



COLORADO



WESTMINSTER
COLORADO

Annual Comprehensive Financial Report
For the Year Ended December 31, 2022



WESTMINSTER

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended December 31, 2022

Prepared by:

**Finance Department
Larry Dorr, CPA
Deputy City Manager & Chief Financial Officer**

www.cityofwestminster.us

On the Cover – ***Northridge Water Tanks Replacement Project***

The Northridge water storage facility, located near City Hall, consists of two 3-million-gallon drinking water storage tanks first built in 1968, a 3.5-million-gallon drinking water storage tank built in 2016, a reclaimed water standpipe, and pumps and valves connecting these tanks to the pipelines below ground.

The City is replacing two aging water storage tanks near City Hall with new water tanks that will provide reliable service decades into the future. Two of the three existing tanks built in 1968 need to be replaced due to structural safety concerns. Both water tanks being removed have aging infrastructure and have exceeded their useful lives. The new water tanks will be placed in the same location as the former tanks. The tank on the far east side of the property was built in 2016 and will remain on site.

These water storage tanks are critical to ensuring that Westminster has enough treated water available, even during times of peak demand, typically during the hottest days of the summer in July, and for fire emergencies. Combined with pumps, water storage tanks are also used to ensure consistent water pressure.

Construction of the new replacement tanks began September 2022.

CITY OF WESTMINSTER, COLORADO

TABLE OF CONTENTS

	Page
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	V
City Organizational Chart	XI
Certificate of Achievement for Excellence in Financial Reporting	XII
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	XIII
A. MANAGEMENT'S DISCUSSION AND ANALYSIS	1
B. BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements	
Governmental Funds Financial Statements	
Balance Sheet - Governmental Funds	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Proprietary Funds Financial Statements	
Statement of Net Position - Proprietary Funds	24
Statement of Revenues, Expenses, and Changes in Fund Net Position -Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	26
Notes to Financial Statements	29
C. REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule- Major Funds (General and Special Revenue)	
General Fund	79
Westminster Economic Development Authority Fund	80
Budgetary Information	81
Postemployment Benefits Other than Pensions, Pension Schedules and Notes	
Retiree Health Program - Schedule of Changes in Total OPEB Liability and Related Ratios	82
Westminster Volunteer Firefighter Pension Plan	
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	83
Schedule of Contributions	84
FPPA Statewide Defined Benefit Plan	
City of Westminster- Fire	
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)	85
Schedule of Employer Contributions	86
Schedule of Employer Contributions, Re-entry	87
City of Westminster - Police	
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)	88

CITY OF WESTMINSTER, COLORADO

TABLE OF CONTENTS

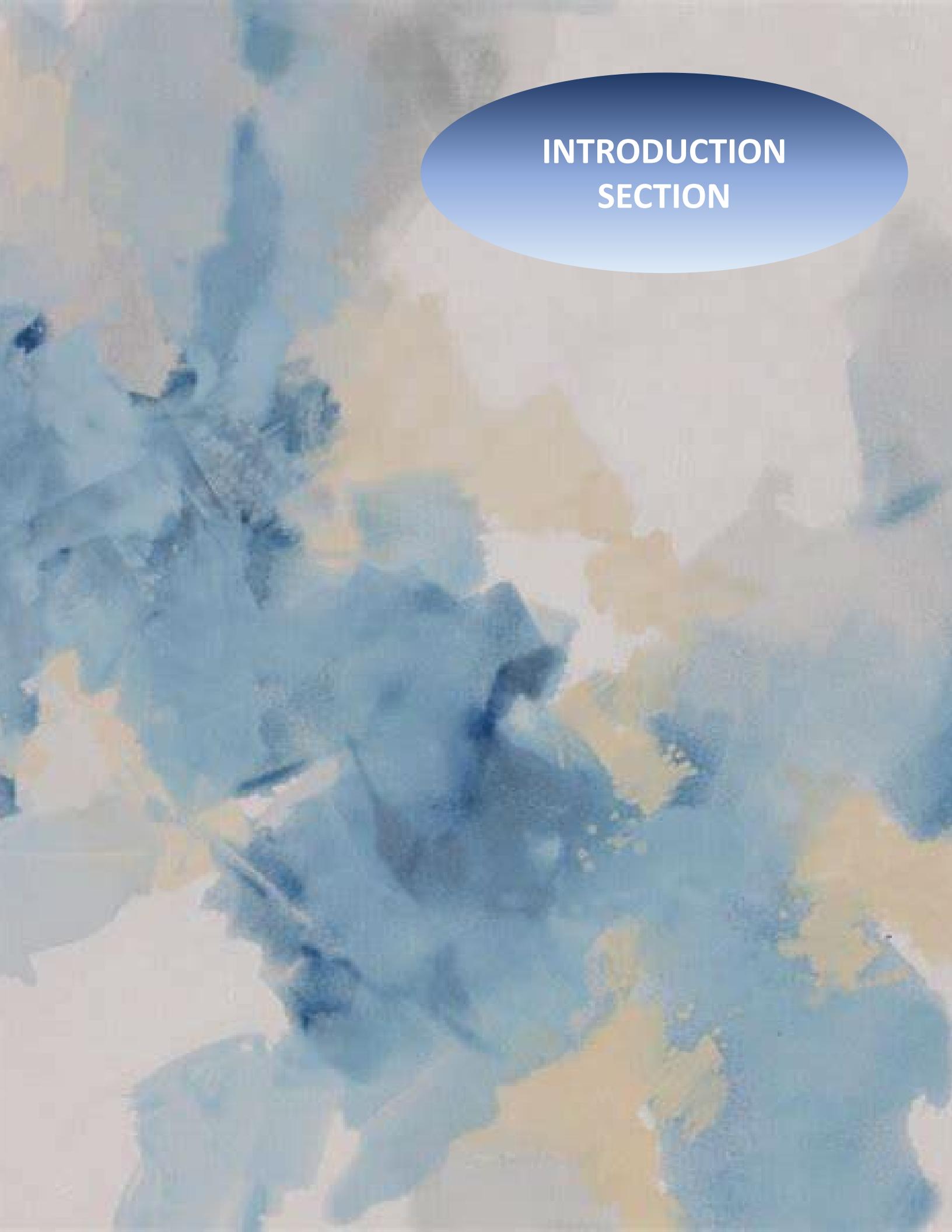
	Page
Schedule of Employer Contributions	89
Schedule of Employer Contributions, Re-entry	90
FPPA Statewide Hybrid Defined Benefit Plan	
City of Westminster - Fire	
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)	91
Schedule of Employer Contributions	92
City of Westminster - Police	
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)	93
Schedule of Employer Contributions	94
D. COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds	95
Combining Balance Sheet - Nonmajor Governmental Funds	98
Combining Statement of Revenues, Expenditures and Changes in Fund	
Balances - Nonmajor Governmental Funds	102
Budgetary Comparison Schedules - Governmental Funds	
General Capital Improvement Funds	107
Conservation Trust Fund	108
Investigation Recovery Fund	109
Westminster Housing Authority Fund	110
Downtown General Improvement District	111
Sheridan Crossing General Improvement District Fund	112
Amherst General Improvement District Fund	113
136th Avenue General Improvement District Fund	114
Orchard Park Place General Improvement District Fund	115
Mandalay Town Center General Improvement District Fund	116
144th Avenue General Improvement District Fund	117
Park 1200 General Improvement District Fund	118
Westminster Station General Improvement District Fund	119
Debt Service Fund	120
Parks, Open Space and Trails Sales and Use Tax Fund	121
Community Development Block Grant Fund	122
Proprietary Funds	
Combining Statement of Net Position - Nonmajor Proprietary Funds	125
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Proprietary Funds	126
Combining Statement of Cash Flows - Nonmajor Proprietary Funds	127
Budgetary Comparison Schedules - Proprietary Funds	
Utility Fund	131
Golf Course Fund	132
Parking Management Fund	133
Internal Service Funds	137
Combining Statement of Net Position - Internal Service Funds	137

CITY OF WESTMINSTER, COLORADO

TABLE OF CONTENTS

	Page	
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	138	
Combining Statement of Cash Flows - Internal Service Funds	139	
Budgetary Comparison Schedules - Internal Service Funds		
General Capital Outlay Replacement Fund	143	
Fleet Fund	144	
E. STATISTICAL SECTION	Table	
Financial Trends Information	145	
Net Position by Component	1	147
Changes in Net Position	2	148
Fund Balances, Governmental Funds	3	150
Changes in Fund Balances, Governmental Funds	4	151
Revenue Capacity Information		
Sales and Use Tax Revenue	5	152
Direct and Overlapping Sales and Use Tax Rates	6	153
Principal Sales and Use Tax Payers by Category	7	154
Debt Capacity Information		
Ratios of Outstanding Debt by Type	8	155
Direct and Overlapping Governmental Activities Debt	9	156
Legal Debt Margin Information	10	157
Pledged Revenue Coverage	11	158
Demographic and Economic Information		
Demographic and Economic Statistics	12	162
Principal Employers	13	163
Full Time Equivalent City Employees by Function/Program	14	164
Operating Information		
Operating Indicators by Function/Program	15	165
Capital Asset Statistics by Function/Program	16	166
Other Supplementary Information		
F. COMPLIANCE SECTION		
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 <i>Government Auditing Standards</i> - Independent Auditor's Report	167	
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance - Independent Auditor's Report	169	
Schedule of Findings and Questioned Costs		
Summary of Auditor's Results	171	
Findings Required to be Reported by Government Auditing Standards	172	
Findings Required to be Reported by the Uniform Guidance	173	
Status of Prior Audit Findings	174	
Schedule of Expenditures of Federal Awards	175	
Notes to Schedule of Expenditures of Federal Awards	176	
Local Highway Finance Report	177	

This Page Intentionally Blank



**INTRODUCTION
SECTION**



W E S T M I N S T E R
C O L O R A D O

June 02, 2023

To the Citizens of Westminster:

To the Mayor and City Council:

We are pleased to present to you the 2022 Annual Comprehensive Financial Report for the City of Westminster. The report presents 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.

Highlights

City Manager Mark Freitag joined the Westminster team in October 2022, following a 26-year career in the U.S. Army and nine years as the City Manager of Janesville, Wisconsin. Mr. Freitag has brought the focus and leadership needed to strengthen the City's core services and improve our community's quality of life. He is aligned with the City's mission, vision, and foundational values of SPIRIT: Service, Pride, Integrity, Responsibility, Innovation and Teamwork.

To enhance customer service for the public and business community, City of Westminster administrative offices were reopened in 2022 for business on Fridays after more than a 10-year stretch of Monday through Thursday operations. Additionally, business hours returned to the more traditional 8:00am to 5:00pm from the former 7:00am to 6:00pm focused work week schedule. The new operating days and hours are consistent with neighboring jurisdiction business hours across the Front Range and provide greater access to City administrative services.

The City implemented the GenTax Consortium of Participating Cities (CPC) out-of-the-box, tax revenue management system in a historic move to replace its homegrown system. The legacy system went online shortly after the City established its home rule authority in 1986. GenTax CPC has provided a modern, integrated, cloud-based solution to the City's tax and revenue administration based on current technology and industry best practices. Westminster's 9,000 businesses are now able to access and manage their tax accounts, file returns and pay the taxes they owe through an online portal. Internally, the system supports financial integrity with efficient processing of tax returns, real time access to managing revenues, and integration with the City's financial management system. The implementation has been a significant win for the business community and City alike.

In 2022, the City Council evaluated various options for addressing the community's concerns related to replacement of a water treatment facility and water rates.

In early 2022, a pause was placed on the water treatment facility design work to allow time for an independent review of the costs, risks, and opportunities of various alternatives. After months of engagement with citizens, former community leaders, and City staff, the City Council decided upon the most efficient and cost-effective solution of building a right-sized facility with potential cost savings of up to \$100.0 million compared the original proposal. Work has since resumed on this momentous project that will ensure the community continues to have clean, safe, and affordable drinking water for generations to come.

The new water treatment facility is estimated to cost \$196.0 million in current dollars and will provide additional treatment processes to respond to wildfire contamination and provide flexibility to respond to future state and federal clean water regulations. To assist with project financing, the City Council approved the transfer of \$15.0 million from the General and General Capital Improvement Funds to the utility enterprise over a three-year period to help build available funding for the project. In 2022, \$5.0 million was transferred from the General Fund to the Utility Fund. The balance of the financing is expected to come from a combination of Utility reserve funds and debt financing.

To address affordability concerns over water rates, the City Council adopted a modified rate structure that reduced single-family residential water rate in each tier and broadened the number of gallons in each tier. Additionally, standardized water billing cycles were enacted, and the shutoff grace period was expanded from 45 to 60 days. Utility rates support the City's fiscal policies to provide for the long-term sustainability of the Utility system and infrastructure.

An exceptional workforce allows the City to remain resilient and effective, helping to ensure its ability to continue to provide quality services to the City of Westminster. With the significant increase in State and local government employee turnover in the post pandemic environment, employee retention has been a significant area of focus for the City. Over the past year, Staff has evaluated pay and benefits to support retention efforts and employed multiple initiatives to value and support staff in these areas. Retiree health care premium subsidies, broad based pay increases, flexible telework options, hiring and retention bonuses, and cash out options of leave balances either for cash or contribution to the City's deferred compensation plan, were changes made to retain a competitive edge in the labor market.

Additionally, the number of City paid holidays was broadened to include Veterans Day and the day after Thanksgiving, 40 hours of paid leave was given to all benefited employees as a one-time allocation and implemented for all new employees at the start of employment, and the use of general leave was expanded for volunteering, personal business, caregiver, parental, and military leaves of absence.

Due to savings in the City's health insurance plan, a one pay period insurance premium "holiday" was provided to all employees participating in the plan. And, required employer and employee contributions to the City's 401(a) plan increased by 1% to 11.25% and 11.00%, respectively, while responsibility for the administrative expenses of the 401(a) and 457(b) plans shifted to the City from plan participants. Each of these changes helps Westminster remain a market competitive employer of choice in the region.

In December, the City hired a temporary in-sourced Equitable Processes Coordinator to advance the organization's Diversity, Equity and Inclusion (DEI) efforts. Team members from each department within the City make up the DEI task force branded as BELONG! With the mission of clearing the way for everyone to have like opportunities for employment, growth, development, and promotion, and to ensure Westminster is a preferred place to work and live, BELONG!'s focus will lead the City to long term success in this area. Workforce diversity, equity and inclusion initiatives will be advanced through strengthening employee affinity, policy and trainings, conducting DEI assessment work, developing action plans, and employing equitable processes through opportunities for all voices to be heard.

Through continued streamlining of City operations, a Procurement Division team was established to provide for greater regulation, control, oversight, and compliance of the procurement function. The team was assembled after a thorough internal evaluation on improving the efficiency and effectiveness of the City's purchasing activities proved to support a centralized arrangement with management, technical and legal expertise. Procurement practices based on industry standards have started to evolve with policy revisions and newly standardized procedures in accordance with the Westminster City Charter and Municipal Code.

In August 2022, the City Council adopted a resolution to execute its first ever collective bargaining agreement (CBA) between the City and the Westminster Police Officers Fraternal Order of Police (FOP). Over several months, staff engaged with the Police Department employees and the FOP to address concerns and identify solutions through the collective bargaining process. The negotiations and ensuing CBA reinforce the City's values-based culture. Providing a comprehensive Total Compensation Package, and a quality, safe and supportive work environment supports the City's Strategic Priority of Proactive Public Safety.

Colorado voters instituted the Paid Family and Medical Leave Insurance program (FAMLI) administered by the Colorado Department of Labor and Employment (CDLE), which becomes effective in 2023. FAMLI requires both employees and employers to pay a State determined insurance premium, for the benefit of wage replacement paid by the State directly to employees when an eligible event results in leave from work. Since the City already has a meaningful leave program in place, Staff determined that FAMLI coverage was not anticipated to be a necessary compensation factor in the City's employment market. In addition, all but one Front Range city opted out of FAMLI for 2023. With the City's goal of balancing fair compensation and benefits with responsible expenditures of tax dollars coupled with the option for local government employers to decline participation, the City Council adopted a resolution in October opting out of FAMLI, thus relieving the City of the program liability.

The American Rescue Plan Act (ARPA) was signed into law by the President of the United States in March 2021 and through the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), it guaranteed direct relief to State and local governments in the U.S. recovering from the economic impacts of the COVID-19 pandemic. SLFRF allocations totaling \$14.5 million were disbursed to the City by the U.S. Department of the Treasury (Treasury). In accordance with the Treasury's final rule, the City's ARPA award was utilized as revenue replacement to provide for governmental services, primarily public safety payroll.

In the November 2021 election, voters approved the City's ballot measure to allow for increasing debt without any tax rate increase by up to \$15.0 million with a maximum repayment amount of \$20.2 million. In August 2022, City Staff secured Council-approved financing with Truist Bank for \$13.8 million with an interest rate of 3.42% and a maturity date of December 1, 2041. In accordance with the ballot, the note proceeds were appropriated to fund issuance costs and the Parks, Open Space and Trails Fund capital improvement program, specifically, the Downtown Center Park, England Park Corridor and general parks irrigation capital projects.

In 2022, the Parking Management Fund transitioned its service delivery model for parking management to in-house parking operations and all contracted services were eliminated. This approach not only saved the City money but also allowed for timelier and overall improved customer service. Similarly, staffing for the Police Department's mental health co-responder program was brought in-house to provide for a higher level of trauma informed response to behavioral emergencies. Having mental health professionals working as City employees affords the City a better opportunity to tailor a program that meets the specific needs of Westminster residents.

The Public Works and Utilities Department entered into a long-term lease for an asphalt milling machine to be utilized year-round for paving repairs in lieu of the former practice of renting the equipment one to two months each year. An asphalt milling machine has become a necessary tool for Street Operations crews to perform annual street improvement projects as well as to repair utility excavations throughout the City. The long-term leasing arrangement provides the most cost effective and reliable equipment solution for maintenance of the City's roadway systems.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2023. In early 2023, the City Council and Executive Leadership Team met with Consultant Berry, Dunn, McNeil & Parker, LLC who facilitated strategic planning retreats and a workshop to revise the City's Mission Statement, Vision Statement, and Guiding Principles. These efforts culminated in the adoption of a revised Strategic Plan, including five Strategic Priorities, Objectives, and Focused Objectives related to these priorities.

Priority 1: Preparedness and Resilience. Build a system of intentional support for residents, businesses and the environment that mitigates risks and proactively seeks out ways to ensure the community not only endures, but thrives.

Priority 2: Proactive Public Safety. Enhance public safety to emphasize both prevention and enforcement, engage the community through education and outreach and provide the resources necessary to ensure safety and well-being throughout Westminster.

Priority 3: Shared Sense of Community. Foster equitable opportunities that help residents feel at home and connected in their community and empowered to live their best lives.

Priority 4: Quality of Life. Ensure that Westminster offers a diverse range of amenities and activities for residents, businesses and visitors that honor the city's history and support the arts, parks, recreation, open spaces, and libraries.

Priority 5: Robust Infrastructure. Provide safe and equitable access to core services and amenities by safeguarding, maintaining and improving the city's water, wastewater, storm water, mobility and roadway systems.

The Strategic Plan supports all the strategic priorities, ensuring a clear vision for the future of the community through collaborative and transparent decision making.

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, FORVIS. Their reports are included.

Government Structure and Types of Services

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

With a population of approximately 118,940, the City is over 95% built out, with just over 4.5% of its remaining area to be developed. The City is a full-service city, providing police, fire and emergency medical service, municipal court, parks, recreation facilities and programs, libraries, planning and development, economic development and redevelopment, water

and wastewater treatment, street construction and maintenance and a variety of related services such as human resources, finance, policy and budget, information technology, building maintenance, etc.

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

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

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 General Services, Policy and Budget Division 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; and

As with any system, the inherent limitations of the system make it imperative that the City address any internal control deficiencies when they are communicated by the City's independent auditing firm under SAS 114, The Auditor's Communication with Those Charged with Governance, and SAS 115, Communicating Internal Control Related Matters Identified in an Audit; and identified either internally or externally through the vigilant and diligent efforts of management and employees to prevent and correct errors or address other weaknesses.

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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the content of which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last thirty-nine 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

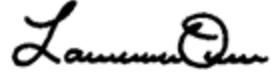
Oversight for the preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of Finance Department staff.

In particular, our sincere appreciation is extended to Accounting Division Manager Cherie Sanchez; Business Operations Administrator Vicki Adams; Business Operations Analyst Yuki Wu; Accountants Dawn Cartier, Shari Duran, Chris Martin, Gary Newcomb, and Lore Stevens; Retirement Administrator Kim McDaniel; Senior Financial Analysts Chad Smith and Sherri Young; Senior Contracts and Grants Coordinator Mary Jaquish; Sales Tax Division Manager Deanna Cervantez; Treasury Division Manager Bob Byerhof; Accounting Specialist Valori Dennis, and Finance Specialist Nina Vue. Thank you for your dedication, hard work, and another excellent annual report.

