP) contract with Beck.

The project to accommodate commuter rail transit within the City of Westminster and prepare for the eventual implementation of transit-oriented development in the vicinity of the station meets the City Council goals of "Dynamic, Diverse Economy" and "Ease of Mobility."

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment

- CBRE's evaluation summary

CBRE, Inc.  
Ryan Smelker  
Project Manager  
Project Management

1225 17<sup>th</sup> Street  
Suite 2950  
Denver, CO 80202  
303.628.7420 Tel  
303.628.1751 Fax

**08 APR 2014**

**Developer / Design-Builder RFP – Addendum #3**

**RE: WESTMINSTER STATION TRANSIT AREA – PARKING GARAGE AND REDEVELOPMENT PROJECT**

Dear TOD Committee:

As part of the due diligence the committee has requested, I am in receipt of submittals from The Beck/Koelbel Team (Beck) and The Weitz/Pedersen Team (Weitz) in response to Addendum #3. This Addendum asked teams to submit additional qualification & cost information which has been added to previously received submittals in an effort to finalize the selection of a Design/Build partner to construction a parking garage as part of a larger TOD.

To put the information received in context, I created a “Typical Case”, which represents the qualifications and costs that should be expected for a project of this size and type, based on historical data. You will see this Typical show alongside the actual costs received from each team. In building this Case, I assumed the following Parameters:

#### **Typical Case Parameters**

1. Design Costs are roughly 5.5% of construction costs.
2. Personnel: A ½ time Project Manager, full-time superintendent and support staff should be sufficient to complete the project. Principal-level involvement should be expected to be 10-15 hour per week.
3. Equipment & Services: These are estimated on a line-item by line-item basis.
4. Overhead & Profit is based on 4.5% of construction costs.
5. The Team Lead should have extensive experience with parking garages. I quantified this by expecting the lead to have completed at least 3 parking structures.
6. The firm should be expected to have significant parking structure experience. I quantified this by estimating a highly qualified firm would typically have completed 10 parking structures.

In order to objectively review the information received, I used the following process:

#### **Scoring Process**

1. The scoring matrix used is 70% qualification based and 30% fee based. This method is taken straight from the State of Colorado’s standard request for proposal forms and procedures.
2. The attached material represents a summary of the submittals provided by each team as well as information attained in informal interviews of each candidate, held on 07 APR 2014.
3. All Qualification-based scores on the attached Score Sheet are based on a score from 1-5.
4. Fee-based scores are relative to the Typical Case. If the team provided a cost proposal less than the Typical Case, that team earned high marks. If the team provided a cost proposal greater than Typical, that team received lower scores.

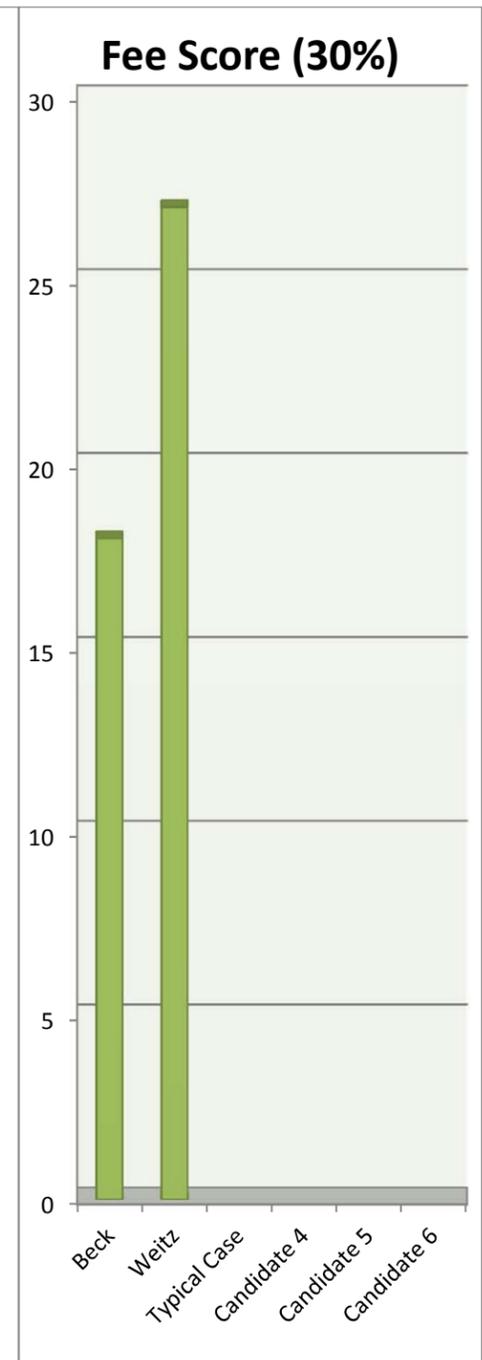
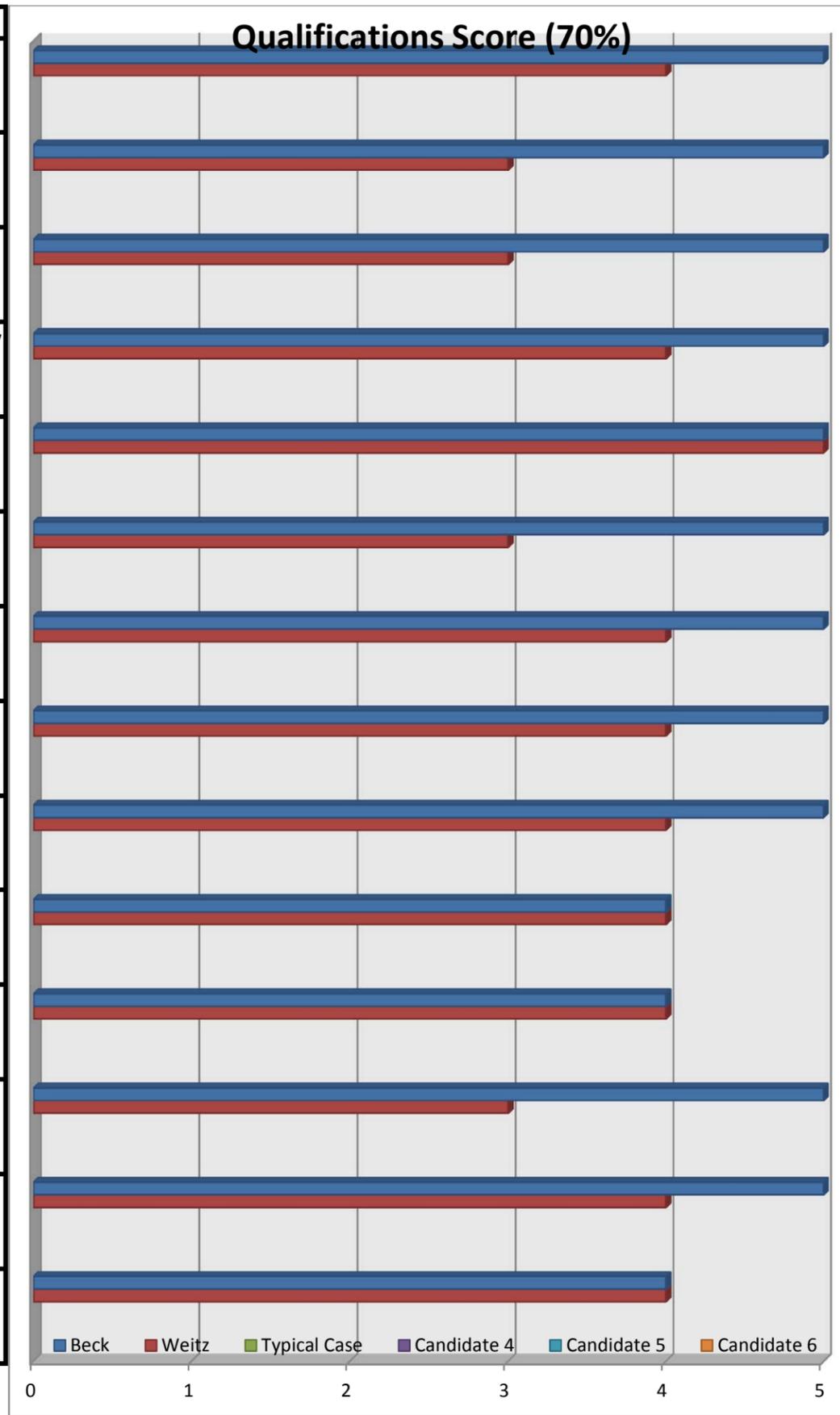
I look forward to discussing the attached information further with the committee and am excited to bring a Design/Build partner on board on behalf of the City of Westminster.

Best Regards,  
Ryan Smelker



City of Westminster  
Design/Build Team RFP

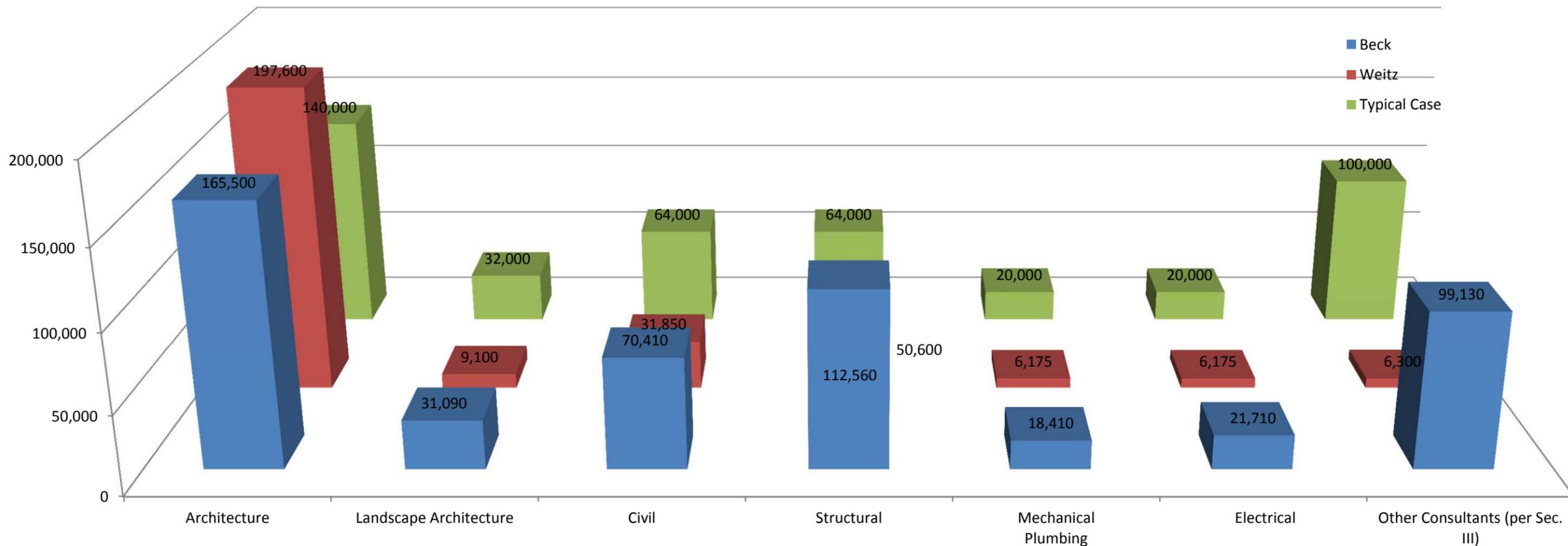
Category	Comment
Qualifications Narrative	Beck has provided a more thorough qualifications packet.
Project Approach	Beck has shifted their focus to the Design/Build of the Parking Garage. Weitz has not made the same shift and is still looking at the project as two concurrent tracks: 1) Parking Garage. 2) Surrounding Development.
Understanding of Scope	Beck provided specific information on the team dedicated to the parking garage. Weitz did not provide specific information on the parking garage D/B team.
Project Experience	Weitz/SEH have ample garage exp. but have not worked together on a project. Beck has slightly less parking garage experience but the team proposed for our project has recently done two garages. Beck & their dev partner have more experience with RTD.
Safety Narrative/EMR	No distinction between the two teams. Both have excellent EMRs.
Team Lead	Beck is proposing a principal with significant experience as the team lead/point of contact. Weitz appears to be proposing a variety of people, depending upon the project phase.
Design Team	Beck is providing a truly integrated Design/Build team. Weitz is providing a partnership between a designer and a builder.
Construction Team	Beck is providing a truly integrated Design/Build team. Weitz is providing a partnership between a designer and a builder.
Budget	Both teams appear capable of providing quality estimates. Beck stands out as their integrated delivery allows better real-time cost tracking.
Schedule	Both teams appear capable of providing detailed schedules.
Quality Control	Both teams appear to have a good focus on quality control.
Marketplace Resources	The Beck team provided their entire subcontractor list and appears to have a better grasp on the current marketplace.
Sustainability	The Beck team continually spoke to the importance of sustainable practices and efficient building & systems design, even though this was not a core factor for the City. Beck's team is dedicated to these ideals.
Contract Comments	Teams had minor comments on the agreement. Further negotiation will be required once a team is selected.