In addition, the City's audit firm, FORVIS LLP was very helpful. The FORVIS team's 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,



Larry Dorr, Deputy City Manager, CFO & Finance Director

This Page Intentionally Blank



WESTMINSTER
COLORADO

CITY ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

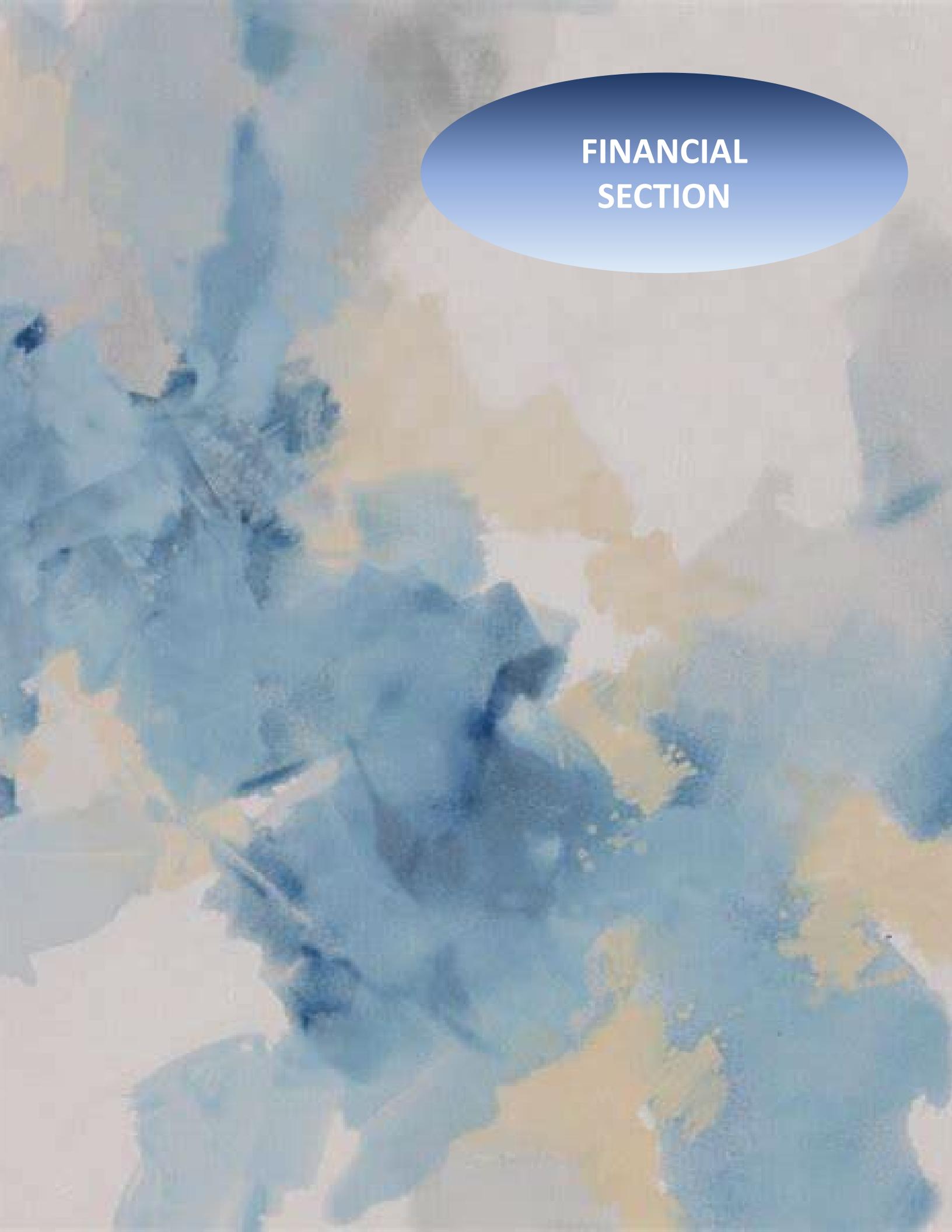
**City of Westminster
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Monell

Executive Director/CEO



FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 3V to the financial statements, in 2022, the City adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 nonmajor fund financial statements and schedules the local highway finance report and the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the local highway finance report and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

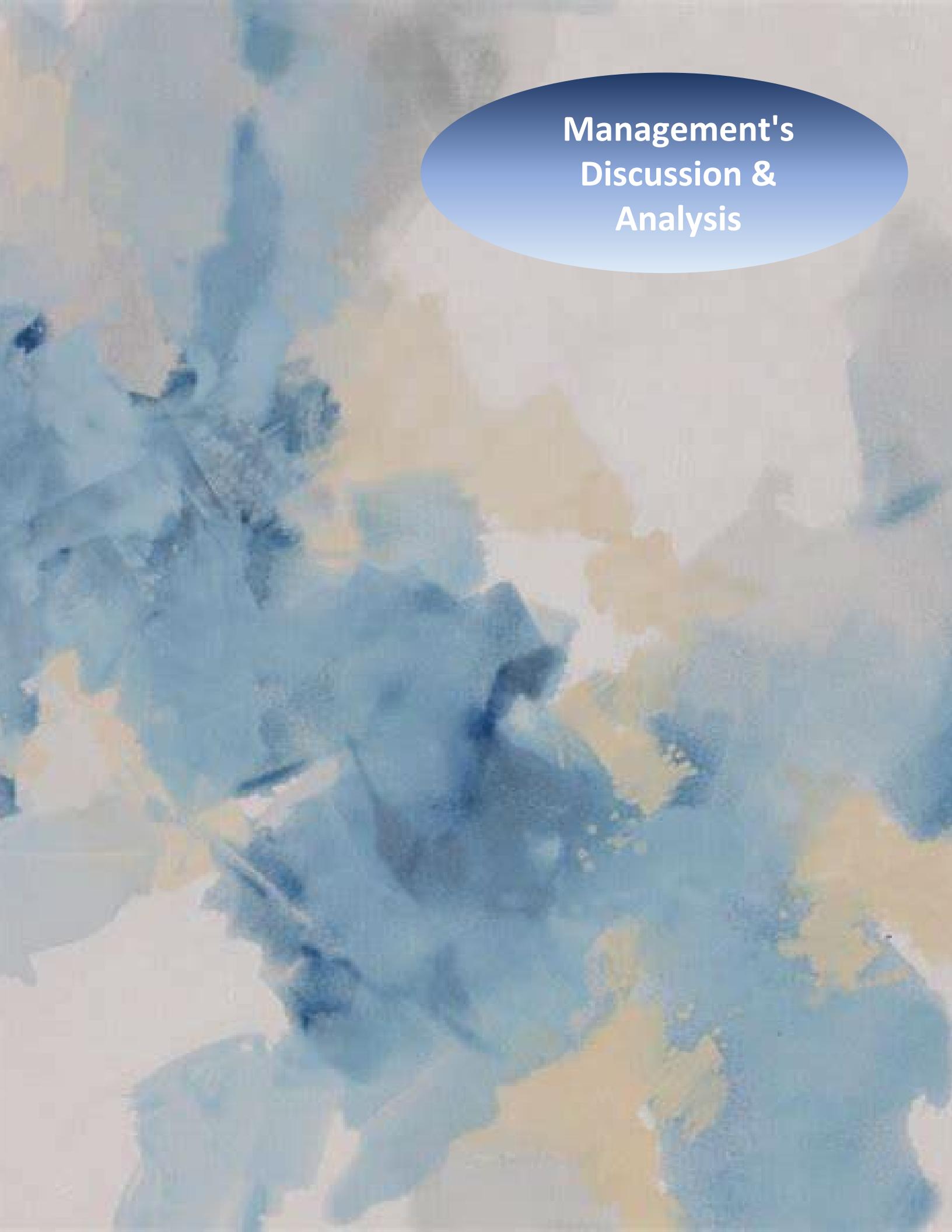
Honorable Mayor and Members of City Council
City of Westminster, Colorado
Page 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

FORVIS, LLP

Denver, Colorado
June 23, 2023



**Management's
Discussion &
Analysis**



W E S T M I N S T E R
C O L O R A D O

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, 2022 provides a narrative overview of the City's financial activities. The City adopted Governmental Accounting Standards Board Statement No. 87, Leases, (GASB 87), in 2022. The comparative information for 2021 was not restated for the adoption of GASB 87. Please consider the information here in conjunction with the transmittal letter at the beginning of this Annual Comprehensive 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 Presiding Judge; all other staff are appointed or hired by the City Manager. The City Manager promotes the City's SPIRIT values of service, pride, integrity, responsibility, innovation and teamwork throughout the organization. The City Manager directs ten departments, including Community Development, Economic Development, Finance, Fire, General Services, Human Resources, Information Technology, Parks, Recreation and Libraries, Police, and Public Works and Utilities.

Centrally located between Denver and Boulder, Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative local government services. With a population of approximately 118,940, the City is over 95% built out, with just over 4.5% of its remaining area to be developed. The City is a full service city, providing police, fire and emergency medical services, 63 developed parks and 4 undeveloped parks, over 3,800 acres of natural open space, two libraries, two golf courses, seven 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 55.3% of the City's governmental activities revenues. Property taxes comprise approximately 3.4% of the City's governmental activities revenues. Property tax increment contributes an additional 8.1%. The primary sources of revenues for the City's business-type activities are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was up \$7.3 million, or 6.5% compared to 2021. The increase is attributed to economic recovery following the COVID-19 pandemic and other economic factors including inflation and an increase in e-commerce sales. Other governmental revenue streams critically impacted by the pandemic have shown strong improvement including accommodations and admissions taxes and recreation service fees.

The City reported \$19.3 million in revenue from various federal, state and local granting agencies for an array of funding purposes including housing and urban development, public health and human services, public safety, emergency and disaster management, transportation, water conservation, literacy, golf and recreation programming, and community support. Of that, \$14.5 million of the total was the City's allocation of American Rescue Plan State and Local Fiscal Recovery (ARPA) money that was utilized substantially for public safety purposes.

The City received its first distribution from the State of Colorado in the amount \$0.1 million as part of the National Opioid Settlements of 2021 that resolved opioid litigation by state and local governments. The settlement allocation is specifically for relief programs to help rebuild the devastation caused by the opioid epidemic. Distributions are based on population adjusted for the proportionate share of the opioid epidemic impact, with anticipated total funding to the City of Westminster of \$0.8 million through 2039.

In 2022, the City received a \$1.6 million proportionate share distribution from the Denver Broncos franchise sale through the Metropolitan Football Stadium District (District) in Denver. Colorado legislation and a District agreement entitled a one time sharing amount in connection with the sale of the franchise with taxing jurisdictions that collected a dedicated sales tax to finance the football stadium from 2001 through 2011. The funding will be utilized in conjunction with youth activity programs.

A propane tank explosion leveled a Westminster residence and left neighboring homes uninhabitable. When the mortgage company liable for the cleanup severed its responsibility for the property the City stepped in to facilitate the abatement process. The City Council authorized \$0.4 million for asbestos cleanup at the site. With conclusion of the cleanup in 2022, the City Council will help decide the future of the property and how it can be best utilized for the good of the community.

On December 30, 2021 the most destructive wildfire in Colorado's history, the Marshall Fire, damaged or destroyed over 1,000 homes in neighboring Boulder County. The City's Golf Course Enterprise hosted a fund raising event to aid Marshall Fire victims. Golf courses from around the state participated in the fund raiser by offering golf rounds on a secure auction website that enabled people to bid on auction items. Auction proceeds of \$31.5 thousand along with a contribution of ten thousand authorized by the City Council were sent to the Community Foundation of Boulder County's Wildfire Fund.

Beginning in 2022, payroll benefit and tax expenditures, including medical and nonmedical insurances, retirement contributions and Medicare tax, were charged to the departments corresponding with employee salaries. Previously, these expenditures had been centrally charged within each fund. This change provides for greater transparency as to the full cost of City services. In the General Fund, this amounted to a reallocation of more than \$21.0 million to departments.

The City issued a voter approved \$13.8 million direct placement Special Purpose Sales and Use Tax Revenue Note to fund the Parks, Open Space and Trails (POST) Fund Capital Improvement Program, and the Westminster Economic Development Authority issued a \$1.0 million private placement tax increment revenue refunding bond to refinance its 2012 South Sheridan Urban Renewal Loan. As well, the City entered into a \$1.3 million direct placement note to acquire an aerial ladder fire truck. Debt financings with outstanding balances totaling \$8.2 million were paid off including the refinanced 2012 South Sheridan Loan, 2010 Sales & Use Tax Refunding Revenue Bond, and refunding of the 2012 South Sheridan Urban Renewal Area Loan.

Capital contributions received by the Utility Fund totaled \$19.3 million from fees for tapping into the water and wastewater system, developer installations of distribution and transmission lines, and city and county constructed system infrastructure. This is a \$10.7 million, or a 123.4% increase in contributions compared to 2021 mostly due to a \$15.8 million capital contribution for the repair and replacement of a large sewer pipe located throughout the northern portion of Westminster.

The City adopted Governmental Accounting Standards Board Statement No. 87, *Leases*, (GASB 87), which requires recognition of certain lease assets and liabilities previously classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provision of the contract. GASB 87 lease accounting standards are based on the principle that leases are financings of right to use assets. Of the nearly 200 agreements that made up the total population of possible GASB 87 lease agreements, only a handful qualified to be accounted for per the new standard including two cell tower and one building/parking lot lessor agreements and one equipment lessee agreement shared between the General and Utility Funds. Information on the City's GASB 87 leases can be found throughout the Financial Section of this report.

The City implemented GenTax Consortium of Participating Cities (CPC) out-of-the-box, tax revenue management system in a historic move to replace its homegrown system that went on-line shortly after the City established its home rule authority in 1986. GenTax CPC has provided a modern, integrated solution to the City's tax and revenue administration based on current technology and industry best practices. Westminster businesses are now able to access and manage their tax accounts, file returns and pay the taxes they owe through an on-line portal. Internally, the system supports financial integrity through efficiency with the processing of tax returns, real time access to managing revenues, and integration with the City's financial management system. The implementation has been a significant win for the business community and City alike.

A total of \$51.1 million was expended in relation to the City's Capital Improvement Program (CIP) in 2022. Governmental activities CIP spending totaled \$23.7 million, down \$3.1 million or 11.5% from the prior year. Business-type activities CIP spending totaled \$27.4 million, down \$4.9 million or 15.3% from 2021.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2022 by \$1,261.2 million (\$567.6 million in governmental activities and \$693.6 million in business-type activities). Of the governmental activities net position total, \$159.3 million, or 28.1%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$173.5 million, or 25.0%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$58.6 million, or 4.9%, compared to 2021. The net position of the City's governmental activities increased \$22.8 million, which represents an increase of 4.2% compared to 2021. The net position of the City's business-type activities increased \$35.8 million, an increase of 5.4% over 2021.

The total expenses of all the City's programs increased \$18.5 million, or 8.0%, compared to 2021. The cost of governmental activities program expenses increased \$17.6 million, or 10.5%, to \$185.3 million, while business-type activities expenses increased \$0.9 million, or 1.4%, to \$65.2 million from 2021.

Total revenues, excluding transfers, increased \$26.1 million, or 9.2%, compared to 2021. Governmental activities revenues increased \$34.6 million, or 17.7%, to \$230.2 million, while revenues of business-type activities decreased \$8.5 million, or 9.7%, to \$78.9 million compared to 2021.

As of December 31, 2022, the City's governmental funds reported a combined ending fund balance of \$214.6 million. Approximately 62.3%, or \$133.7 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 \$64.0 million as of December 31, 2022, of which \$54.1 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. Funding for most of these activities comes from sales and use taxes, property taxes, charges for municipal court and parks, recreation and libraries services, franchise and emergency medical service fees, license and permitting activities, as well as state and federal grant and contributions.
- 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 parking management operation are reported here.

FUND FINANCIAL STATEMENTS

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

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

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

The City maintains 18 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 15 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements in the supplementary information of this report.

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

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the Utility Enterprise, Golf Course Enterprise and Parking Management Fund. The Utility Fund is considered a major fund of the City, while the Golf Course and Parking Management Funds are nonmajor.
- **Internal Service funds** are used by the City to account for the costs of acquiring capital replacement equipment, maintenance and repair of fleet equipment, and City-wide insurance programs. Because these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of the internal service funds have been included within governmental activities in the government-wide financial statements. Internal service funds are combined

into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information of this report.

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

Required Supplementary Information includes budgetary comparison schedules for the General Fund and Westminster Economic Development Authority as well as schedules that provide information on the Other Post Employment Benefits (OPEB) liability for the City's retiree health care program and information related to the City's firefighter and police pension plans.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,261.2 million at December 31, 2022. Governmental activities make up \$567.6 million (45.0%) of the net position, with business-type activities making up the remaining \$693.6 million (55.0%). Total net position increased by \$58.6 million (4.9%) in 2022. The increase is comprised of the following:

Total assets increased \$50.0 million, or 3.3%, to \$1,585.1 million. This included an increase in current and other assets of \$36.4 million and an increase in capital assets of \$13.6 million.

The increase in current and other assets is primarily due to increases in cash and investments of \$20.1 million, inventories and prepaid items of \$3.7 million, receivables of \$1.5 million and net pension assets of \$11.0 million. The increase in cash and investments is due in part to unspent proceeds of \$13.8 million from the 2022 Parks, Open Space, and Trails Sales and Use Tax Revenue Note as well as increases in governmental revenues, primarily from charges for services, grants and contributions. The increase in receivables is due to governmental activities taxes, grants, and leases receivable that will be collected in future periods. The increase in net pension assets reflects actuarial adjustments to the City's Fire and Police Pension Association of Colorado (FPPA) pension plans including actuarial differences between expected and actual experience, changes in assumptions, and updates to the City's proportionate share of collective plan balances.

The increase in lease assets reflects \$0.4 million in lease asset additions offset by depreciation expense. The increase in capital assets reflects \$52.6 million in capital asset additions offset by \$38.0 million of depreciation expense and \$1.5 million in capital asset disposals net of depreciation. \$37.5 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes.

Deferred outflows of resources decreased \$2.2 million due to amortization of loss on refunding debt, FPPA defined benefit pensions and City retiree health care. Deferred inflows of resources increased \$6.5 million due to property taxes, grants, leases, FPPA defined benefit pensions and the City's retiree health care program. Fluctuations due to FPPA defined benefit pensions result from changes in actuarial plan assumptions, difference between expected and actual plan experience, differences between projected and actual investment earnings on pension plan investments, changes in the City's proportion in the plan and employer contributions made subsequent to the actuarial measurement date of December 31, 2022. Information about the FPPA retirement plans can be found in the Notes to the Financial Statements beginning on page 61. Similarly, fluctuations due to City retiree health care program result from changes in actuarial plan assumptions and differences between expected and actual plan experience. Information about the City's Retiree Health Care Program can be found in the Notes to the Financial Statements beginning on page 72.

Total liabilities decreased \$17.3 million to \$294.9 million. This is primarily due to decreases of \$10.3 million in long-term liabilities and \$7.0 million in current and other liabilities. Current and other liabilities decreased \$10.5 million for governmental activities due to accounts payable and the spending of ARPA funding, which allowed the City to recognize revenue for ARPA funds received in 2021 as eligibility requirements were met, and increased \$3.5 million for business-type activities due to accounts and other payables. The decrease in long term liabilities is due to ongoing debt service payments on outstanding bonds, certificates of participation, loans, and notes as well as amortization of discounts and premiums. The overall decrease is offset by the new POST and fire truck financings. Other long term liabilities include obligations relating to compensated absences, post-employment benefits for the City's retiree health care program, leases and pollution remediation.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 323.8	\$ 292.7	\$ 207.3	\$ 202.0	\$ 531.1	\$ 494.7
Capital and lease assets	421.9	435.3	632.1	605.1	1,054.0	1,040.4
Total assets	745.7	728.0	839.4	807.1	1,585.1	1,535.1
Deferred outflow of resources	16.7	18.8	0.5	0.6	17.2	19.4
Current and other liabilities	21.6	32.1	9.8	6.3	31.4	38.4
Long-term liabilities	127.3	130.3	136.2	143.5	263.5	273.8
Total liabilities	148.9	162.4	146.0	149.8	294.9	312.2
Deferred inflow of resources	45.9	39.6	0.3	0.1	46.2	39.7
Net Position:						
Net investment in capital assets	319.4	315.5	517.9	500.7	837.3	816.2
Restricted	88.9	72.4	2.2	2.0	91.1	74.4
Unrestricted	159.3	156.9	173.5	155.1	332.8	312.0
Total net position	\$ 567.6	\$ 544.8	\$ 693.6	\$ 657.8	\$ 1,261.2	\$ 1,202.6

By far the largest portion of the City's net position reflects its investment of \$1,054.0 million in capital and lease assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these and lease assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$837.3 million as of December 31, 2022, or 66.4% of total net position.

An additional portion of the City's net position, \$91.1 million, or 7.2%, represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$332.8 million, or 26.4% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$173.5 million in unrestricted net position of the City's business-type activities may not be used to fund governmental activities.

Analysis of Changes in Net Position

As can be seen from Table 2, the City's net position increased \$58.6 million during 2022. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$22.8 million during 2022. This was \$4.5 million less than the increase of \$27.3 million in 2021.

Governmental activities revenues increased \$34.6 million from 2021. The change is attributed primarily to increases in revenues from charges for services (\$2.2 million), operating grants and contributions (\$17.4 million), capital grants and contributions (\$6.9 million), and sales tax (\$7.5 million). These increases were offset by decreases in interest earnings (\$3.5 million) and gain on sale of assets (\$0.5). To a lesser extent, property tax (\$0.5 million), property tax increment (\$1.1 million), use tax (\$0.3 million), accommodations tax (\$1.1 million), intergovernmental (\$0.3 million), other taxes (\$0.3 million) and other revenues (\$1.0 million) also increased from 2021.

The increase in operating grants and contributions is mostly the result of \$14.5 million in federal ARPA funding; the increase in capital grants and contributions is due in large part to grant funding for parks and transportation improvement projects and cost recoveries on City constructed infrastructure. The decrease in interest earnings is due to an unrealized loss on the City's investment portfolio at year end. The City of Westminster's fixed income portfolio declined in value over the fiscal year due to the rapid and extreme increases in interest rates over the period. Additional information on the unrealized loss can be found in the Notes to the Financial Statements, page [78](#). The increases in charges for services and accommodations tax reflect continued economic recovery after the downturn that resulted from the COVID-19 pandemic, and in sales tax, the impact of strong inflation and consumer spending.

Governmental activities expense increased \$17.6 million (10.5%) from 2021. The change is attributable to increased expenses in Public Safety (\$16.9 million), Public Works (\$5.5 million), Community Development (\$1.0 million), Economic Development (\$0.6 million), Culture and Recreation (\$6.2 million), interest and fiscal charges (\$1.3 million) and bond issuance costs (\$0.1 million) offset by decreases in General Government (\$13.9 million) and unallocated depreciation (\$0.1)

The decrease in General Government is due primarily to the allocation of for employer paid payroll insurances, pension contributions and Medicare tax to the departments where employees are paid. Previously, these costs were centrally charged by fund. Other program expenses increased, primarily Public Safety, Public Works, and Culture and Recreation, due generally to personnel and contractual services. Interest and fiscal charges increased due to accrued interest.