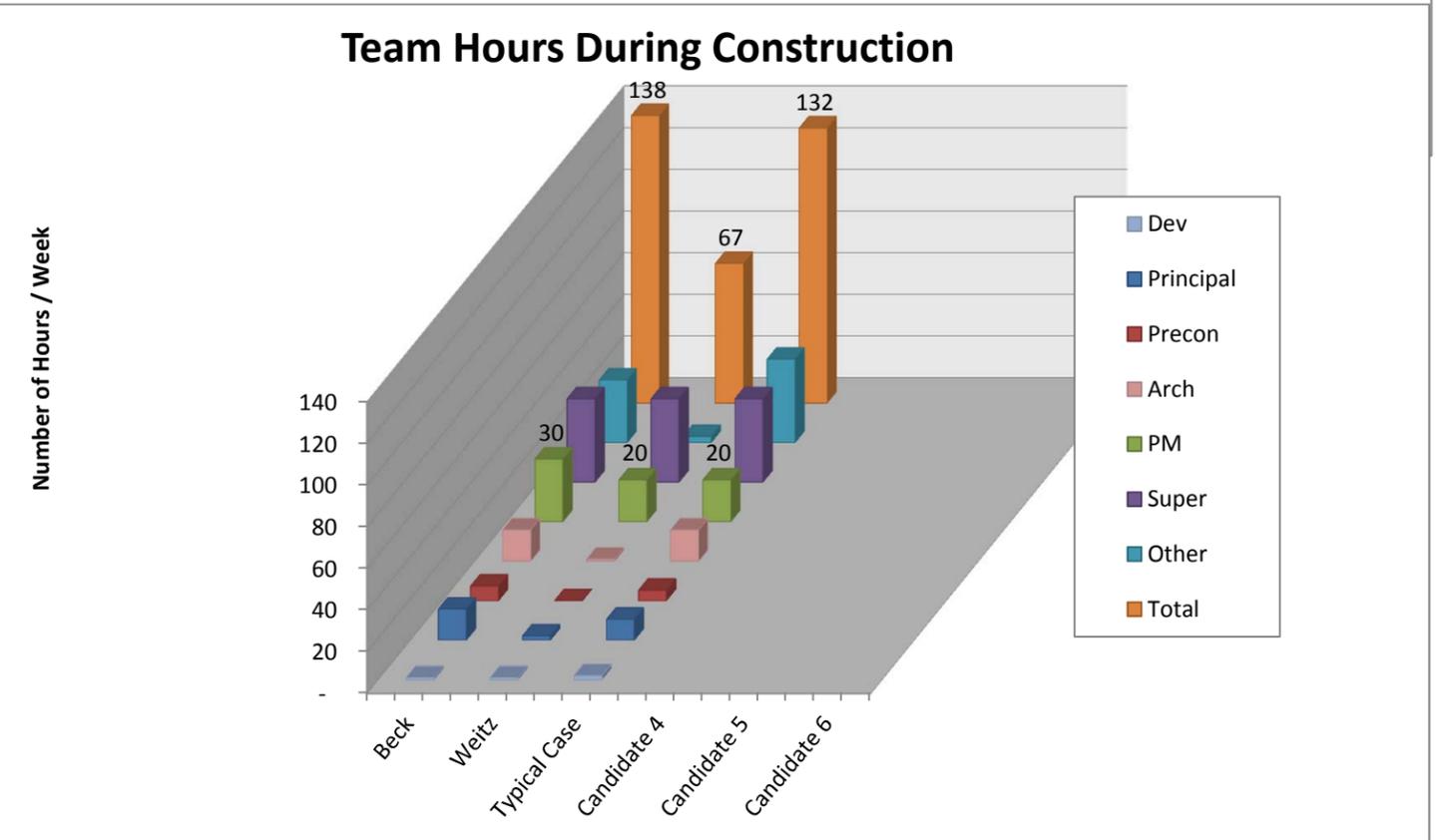
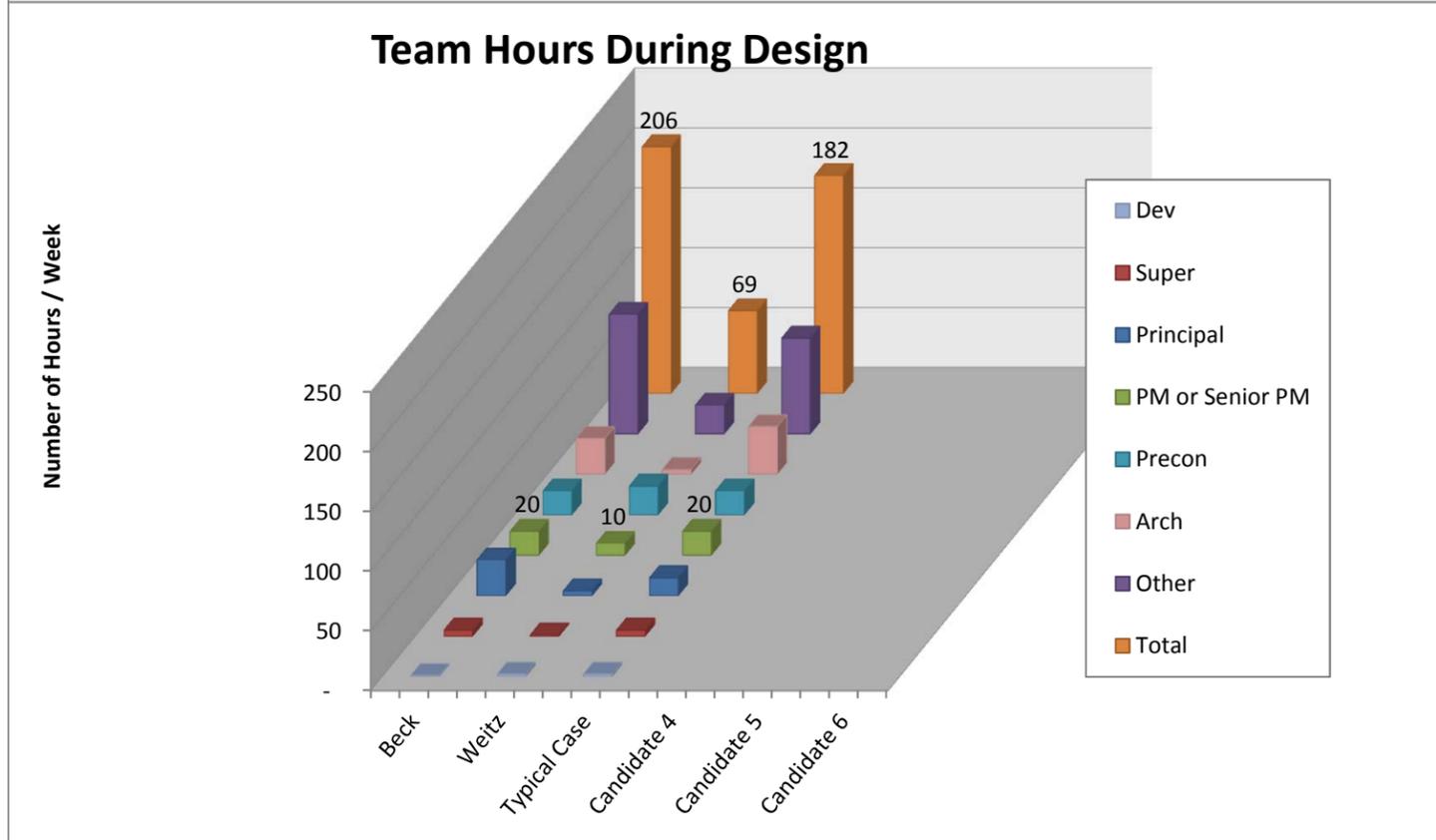
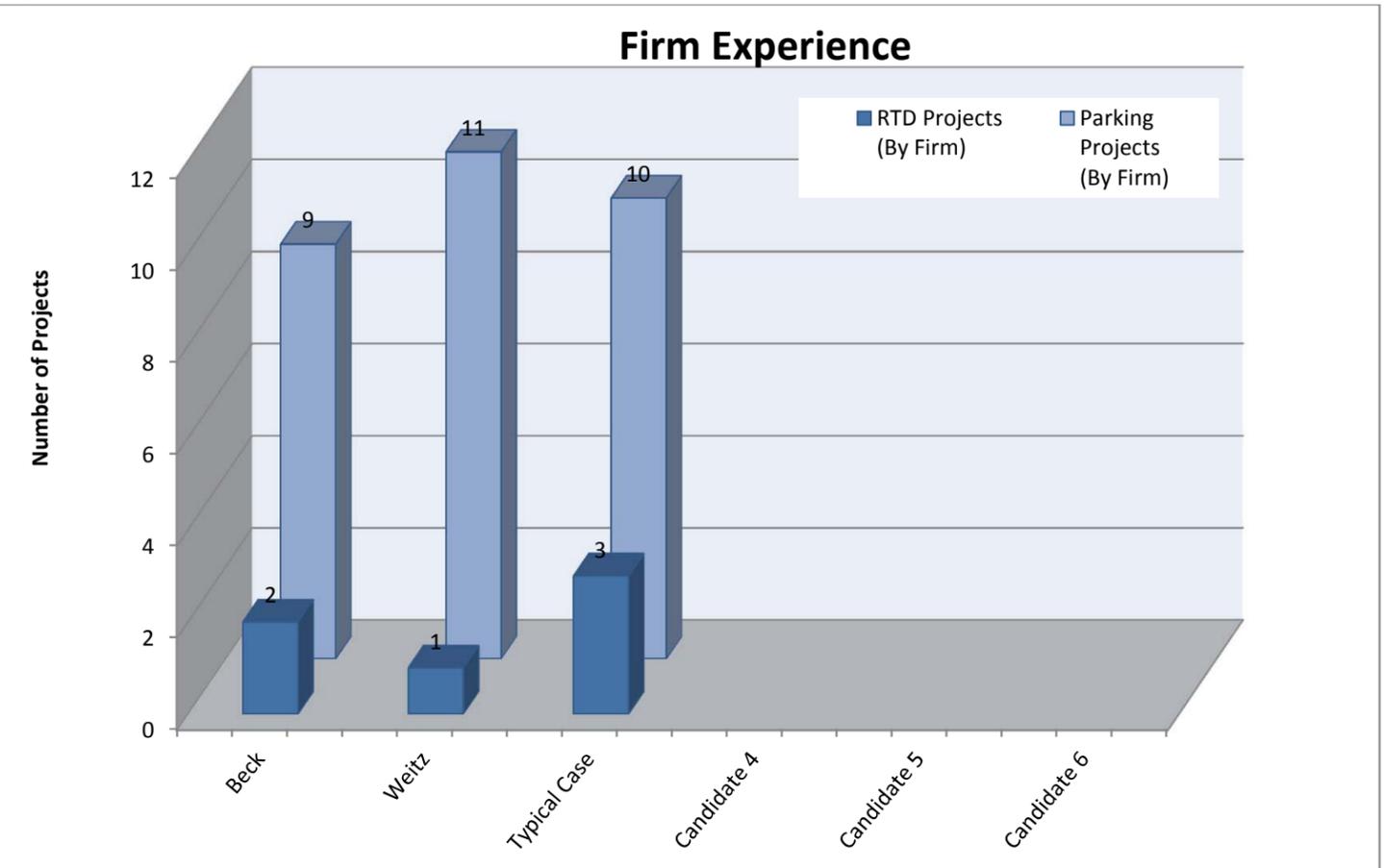
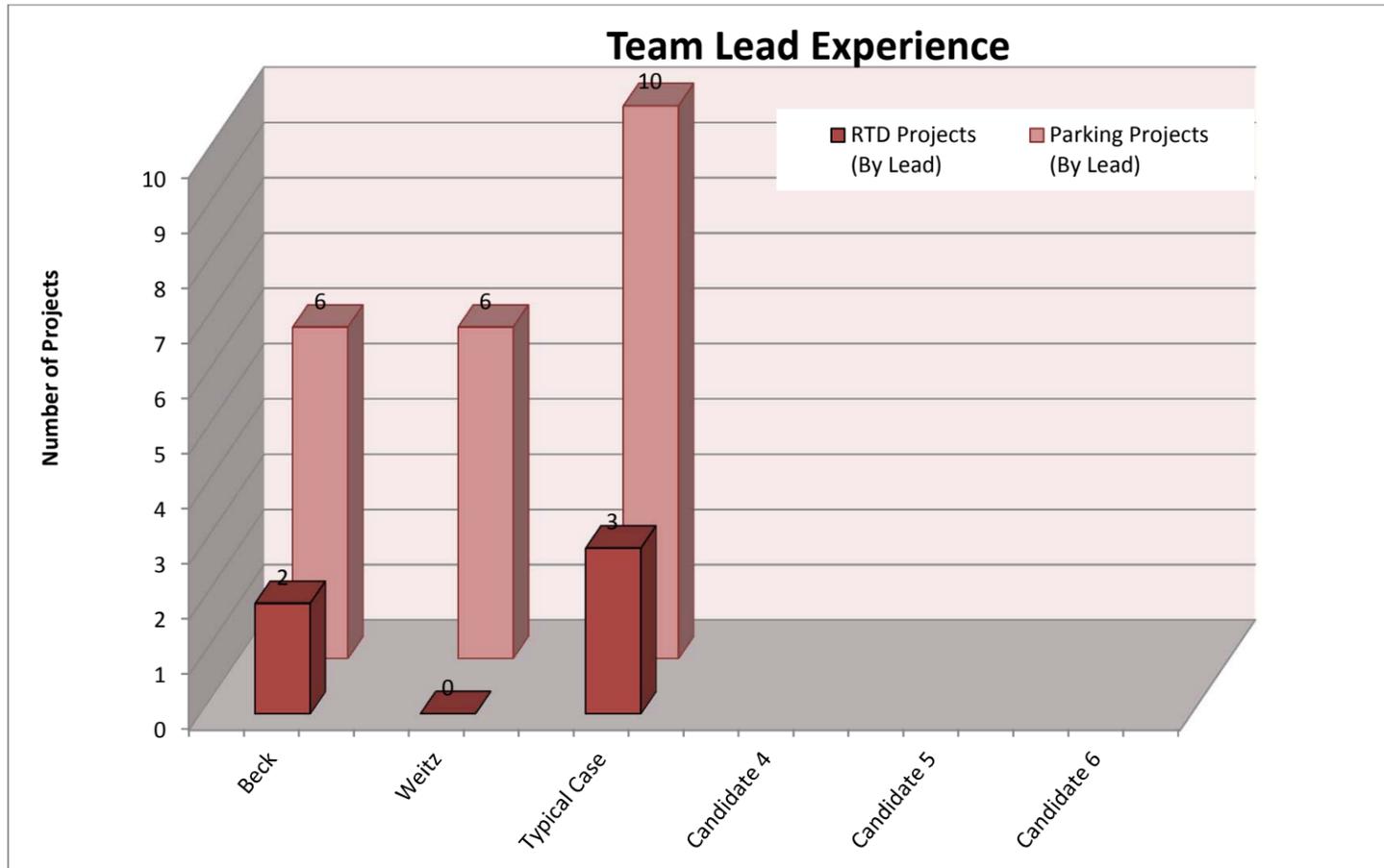
Total Score	
Beck	85
Weitz	80
Typical Case	0
Candidate 4	0
Candidate 5	0
Candidate 6	0