As can be seen in Table 2, General Government, which includes other benefits and insurances still centrally charged, lease payments, and expenditures for the City Council and six departments (City Manager's Office, City Attorney's Office, General Services, Human Resources Finance, and Information Technology) accounted for 25.1% of governmental expenses, Public Safety accounted for 34.6%, Public Works accounted for 9.9%, Community Development accounted for 10.0%, Economic Development accounted for 1.2%, Culture and Recreation accounted for 17.9%, Interest and Fiscal Charges accounted for 1.1%, unallocated depreciation accounted for 0.1%, and bond issuance costs accounted for 0.1%

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Charges for services	\$ 23.5	\$ 21.3	\$ 78.7	\$ 78.6	\$ 102.2	\$ 99.9
Operating grants and contributions	31.9	14.5	—	—	31.9	14.5
Capital grants and contributions	16.5	9.6	3.4	8.7	19.9	18.3
General revenues						
Property taxes	7.8	7.3	—	—	7.8	7.3
Sales taxes	106.8	99.3	—	—	106.8	99.3
Use taxes	20.6	20.3	—	—	20.6	20.3
Property tax increment	18.6	17.5	—	—	18.6	17.5
Business fees and other taxes	0.9	0.6	—	—	0.9	0.6
Accommodations tax	5.0	3.9	—	—	5.0	3.9
Intergovernmental	0.8	0.5	—	—	0.8	0.5
Investment earnings	(4.3)	(0.8)	(4.2)	(0.7)	(8.5)	(1.5)
Other	2.0	1.0	0.8	0.7	2.8	1.7
Gain on sale of assets	0.1	0.6	0.2	0.1	0.3	0.7
Total revenues	230.2	195.6	78.9	87.4	309.1	283.0
Program expenses						
General government	46.6	60.5	—	—	46.6	60.5
Public safety	64.2	47.3	—	—	64.2	47.3
Public works	18.3	12.8	—	—	18.3	12.8
Community development	18.5	17.5	—	—	18.5	17.5
Economic development	2.3	1.7	—	—	2.3	1.7
Culture and recreation	33.1	26.9	—	—	33.1	26.9
Utility	—	—	58.5	58.6	58.5	58.6
Golf	—	—	5.4	4.4	5.4	4.4
Parking Management	—	—	1.3	1.3	1.3	1.3
Interest and fiscal charges	2.1	0.8	—	—	2.1	0.8
Bond issuance costs	0.1	—	—	—	0.1	—
Unallocated depreciation	0.1	0.2	—	—	0.1	0.2
Total expenses	185.3	167.7	65.2	64.3	250.5	232.0
Excess before transfers	44.9	27.9	13.7	23.1	58.6	51.0
Transfers	(22.1)	(0.6)	22.1	0.6	—	—
Change in net position	22.8	27.3	35.8	23.7	58.6	51.0
Net position - beginning	544.8	517.5	657.8	634.1	1,202.6	1,151.6
Net position - ending	\$ 567.6	\$ 544.8	\$ 693.6	\$ 657.8	\$ 1,261.2	\$ 1,202.6

Charts 1 illustrates the City's governmental expenses and revenues by function and Chart 2 illustrates 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 (55.3%), followed by Operating Grants and Contributions (13.9%), Charges for Services (10.2%), Property Tax Increment (8.1%), Capital Grants and Contributions (7.2%), Property Tax(3.4%), Accommodations Tax (2.2%), Business fees and Other Taxes (0.4%), Intergovernmental (0.3%), and Other revenue (0.9%).

CHART 1: EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES

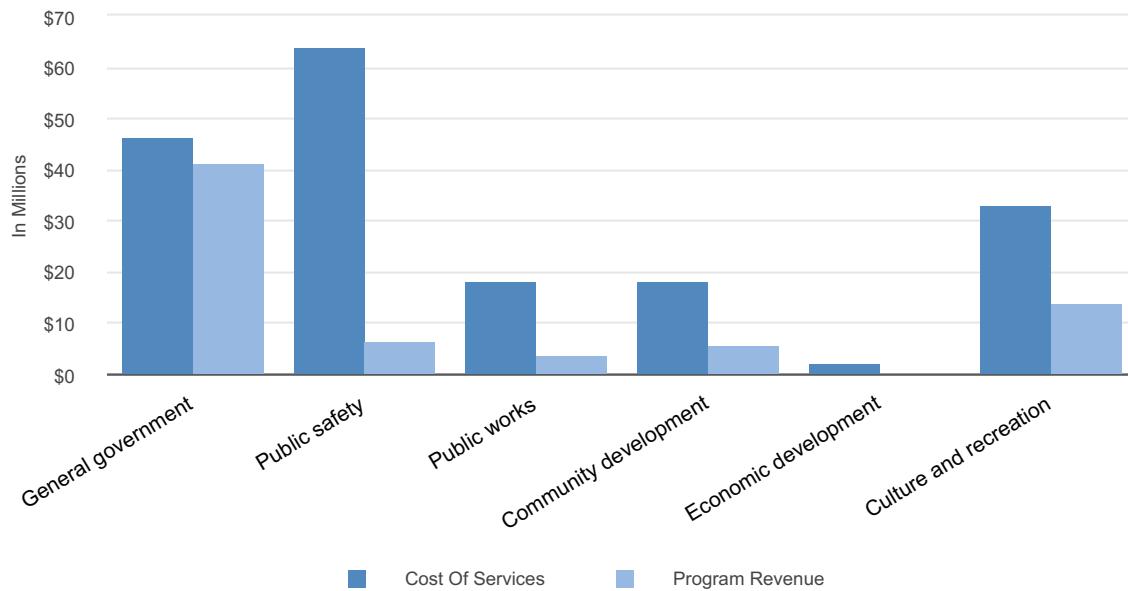
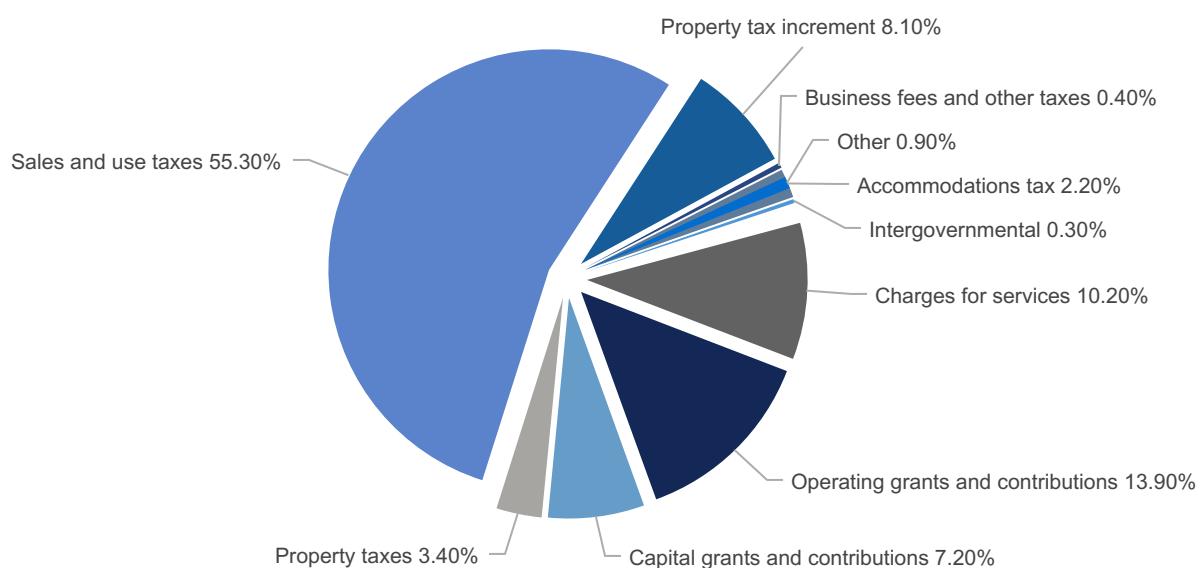


CHART 2: REVENUES BY SOURCE
GOVERNMENTAL ACTIVITIES, excluding negative investment income of -1.9%



Business-type Activities

Net position in business-type activities increased \$35.8 million in 2022. This is \$12.1 million, or 51.1%, more than the \$23.7 million increase in 2021.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 89.7% of total business-type expenses. Charges for Services provides the largest share of revenues (99.7%), followed by Capital Grants and Contributions (4.3%), Other revenue (1.0%) and Gain on Sale of Assets (0.3%).

Total business-type revenues decreased \$8.5 million, or 9.7%, compared to 2021. This decrease was due primarily to decreases of \$5.3 million, or 60.9% in Capital Grants and Contributions and \$3.5 million, or 500.0% in interest earnings. These decreases were offset by increases of \$0.1 million, or 0.1% in Charges for Services, \$0.1 million, or 14.3% in Other revenue and \$0.1 million in Gain on Sale of Assets.

Capital Grants and Contributions fluctuate from year to year based on developer tap fees and water lines for connecting to the utility system. In 2022, the decrease in Capital Grants and Contributions was due to commercial tap fees. The decrease in interest earnings is due to the unrealized loss on the City's investment portfolio at year end. The City of Westminster's fixed income portfolio declined in value over the fiscal year due to the rapid and extreme increases in interest rates over the period. Additional information on the unrealized loss can be found in the Notes to the Financial Statements, page 78.

Expenses of business-type activities increased \$0.9 million, or 1.4%, compared to 2021. The increase was due primarily to increases in costs associated with providing Golf services including personnel and contractual services as well as depreciation on the golf cart fleet and maintenance equipment acquired in 2021 and irrigation system that was placed into service in 2022.

It's important to note that the Legacy Ridge Golf Course was reopened in August 2022 after completion of a major irrigation system project that had partially closed the course starting in 2021.

CHART 3: EXPENSES AND PROGRAM REVENUE BUSINESS TYPE ACTIVITIES

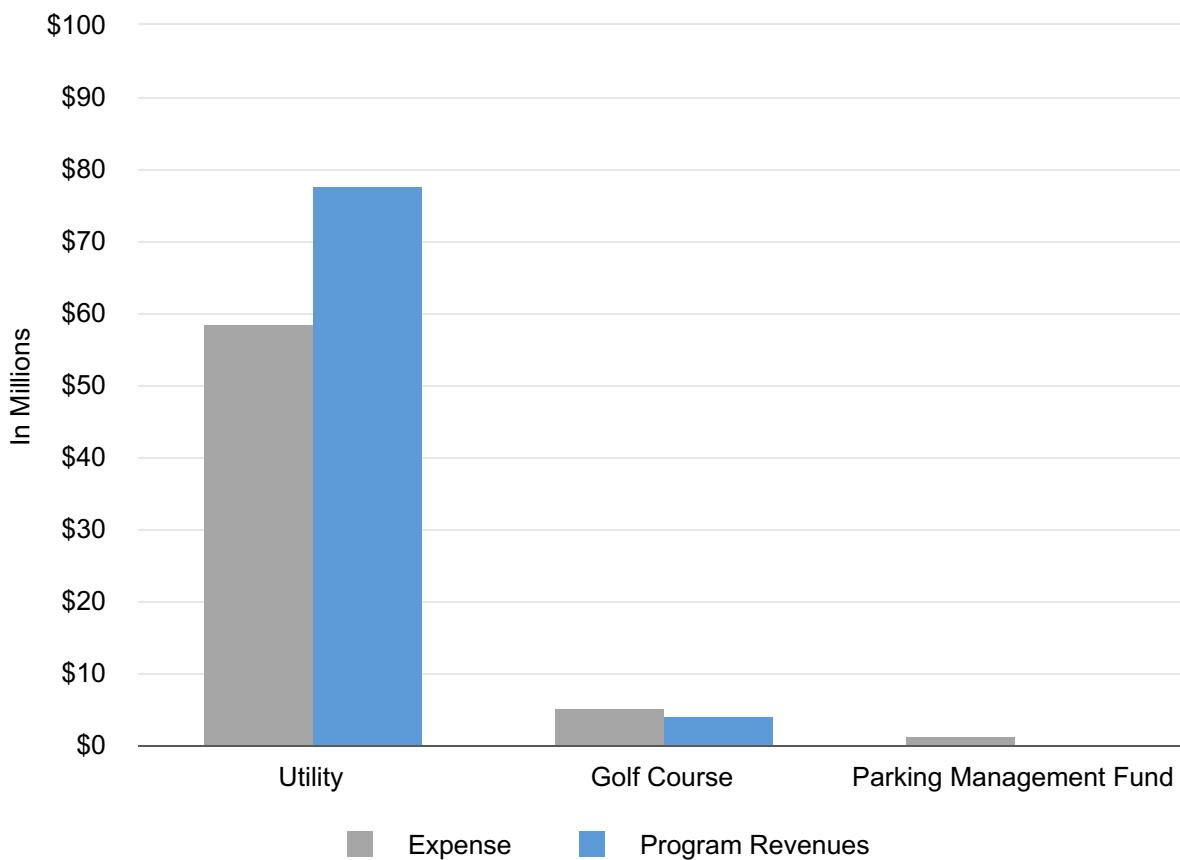
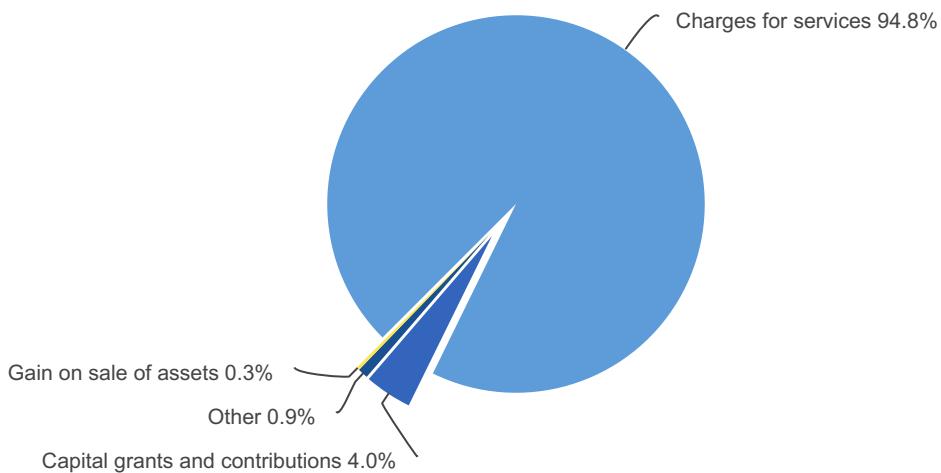


CHART 4: REVENUES BY SOURCE
BUSINESS-TYPE ACTIVITIES



THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

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

At December 31, 2022, the City's governmental funds reported a combined ending fund balance of \$214.6 million, an increase of \$25.2 million, or 13.3%, compared to 2021. 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 increased \$0.1 million or 8.5% to \$1.1 million due to prepaids and inventories.
- Fund balance restricted for capital additions and improvements increased \$12.7 million for parks, open space and trails construction projects due to the 2022 POST Revenue Note proceeds.
- Fund balance restricted for contractual obligations increased \$1.7 million or 490.5% to \$2.0 million due to distributions of the Broncos franchise sale revenue and the National Opioid Settlement of 2021.
- Fund balance restricted for debt service remained unchanged at \$25.3 million primarily from pledged incremental sales and property tax revenues of the Westminster Economic Development Authority.
- Fund balance restricted for community development remained unchanged at \$0.2 million due to Community Development Block Grant Fund property held for resale.
- Fund balance restricted for emergencies as required by the Colorado State Taxpayer's Bill of Rights increased \$0.9 million, or 15.3% to \$6.8 million.
- Fund balance restricted for open space conservation and improvements increased \$2.9 million or 77.8% due to open space sales and use tax.
- Fund balance restricted for Public Safety increased \$0.2 million due to activities in the Investigation Recovery Fund.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$56.8 million from \$50.1 million, or 13.4% for capital projects.
- Unrestricted but committed fund balance for urban renewal increased \$0.9 million from \$5.0 million, or 18.6%, due to Downtown Westminster revenues for capital projects.
- Assigned fund balance increased for urban renewal by \$2.0 million to \$15.7 million due to adjustments in the value of land held for resale in Downtown Westminster.
- Assigned fund balance increased for emergencies by \$1.8 million to \$10.5 million to maintain the General Fund reserve at a level consistent with City policy.
- Unassigned fund balance decreased \$4.2 million, or 8.8%, to \$43.5 million compared to 2021. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. Total fund balance decreased in the General Fund by \$1.4 million, or 2.1%, compared to 2021. This is an \$18.9 million decrease in the change in fund balance of \$17.5 million at the end of 2021.

Compared to 2021, General Fund operating revenues increased \$26.8 million, or 16.8%, due mostly to taxes, primarily sales and use taxes, and intergovernmental revenue due to ARPA funding; operating expenditures increased \$21.0 million, or 15.3%, mostly due to Public Safety, Public Works and Culture and Recreation activities; other financing sources (uses) decreased \$24.7 million mostly due to an increase in transfers to other funds including \$21.7 million to the General Capital Improvement Fund and \$5.0 million to the Utility Enterprise Fund, offset by an increase in transfers from other funds of \$1.9 million.

At the end of 2022, the unassigned fund balance of the General Fund was \$43.6 million, while total fund balance was \$64.0 million. The unassigned fund balance represents 22.8% of General Fund expenditures and transfers out.

The City's goal is to maintain a general reserve equal to 10% of General Fund operating expenditures and a stabilization reserve of between 5% and 10% of General Fund sales and use tax revenues. At December 31, 2022, the General Fund reserve balance totaled \$17.3 million, or 10.9% of General Fund operating expenditures in addition to the General Fund Stabilization Reserve of \$7.3 million, or 6.1% of General Fund sales and use tax revenues.

The original budget in the General Fund was \$171.0 million and final budget was \$197.7 million due to supplemental appropriations including \$14.5 million in ARPA funding for public safety services and carryover funding to provide for transfers to other funds. Actual General Fund expenditures and transfers out totaled \$191.2 million.

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

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

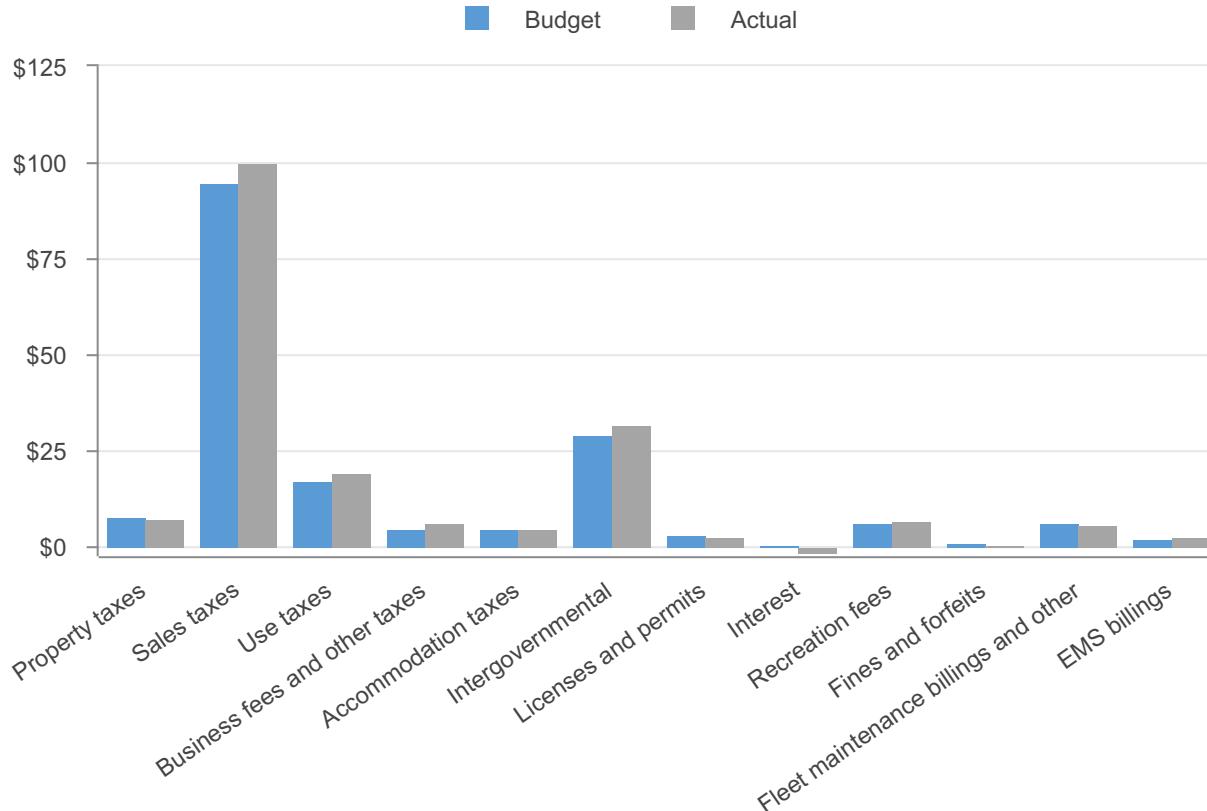
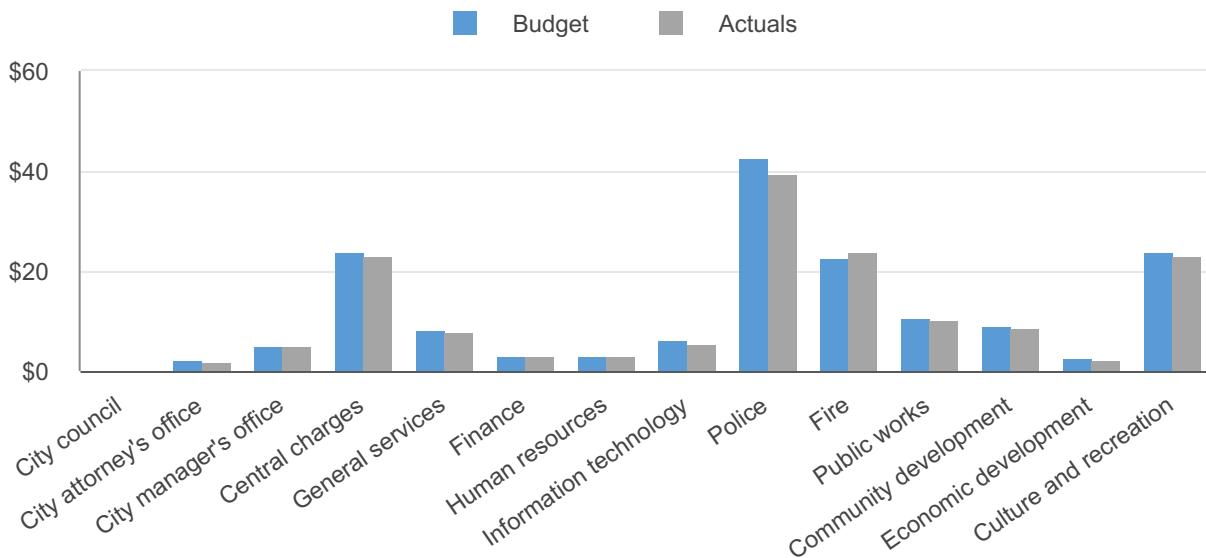
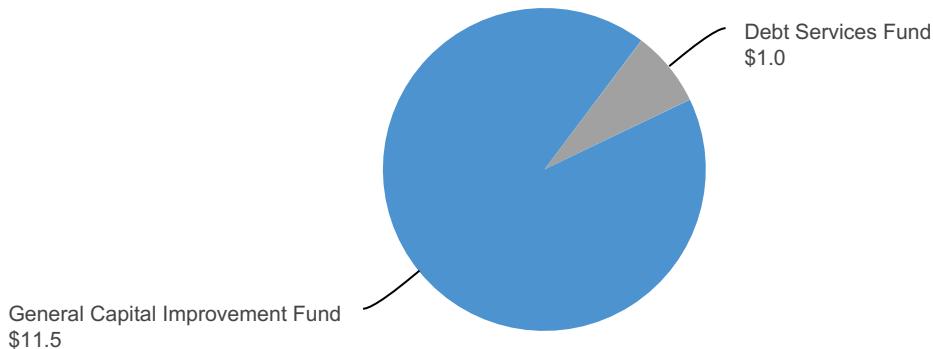


Chart 6: General Fund Budget and Actual Expenditures by Department,
less Debt Service and Other Financing Sources and Uses
(in millions)



Sales and use tax revenues are the primary funding source for the City's governmental funds. In 2022, \$111.9 million of sales and use tax revenue was budgeted in the General Fund for operations and transfers to other funds, an increase of 11.1%, or \$11.2 million, compared to 2021. Chart 7 illustrates the transfers of sales and use tax revenue to other funds including \$11.5 million to the General Capital Improvement Fund for capital construction projects and \$1.0 million to the Debt Service Fund for debt service. After transfers to other funds, sales and use tax revenues budgeted for operating the City totaled \$99.4 million. The City reported actual sales and use tax revenues of \$119.1 million, which exceeded the budget by \$7.2 million, or 6.4%.