CM/GC	Office Location	Years in Business	Avg Work	Bonding Capacity	EMR	Project Manager	Superintendent	Project Examples (Bold = New Project)	Building Type	Year Complete (TBD)	Comments
Beck	Denver CO	102	?	? ? ?	0.59 0.54 0.52	Steve Ludwig	Steve Malin	<b>Yale Station (60 spaces)</b> <b>University Station (100 spaces)</b> <b>15th &amp; Pearl (700 spaces)</b>	? ? ?	2011 2014 1999	Principal = POC We have this team's attention
Weitz	Denver CO	62	1.0 B	? ? ?	0.65 0.62 0.62	Mark Vibber	Steve Kelsey	<b>Children's Hospital E Wing - Aurora, CO (1405)</b> <b>Rivera Casino - Blackhawk, CO (450 spaces)</b> <b>29th Street Mall - Boulder, CO (916 spaces)</b>	CIP CIP Precast	? ? ?	1st (or 2nd) time working together (Weitz / SEH) Little principal level involvement No overlap between precon & con teams
Typical Case	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Assumes 1/2 time PM Assumes 25% principal level involvement
Candidate 4											
Candidate 5											
Candidate 6											
Notes 1							Notes 4				
Notes 2							Notes 5				
Notes 3							Notes 6				

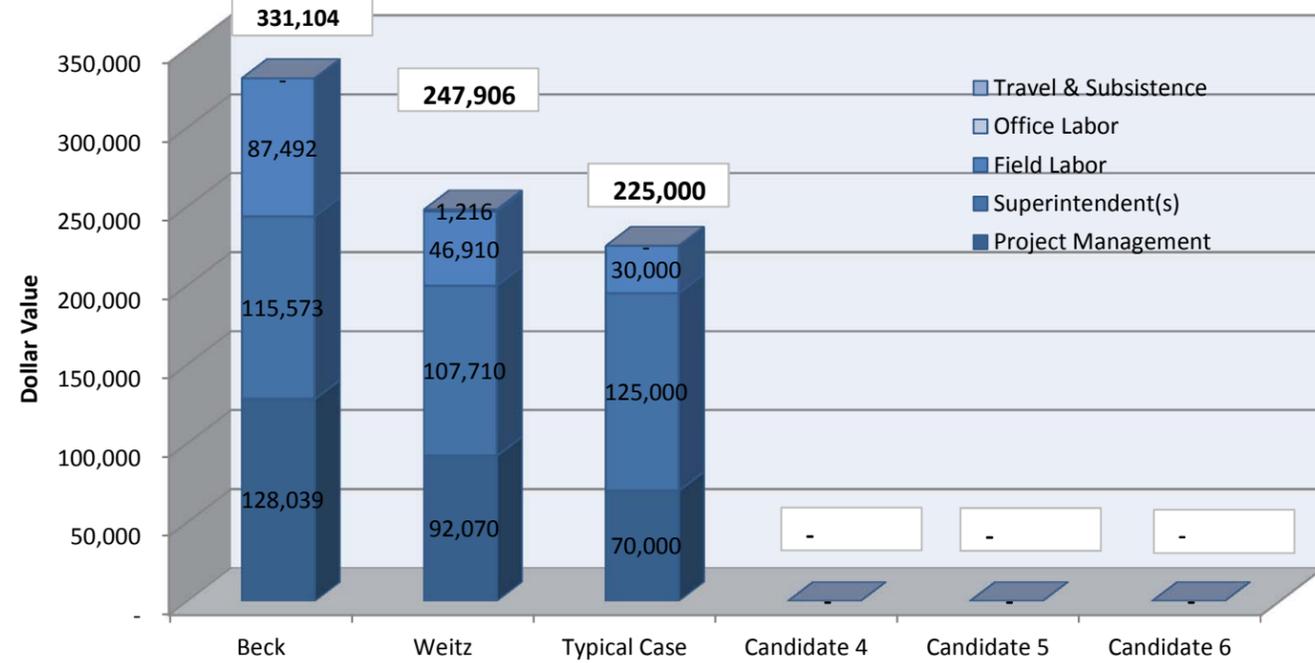
Design/Build Contractor	Architecture	Landscape Architecture	Civil	Structural	Mechanical Plumbing	Electrical	Other Consultants	Other Consultants	Development Partner
Beck	Beck	AECOM	Kimley-Horn	Huitt-Zollars	BCER	BCER	Carl Walker (Parking)	Ambient Energy	Koelbel / Mile High
Weitz	SEH/Larson	Norris	SEH	Miro	?	? / E Light	Parking Consultants, Inc	Quad Capital / OCI	Pedersen
Typical Case	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