Chart 7: GENERAL FUND TRANSFERS OF SALES AND USE TAXES (in millions)



The General Capital Improvement Fund is used to account the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2022, the fund had a fund balance of \$66.2 million.

The General Capital Improvement Fund revenues include revenues from other governments, contributions, interest, other miscellaneous revenue and transfers from other funds. The fund's operating revenues increased by \$4.5 million due to increases in intergovernmental of \$3.6 million and contributions of \$2.2 million offset by decreases in interest of \$1.2 million and Other revenue of \$0.1 million.

Net transfer funding totaled \$29.9 million, an increase of \$27.0 million compared to 2021 due mostly to transfers from the General Fund (\$25.9 million) for capital projects and the Westminster Economic Development Authority (\$4.6 million) to reimburse the City for a major interceptor sewer project within the bounds of the North Huron Urban Renewal Area and advances

for the Downtown Westminster urban renewal area development project.

The increase in contributions is due to cash-in-lieu for future capital projects, development fees, cost recoveries, and shared funding with the Colorado Department of Transportation for the Sheridan Multimodal Transportation Improvement capital project.

Expenditures totaling \$29.5 million were \$1.3 million more than 2021 due to an increase in economic assistance payments provided to developers.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance increased \$3.8 million compared to the \$7.0 million decrease in 2021 primarily due to a \$1.6 million increase in revenue, a \$0.5 million decrease in expenditures, and a \$8.8 million increase in other financing sources and uses.

Revenues increased compared to 2021 due to increases of \$1.0 million in property tax increment, \$0.5 million in other revenue due to inventory adjustments in land held for resale, and \$0.1 million in interest earnings.

Expenditures decreased compared to 2021 due to a decrease in capital project spending of \$2.9 million offset by an increase of \$2.4 million in debt service payments.

Transfers to other funds decreased compared to 2021 by \$7.7 million due mostly to a reduction in reimbursements to the City for the North Huron Interceptor project as it neared completion in 2022. As of December 31, 2022, fund balance was \$46.8 million.

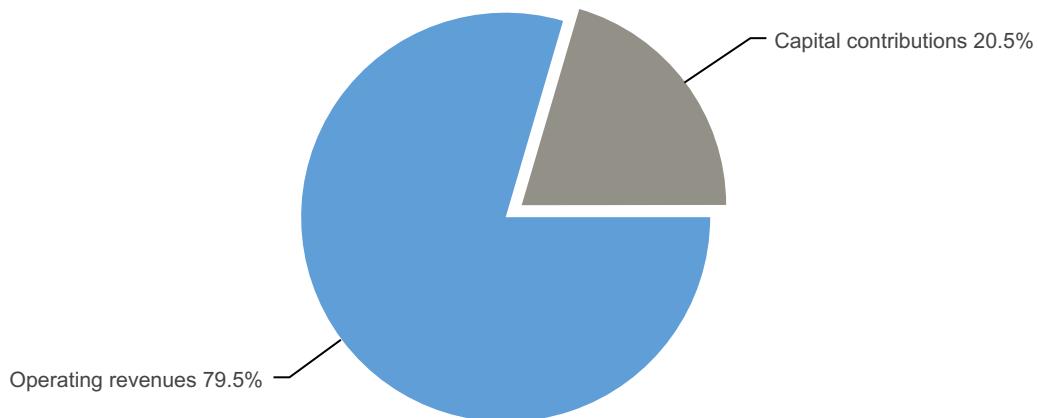
Proprietary Funds- As already discussed, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2022 with net position equal to \$650.0 million. Of that amount, \$171.9 million is unrestricted. Net position increased \$35.5 million, or 5.8%, compared to 2021. The increase is due primarily to capital contributions and transfers from other funds.

Operating revenues increased \$0.5 million, or 0.7% compared to 2021. Chart 8 illustrates both operating and non-operating revenues by source. Fluctuations in operating revenue are mostly due to the effect of climatic variations on water consumption and changes in billing rates.

Utility Fund operating expenses decreased \$0.1 million, or 0.2%, compared to 2021. The primary reason is due to decreases in personnel and contractual services offset by increases in commodity, capital outlay, depreciation, and amortization expense.

Chart 8: UTILITY FUND REVENUES BY SOURCE



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Asset Administration

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, 2022, amounts to \$1,053.6 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 \$13.2 million, or 1.3%. Net capital assets of governmental activities decreased \$13.7 million, or 3.1%, and business-type activities increased \$26.9 million, or 4.4%.

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

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land and property rights	\$ 162.1	\$ 160.3	\$ 132.5	\$ 133.2	\$ 294.6	\$ 293.5
Construction in progress	13.4	21.0	58.4	37.3	71.8	58.3
Buildings and plants	25.8	27.8	127.5	133.7	153.3	161.5
Improvements other than buildings	14.8	15.9	301.7	293.8	316.5	309.7
Parks	19.7	21.6	5.7	—	25.4	21.6
Ice Center	3.5	3.6	—	—	3.5	3.6
Infrastructure	161.5	164.5	—	—	161.5	164.5
Machinery and equipment	20.8	20.6	6.2	7.1	27.0	27.7
Totals	\$ 421.6	\$ 435.3	\$ 632.0	\$ 605.1	\$ 1,053.6	\$ 1,040.4

Major capital asset spending during 2022 included the following:

Governmental activities

- \$6.0 million Sheridan underpass
- \$3.1 million arterial roadway improvements
- \$2.9 million North Huron interceptor infrastructure
- \$2.3 million open space land acquisitions
- \$1.6 million Front Range Community College HVAC upgrade
- \$2.1 million recreation facility improvements
- \$1.1 million parks irrigation projects
- \$0.8 million parks development and improvement projects

Business-type activities

- \$11.0 million Big Dry Creek interceptor sewer improvements
- \$ 3.7 million Sheridan Boulevard water main replacement
- \$ 2.5 million Big Dry Creek wastewater treatment facility biosolids project
- \$ 1.8 million Northridge storage tanks replacement
- \$ 1.2 million Water treatment plant
- \$ 3.4 million Golf Course irrigation replacement

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

Debt Administration

At December 31, 2022 the City's bond ratings carry investment grade ratings as follows:

Bond Issue	Standard & Poors	Fitch Ratings
Sales Tax Revenue - POST	AA-/AA Insured	Not rated
Utility Enterprise	AAA	AA+
Certificates of Participation	AA-/AA Insured	Not rated

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

The State of Colorado limits the amount of general obligation debt that cities can issue to 3% of the actual value of all taxable property within the City's corporate limits (CRS 31-15-302). The City's outstanding general obligation debt is significantly below this \$643.7 million state-imposed limit. See page 157 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	
	2022	2021	2022	2021	2022	2021
Revenue Bonds (backed by specific tax and fee revenues)	\$ 13.0	\$ 15.4	\$ 88.3	\$ 91.7	\$ 101.3	\$ 107.1
Tax Increment Revenue Bonds	13.1	14.0	—	—	13.1	14.0
Tax Increment Loans from Direct Placements	26.0	33.5	—	—	26.0	33.5
Notes from Direct Borrowings and Direct Placements	17.6	3.1	24.4	26.6	41.9	29.7
Certificates of Participation	39.9	46.9	7.1	7.6	47.1	54.5
Total	\$ 109.6	\$ 112.9	\$ 119.8	\$ 125.9	\$ 229.4	\$ 238.8

Further information on the City's debt can be found in Note 2H on pages [50-53](#).

PLANS AND BUDGET FOR 2023

In a Spring 2023 strategic planning retreat, the City Council revised the City's Strategic Plan Priorities that reinforce long-term planning of City operations and capital programs:

Guiding Principles

Collaboration and Partnership: Enhance and sustain our relationships with neighboring governments and community-based partners, leveraging our collective resources for maximum impact and benefit to Westminster.

Stewardship and Thrift: Responsibly manage all of the resources entrusted to our care to meet the needs of today without sacrificing the ability to meet the needs of the future.

Transparency and Accountability: Engage in two-way dialogue with the people of Westminster, clearly communicate our intentions and decisions and take responsibility for all that we do, thereby earning the trust and confidence of the community.

Diversity, Equity and Inclusion: Achieve equitable processes for the people of Westminster by providing opportunity for all voices to be heard and drawing upon community diversity in decision making.

Innovate and Initiate: Foster a culture of continuous improvement and approach opportunities and challenges with drive, inventive thinking and resourcefulness, resulting in a resilient and sustainable future for our city.

Prevention and Proactivity: Solve problems at their source and focus the city's policies, practices and investments on prevention and community education and addressing root causes, leading to a better quality of life and greater prosperity for all in our community.

City Council adopted the 2023 budget on October 24, 2022. Highlights of the 2023 budget include the following:

- The 2023 General Fund operating expenditures are budgeted at \$192.5 million (including contingency).
- In 2023, the contingency amount is \$0.5 million in the General Fund. The 2023 General Reserve is projected to be \$18.1 million and the General Fund Stabilization Reserve is projected to be \$7.7 million by the end of the year.
- The Utility Capital Project Reserve Fund is projected to be \$94.6 million and the Utility Rate Stabilization Reserve is projected to be \$115.5 million.
- The total number of full-time equivalent (FTE) staffing authorized in 2023 is 1,109.5 FTE, a net increase of 17.35 FTE, or 1.6%.

In order to ensure reliable infrastructure and equipment throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is included as a key component of the 2023 budget. The 2023 CIP will be funded by Governmental and Business-type Activities with "pay-as-you-go" funding, revenue bonds, certificates of participation, and notes. For 2023, new capital project appropriations total \$51.1 million, \$36.8 million for Governmental Activities and \$14.3 million for Business-type Activities.

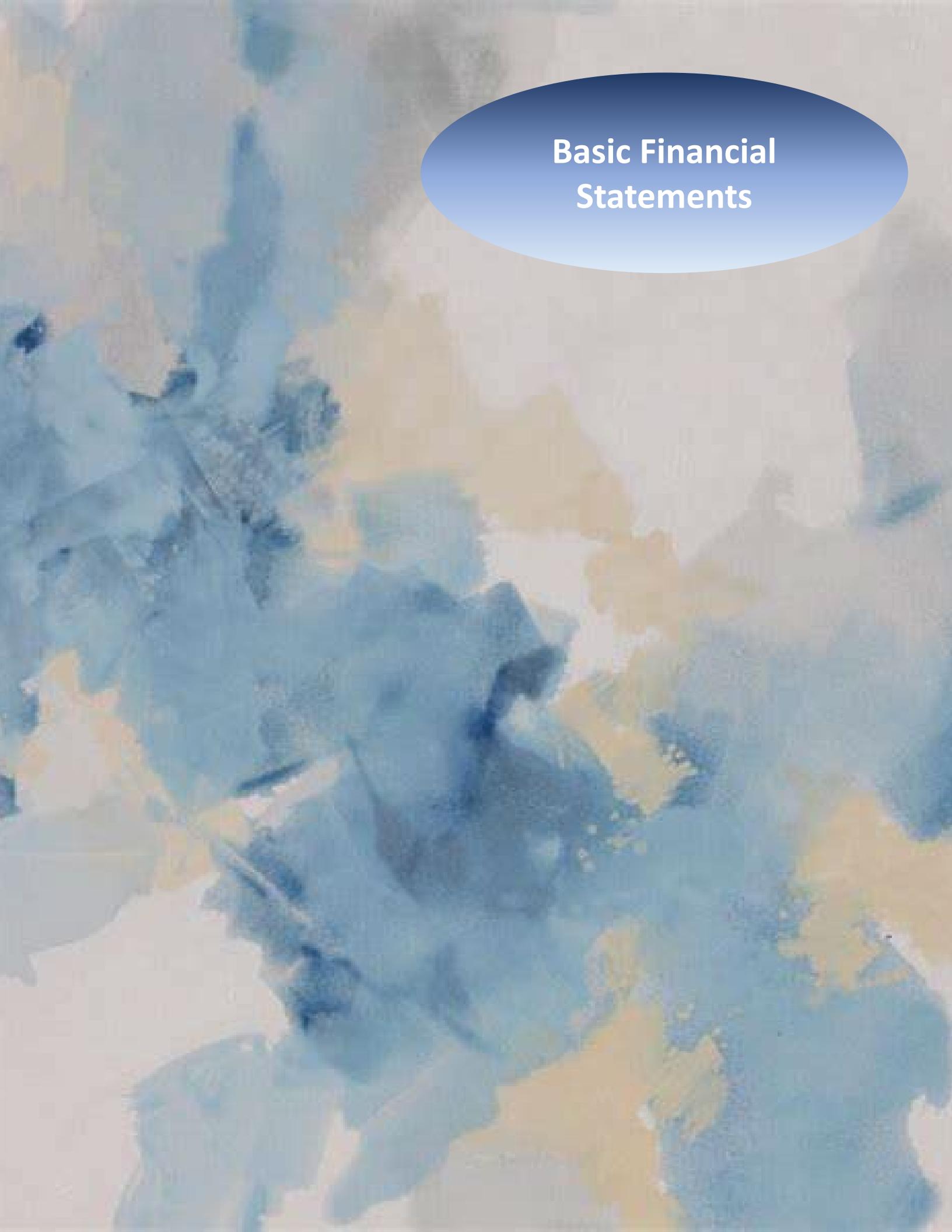
2023 Adopted Capital Improvement Program Budget (in millions)

Fund	Governmental-type Activities	Business-type Activities	Total
General Capital Improvement	\$ 25.4	\$ —	25.4
Parks, Open Space and Trails	4.7	—	4.7
General Capital Outlay Replacement	5.4	—	5.4
Conservation Trust	1.3	—	1.3
Utility	—	13.6	13.6
Golf	—	0.7	0.7
TOTAL	\$ 36.8	\$ 14.3	\$ 51.1

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 Larry Dorr, Deputy City Manager, CFO & Finance Director as follows:

City of Westminster, 4800 West 92nd Avenue, Westminster, CO 80031
303-658-2663
ldorr@cityofwestminster.us



Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 14,263,391	\$ 13,265,907	\$ 27,529,298
Cash and cash equivalents with fiscal agent	202,385	—	202,385
Investments	166,285,859	154,606,837	320,892,696
Receivables, net:			
Taxes	42,542,139	—	42,542,139
Accounts	3,747,840	6,840,207	10,588,047
Notes	8,891,714	—	8,891,714
Grants	4,634,982	—	4,634,982
Leases	1,231,753	—	1,231,753
Investment earnings	533,813	479,747	1,013,560
Internal balances	(907,247)	907,247	—
Inventories	1,018,696	2,745,031	3,763,727
Property held for resale	12,403,441	—	12,403,441
Bond insurance and other prepaid items	3,201,408	37,874	3,239,282
Restricted assets:			
Cash and cash equivalents	200,200	121,976	322,176
Cash and cash equivalents with fiscal agent	34,885,511	24,469,875	59,355,386
Investments	2,333,969	2,125,838	4,459,807
Investments with fiscal agent	4,229,905	5,674	4,235,579
Other assets	—	1,624,713	1,624,713
Investment in joint venture	857,117	—	857,117
Net pension asset	23,328,686	—	23,328,686
Lease assets, net	333,083	111,662	444,745
Capital assets:			
Non-depreciable assets	175,542,113	190,892,038	366,434,151
Depreciable assets, net	246,038,600	441,102,116	687,140,716
Total assets	<u>745,799,358</u>	<u>839,336,742</u>	<u>1,585,136,100</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>16,661,988</u>	<u>543,107</u>	<u>17,205,095</u>
LIABILITIES			
Accounts payable and other	15,373,123	8,926,825	24,299,948
Accrued liabilities	3,177,484	446,473	3,623,957
Unearned revenue	734,026	82,750	816,776
Accrued interest	522,123	373,173	895,296
Estimated claims	1,755,436	—	1,755,436
Noncurrent liabilities:			
Due within one year	13,054,366	6,842,393	19,896,759
Due in more than one year	114,291,213	129,348,174	243,639,387
Total liabilities	<u>148,907,771</u>	<u>146,019,788</u>	<u>294,927,559</u>
DEFERRED INFLOWS OF RESOURCES	<u>45,905,156</u>	<u>285,428</u>	<u>46,190,584</u>
NET POSITION			
Net investment in capital assets	319,402,292	517,865,022	837,267,314
Restricted for:			
Emergencies	6,779,053	—	6,779,053
Capital projects	19,361,089	—	19,361,089
Community development	227,579	—	227,579
Improvements and open space conservation	11,972,363	—	11,972,363
Debt service	25,299,896	2,247,814	27,547,710
Pension	23,328,686	—	23,328,686
Other purposes	2,022,964	—	2,022,964
Unrestricted	<u>159,254,497</u>	<u>173,461,797</u>	<u>332,716,294</u>
Total net position	<u>\$ 567,648,419</u>	<u>\$ 693,574,633</u>	<u>\$ 1,261,223,052</u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Function/Program Activities	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 46,627,776	\$ 9,049,119	\$ 28,929,590	\$ 3,549,072
Public safety	64,232,887	4,055,438	2,556,907	—
Public works	18,280,002	3,963,893	10,637	—
Community development	18,421,108	243,048	43,561	5,575,935
Economic development	2,290,541	—	—	—
Culture and recreation	33,104,505	6,226,332	362,691	7,417,650
Interest and fiscal charges	2,086,297	—	—	—
Bond issuance costs	103,000	—	—	—
Note refunding issuance costs	9,001	—	—	—
Unallocated depreciation (excludes direct depreciation of various programs)	<u>130,943</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total governmental activities	<u>185,286,060</u>	<u>23,537,830</u>	<u>31,903,386</u>	<u>16,542,657</u>
Business-type activities:				
Utility	58,487,103	74,423,847	—	3,366,044
Golf	5,363,965	4,140,230	3,250	—
Parking Management	1,298,403	111,201	—	—
Total business-type activities	<u>65,149,471</u>	<u>78,675,278</u>	<u>3,250</u>	<u>3,366,044</u>
Total	<u>\$ 250,435,531</u>	<u>\$ 102,213,108</u>	<u>\$ 31,906,636</u>	<u>\$ 19,908,701</u>

GENERAL REVENUES

Property taxes
Sales taxes
Use taxes
Property tax increment
Other taxes
Accommodations taxes
Intergovernmental not restricted to a specific purpose
Investment earnings
Lease interest
Other
Gain on sale of assets

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (5,099,995)	—	\$ (5,099,995)
(57,620,542)	—	(57,620,542)
(14,305,472)	—	(14,305,472)
(12,558,564)	—	(12,558,564)
(2,290,541)	—	(2,290,541)
(19,097,832)	—	(19,097,832)
(2,086,297)	—	(2,086,297)
(103,000)	—	(103,000)
(9,001)	—	(9,001)
(130,943)	—	(130,943)
(113,302,187)	—	(113,302,187)
—	19,302,788	19,302,788
—	(1,220,485)	(1,220,485)
—	(1,187,202)	(1,187,202)
—	16,895,101	16,895,101
(113,302,187)	16,895,101	(96,407,086)
7,814,454	—	7,814,454
106,824,666	—	106,824,666
20,583,701	—	20,583,701
18,537,265	—	18,537,265
931,128	—	931,128
4,944,010	—	4,944,010
823,271	—	823,271
(4,269,954)	(4,220,483)	(8,490,437)
34,208	—	34,208
1,957,834	748,766	2,706,600
84,027	228,469	312,496
(22,064,290)	22,064,290	—
136,200,320	18,821,042	155,021,362
22,898,133	35,716,143	58,614,276
544,750,286	657,858,490	1,202,608,776
\$ 567,648,419	\$ 693,574,633	\$ 1,261,223,052

CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,588,062	\$ 5,445,315	\$ 797,489	\$ 1,702,554	\$ 12,533,420
Cash and cash equivalents with fiscal agent	17,633	—	—	—	17,633
Investments	53,488,678	63,482,729	9,297,308	19,848,745	146,117,460
Receivables, net:					
Taxes	21,072,965	—	19,532,681	1,936,493	42,542,139
Accounts	3,543,767	108,874	1,500	13,246	3,667,387
Notes	467,322	963,169	7,064,346	396,877	8,891,714
Grants	125,100	3,567,067	—	942,815	4,634,982
Leases	682,943	—	548,810	—	1,231,753
Interest	179,720	193,454	29,909	66,213	469,296
Inventories	949,555	—	—	—	949,555
Property held for resale	31,474	—	12,144,388	227,579	12,403,441
Prepaid items	152,221	9,850	—	—	162,071
Restricted assets:					
Cash and cash equivalents	—	—	16,516	183,684	200,200
Cash and cash equivalents with fiscal agent	12,957	40,270	21,042,931	13,789,353	34,885,511
Investments	—	—	192,540	2,141,429	2,333,969
Investments with fiscal agent	301,833	—	3,928,072	—	4,229,905
Loans to other funds	—	520,500	—	—	520,500
Total assets	<u>\$ 85,614,230</u>	<u>\$ 74,331,228</u>	<u>\$ 74,596,490</u>	<u>\$ 41,248,988</u>	<u>\$ 275,790,936</u>
LIABILITIES					
Accounts payable and other	9,806,839	3,548,273	110,854	1,186,200	14,652,166
Accrued liabilities	2,999,455	1,422	—	67,689	3,068,566
Unearned revenue	126,684	83,014	26,273	498,055	734,026
Loans from other funds	—	—	520,500	—	520,500
Total liabilities	<u>12,932,978</u>	<u>3,632,709</u>	<u>657,627</u>	<u>1,751,944</u>	<u>18,975,258</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>8,653,222</u>	<u>4,532,236</u>	<u>27,164,520</u>	<u>1,883,037</u>	<u>42,233,015</u>
FUND BALANCES					
Nonspendable:					
Prepays and inventories	1,101,776	9,850	—	—	1,111,626
Property held for resale	31,474	—	—	—	31,474
Restricted for:					
Capital additions and improvements	119	9,295,605	—	29,306,468	38,602,192
Contractual obligations	2,004,929	—	—	26,313	2,031,242
Debt service	12,838	40,270	25,152,273	107,353	25,312,734
Community development	—	—	—	227,579	227,579
Emergencies - TABOR	6,733,592	—	—	45,461	6,779,053
Open space conservation and improvements	—	—	—	6,521,062	6,521,062
Public safety	—	—	—	293,225	293,225
Committed for:					
Capital additions and improvements	—	56,820,558	—	—	56,820,558
Urban renewal	—	—	5,886,260	—	5,886,260
Assigned to:					
Community development	—	—	—	969,551	969,551
Debt service	—	—	—	195,067	195,067
Other	10,535,260	—	—	—	10,535,260
Urban renewal	—	—	15,735,810	—	15,735,810
Unassigned	43,608,042	—	—	(78,072)	43,529,970
Total fund balances	<u>64,028,030</u>	<u>66,166,283</u>	<u>46,774,343</u>	<u>37,614,007</u>	<u>214,582,663</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 85,614,230</u>	<u>\$ 74,331,228</u>	<u>\$ 74,596,490</u>	<u>\$ 41,248,988</u>	<u>\$ 275,790,936</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Fund balances - total government funds	\$ 214,582,663
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities excluding internal service fund capital assets of \$10,137,119 are not financial resources and therefore are not reported in the governmental funds.	
Governmental capital assets	859,614,635
Less accumulated depreciation	(448,171,041)
Governmental lease assets	347,565
Less accumulated amortization	<u>(14,482)</u>
	411,776,677
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Prepaid bond insurance costs	18,806
Investment in joint venture	857,117
Net pension asset	<u>23,328,686</u>
	24,204,609
Deferred outflows of resources reflecting the consumption of net assets that applies to future periods are not financial resources and therefore are not reported in the governmental funds.	
Deferred loss on refunding of long-term debt	1,505,163
Deferred outflows of resources related to pension plans	14,498,537
Deferred outflows of resources related to other post employment benefits	<u>658,288</u>
	16,661,988
Long-term liabilities, excluding internal service funds, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Governmental long-term debt payable	(106,590,823)
(Premiums)/discounts on long-term debt payable	(4,463,895)
Compensated absences	(7,729,090)
Postemployment benefits	(4,984,355)
Lease liability	(347,565)
Pollution remediation	<u>(114,538)</u>
	(124,230,266)
Short-term liabilities that are not payable with current financial resources in the current period are not reported in the governmental funds.	
Comp time	(57,424)
Accrued interest, long term debt	(471,345)
Accrued interest, lease liability	<u>(860)</u>
	(529,629)
Deferred inflows of resources reflecting the acquisition of net assets that applies to future periods are not financial resources and therefore are not reported in the governmental funds.	
Revenues earned, but not available during the reporting year	13,597,518
Deferred inflows of resources related to pension plans	(16,264,054)
Deferred inflows of resources related to other post employment benefits	<u>(1,005,605)</u>
	(3,672,141)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.	
Internal Service Funds, net position	29,761,765
Internal Service Funds, activity related to enterprise funds	<u>(907,247)</u>
	28,854,518
Net position of governmental activities	<u>\$ 567,648,419</u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	General Capital Improvement	Westminster Economic Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 7,270,431	\$ —	\$ —	\$ 544,023	\$ 7,814,454
Sales taxes	99,891,745	—	—	6,932,921	106,824,666
Use taxes	19,247,804	—	—	1,335,897	20,583,701
Property tax increment	—	—	18,537,265	—	18,537,265
Business fees and other taxes	6,180,406	—	—	—	6,180,406
Accommodations taxes	4,944,010	—	—	—	4,944,010
Intergovernmental	31,602,364	5,077,184	—	6,526,806	43,206,354
Licenses and permits	2,485,670	—	—	—	2,485,670
Investment earnings	(1,453,924)	(1,790,760)	630	(496,693)	(3,740,747)
Lease interest	17,529	—	16,679	—	34,208
Rentals	—	—	110,401	—	110,401
Contributions	—	3,848,473	—	—	3,848,473
Recreation fees	6,922,587	—	—	—	6,922,587
Fines and forfeitures	688,516	—	—	172,771	861,287
Fleet maintenance billings and other	5,994,799	—	—	—	5,994,799
EMS billings	2,767,059	—	—	—	2,767,059
Leases	48,439	—	268,443	—	316,882
Other	—	—	743,251	36,669	779,920
Total revenues	186,607,435	7,134,897	19,676,669	15,052,394	228,471,395
EXPENDITURES					
General government	50,335,639	1,617,385	1,513,757	186,944	53,653,725
Public safety	63,601,304	—	—	—	63,601,304
Public works	10,502,588	—	—	—	10,502,588
Community development	8,823,693	—	—	3,264,446	12,088,139
Economic development	2,290,208	—	—	—	2,290,208
Culture and recreation	23,202,236	—	—	—	23,202,236
Capital projects	—	27,878,420	631,606	6,898,904	35,408,930
Debt service:					
Principal	—	—	8,502,571	2,370,000	10,872,571
Interest and fiscal charges	—	—	1,728,988	651,818	2,380,806
Bond issuance costs	—	—	—	103,000	103,000
Refunding bond issuance costs	—	—	9,001	—	9,001
Total expenditures	158,755,668	29,495,805	12,385,923	13,475,112	214,112,508
Excess of revenues over (under) expenditures	27,851,767	(22,360,908)	7,290,746	1,577,282	14,358,887
OTHER FINANCING SOURCES (USES)					
Issuance of notes	—	—	—	13,785,000	13,785,000
Issuance of refunding note	—	—	954,716	—	954,716
Issuance of leases	347,565	—	—	—	347,565
Payment to refunded bond escrow agent	—	—	(787,429)	—	(787,429)
Sale of capital asset	179,392	48,650	—	—	228,042
Insurance recoveries	407,812	—	—	11,290	419,102
Transfers in	2,224,172	30,854,413	1,013,000	3,281,388	37,372,973
Transfers (out)	(32,398,084)	(950,000)	(4,639,305)	(3,517,051)	(41,504,440)
Total other financing sources (uses)	(29,239,143)	29,953,063	(3,459,018)	13,560,627	10,815,529
Net change in fund balance	(1,387,376)	7,592,155	3,831,728	15,137,909	25,174,416
Fund balance, beginning	65,415,406	58,574,128	42,942,615	22,476,098	189,408,247
Fund balance, ending	\$ 64,028,030	\$ 66,166,283	\$ 46,774,343	\$ 37,614,007	\$ 214,582,663

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2022

Net changes in fund balances - total government funds \$ 25,174,416

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	22,043,143
Expenditures for lease assets	347,565
Transfers of capital assets to enterprise funds	(17,756,568)
Current year depreciation, capital assets	(17,694,490)
Current year amortization, lease assets	<u>(14,482)</u>
	(13,074,832)

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

Proceeds from sale of capital assets	(228,042)
Loss on sale of capital assets	<u>(446,010)</u>
	(674,052)

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

Issuance of notes	(13,785,000)
Issuance of leases	(347,565)
Issuance of bonds	(954,716)
Payment to refunded bond escrow agent	787,429
Principal payments	<u>18,056,534</u>
	3,756,682

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of bond discount/premium, deferred loss on refunding and prepaid bond insurance costs	351,038
Accrual of interest expense	(395)
Accrual of lease interest expense	(860)
Accrual of pollution remediation liability	(114,538)
Adjustment to long-term compensated absences liability	(364,662)
Adjustment to net other postemployment benefit expense	(878,677)
Adjustment to net pension expense	<u>5,252,871</u>
	4,244,777

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	269,420
-----------------------	---------

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	19,921
Intergovernmental revenue	1,030,417
Fines and forfeitures	(81,471)
Other	<u>236,345</u>
	1,205,212

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	1,850,994
Internal allocation to Business-type activities	145,516
Change in net position of governmental activities	<u>\$ 22,898,133</u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Enterprise Funds			Governmental Activities Internal Service Funds	
	Utility	Nonmajor Fund	Total		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 13,188,453	\$ 77,454	\$ 13,265,907	\$ 1,729,971	
Cash and cash equivalents with fiscal agent	—	—	—	184,752	
Investments	153,753,991	852,846	154,606,837	20,168,399	
Receivables, net:					
Accounts	6,801,867	38,340	6,840,207	80,453	
Interest	477,054	2,693	479,747	64,517	
Inventories	2,478,409	266,622	2,745,031	69,141	
Bond insurance and other prepaid items	36,424	1,450	37,874	3,020,531	
Total current assets	<u>176,736,198</u>	<u>1,239,405</u>	<u>177,975,603</u>	<u>25,317,764</u>	
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	121,976	—	121,976	—	
Cash and cash equivalents with fiscal agent	23,699,224	770,651	24,469,875	—	
Investments	2,125,838	—	2,125,838	—	
Investments with fiscal agent	—	5,674	5,674	—	
Other assets	1,624,713	—	1,624,713	—	
Lease assets, net	111,662	—	111,662	—	
Capital assets:					
Non-depreciable assets	174,552,643	16,339,395	190,892,038	—	
Depreciable assets, net	407,471,618	33,630,498	441,102,116	10,137,119	
Total noncurrent assets	<u>609,707,674</u>	<u>50,746,218</u>	<u>660,453,892</u>	<u>10,137,119</u>	
Total assets	<u>786,443,872</u>	<u>51,985,623</u>	<u>838,429,495</u>	<u>35,454,883</u>	
DEFERRED OUTFLOWS OF RESOURCES	517,061	26,046	543,107	—	
LIABILITIES					
Current liabilities:					
Accounts payable and other	8,272,044	654,781	8,926,825	720,957	
Accrued liabilities	376,495	69,978	446,473	51,494	
Unearned revenue	—	82,750	82,750	—	
Bonds payable, current portion	3,575,000	—	3,575,000	—	
Notes payable and certificates of participation, current	2,021,394	1,157,467	3,178,861	652,556	
Other liabilities, current portion	73,444	15,088	88,532	3,392	
Accrued interest	347,035	26,138	373,173	49,918	
Estimated claims	—	—	—	1,755,436	
Total current liabilities	<u>14,665,412</u>	<u>2,006,202</u>	<u>16,671,614</u>	<u>3,233,753</u>	
Noncurrent liabilities:					
Bonds payable	98,146,913	—	98,146,913	—	
Notes payable	22,149,124	7,026,320	29,175,444	2,391,627	
Other liabilities payable	1,746,193	279,624	2,025,817	67,738	
Total noncurrent liabilities	<u>122,042,230</u>	<u>7,305,944</u>	<u>129,348,174</u>	<u>2,459,365</u>	
Total liabilities	<u>136,707,642</u>	<u>9,312,146</u>	<u>146,019,788</u>	<u>5,693,118</u>	
DEFERRED INFLOWS OF RESOURCES	261,334	24,094	285,428	—	
NET POSITION					
Net investment in capital assets	475,812,212	42,052,810	517,865,022	6,927,974	
Restricted for:					
Debt service	2,247,814	—	2,247,814	—	
Unrestricted	171,931,931	622,619	172,554,550	22,833,791	
Total net position	<u>\$ 649,991,957</u>	<u>\$ 42,675,429</u>	<u>692,667,386</u>	<u>\$ 29,761,765</u>	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			907,247		
Net position of business-type activities			<u>\$ 693,574,633</u>		

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Operating revenues				
Charges for services	\$ 74,423,847	\$ 4,251,431	\$ 78,675,278	\$ 30,088,694
Other	689,464	35,551	725,015	48,921
Total operating revenues	75,113,311	4,286,982	79,400,293	30,137,615
Operating expenses				
Personnel services	17,376,075	2,484,615	19,860,690	1,701,399
Contractual services	17,255,835	1,566,537	18,822,372	5,474,317
Commodities	2,658,954	573,000	3,231,954	1,526,186
Capital expense	1,518,221	259,896	1,778,117	679,994
Insurance and other expenses	—	—	—	16,435,060
Amortization expense	4,855	—	4,855	—
Depreciation expense	16,285,119	1,584,386	17,869,505	2,392,208
Total operating expenses	55,099,059	6,468,434	61,567,493	28,209,164
Operating income (loss)	20,014,252	(2,181,452)	17,832,800	1,928,451
Nonoperating revenues (expenses)				
Investment earnings	(4,227,339)	6,856	(4,220,483)	(597,440)
Interest expense	(3,235,618)	(200,556)	(3,436,174)	(55,274)
Lease interest expense	(288)	—	(288)	—
Grants	—	3,250	3,250	—
Gain (Loss) on disposition of capital assets	218,750	9,719	228,469	84,027
Insurance recoveries	20,851	2,900	23,751	623,817
Total nonoperating revenues (expenses)	(7,223,644)	(177,831)	(7,401,475)	55,130
Income before contributions and transfers	12,790,608	(2,359,283)	10,431,325	1,983,581
Capital contributions	19,315,944	1,806,668	21,122,612	43,668
Transfers in	5,000,000	945,183	5,945,183	—
Transfers (out)	(1,637,461)	—	(1,637,461)	(176,255)
Change in net position	35,469,091	392,568	35,861,659	1,850,994
Net position - beginning	614,522,866	42,282,861		27,910,771
Net position - ending	\$ 649,991,957	\$ 42,675,429		\$ 29,761,765
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(145,516)	
Change in net position of business-type activities			\$ 35,716,143	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 74,836,694	\$ 4,287,641	\$ 79,124,335	\$ —
Receipts from interfund charges for risk management services	—	—	—	21,495,231
Receipts from interfund charges for capital outlay replacement	—	—	—	5,750,403
Receipts from interfund charges for fleet services	—	—	—	2,987,486
Cash payments to employees for services	(10,799,926)	(2,033,756)	(12,833,682)	(1,440,854)
Cash payments for benefits on behalf of employees	(3,249,893)	(426,759)	(3,676,652)	(286,679)
Cash payments to suppliers for goods and services	(17,973,949)	(2,298,743)	(20,272,692)	(27,569,440)
Payments (to) from other funds	(5,299,451)	(78,242)	(5,377,693)	—
Other operating revenues	689,464	—	689,464	48,922
Net cash provided by (used in) operating activities	<u>38,202,939</u>	<u>(549,859)</u>	<u>37,653,080</u>	<u>985,069</u>
Cash flows from noncapital financing activities:				
Transfer in	5,000,000	945,183	5,945,183	—
Transfer out	(1,637,461)	—	(1,637,461)	(176,255)
Grant proceeds not restricted to capital purposes	—	3,250	3,250	—
Net cash provided by (used in) noncapital financing activities	<u>3,362,539</u>	<u>948,433</u>	<u>4,310,972</u>	<u>(176,255)</u>
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(5,360,312)	(720,381)	(6,080,693)	(468,317)
Interest paid on long-term debt	(4,348,435)	(206,972)	(4,555,407)	(45,497)
Acquisition and construction of capital assets	(21,903,228)	(3,967,547)	(25,870,775)	(2,349,343)
Proceeds from sale of capital assets	895,000	—	895,000	99,173
Contributions	3,245,785	—	3,245,785	—
Insurance recoveries	20,851	2,900	23,751	623,817
Proceeds from grant/notes	—	—	—	1,294,217
Net cash used in capital and related financing activities	<u>(27,450,339)</u>	<u>(4,892,000)</u>	<u>(32,342,339)</u>	<u>(845,950)</u>
Cash flow from investing activities:				
Proceeds from sale of investments	76,921,417	2,265,579	79,186,996	13,691,673
Purchases of investments	(107,471,916)	(1,125,200)	(108,597,116)	(13,739,440)
Interest received on investments	1,992,465	(14,228)	1,978,237	(781,580)
Net cash provided by (used in) investing activities	<u>(28,558,034)</u>	<u>1,126,151</u>	<u>(27,431,883)</u>	<u>(829,347)</u>
Net decrease in cash and cash equivalents	(14,442,895)	(3,367,275)	(17,810,170)	(866,483)
Cash and cash equivalents - beginning of year	51,452,548	4,215,380	55,667,928	2,781,206
Cash and cash equivalents - end of year	<u>\$ 37,009,653</u>	<u>\$ 848,105</u>	<u>\$ 37,857,758</u>	<u>\$ 1,914,723</u>
Reconciliation of cash and cash equivalents to Statement of Net Position				
Unrestricted cash and cash equivalents	\$ 13,188,453	\$ 77,454	\$ 13,265,907	\$ 1,729,971
Unrestricted cash and cash equivalents with fiscal agent	—	—	—	184,752
Restricted cash and cash equivalents	121,976	—	121,976	—
Restricted cash and cash equivalents with fiscal agent	23,699,224	770,651	24,469,875	—
Total Cash and Cash Equivalents	<u>\$ 37,009,653</u>	<u>\$ 848,105</u>	<u>\$ 37,857,758</u>	<u>\$ 1,914,723</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 20,014,252	\$ (2,181,452)	\$ 17,832,800	\$ 1,928,451
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	16,285,119	1,584,386	17,869,505	2,392,208
Amortization	4,855	—	4,855	—
(Increase) decrease in accounts receivable	412,847	(9,612)	403,235	144,426
(Increase) decrease in inventories	(343,588)	(33,084)	(376,672)	54,723
(Increase) decrease in prepaid items	(22,036)	—	(22,036)	(3,020,531)
Increase (decrease) in deferred outflow of resources	24,758	(8,974)	15,784	—
Increase (decrease) in unearned revenue	—	12,692	12,692	—
Increase (decrease) in accounts payable and other	1,644,461	58,069	1,702,530	(68,090)
Increase (decrease) in accrued liabilities	2,061	13,612	15,673	(32,327)
Increase (decrease) in estimated claims	—	—	—	(413,791)
Increase (decrease) in deferred inflow of resources	180,210	13,801	194,011	—
Total adjustments	18,188,687	1,631,593	19,820,280	(943,382)
Net cash provided by operating activities	\$ 38,202,939	\$ (549,859)	\$ 37,653,080	\$ 985,069

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds	
	Utility	Nonmajor Fund	Total Enterprise Funds		
Non-cash financing, capital and investing activities:					
Financing Activities					
Amortization of discounts (premiums), prepaid insurance, and loss on refunding	\$ 1,095,352	\$ (1,926)	\$ 1,093,426	\$ —	
Capital Activities					
Capital contributions from developers	\$ 87,335	\$ —	\$ 87,335	\$ —	
Capital contributions from governmental activities	\$ 15,949,900	\$ 1,806,668	\$ 17,756,568	\$ 43,668	
Capital assets acquired through payables	\$ 4,440,491	\$ 265,425	\$ 4,705,916	\$ 164,961	
Gain (Loss) on disposal of capital assets	\$ 676,250	\$ 9,719	\$ 685,969	\$ (15,146)	
Asset acquired through leases	\$ 116,517	\$ —	\$ 116,517	\$ —	
Investing Activities					
Increase (Decrease) in fair value of investments	\$ (6,318,614)	\$ (23,865)	\$ (6,342,479)	\$ (220,671)	
Increase (Decrease) in equity interest	\$ 32,924	\$ —	\$ 32,924	\$ —	

This Page Intentionally Blank

CITY OF WESTMINSTER, COLORADO
INDEX OF NOTES TO FINANCIAL STATEMENTS
DECEMBER 31,2022

NOTE 1	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	31
A.	Reporting Entity	31
B.	Basic Financial Statements	32
C.	Measurement Focus, Basis of Accounting and Basis of Presentation	33
D.	Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources	34
E.	FPPA Pensions	37
F.	Other Postemployment Benefits	37
G.	Net Position/Fund Balances	37
H.	Interfund Transactions	38
NOTE 2	DETAILED NOTES ON ALL FUNDS	39
A.	Deposits and Investments	39
B.	Disaggregation of Receivables	42
C.	Notes Receivable	42
D.	Interfund Receivables and Payables	45
E.	Capital and Lease Assets	46
F.	Disaggregation of Payables	48
G.	Interfund Transfers	49
H.	Long-Term Liabilities	50
I.	Net Position	54
J.	Pledged Revenues	55
K.	Moral Obligation Pledge	55
L.	Disaggregation of Deferred Outflows/Inflows of Resources	56
NOTE 3	OTHER INFORMATION	57
A.	Risk Management	57
B.	Public Entity Risk Pools	58
C.	Contingent Liabilities	58
D.	Construction and Other Significant Commitments	59
E.	Denver Water Raw Water Contract	59
F.	Perpetual Agreement	59
G.	Employee Defined Contribution Retirement Plans	59
H.	Employee Defined Benefit Retirement Plans	61
I.	Retiree Health Program	72
J.	Tax Spending and Debt Limitations	74
K.	Jointly Governed Organization	74
L.	Joint Ventures	75
M.	Component Unit of Another Government with Joint Venture Characteristics	75
N.	Intergovernmental Agreement	75
O.	Arbitrage Compliance	76
P.	Tax Abatements	76
Q.	Property Held for Resale	76
R.	Conduit Debt Obligations	77
S.	Debt Issues	77
T.	Pollution Remediation	77
U.	Unrealized Loss on Investments	78
V.	Expenses in Excess of Appropriations	78
W.	Subsequent Event	78
X.	Implementation of New Accounting Standard	78

This Page Intentionally Blank

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component Units

As established by the Governmental Accounting Standards Board (GASB) Statement No.14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, as amended by GASB No. 84, *Fiduciary Activities*, as amended by GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, component units are legally separate entities for which the City is considered to be financially accountable. Financial accountability means that the City appoints a voting majority to the governing board and has the ability to impose its will upon the entity and/or accepts potential responsibility for the entities financial benefits and burdens.

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

Westminster Housing Authority (WHA) was established on December 8, 1977 with the primary purpose of providing affordable housing to residents in the City. The governing body of WHA is the same as the City's governing body. The City has access to WHA's resources, if necessary, to use for the purposes for which the revenues are intended. The Westminster Housing Authority Fund is the general fund of a blended component unit of the City and is reported as a special revenue fund. The City maintains all accounting records for WHA. Separate financial statements are not prepared for the Westminster Housing Authority.

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 are intended. WEDA is the general fund of a blended component unit of the City and is reported as a major special revenue fund. The City maintains all accounting records for WEDA. Separate financial statements are not prepared for WEDA.

General Improvement Districts (GID)

- *Sheridan Crossing GID* was established on September 9, 1996 with the primary purpose of operating and maintaining storm drainage improvements and maintenance of all necessary incidental and appurtenant properties and facilities within the GID.
- *Amherst GID* was established on September 26, 1988 with the primary purpose of maintaining landscaped right-of-way, open space and drainage areas within the GID.
- *136th Avenue GID* was established on August 14, 2000 with the primary purpose of financing a new interchange at 136th Avenue and Interstate 25 benefiting the GID.
- *Orchard Park Place North GID* was established on September 14, 2009 with the primary purpose of financing the repayment of cost recoveries associated with the Orchard View Development within the GID.
- *Mandalay Town Center GID* was established on September 8, 2003 with the primary purpose of financing a portion of the costs of street improvements and other necessary and related appurtenance facilities in the GID.
- *144th Avenue GID* was established on August 30, 2004 with the primary purpose of paying debt associated with public improvements both within or without the boundaries of the GID.
- *Park 1200 GID* was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.
- *Downtown GID* was established on August 24, 2015 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.
- *Westminster Station GID* was established on August 28, 2017 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.