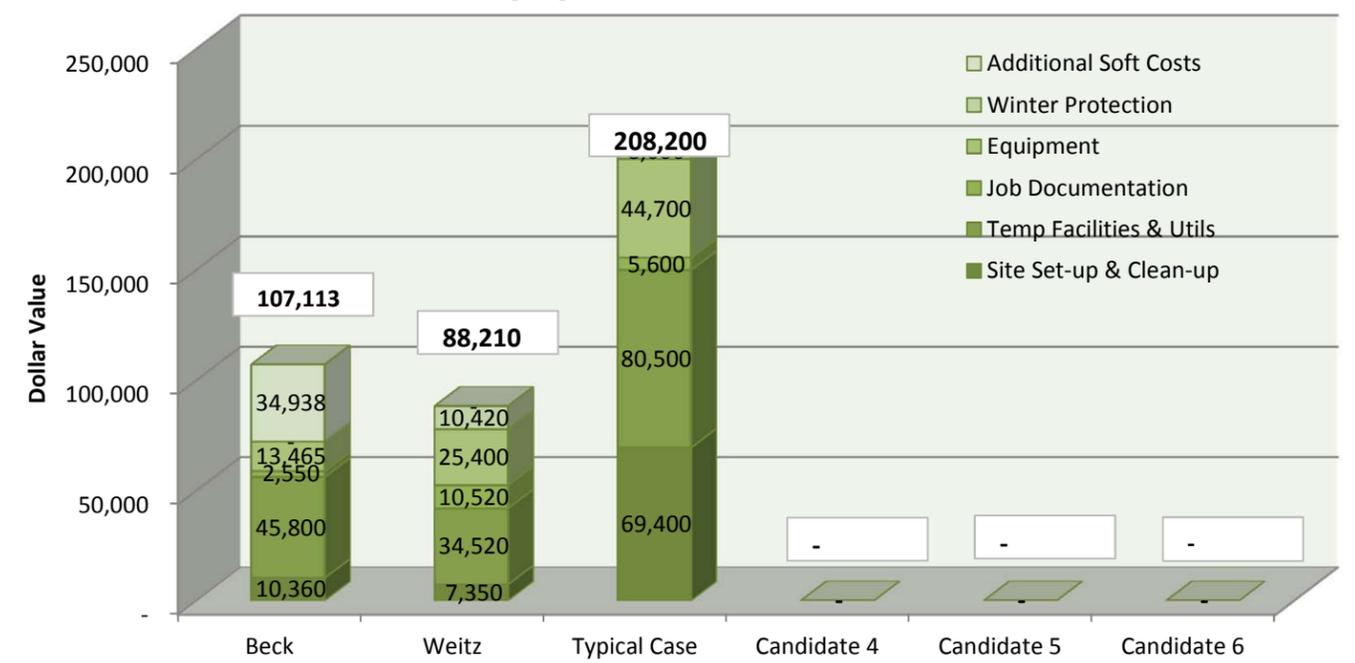
Design/Build Contractor	Other	Comments
Beck		Beck = True D/B Integrated Team. Focused on Parking Garage.
Weitz		Partnered D/B Team. Two tracks: 1) Parking Garage. 2) Surrounding Development. 2-person dev. firm. SEH Principal & Developer are bros.
Typical Case		
Candidate 4		
Candidate 5		
Candidate 6		
0		



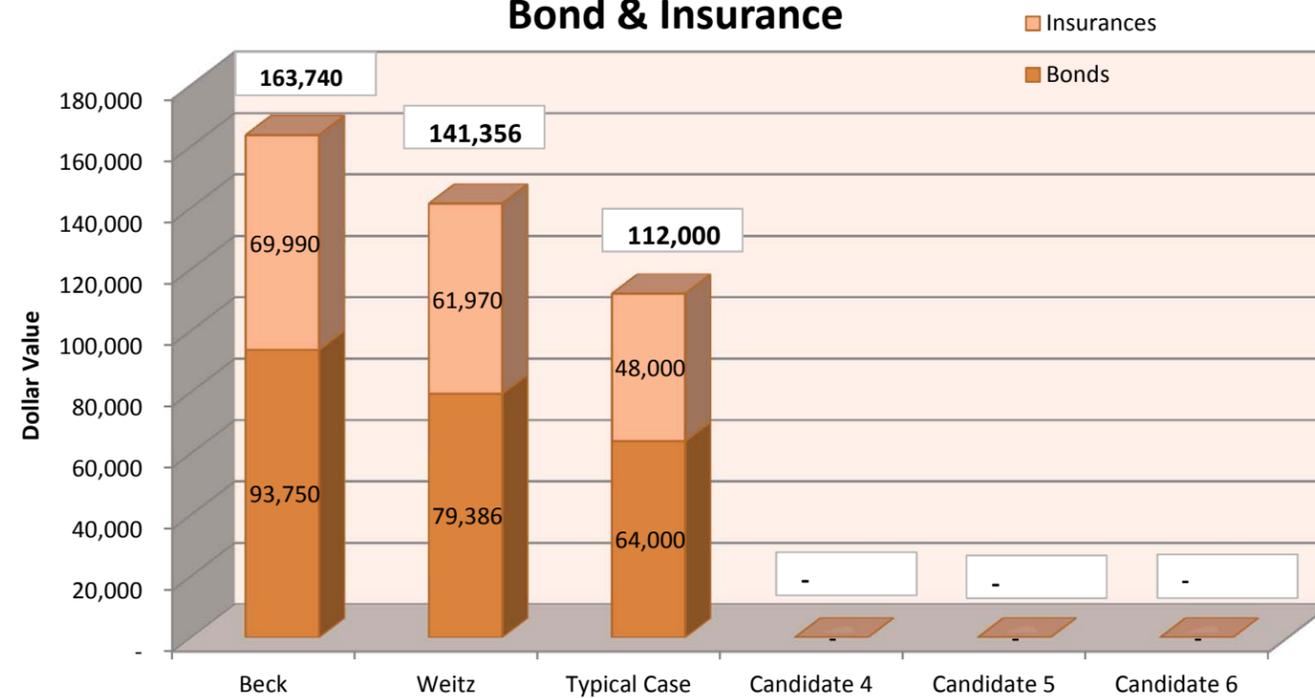
### Personnel



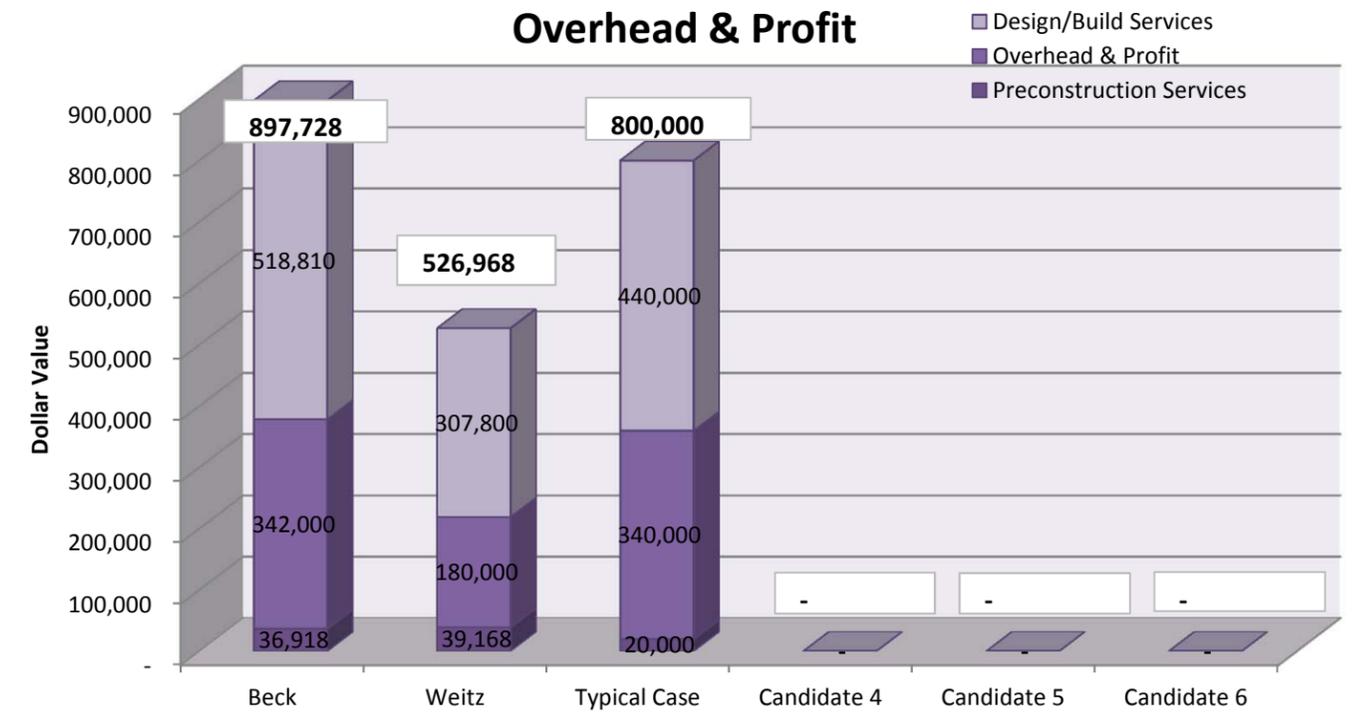
### Equipment & Services



### Bond & Insurance

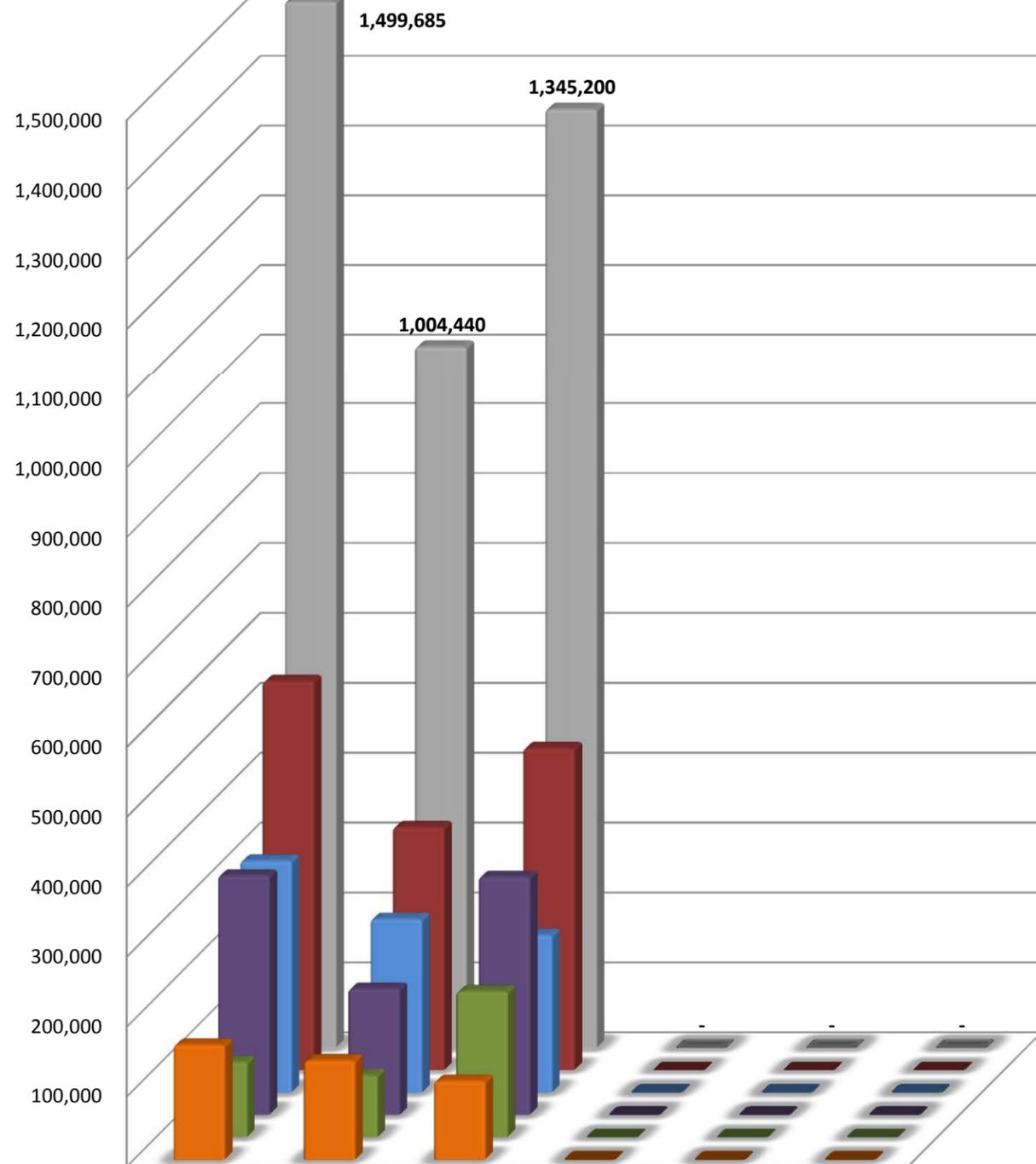


### Overhead & Profit



### General Conditions, Overhead & Fee

Dollar Value



Bond & Insurance	163,740	141,356	112,000	-	-	-
Equipment & Services	107,113	88,210	208,200	-	-	-
Overhead & Profit	342,000	180,000	340,000	-	-	-
Personnel	331,104	247,906	225,000	-	-	-
Preconstruction & Design Services	555,728	346,968	460,000	-	-	-
<b>Total</b>	<b>1,499,685</b>	<b>1,004,440</b>	<b>1,345,200</b>	-	-	-

### Comments

Category	Comment
Preconstruction & Design Services	1 Beck - Design services are higher but more in line with industry standard
	2 Weitz = Design services appear to be below industry standard
	3
	4
	5
	6
Personnel	1 Beck - Appears to have nearly full-time PM (or PM & Principal)
	2 Weitz - Appears inline with industry standard.
	3
	4
	5
	6
Overhead & Profit	1 Beck = 4.5%
	2 Weitz = 2.25%
	3 Typical = 4.25%
	4
	5
	6
Equipment & Services	1 Beck - Appears low compared to industry standard
	2 Weitz - Appears low compared to industry standard
	3
	4
	5
	6
Bond & Insurance	1 Beck - Appears high compared to industry standard
	2 Weitz - Appears high compared to industry standard
	3
	4
	5
	6
Total	1 Total Budget = \$8,000,000
	2 ALL COSTS ARE BASED ON 10 MONTH SCHEDULE. BOTH TEAMS CAN DO 8 MONTHS.
	3
	4
	5
	6
Other	1
	2
	3
	4
	5
	6