The boundaries of these GIDs are located within the City limits and the governing body of each of these GIDs is the same as the City's governing body. The City has access to each of the GIDs resources, if necessary, to use for the purposes for which the revenues are intended. The City maintains all of the GID accounting records and reports each GID as a special revenue fund. Separate financial statements are not prepared for the GIDs.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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. Separate financial statements are not prepared for the Westminster Building Authority.

B. Basic Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

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

Reporting of Internal Service

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.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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 comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses. The various funds are reported by generic classification within the financial statements.

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

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

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

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, 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, intergovernmental revenues, contributions, bond proceeds and transfers.

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

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The generally accepted accounting principles followed are generally those applicable to similar businesses in the private sector; the measurement focus is based upon determination of *net income, financial position, and cash flows*. Revenues earned and expenses incurred are recognized and classified in a government's proprietary funds in essentially the same manner as in business-type accounting and financial reporting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary fund:

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

The City additionally reports the following Fund type:

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 and one internal service fund used for the maintenance of fleet equipment.

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

Deposits and Investments

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

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

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

Receivables

The City holds accounts, taxes, notes, leases, grants, and interest receivables. Allowances for doubtful accounts are made based on assessment on the collectability of outstanding amounts. The receivables detail is reported in Note 2.B., Disaggregation of Receivables, on page 42 of this report.

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

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

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expense/expenditure when consumed, rather than when purchased. Prepaid items reflect payments to vendors applicable to future accounting periods; the associated expense/expenditure is recognized in the period benefited by the prepayment.

Property Held for Resale

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

Restricted Assets

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

Capital Assets

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

<i><u>Capital Asset Class</u></i>	<i><u>Life Months</u></i>
Machinery and equipment	36-240
Buildings and plants	360-600
Improvements other than buildings	240-600
Parks	240
Infrastructure	120-1200

Leases

Leases with a value of \$100,000 or more for major funds are reported at the present value of lease payments. There is no threshold for nonmajor funds.

As Lessee, the City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements.

At commencement of the lease, the City initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured at the initial amount of the lease liability, adjusted for payments made at or before the lease commencement date, plus certain initial direct costs.

Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or useful life. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculation but are recognized as outflows of resources in the period in which the obligation is incurred.

Key estimates and judgements related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City uses the 30-year treasury note as a basis adjusted for term and total principal amount.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are fixed payments.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported distinctly and lease liabilities are reported as long-term liabilities on the statement of net position.

As Lessor, the City recognizes a lease receivable and a deferred inflow of resources in the government wide, governmental fund and proprietary fund financial statements.

At the commencement of the lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue on a straight-line basis over the life of the lease term. Variable lease payments based on future performance of the lessee or the usage of the underlying assets are not included in the lease receivable calculations but are recognized as inflows or resources in the period in which those payments occur.

Key estimates and judgements include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

- The City uses the 30-year treasury note as a basis adjusted for term, total principal amount and industry type.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Long-Term Debt Insurance and Issuance Costs

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Deferred Outflows of Resources

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

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

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

Unearned Revenue

Payments received before eligibility requirements have been met must be matched by a corresponding liability for unearned revenue. Unearned revenue may include gift certificates pending redemption, grant funding received in advance of eligibility criteria being met, and rent received in a period prior to it becoming due.

Long-Term Debt Premiums and Discounts

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

Other Long-Term Liabilities

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

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

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

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

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 assets that applies to a future reporting period(s) that will be recognized as a revenue at that time.

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

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

Use of Estimates

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

E. FPPA Pensions

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

F. Other Postemployment Benefits

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

G. Net Position/Fund Balances

Net position reflects assets plus deferred outflows of resources less liabilities plus deferred inflows of resources and is shown in three main categories in the government-wide and proprietary fund financial statements. Net investment in capital assets consists of capital and lease assets, net of accumulated depreciation, reduced by the outstanding balances of debt used to acquire, construct and improve capital and lease 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 of resources less liabilities and deferred inflows of resources and is shown only in governmental fund statements. Financial reporting standards establish criteria for classifying fund balance amounts into specifically defined categories to make the nature and extent of constraints on those amounts more useful and understandable. The categories comprise a hierarchy based on the extent to which constraints must be honored for a specified purpose and for which amounts can be spent. Fund balances may be categorized as nonspendable, restricted, committed, assigned, and unassigned.

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

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

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

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

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

When expenditures are incurred and 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 reduced first, followed by assigned amounts and then by unassigned amounts.

In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2022, the General Fund Stabilization Reserve balance was \$7,298,534. This amount is included in the unassigned fund balance on the balance sheet.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

H. Interfund Transactions

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

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

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

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

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

The total bank balance of the City's cash deposits as of December 31, 2022 was \$33,523,543, of which \$750,000 was covered by Federal Deposit Insurance. An additional \$500,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The carrying amount of deposits and cash on hand at December 31, 2022 was \$30,886,431.

Investments

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

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

The City's principal investment objectives are:

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

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

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

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

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

The City's securities at December 31, 2022, were in compliance with the City's Investment Policy. The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes.

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Cash, cash equivalents and investments as reported on the financial statements at December 31, 2022

Cash and cash equivalents	\$ 27,529,298
Cash and cash equivalents with fiscal agent	202,385
Investments	320,892,696
Restricted cash and cash equivalents	322,176
Restricted cash and cash equivalents with fiscal agent	59,355,386
Restricted investments	4,459,807
Restricted investments with fiscal agent	4,235,579
Total per Statement of Net Position:	<u>\$ 416,997,327</u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

Investment Type	S & P Rating	% of Total Investments
Local Government Investment Pool CSAFE	AAAm	11.49%
Local Government Investment Pool COLOTRUST	AAAm	1.91%
Local Government Investment Pool CSIP	AAAm	1.43%
Corporate Amazon.com Inc	AA	0.98%
Corporate Microsoft	AA	0.76%
Corporate Apple Inc	AA+	1.12%
Municipal	NR	0.25%
US Treasury Securities	N/A	50.62%
Federal Farm Credit Banks	AA+	6.28%
Federal Home Loan Bank System	AA+	6.20%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	8.94%
Fannie Mae (Federal National Mortgage Association)	AA+	8.92%
Money Market First American Government Obligations Fund	AAAm	1.02%
Money Market First American Treasury Obligations Fund	AAAm	0.08%

Investment Type	Fair Value	Weighted Average Maturity (years)
Local Government Investment Pool	\$ 57,289,538	0.02
US Treasuries	195,444,198	1.09
US Instrumentalities	117,160,917	0.29
Domestic Corporate Securities	11,028,868	0.06
Municipal	954,716	0.01
Money Market Funds	4,232,659	—
Total Investments controlled by City	<u>\$ 386,110,896</u>	
Total Portfolio Weighted Average Maturity		1.45

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022:

Investments by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 4,232,659	\$ 4,232,659	\$ —	\$ —
Municipal Bonds	954,716	—	954,716	—
US Treasuries	195,444,198	—	195,444,198	—
US Instrumentalities	117,160,917	—	117,160,917	—
Domestic Corporate Securities	11,028,868	—	11,028,868	—
Total investments by fair value level	<u>328,821,358</u>	<u>4,232,659</u>	<u>324,588,699</u>	<u>—</u>
<hr/>				
Investments measured at net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	44,386,780			
ColoTrust (external investment pool)	7,396,136			
Colorado Statewide Investment Program (CSIP) (external investment pool)	<u>5,506,622</u>			
Total investments measured at the NAV	<u>57,289,538</u>			
Total investments	<u><u>\$ 386,110,896</u></u>			

Investment Valuation Techniques. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The City does not have any level 3 securities as of December 31, 2022.

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

B. Disaggregation of Receivables

Receivables at December 31, 2022, were as follows:

	Taxes	Accounts	Notes	Leases	Grants	Interest	Total Receivables
Governmental Activities:							
General	\$ 21,072,965	\$ 5,527,225	\$ 467,322	\$ 682,943	\$ 125,100	\$ 179,720	\$ 28,055,275
GCIF	—	108,874	963,169	—	3,567,067	193,454	4,832,564
WEDA	19,532,681	1,500	7,064,346	548,810	—	29,909	27,177,246
Nonmajor governmental	1,936,493	13,246	396,877	—	942,815	66,213	3,355,644
Less: Allowance for Doubtful Accounts	—	(1,983,458)	—	—	—	—	(1,983,458)
Subtotal	42,542,139	3,667,387	8,891,714	1,231,753	4,634,982	469,296	61,437,271
Reconciliation of balances to government-wide financial statements:							
Internal service funds	—	80,453	—	—	—	64,517	144,970
Total - Governmental Activities	\$ 42,542,139	\$ 3,747,840	\$ 8,891,714	\$ 1,231,753	\$ 4,634,982	\$ 533,813	\$ 61,582,241
Business-type Activities:							
Utilities	\$ —	\$ 6,805,107	\$ —	\$ —	\$ —	\$ 477,054	\$ 7,282,161
Nonmajor proprietary	—	38,340	—	—	—	2,693	41,033
Less: Allowance for Doubtful Accounts	—	(3,240)	—	—	—	—	(3,240)
Total - Business-type Activities:	\$ —	\$ 6,840,207	\$ —	\$ —	\$ —	\$ 479,747	\$ 7,319,954

C. Notes and Leases Receivable

In the governmental fund financial statements, long-term receivables, such as notes receivable and leases receivables, are offset by deferred inflow of resources until recognized as revenue at the time of collection.

Notes Receivable

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

The Westminster Economic Development Authority entered into a note with Eaton Street Affordable Housing, LLC in the amount of \$2,028,144 for the purchase of land and building permit fees and taxes associated with the construction of affordable housing units in the Downtown Westminster project area in the Westminster Center Urban Reinvestment Plan Area Urban Renewal Area. The note requires repayment beginning 17 years after the issuance of the certificate of occupancy for the project. The certificate of occupancy was issued on July 2, 2019. Interest at a rate of 0.10% per annum, simple interest, will not accrue until after the 17 year period. Full repayment of the note is required within 30 years following the issuance of the certificate of occupancy for the project. A portion of the note is recorded in the General Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority Fund.

The Westminster Economic Development Authority entered into a note with Eaton Street Affordable Housing, LLC in the amount of \$1,650,000 to assist in the construction of affordable housing as part of the Eaton Street Project referenced above. The note bears simple interest at the rate of one percent (1%) per annum from the date of funding and will be repaid not later than 30 years following issuance of the certificate of occupancy discussed above. Payments will be made from housing cash flows for the project in accordance with a specific priority of repayment schedule.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

The Westminster Economic Development Authority entered into a loan with Eaton Street Affordable Housing, LLC in the amount of \$2,124,000 for the capitalized rent for parking spaces lease for the residential portion of the Eaton Street Project. Repayment of the loan is deferred until 17 years following the issuance of the certificate of occupancy discussed above. The note bears simple interest at the rate of one-tenth of one percent (.10%) per annum from the date of issuance of the certificate of occupancy. Full repayment of the note is required within 30 years following the issuance of the certificate of occupancy for the project. Payments will be made from housing cash flows for the project in accordance with a specific priority of repayment schedule.

The Westminster Economic Development Authority entered into a promissory note with Aspire Westminster Borrower, LLC in the amount of \$2,000,000 to assist in the construction of a five-story mixed use project that includes residential units and ground floor retail and is located in Downtown Westminster. The entire outstanding balance of principal and accrued interest is due and payable in full on the maturity date, which is February 28, 2029. The note bears interest at the rate of five percent (5.0%) per annum, compounded annually, commencing on the date of the note and continuing until all principal and interest is paid. Interest on the note accrues during the term of the note and shall be payable on the maturity date.

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, 2022. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

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

Description of notes receivable

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time payment	*
Eaton Street Affordable Housing LLC	Sale of Land and Building Permit Fee and Taxes	2,028,144	2,028,144	**	2036
Eaton Street Affordable Housing LLC	Affordable Housing Loan	1,650,000	1,728,115	**	2049
Eaton Street Affordable Housing LLC	Parking Space Lease Note	2,124,000	2,131,431	**	2036
Aspire Westminster LLC	Development Assistance Note	2,000,000	2,412,300	***	2029
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 ****	396,877	annually	2052
Total Governmental Activities		<u>\$ 10,246,991</u>	<u>\$ 8,891,714</u>		

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

**Repayment of the Eaton Street Affordable Housing loan is deferred until the 30th anniversary of the issuance of the Certificate of Occupancy. Repayment of the notes is deferred until 17 years following issuance of the Certificate of Occupancy. Note payments will be made from housing cash flows in accordance with priority of repayment schedule. The Certificate of Occupancy was issued in July 2019.

***This note is dated February 28, 2019. Repayment is to be made on or before 10 years after the date of the note.

**** 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.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Notes Receivable Maturities

Year Ending	Governmental activities				
	Catellus	Eaton Street Affordable Housing LLC	Aspire Westminster LLC	Westminster Commons VOA, LP	Total
2023	\$ 194,847	\$ —	\$ —	\$ 17,953	\$ 212,800
2024	—	—	—	18,533	18,533
2025	—	—	—	19,102	19,102
2026	—	—	—	19,661	19,661
2027	—	—	—	20,208	20,208
2028-2032	—	—	2,412,300	109,950	2,522,250
2033-2037	—	4,159,575	—	124,800	4,284,375
2038-2042	—	—	—	139,650	139,650
2043-2047	—	—	—	154,500	154,500
2048-2052	—	1,728,115	—	169,350	1,897,465
	194,847	5,887,690	2,412,300	793,707	9,288,544
Net present value/principal adjustment	—	—	—	(396,830)	(396,830)
Total	\$ 194,847	\$ 5,887,690	\$ 2,412,300	\$ 396,877	\$ 8,891,714

Leases Receivable

Lease receivables for agreements that met the criteria of Governmental Accounting Standards Board Statement No. 87, *Leases*, were as follows:

The General Fund entered into two cell tower lease agreements. The first agreement is a 5 year cell tower lease, which requires the lessee to pay the City an average of \$1,714 monthly over the life of the lease. The lease receivable was initially recorded at present value of \$113,307 with a 2.43% discount rate. In 2022, the City recognized lease revenue of \$19,150 and interest revenue of \$2,542 from the lease.

The second lease agreement is a 19 year cell tower lease with \$2,500 in initial monthly payments with a 2.5% annual increase. The lease receivable was initially recorded at a present value of \$585,770 with a 2.6% discount rate. In 2022, the City recognized lease revenue of \$29,289 and interest revenue of \$14,987 from the lease.

The Westminster Economic Development Authority currently has a 3 year building lease, which requires the lessee to pay an average of \$17,477 monthly over the life of the lease. The lease receivable was initially recorded at present value of \$767,785 with a 2.6% discount rate. Additionally, variable payment equal to 3% on gross sales above \$3.5 million are due from the lessee. Since the variable payment is based on future sales, it is not included in the lease receivable. In 2022, the Westminster Economic Development Authority recognized lease revenue of \$200,292 and interest revenue of \$16,679 from the lease, as well as variable lease revenue of \$68,151.

Description of leases receivable

Governmental Activities

Lessor	Purpose of Issue	Amount Issued	Amount Outstanding	Discount Rate	Scheduled Payments	Final Payment
General Fund	Cell Tower Lease	\$ 113,307	\$ 97,173	2.43%	Monthly	11/1/2027
General Fund	Cell Tower Lease	585,770	585,770	2.6%	Monthly	12/1/2041
WEDA	Tenant Lease	767,785	548,810	2.6%	Monthly	10/11/2025
Total Governmental Activities		\$ 1,466,862	\$ 1,231,753			

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Loans from/to other funds:</i>		
General Capital Improvement	Westminster Economic Development Authority	\$ 520,500
Total interfund receivables and payables		<u>\$ 520,500</u>

The loan of \$520,500 to the WEDA Fund was used to pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. This interfund loan is expected to be repaid in the near term.

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

E. Capital and Lease Assets

Capital assets at December 31, 2022 were as follows:

Primary Government					
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities:					
Land & Land Rights	\$ 153,960,157	\$ 269,420	\$ 2,138,043	\$ (631,368)	\$ 155,736,252
Water Rights	1,000,000	—	—	—	1,000,000
Joint Venture	5,361,000	—	—	—	5,361,000
Construction in progress	20,955,729	23,679,472	(31,190,340)	—	13,444,861
Total nondepreciable assets	181,276,886	23,948,892	(29,052,297)	(631,368)	175,542,113
Buildings	95,998,087	—	98,253	—	96,096,340
Improvements other than buildings	54,831,472	—	877,683	—	55,709,155
Parks	73,919,702	—	503,748	—	74,423,450
Ice Centre	6,972,384	—	—	—	6,972,384
Infrastructure	409,707,769	—	5,449,229	—	415,156,998
Machinery and equipment	63,322,665	908,173	4,366,816	(1,249,436)	67,348,218
Total depreciable assets	704,752,079	908,173	11,295,729	(1,249,436)	715,706,545
Less accumulated depreciation for:					
Buildings	(68,167,110)	(2,109,582)	—	—	(70,276,692)
Improvements other than buildings	(38,928,976)	(1,953,686)	—	—	(40,882,662)
Parks	(52,389,536)	(2,390,007)	—	—	(54,779,543)
Ice Centre	(3,340,934)	(145,258)	—	—	(3,486,192)
Infrastructure	(245,214,463)	(8,455,978)	—	—	(253,670,441)
Machinery and equipment	(42,727,685)	(5,032,187)	—	1,187,457	(46,572,415)
Total accumulated depreciation	(450,768,704)	(20,086,698)	—	1,187,457	(469,667,945)
Net total depreciable assets	253,983,375	(19,178,525)	11,295,729	(61,979)	246,038,600
Governmental activities capital assets, net	\$ 435,260,261	\$ 4,770,367	\$ (17,756,568)	\$ (693,347)	\$ 421,580,713

Depreciation expense was charged to governmental functions as follows:

General government				\$ 3,444,198
Public safety				1,726,305
Public works				2,855,376
Community development				5,390,905
Culture and Recreation				6,538,971
Unallocated depreciation-governmental funds				130,943
Total depreciation expense				<u>\$ 20,086,698</u>

Primary Government (continued)					
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 36,312,163	\$ —	\$ —	\$ —	\$ 36,312,163
Water rights	96,848,387	—	67,679	(701,250)	96,214,816
Construction in progress	37,320,331	27,351,800	(6,307,072)	—	58,365,059
Total nondepreciable assets	170,480,881	27,351,800	(6,239,393)	(701,250)	190,892,038
Buildings and plants	278,071,562	—	—	—	278,071,562
Improvements other than buildings	412,178,353	87,336	17,330,242	(290,086)	429,305,845
Parks	1,515,487	—	5,807,174	(12,234)	7,310,427
Machinery and equipment	30,391,635	324,827	858,545	(503,383)	31,071,624
Total depreciable assets	722,157,037	412,163	23,995,961	(805,703)	745,759,458
Less accumulated depreciation for:					
Buildings and plants	(144,333,876)	(6,199,449)	—	—	(150,533,325)
Improvements other than buildings	(118,380,371)	(9,535,842)	—	281,463	(127,634,750)
Parks	(1,509,678)	(103,109)	—	6,425	(1,606,362)
Machinery and equipment	(23,275,265)	(2,031,105)	—	423,465	(24,882,905)
Total accumulated depreciation	(287,499,190)	(17,869,505)	—	711,353	(304,657,342)
Net total depreciable assets	434,657,847	(17,457,342)	23,995,961	(94,350)	441,102,116
Business-type activities capital assets, net	\$ 605,138,728	\$ 9,894,458	\$ 17,756,568	\$ (795,600)	\$ 631,994,154
Depreciation expense was charged to business-type functions as follows:					
Utility				\$ 16,285,119	
Nonmajor Proprietary				1,584,386	
Total depreciation expense				<u>\$ 17,869,505</u>	

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Lease assets at December 31, 2022 were as follows:

Primary Government					
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities					
Lease - Machinery and Equipment	\$ —	\$ 347,565	\$ —	\$ —	\$ 347,565
Total leases	<u>—</u>	<u>347,565</u>	<u>—</u>	<u>—</u>	<u>347,565</u>
Less accumulated amortization for:					
Lease - Machinery and Equipment	—	(14,482)	—	—	(14,482)
Total accumulated amortization	<u>—</u>	<u>(14,482)</u>	<u>—</u>	<u>—</u>	<u>(14,482)</u>
Governmental leases, net	<u>\$ —</u>	<u>\$ 333,083</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 333,083</u>

Amortization expense was charged to governmental functions as follows:

Public works	\$ 14,482
Total amortization expense	<u>\$ 14,482</u>

Primary Government (continued)					
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business Type Activities					
Lease - Machinery and Equipment	\$ —	\$ 116,517	\$ —	\$ —	\$ 116,517
Total leases	<u>—</u>	<u>116,517</u>	<u>—</u>	<u>—</u>	<u>116,517</u>
Less accumulated amortization for:					
Lease - Machinery and Equipment	—	(4,855)	—	—	(4,855)
Total accumulated amortization	<u>—</u>	<u>(4,855)</u>	<u>—</u>	<u>—</u>	<u>(4,855)</u>
Business-type leases, net	<u>\$ —</u>	<u>\$ 111,662</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 111,662</u>

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

Utility	\$ 4,855
Total amortization expense	<u>\$ 4,855</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

F. Disaggregation of Payables

Payables at December 31, 2022, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 3,046,712	\$ 6,760,127	\$ 2,999,455	\$ —	\$ 12,806,294
GCIF	2,979,975	568,298	1,422	—	3,549,695
WEDA	110,854	—	—	—	110,854
Nonmajor governmental	1,146,907	39,293	67,689	—	1,253,889
Subtotal - Governmental Funds	<u>7,284,448</u>	<u>7,367,718</u>	<u>3,068,566</u>	<u>—</u>	<u>17,720,732</u>
Reconciliation of balances to government-wide financial statements:					
Long-term liabilities susceptible to full accrual reporting	—		57,424	472,205	529,629
Internal service funds	720,957	—	51,494	49,918	822,369
Total - Governmental Activities	<u>\$ 8,005,405</u>	<u>\$ 7,367,718</u>	<u>\$ 3,177,484</u>	<u>\$ 522,123</u>	<u>\$ 19,072,730</u>
Business-type Activities:					
Utilities	\$ 7,431,552	\$ 840,492	\$ 376,495	\$ 347,035	\$ 8,995,574
Nonmajor proprietary	645,729	9,052	69,978	26,138	750,897
Total - Business-type Activities	<u>\$ 8,077,281</u>	<u>\$ 849,544</u>	<u>\$ 446,473</u>	<u>\$ 373,173</u>	<u>\$ 9,746,471</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

G. Interfund Transfers

Transfer activity for the year ended December 31, 2022 was as follows:

TRANSFERS OUT	TRANSFERS IN							Grand Total
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Utility Fund	Nonmajor Proprietary Funds		
General Fund	\$ —	\$ 25,927,901	\$ —	\$ 950,000	\$ 5,000,000	\$ 520,183	\$ 32,398,084	
General Capital Improvement Fund	—		950,000	—	—	—	950,000	
WEDA	—	4,639,305	—	—	—	—	—	4,639,305
Nonmajor Governmental Funds	693,000	287,207	63,000	2,048,844		425,000	3,517,051	
Internal Service Fund	—	—	—	176,255	—	—	176,255	
Utility Fund	1,531,172	—	—	106,289	—	—	1,637,461	
Grand Totals	\$2,224,172	\$ 30,854,413	\$ 1,013,000	\$ 3,281,388	\$ 5,000,000	\$ 945,183	\$ 43,318,156	

The matrix summarizes the City's interfund transfer activity. Most transfers between the General, General Capital Improvement, (WEDA), and Nonmajor Governmental Funds are routinely used to reallocate resources to fund City operations, capital construction, land purchases, debt service and governmental subsidies. In 2022, a transfer of \$4,639,305 from WEDA to the General Capital Improvement Fund transpired to provide funding for an interceptor sewer project. A transfer of \$14,384,308 from General Fund to General Capital Improvement Fund transpired to fund various capital projects around the City including street maintenance, xeriscaping, and many others. 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	\$ 1,531,172
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	106,289
From the General Fund to Utility Fund	(5,000,000)
From the General Fund to the Nonmajor Proprietary fund (Parking Management Fund) to assist with operating expenditures	(520,183)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(425,000)
Total transfers between Governmental and Business Type Activities Funds	\$ (4,307,722)

Reconciliation of Transfers between Governmental and Business-type Activities

Transfers between Governmental and Proprietary Funds	\$ (4,307,722)
Reassignment of capital assets between governmental and business-type activities	(17,756,568)
	\$ (22,064,290)

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, loans, notes and other long-term debt issues:					
Revenue bonds	\$ 15,405,000	\$ —	\$ (2,370,000)	\$ 13,035,000	\$ 1,190,000
Tax increment bonds	13,935,000	954,716	(1,765,000)	13,124,716	2,150,786
Tax increment loans from direct placements	33,530,000	—	(7,525,000)	26,005,000	3,969,000
Notes from direct borrowings and direct placements	3,118,353	15,079,217	(647,280)	17,550,290	1,244,518
Certificates of participation	46,925,000	—	(7,005,000)	39,920,000	3,835,000
	112,913,353	16,033,933	(19,312,280)	109,635,006	12,389,304
Bond premium	5,351,939	—	(774,962)	4,576,977	—
Bond discount	(141,860)	—	28,778	(113,082)	—
Total bonds, loans and notes payable	<u>118,123,432</u>	<u>16,033,933</u>	<u>(20,058,464)</u>	<u>114,098,901</u>	<u>12,389,304</u>
Other liabilities:					
Compensated absences	7,484,030	11,861,077	(11,544,887)	7,800,220	376,707
OPEB	4,665,380	318,975	—	4,984,355	—
Pollution remediation	—	114,538	—	114,538	114,538
Lease liability	—	347,565	—	347,565	173,817
Total other liabilities	<u>12,149,410</u>	<u>12,642,155</u>	<u>(11,544,887)</u>	<u>13,246,678</u>	<u>665,062</u>
Governmental activities long-term liabilities	<u><u>\$ 130,272,842</u></u>	<u><u>\$ 28,676,088</u></u>	<u><u>\$ (31,603,351)</u></u>	<u><u>\$ 127,345,579</u></u>	<u><u>\$ 13,054,366</u></u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds, notes, loans and other long-term debt issues:					
Revenue bonds	\$ 91,665,000	\$ —	\$ (3,405,000)	\$ 88,260,000	\$ 3,575,000
Notes from direct borrowings and direct placements	26,612,065	—	(2,215,693)	24,396,372	2,278,861
Certificates of participation	7,590,000	—	(460,000)	7,130,000	900,000
	125,867,065	—	(6,080,693)	119,786,372	6,753,861
Add:					
Bond/Notes premium	15,457,997	—	(1,166,433)	14,291,564	—
Bond discount	(4,285)	—	2,567	(1,718)	—
Total bonds, notes and loans payable	<u>141,320,777</u>	<u>—</u>	<u>(7,244,559)</u>	<u>134,076,218</u>	<u>6,753,861</u>
Other liabilities:					
Compensated absences	1,042,722	1,498,035	(1,581,428)	959,329	20,262
OPEB	887,860	38,757	(115,795)	810,822	—
Pollution remediation	247,919	—	(20,238)	227,681	10,000
Lease liability	—	116,517	—	116,517	58,270
Total other liabilities	<u>2,178,501</u>	<u>1,653,309</u>	<u>(1,717,461)</u>	<u>2,114,349</u>	<u>88,532</u>
Business-type activities long-term liabilities	<u><u>\$ 143,499,278</u></u>	<u><u>\$ 1,653,309</u></u>	<u><u>\$ (8,962,020)</u></u>	<u><u>\$ 136,190,567</u></u>	<u><u>\$ 6,842,393</u></u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Long-term liability outstanding at December 31, 2022 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax POST Refunding Series 2015	Refunding/POST 2007D	\$ 18,500,000	\$ 13,035,000	2.0-5.0%	12/01/31
Total Governmental Activities			<u>13,035,000</u>		
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	34,500,000	1.5-5.0%	12/01/36
Water/Wastewater Revenue Series 2019	Water and Wastewater Bonds	38,025,000	38,025,000	3.0-5.0%	12/01/39
Water/Wastewater Refunding Series 2020	Refunding Water/Wastewater 2010	17,380,000	<u>15,735,000</u>	2.0-5.0%	12/01/30
Total Business-type Activities			<u>88,260,000</u>		
Total Revenue bonds			<u><u>\$ 101,295,000</u></u>		

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

Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Year	Principal	Interest
2023	\$ 1,190,000	\$ 555,169	\$ 1,745,169	2023	\$ 3,575,000	\$ 3,714,700
2024	1,250,000	495,669	1,745,669	2024	3,650,000	3,633,950
2025	1,315,000	433,169	1,748,169	2025	3,780,000	3,505,500
2026	1,380,000	367,419	1,747,419	2026	3,945,000	3,336,200
2027	1,445,000	298,419	1,743,419	2027	4,125,000	3,159,450
2028-2031	6,455,000	531,625	6,986,625	2028-2032	24,155,000	12,484,750
Total	<u>\$ 13,035,000</u>	<u>\$ 2,681,470</u>	<u>\$ 15,716,470</u>	2033-2037	30,890,000	6,047,700
				2038-2039	14,140,000	639,450
				Total	<u>\$ 88,260,000</u>	<u>\$ 36,521,700</u>
						<u>\$ 124,781,700</u>

Tax Increment Bonds and Loans

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Tax Increment Bonds					
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	\$ 28,900,000	\$ 12,170,000	4.00%	12/01/28
WEDA Revenue Loan Series 2022	South Sheridan Urban Renewal	954,716	<u>954,716</u>	2.60%	9/15/2025
Total Tax Increment Bonds			<u>13,124,716</u>		
Tax Increment Loans - Direct Placement					
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	<u>26,005,000</u>	3.51%	12/01/28
Total Increment Loans - Direct Placement			<u>26,005,000</u>		
Total Governmental Activities			<u><u>\$ 39,129,716</u></u>		

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

Year	Bonds		Direct Placement Loans		
	Principal	Interest	Principal	Interest	Total
2023	\$ 2,150,786	\$ 516,613	\$ 3,969,000	\$ 912,776	\$ 7,549,175
2024	2,227,834	435,967	4,109,000	773,464	7,546,265
2025	2,296,096	370,404	4,253,000	629,238	7,548,738
2026	2,050,000	283,125	4,402,000	479,958	7,215,083
2027	2,150,000	180,625	4,557,000	325,448	7,213,073
2028	2,250,000	73,125	4,715,000	165,496	7,203,621
Total	<u>\$ 13,124,716</u>	<u>\$ 1,859,859</u>	<u>\$ 26,005,000</u>	<u>\$ 3,286,380</u>	<u>\$ 44,275,955</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Certificates of Participation (2)

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Certificates of Participation 13	144th & I-25 Interchange Refunding	\$ 11,095,000	\$ 3,645,000	2.0% - 4.0%	12/01/25
Certificates of Participation 15 A	Westminster Downtown Nontaxable	30,000,000	30,000,000	4.0% - 5.0%	12/01/38
Certificates of Participation 15 B	Westminster Downtown Taxable	10,000,000	2,340,000	1.54% - 3.72%	12/01/24
Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	<u>3,935,000</u>	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>39,920,000</u>		
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	480,000	3.25% - 4.25%	12/01/23
Certificates of Participation 21	Golf Course Irrigation	6,650,000	<u>6,650,000</u>	1.85%	12/01/36
Total Business-type Activities			<u>7,130,000</u>		
Total Certificate of Participation			<u>\$ 47,050,000</u>		

(2) Specific assets are pledged as collateral for all Certificates of Participation.

Annual debt service requirements to maturity for Certificates of Participation are as follows:

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2023	\$ 3,835,000	\$ 1,815,385	\$ 5,650,385	2023	\$ 900,000	\$ 139,083	\$ 1,039,083
2024	3,980,000	1,668,701	5,648,701	2024	430,000	113,266	543,266
2025	4,130,000	1,512,100	5,642,100	2025	435,000	105,311	540,311
2026	1,585,000	1,318,200	2,903,200	2026	445,000	97,171	542,171
2027	1,665,000	1,238,950	2,903,950	2027	450,000	88,939	538,939
2028-2032	9,645,000	4,860,750	14,505,750	2028-2032	2,390,000	315,610	2,705,610
2033-2037	12,290,000	2,221,550	14,511,550	2033-2037	2,080,000	87,459	2,167,459
2038	2,790,000	111,600	2,901,600				
Total	<u>\$ 39,920,000</u>	<u>\$ 14,747,236</u>	<u>\$ 54,667,236</u>	Total	<u>\$ 7,130,000</u>	<u>\$ 946,839</u>	<u>\$ 8,076,839</u>

Notes from Direct Borrowings and Placements

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	16 Fire Pumper	\$ 1,040,859	\$ 159,313	2.36%	06/28/23
Note	19 Fire Ladder	1,039,835	619,216	2.95%	01/15/26
Note	20 Fire Pumper	613,388	441,855	1.30%	01/22/27
Note	21 Fire Pumper	613,388	529,582	1.36%	02/01/28
Note	22 Fire Pumper	1,294,217	1,294,217	2.07%	04/28/29
Note	21 Parks & Golf Maintenance Equipment	900,070	721,107	1.43%	01/15/26
Note	22 Parks, Open Space, and Trails Tax Revenue Projects	13,785,000	<u>13,785,000</u>	3.42%	12/01/41
Total Notes from Direct Borrowings and Placements - Governmental Activities				<u>17,550,290</u>	
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	2,507,500	3.32%	06/01/25
Colorado Water Resources and Power Development Authority Note 20	Big Dry Creek Interceptor Sewer Repair/Replacement and Capacity Increase	23,331,532	20,824,141	1.28%	06/01/40
Rehfeld Note	Purchase of water shares	180,000	15,567	4.00%	03/31/23
Golf Course Note 21	Parks & Golf Maintenance Equipment	1,309,546	<u>1,049,164</u>	1.43%	01/15/26
Total Notes from Direct Borrowings and Placements - Business-type Activities				<u>24,396,372</u>	
Total Notes from Direct Borrowings and Placements				<u>\$ 41,946,662</u>	

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Annual debt service requirements to maturity for notes from direct borrowings and placements are as follows:

Year	Governmental Activities			Business-type Activities			
	Notes from Direct Borrowings			Notes from Direct Borrowings and Placements			
	Principal	Interest	Total	Principal	Interest	Total	
2023	\$ 1,244,518	\$ 662,722	\$ 1,907,240	2023	\$ 2,278,861	\$ 418,062	\$ 2,696,923
2024	1,232,487	512,815	1,745,302	2024	2,346,881	323,057	2,669,938
2025	1,265,224	480,964	1,746,188	2025	1,869,961	290,653	2,160,614
2026	1,293,590	448,158	1,741,748	2026	1,366,733	269,132	1,635,865
2027	979,273	434,561	1,413,834	2027	1,116,705	248,431	1,365,136
2028-2032	3,845,198	1,681,309	5,526,507	2028-2032	5,798,785	1,028,874	6,827,659
2033-2037	3,985,000	1,051,479	5,036,479	2033-2037	6,281,821	538,737	6,820,558
2038-2041	3,705,000	322,164	4,027,164	2038-2040	3,336,625	76,075	3,412,700
Total	<u>\$ 17,550,290</u>	<u>\$ 5,594,172</u>	<u>\$ 23,144,462</u>	Total	<u>\$ 24,396,372</u>	<u>\$ 3,193,021</u>	<u>\$ 27,589,393</u>

Principal and interest requirements to maturity for the lease liability at December 31, 2022 are as follows:

Lessor	Purpose of Lease	Amount Issued	Amount Outstanding	Discount Rate	Final Maturity
Deere Credit Inc.	Asphalt Milling Equipment	\$347,565	\$347,565	2.00%	12/31/2025
Governmental Activities					
Lease Liability					
Year	Principal	Interest	Total		
2023	\$ 173,817	\$ 5,021	\$ 178,838		
2024	86,014	3,332	89,346		
2025	87,734	1,608	89,342		
Total	<u>\$ 347,565</u>	<u>\$ 9,961</u>	<u>\$ 357,526</u>		
Lessor	Purpose of Lease	Amount Issued	Amount Outstanding	Discount Rate	Final Maturity
Deere Credit Inc.	Asphalt Milling Equipment	\$116,517	\$116,517	2.00%	12/31/2025
Business-type Activities					
Lease Liability					
Year	Principal	Interest	Total		
2023	\$ 58,270	\$ 1,683	\$ 59,953		
2024	28,835	1,117	29,952		
2025	29,412	539	29,951		
Total	<u>\$ 116,517</u>	<u>\$ 3,339</u>	<u>\$ 119,856</u>		

Summary of Significant Terms with Finance-Related Consequences.

Property which is collateral for any of the City's debt agreements would be subject to surrender upon significant events of default. Any terms specified in the City's debt agreements with finance-related consequences related to significant events of default, termination events, and subjective acceleration clauses are noted below:

Government Activities

The City's outstanding notes from direct borrowings and direct placements related to the Fire Pumpers contain provisions that in an event of default, outstanding rental payments, which have been appropriated for that fiscal year, become immediately due. These notes also have prepayment penalties ranging from 1%-3% of the remaining principal.

The City's outstanding note from a direct borrowing related to the Maintenance Equipment contains a provision that in an event of default, outstanding rental payments, which have been appropriated for that fiscal year, become immediately due.

Business Activities

The City's outstanding note from a direct borrowing related to the Maintenance Equipment contains a provision that in an event of default, outstanding rental payments, which have been appropriated for that fiscal year, become immediately due.

The City's outstanding Rehfeld Note ("Note") related to the purchase of water shares contains a provision that in an event of default, the entire Note shall become due at once or the interest to be counted as principal, at the option of the holder of the Note. The Note also contains a provision that provides the holder of the Note the right to call for the payment of the full balance of the principal due and owing, and the interest accrued to the date of the call, at any time after payment of the first installment.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

I. Net Position

The government-wide and business-type financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital and lease assets less outstanding 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, 2022 was as follows:

Governmental activities:

Capital and Leased Assets, net of accumulated depreciation and accumulated amortization:	\$ 421,913,796
--	----------------

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2015	\$ 13,035,000	\$ 502,761	\$ 13,537,761	—	\$ 13,537,761
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	12,170,000	301,842	12,471,842	—	12,471,842
WEDA Revenue Refunding Bonds Series 2022 (South Sheridan)	954,716	(85,656)	869,060	—	869,060
WEDA Revenue Loan Series 2012 (North Huron)	26,005,000	—	26,005,000	—	26,005,000
Notes payable	17,550,290	—	17,550,290	13,789,472	3,760,818
Certificates of Participation	39,920,000	2,239,785	42,159,785	314,671	41,845,114
Lease liability	347,565	—	347,565	—	347,565
Accounts payable and retainage incurred for capital asset purchases	3,674,344	—	3,674,344	—	3,674,344
Total Governmental Activities	<u>\$ 113,656,915</u>	<u>\$ 2,958,732</u>	<u>\$ 116,615,647</u>	<u>\$ 14,104,143</u>	<u>102,511,504</u>
Net investment in capital assets, governmental activities					<u>\$ 319,402,292</u>

Business-type activities:

Capital and Leased Assets, net of accumulated depreciation and accumulated amortization:	\$ 632,105,816
--	----------------

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2016	\$ 34,500,000	\$ 5,692,849	\$ 40,192,849	—	\$ 40,192,849
Water/Wastewater Revenue Series 2019	38,025,000	4,970,240	42,995,240	18,329,331	24,665,909
Water/Wastewater Refunding Series 2020	15,735,000	2,372,320	18,107,320	—	18,107,320
Certificates of Participation 10 (Golf Course Portion)	7,130,000	2,413	7,132,413	739,835	6,392,578
Water Notes	23,347,208	823,310	24,170,518	5,369,893	18,800,625
Notes payable	1,049,164	—	1,049,164	5,500	1,043,664
Lease liability	116,517	—	116,517	—	116,517
Accounts payable and retainage incurred for capital asset purchases	4,921,332	—	4,921,332	—	4,921,332
Total Business Type Activities	<u>\$ 124,824,221</u>	<u>\$ 13,861,132</u>	<u>\$ 138,685,353</u>	<u>\$ 24,444,559</u>	<u>114,240,794</u>
Net investment in capital assets, business-type activities					<u>\$ 517,865,022</u>
Total net investment in capital assets					<u>\$ 837,267,314</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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:

- \$18,500,000 issued in December 2015 to refund certain of the City's outstanding series 2007 sales and use tax revenue refunding and improvement bonds, originally issued to finance open space and parkland.
- \$13,785,000 Parks, Open Space, and Trails Special Purpose Sales and Uses Tax Revenue Note issued in August 2022. The purpose of the issue is to finance open space, parkland, and trails related projects.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$1,275,750 for the general sales and use tax revenue bonds, \$1,744,819 for the Parks Open Space Tax (POST) revenue bonds, and \$0 for the POST revenue note were paid using 1.3% of the general sales tax net pledged revenues totaling \$97,122,245 and 21.6% of the POST net pledged revenues totaling \$8,088,347 respectively. Total principal and interest payments remaining on the general sales and use tax bonds is \$0 as of December 2022, \$15,716,470 for the POST bonds payable through December 2031, and \$19,130,786 for the POST note payable through December 2041.

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

- \$28,900,000 issued in 2012 as tax increment revenue refunding bonds to refund the Series 2009 tax increment adjustable rate revenue refunding bonds that refunded an earlier Series used to finance redevelopment in the Mandalay Gardens Urban Renewal Area.
- \$59,000,000 issued in 2012 to refinance the 2009 loan that refunded the Series 2005 tax increment adjustable rate revenue bonds used to finance new development in the North Huron Urban Renewal Area.
- \$954,716 issued in 2022 to refinance the 2012 loan that refinanced the Series 2007 tax increment adjustable rate revenue bonds used to finance redevelopment in the South Sheridan Urban Renewal Area.

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Principal, interest and fees of \$11,027,989 reported in the WEDA statements were paid using 67.2% of incremental net pledged revenues and prior year pledged revenues for a total of \$16,413,362. Total principal and interest remaining on the bonds and loans is \$44,275,955 payable through December 2028.

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

Colorado Water Resource and Power Development Authority Notes:

- \$15,440,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility
- \$23,331,532 issued in May 2020 to expand the Big Dry Creek Interceptor Sewer

Revenue Bonds:

- \$42,830,000 issued in May 2016 to acquire, develop, enhance and maintain system improvements throughout the City.
- \$38,025,000 issued in December 2019 to acquire, develop, enhance and maintain system improvements throughout the City.
- \$17,380,000 issued in June 2020 to aid in refunding the \$21,780,000 principal balance of the May 2010 bond issue.

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$9,692,560 reported in the Utility statements were paid using 27.8% of pledged net revenues totaling \$34,861,206. Total principal and interest remaining on the revenue bonds and loans is \$151,267,991 payable through June 2040.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Refunding Bonds Series 2022 (South Sheridan), and Revenue Loan Series 2012 (North Huron) with an aggregate balance of \$39,129,716 outstanding as of December 31, 2022. A moral obligation is a pledge by the City Manager to request of Council that the City replenish the Reserve Fund associated with this debt to the minimum required per the bond indenture or loan document should it become necessary. Council will consider, but is not obligated to fulfill this request.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

L. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Loss on refunding debt	Pension	OPEB	Total
Governmental Fund Activities:				
Reconciliation of balances in fund financial statements to government-wide financial statements	\$ 1,505,163	\$ 14,498,537	\$ 658,288	\$ 16,661,988
Total - Governmental Activities	1,505,163	14,498,537	658,288	16,661,988
Business-type Activities:				
Utility Fund	426,503	—	90,558	517,061
Nonmajor proprietary funds	2,209	—	23,837	26,046
Total - Business-type Activities:	428,712	—	114,395	543,107
Total Government-wide Activities	\$ 1,933,875	\$ 14,498,537	\$ 772,683	\$ 17,205,095
Deferred Inflows of Resources	Property taxes	Pensions	OPEB	Assessments and Notes
				Other
				Total
Governmental Fund Activities:				
General	\$ 7,146,493	\$ —	\$ 650,638	\$ 83,776
GCIF	—	—	—	3,567,067
WEDA	19,532,681	—	567,493	—
Other Governmental	543,345	—	—	942,815
Subtotal	27,222,519	—	1,218,131	4,593,658
Reconciliation of balances in fund financial statements to government-wide financial statements	—	16,264,054	1,005,605	—
				(4,593,658)
Total - Governmental Activities	\$27,222,519	\$16,264,054	\$ 1,005,605	\$ 1,218,131
				—
				\$ 194,847
				—
				\$ 45,905,156
Business-type Activities:				
Utility Fund	\$ —	\$ —	\$ 261,334	\$ —
Nonmajor Proprietary funds	—	—	24,094	—
Total - Business-type Activities:	\$ —	\$ —	\$ 285,428	\$ —
Total Government-wide Activities	\$27,222,519	\$16,264,054	\$ 1,291,033	\$ 1,218,131
				—
				\$ 194,847
				—
				\$ 46,190,584

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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 2021 to 2022. 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 has an Administrative Service Only plan with Aetna, whereby the City pays Aetna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$175,000 per individual per year. The Aetna plans have an unlimited lifetime benefit. The City also provides a PPO dental plan through Delta Dental. The purpose of this program is to pay the dental claims of eligible City employees and their covered dependents. The City has recorded a liability in this fund totaling \$916,882 for open and estimated claims not yet reported at December 31, 2022 and no receivable balance for claims in excess of the stop loss.

The City also offers a fully insured DHMO plan through Kaiser Permanente which has unlimited lifetime benefits. Volunteers of the City are covered through CIRSA's Community Service Workers' Accident Medical and Volunteer Accident Medical Plan as follows: \$10,000 Accidental Death & Disability; \$15,000 Medical; and \$25,000 Catastrophic Cash. The \$25 deductible is payable by the individual volunteer.

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2017, the program covers individual losses up to \$550,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$124,162 for open claims and estimated claims not yet reported at December 31, 2022.

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 \$500,000,000. State liability losses are limited as set forth by statutory liability limits for Colorado public jurisdictions up to \$150,000 per person and \$600,000 per occurrence for claims occurring prior to June 30, 2013. Effective July 1, 2013, the Colorado state legislature increased the limits to \$350,000 per person and \$990,000 per occurrence. The legislature increased the limits to \$387,000 per person and \$1,093,000 per occurrence effective January 1, 2018 to January 1, 2022. 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 \$714,392 for open claims at December 31, 2022.

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

Year	Beginning Balance Unpaid Claims	Incurred Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2021	\$ 2,491,521	\$ 13,669,767	\$ 13,992,061	\$ 2,169,227
2022	\$ 2,169,227	\$ 14,213,379	\$ 14,627,170	\$ 1,755,436

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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, 2022, there were 281 member municipalities and 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 damages to municipal property and injury to persons or damage to property that might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2022 was \$250,000 for property and \$250,000 for liability. Coverages are as follows:

- 1) Property/excess property: total replacement value for City property up to the \$500,000,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence prior to June 30, 2013, then \$424,000 per person and \$1,195,000 per occurrence January 1, 2022 to January 1, 2026. (Claims not subject to Governmental Immunity Act up to \$10,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$5,000,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage to \$10,000,000 per claim/aggregate.
- 5) Crime: to \$150,000 any one claim and annual aggregate.
- 6) Supplemental defense costs (claims subject to the Governmental Immunity Act): to \$50,000 per claim/occurrence.
- 7) Excess crime to \$2,000,000 any one claim and annual aggregate.

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 grantor 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, 2022. 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.

Due to the global impacts related to inflation, worker shortages and supply chain disruption issues, economic uncertainties have arisen that may continue to negatively affect the financial position, results of operations and cash flows of the City. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

D. Construction and Other Significant Commitments

At December 31, 2022, 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 Fund; Parks, Open Space & Trails Sales & Use Tax Fund; Conservation Trust Fund; sales and use tax revenue bond proceeds; tax increment variable rate bond proceeds; Community Development Block Grants 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 Fund.

	Appropriation 12/31/2022	Cumulative Expenditures 12/31/2022	Authorized Available 12/31/2022
Governmental activities:			
General Capital Improvement Fund	\$ 77,402,124	\$ 12,035,222	\$ 65,366,902
Westminster Economic Development Authority	8,442,114	91,841	8,350,273
Nonmajor Governmental activities	36,074,074	1,317,798	34,756,276
General Capital Outlay Replacement Fund	6,052,337	—	6,052,337
Total Governmental activities	\$ 127,970,649	\$ 13,444,861	\$ 114,525,788
 Business-type activities			
Utility Fund	\$ 151,492,087	\$ 55,481,338	\$ 96,010,749
Nonmajor Business-type activities	3,651,406	2,883,721	767,685
Total Business-type activities	\$ 155,143,493	\$ 58,365,059	\$ 96,778,434

E. Denver Water Raw Water Contract

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from Denver Water. Permitted deliveries vary from month-to-month and peak during the summer months. By contract the City is obligated to take or pay for 1,750 acre-feet of water during the contract period, which runs from July 1 to June 30. The 2022 rate charged by Denver Water was \$1.20 per thousand gallons, or \$391.02 per acre-foot (there are 325,851 gallons in one acre-foot). For the fiscal period of July 1, 2021 through June 30, 2022 the City paid Denver Water \$121,351 for 336 acre-feet of water delivered in October and November 2021. For the fiscal period of July 1, 2022 through June 30, 2023, the City paid Denver Water \$478,220 for approximately 1223 acre-feet of water delivered between November 2022 and December 2022. Thus, the 2022 calendar year total cost for the contract was \$478,220.

F. Perpetual Agreement

In December 2003, the City amended its perpetual water rights lease exchange contract dated January 7, 1982 with the City of Thornton. The amended contract provides that Westminster could perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. The rate from January 1, 2022 through April 30, 2022 was \$5.54 per thousand gallons and the rate from May 1, 2022 through December 31, 2022 was \$5.66 per thousand gallons, for a total lease cost of \$3,944,800. In 2009, the City of Westminster signed an agreement with the City of Brighton that states Brighton will take the full amount of water, up to 2.2 million gallons, and reimburse the City of Westminster its payment to Thornton. All future rate increases will be passed through in a similar fashion, and Brighton will have all responsibility for the lease.

G. Employee Defined Contribution Retirement Plans

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

Benefits Provided In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings less any administrative costs. Earnings differ between participants in Westminster's plans because investments are self-directed; from eligible options, participants choose where to invest contributions to their account. Investment options are selected by the 401(a) Plan Board, an advisory board.

Contributions and Vesting The mandatory employee contribution is 11% of base pay. Employees may elect to contribute in excess of the mandatory contribution. Voluntary contributions may be made on an after tax basis. Employee contributions and any earnings they generate are always 100% vested. The employer contribution rate is 11.25% of base pay. For eligible employees hired prior to June 1, 2021, the employer contributions begin after 22 months of employment and are 100% vested. For eligible employees hired on or after June 1, 2021, the employer contributions begin immediately. The value of employer contributions to the Plan, and any earnings they generate, are vested as follows for eligible employees hired on or after June 1, 2021:

Years of Service	Vested Percentage of Employer Contributions
Less than 3 years	0%
3 to 4 years	60%
4 to 5 years	80%
5 years or more	100%

An employee shall be immediately and fully invested in the employer contributions and any earnings they generate if the employee suffers a total disability, dies while employed or attains normal retirement age of 55. The City has no other obligations to fund any employee pension plan.

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

No plan administration is performed by the City of Westminster other than transmitting contributions to the identified employee accounts. Empower provided administration for the plan and assisted employees with their self-directed investments.

Summary of Contributions For the year ended December 31, 2022, contributions made to the plan equaled required contributions and were as follows:

<u>2022</u>	
401(a) Defined Contribution Plan	
City Contributions	\$ 5,914,265
Mandatory employee contributions	5,954,857
Voluntary employee contributions	36,100
Rollover contribution	668,875
Total	<u>\$ 12,574,097</u>

General Information about the Statewide Money Purchase Plan

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

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Contributions and Vesting. Contributions to the Plan are calculated as a percentage of the member's base salary, which is specified by state statute. Current participants contribute 11 percent of salary and the City contributes 10 percent. Members are always fully vested in their own contributions, and the earnings on those contributions. Vesting in the employer's contributions and earnings on those contributions occurs according to the vesting schedule set by state statute at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members. Total contributions to the Statewide Money Purchase Plan from the City were \$49,545 and \$14,114 for the Fire and Police Plans respectively for the year ended December 31, 2022.

General Information about the Deferred Compensation Plans

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

All seasonal, temporary positions less than a 0.50 FTE, and non-benefited employees must participate from the date of employment in the 457(b) FICA Alternative Deferred Compensation Plan. This plan is a Social Security replacement feature under the Internal Revenue Code Section 3121. Employees contribute a mandatory 7.5% of compensation that is invested into a fixed income account. No other investment options are available in this Plan. The administrative fee is paid by the City for active participants. Inactive participants pay a \$42 annual administrative fee.

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

Contributions into the 457(b) plans are funded by participant contributions of up to a maximum limit set by the IRS of \$20,500 for the calendar year 2022. Catch-up contributions up to \$6,500 for calendar year 2022 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$5,654,694 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$320,569. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$11,492.

All contributions and earnings are fully vested at all times. All administrative costs of the 457(b) Deferred Compensation Plan are borne by the participants. 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.

H. Employee Defined Benefit Retirement Plans

Fire and Police Pension Plans (FPPA)

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

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

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

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

Plan	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Fire Plan	\$ 8,069,595	\$ 5,366,276	\$ 5,588,833	\$ (780,553)
FPPA SWDB - Police Plan	10,161,493	7,248,067	8,814,834	(1,343,540)
FPPA SWH - Fire Plan	626,070	847,124	203,969	142,169
FPPA SWH - Police Plan	2,953,097	1,037,070	1,378,472	(306,864)
Volunteer Firefighter	1,518,431	—	277,946	(178,285)
Totals	<u>\$ 23,328,686</u>	<u>\$ 14,498,537</u>	<u>\$ 16,264,054</u>	<u>\$ (2,467,073)</u>

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

General Information about the Statewide Defined Benefit Pension Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan covering all full-time employees of participating fire and police departments in Colorado. The SWDB provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by FPPA. All full-time, paid firefighters of the City hired after September 1, 2004 are members of the SWDB and the Statewide Death and Disability Plan. All sworn police officers of the City hired after October 1, 2017 are members of the SWDB. At the time of reentering the FPPA system, paid firefighters and sworn police officers hired prior to the affiliation date had the choice of entering the Statewide Defined Benefit Pension Plan, these members are in the reentry plan. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual comprehensive financial report that includes financial statements and required supplementary information for both the SWDB and the Statewide Death and Disability Plan. That report may be obtained by calling FPPA at 303-770-3772 or on FPPA's website at <http://www.fppaco.org>.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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

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

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Members of the SWDB plan and the City are contributing at the rate of 12 and 9 percent, respectively, of base salary for a total contribution rate of 21 percent for 2022. Employer contributions will increase 0.5 percent annually through 2030 to a total of 13 percent of pensionable earnings.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 24 percent of base salary for 2022. Beginning January 1, 2021, the required additional 4 percent contribution reduced to 0.2 percent. It is a local decision as to whether the member or employer pays the additional 0.2 percent contribution. Employer contributions will remain at 10 percent and increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings. The member contribution rate will remain at 14% in 2022.

Total contributions to the SWDB Fire Plan and SWDB Police Plan from the City were \$1,167,035 and \$1,487,482 respectively for the year ended December 31, 2022.

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

At December 31, 2022, the City reported assets for the SWDB Fire Plan and SWDB Police Plan of \$8,069,595 and \$10,161,493 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022, which was unchanged from December 31, 2021. The City's proportion of the net pension asset was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2021, the City's proportion for the SWDB Fire Plan and SWDB Police Plan was 1.489 percent and 1.875 percent respectively, which was a decrease of 0.008 percent for the SWDB Fire Plan and a decrease of 0.345 percent for the SWDB Police Plan from the proportions measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized a reduction of pension expense of \$780,553 for the SWDB Fire Plan and \$1,343,540 for the SWDB Police Plan. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,310,751	\$ 188,205	\$ 2,909,771	\$ 236,994
Changes of assumptions	1,150,782	—	1,449,101	—
Net difference between projected and actual earnings on pension plan investments	—	5,400,628	—	6,800,644
Changes in proportion	737,708	—	1,401,713	1,777,196
City contributions subsequent to the measurement date	1,167,035	—	1,487,482	—
Total	\$ 5,366,276	\$ 5,588,833	\$ 7,248,067	\$ 8,814,834

The SWDB Fire Plan and SWDB Police Plan respectively reported \$1,167,035 and \$1,487,482 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2023.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2023	\$ (599,892)	\$ (1,116,046)
2024	(1,158,520)	(1,819,489)
2025	(594,684)	(1,108,138)
2026	(83,714)	(454,050)
2027	575,176	556,791
Thereafter	472,042	886,683
Total	\$ (1,389,592)	\$ (3,054,249)

Actuarial assumptions. The January 1, 2022 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2022
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. On-duty related mortality is assumed to be 0.00015 per year for all members.

Changes in Assumptions. The assumptions were set by the FPPA board based on a regularly scheduled expense study in 2018. There were no changes in assumptions from the prior valuation.

Changes in Benefit Terms. There were no changes to benefit terms.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income - Rates	10%	4.01%
Fixed Income - Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The discount rate was based on the long-term expected rate of return on pension plan investments of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates used to determine the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

assumptions, the SWDB plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using a single discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1- percentage-point higher (8.00 percent) than the current rate:

	1%	Discount	1%
	Decrease	Rate	Increase
	(6.00)%	(7.00)%	(8.00)%
City's proportionate share of the net pension asset - Fire Plan	\$ (1,112,847)	\$ (8,069,595)	\$ (13,832,874)
City's proportionate share of the net pension asset - Police Plan	(1,401,333)	(10,161,493)	(17,418,798)

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

Changes Between the Measurement Date of the Net Pension Asset and December 31, 2022. During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication of benefits. The financial impact of the merger of the plans is being determined.

During 2022, FPPA engaged Gabriel, Roeder Smith & CO. to complete an actuarial experience study. The FPPA Board of Directors accepted the findings of the study at its July 28, 2022 meeting. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

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

General Information about the Statewide Hybrid Plan

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Contributions. The Plan sets minimum contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based upon current actuarial assumptions. The members of the SWH and the City are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2021 through June 30, 2022 is 13.8 percent. The Defined Benefit Component contribution rate from July 1, 2019 through June 30, 2020 was 13.8 percent. Effective July 1, 2021 the Defined Benefit Component contribution rate is set at 14.10 percent.

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

Members of the SWH plan and the City are contributing at the rate of 11 and 10 percent, respectively, of base salary for a total contribution rate of 21 percent for 2022. Member contribution rates are scheduled to increase 0.5 percent annually through 2024 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings.

Total contributions to the SWH Fire Plan and Police Plan from the City were \$10,302 and \$120,841 respectively for the year ended December 31, 2022.

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

At December 31, 2022, the City reported assets for the SWH Fire Plan and SWH Police Plan of \$626,070 and \$2,953,097 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022, which was unchanged from December 31, 2021. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2021, the City's proportion for the SWH Fire Plan and SWH Police Plan was 1.651 percent and 7.788 percent respectively, which was a decrease of 1.110 percent and a decrease of 0.377 percent for the SWH Fire Plan and SWH Police Plan respectively from the proportions measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension expense of \$142,169 for the SWH Fire Plan and a reduction of pension expense of \$306,864 for the SWH Police Plan. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 125,037	\$ —	\$ 589,784	\$ —
Changes of assumptions	15,402	—	72,650	—
Net difference between projected and actual earnings on pension plan investments	—	177,357	—	836,575
Changes in proportion	696,383	26,612	253,795	541,897
City contributions subsequent to the measurement date	10,302	—	120,841	—
Total	\$ 847,124	\$ 203,969	\$ 1,037,070	\$ 1,378,472

The SWH Fire Plan and SWH Police Plan respectively reported \$10,302 and \$120,841 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2023.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2023	\$ 172,417	\$(164,186)
2024	150,894	(272,719)
2025	124,988	(35,818)
2026	94,258	(31,422)
2027	72,545	35,240
Thereafter	17,751	6,662
Total	\$ 632,853	\$(462,243)

Actuarial assumptions. The January 1, 2022 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2022
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. On-duty related mortality is assumed to be 0.00015 per year for all members.

Changes in Assumptions. There were no changes in assumptions from the prior valuation. The actuarial assumptions were set by the FPPA Board based on a regularly scheduled experience study in 2018.

Changes in Benefit Terms. There were no changes to benefit terms.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income - Rates	10%	4.01%
Fixed Income - Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The discount rate was based on the long-term expected rate of return on pension plan investments of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWH plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension asset calculated using a single discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1- percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1%	Discount	1%
	Decrease	Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
City's proportionate share of the net pension asset - Fire Plan	\$ (477,719)	\$ (626,070)	\$ (749,936)
City's proportionate share of the net pension asset - Police Plan	(2,253,342)	(2,953,097)	(3,537,360)

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

Changes Between the Measurement Date of the Net Pension Asset and December 31, 2022. During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The Statewide Hybrid Plan will become the Hybrid Defined Benefit Component of the Statewide Retirement Plan. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication of benefits. The financial impact of the merger of plans is being determined and will be reported in the December 31, 2022 GASB 68 report.

To complete the merger of the plans equitably, the funded status of the Statewide Hybrid Plan will be reduced to match the Statewide Defined Benefit Plan. To complete this action, a one-time benefit adjustment on all service accrued prior to the merger date of 1/1/2023 for current retirees, deferred vested, vested, and active members will be applied. Members that have not started to receive a retirement benefit payment will receive a 1.9 percent benefit factor for service earned prior to January 1, 2023. Service earned after the merger date will continue to earn a 1.5 percent benefit factor. Retired members receiving benefit payments as of the merger date will receive a one-time benefit increase of 26.66 percent to implement the increase in the benefit factor.

As part of this legislation, effective January 1, 2023, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

Additionally, the required minimum contributions to the Hybrid Defined Benefit Component will increase to 9% for members and 9% for employers. The increase will take effect January 1, 2023 at a rate of 0.125 percent per year through 2030. Employer departments with contribution rates that meet or are in excess of this amount will not be impacted by this change.

During 2022, FPPA engaged Gabriel, Roeder Smith & Co. to complete an actuarial experience study. The FPPA Board of Directors accepted the findings of the study at its July 28, 2022 meeting. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Westminster Volunteer Firefighter Pension Plan

General Information about the Volunteer Firefighter Pension Plan

Plan description. The City has fiduciary responsibility for a defined benefit retirement system ("the plan") established by the Volunteers. All volunteer firefighters have retired. After the last volunteer firefighter retired, the volunteer firefighter program was dissolved by the City Council as required by state law. As required by Colorado State Law, prior to dissolving the plan, Council established the final benefit. The maximum benefit for a volunteer beneficiary has been permanently capped. With the approval of the Volunteer Fire Pension Board and the City Council of Westminster, the assets of the plan were transferred to the FPPA as allowed by C.R.S., 31-31-705. This statute allows FPPA to manage the funds of the plan and pay beneficiaries. Administrative costs and fees of the plan are netted against investment earnings on a prorated basis. The City of Westminster retains responsibility for administration and the liability of the plan. Investments of the funds are invested under the concept of an agent multiple-employer plan. The plan is closed to new entrants. When the last participant of the plan passes away, the residual assets will transfer to the City and can only be used for fire related purposes. The plan is excluded from being reported as a fiduciary component unit since it is not material to the City.

The plan is included in FPPA's audited annual financial report as an affiliated local plan, which may be obtained by writing to FPPA, 7979 East Tufts Ave, Suite 900, Denver, CO 80237, or by calling 303-770-3772 or at <http://www.fppaco.org>.

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

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

Volunteers covered by benefit terms. At December 31, 2022, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	23
Terminated volunteers entitled to benefits but not receiving benefits	—
Active plan members	—
Total	<u><u>23</u></u>

Contributions. Contributions are determined on an actuarial basis. An actuarial study performed as of January 1, 2019, 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 \$1,518,431. Therefore, no additional contributions are required at this time by the City and none were required in 2022. State statutes govern contribution requirements. The required contribution for 2022 was determined as part of the 2021 actuarial valuation using the entry age actuarial cost method.

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

Net Pension Asset

The plan's net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022, which is unchanged from December 31, 2021. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021, determines the contribution amounts for 2022 and 2023. The actuarial valuation as of January 1, 2023 determines the contribution amounts for 2024 and 2025.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Actuarial assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Withdrawal Rate	20% of members age 50 and eligible for a terminated vested benefit to withdraw each year
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality Tables	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Changes in Assumptions. There were no changes in assumptions from the prior valuation. The actuarial assumptions were set by the FPPA Board based on a regularly scheduled experience study in 2018.

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return, for each major asset class included in the plan's target asset allocation as of December 31, 2021, is summarized in the table below.

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income - Rates	10%	4.00%
Fixed Income - Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

Single Discount rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumes that all actuarially determined contributions will be made. The plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 1/1/2022	\$ 1,414,726	\$ 2,651,721	\$ (1,236,995)
Changes for the year:			
Interest on the total pension liability	93,797	—	93,797
Net investment income	—	382,378	(382,378)
Benefit payments	(152,110)	(152,110)	—
Pension plan administrative expense	—	(7,145)	7,145
Net Changes	(58,313)	223,123	(281,436)
Balances at 12/31/2022	<u>\$ 1,356,413</u>	<u>\$ 2,874,844</u>	<u>\$ (1,518,431)</u>

Sensitivity of the net pension asset to changes in the single discount rate. The following presents the net pension asset of the plan, calculated using the single discount rate of 7.00 percent, as well as what the plan's net pension asset would be if were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	(6.00%)	(7.00%)	(8.00%)
Plan's net pension asset	(\$1,421,935)	(\$1,518,431)	(\$1,603,565)

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

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

For the year ended December 31, 2022, the plan recognized a reduction of pension expense of \$178,285. At December 31, 2022, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ —	\$ 277,946
Total	<u>\$ —</u>	<u>\$ 277,946</u>

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

Year Ended December 31	Net Deferred Outflows (Inflows) of Resources
2023	\$ (66,328)
2024	(102,423)
2025	(68,746)
2026	(40,449)
Total	<u>\$ (277,946)</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

I. Retiree Health Program

The City offers other postemployment benefits (OPEB) through its Retiree Health Care Program. The following provides a summary of the total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense by governmental activities and business-type activities as of December 31, 2022. The liability is allocated based upon the number of employees paid by the respective fund.

	Total OPEB (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Governmental activities	\$ (4,984,355)	\$ 658,288	\$ 1,005,605	\$ 878,677
Business-type activities	(810,822)	114,395	285,428	132,757
Totals	\$ (5,795,177)	\$ 772,683	\$ 1,291,033	\$ 1,011,434

Program Description. The Retiree Health Care Program (Program) is a single employer defined benefit healthcare plan administered by the City of Westminster. The Program provisions and requirements are established and may be amended by City Council policy. The number of active and retired employees covered by the program as the last actuarial valuation date of December 31, 2022, was 922 and 38, respectively, for a total of 960.

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

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

Beginning with retirements in 2022, the City offers a \$460 monthly subsidy to any benefited employee who at the time of retirement is either at least age 55 with a minimum of 25 years of benefited continuous or non-continuous service or is at least age 50 with a minimum of 30 years of benefited continuous or non-continuous service.

Beginning with retirements in 2023, criteria for a benefited employee to receive the \$460 monthly subsidy will change to a minimum age of 50 and any combination of age plus years of service that totals 80 or more. Any sworn Westminster police employee who retires as a sworn City of Westminster police employee, with previous police officer employment with another entity (including military police officer experience), will be granted up to a maximum of 5 years of service credit that will apply towards the total requirement of 80 or more.

Years of service in any non-benefited position are not eligible for consideration in meeting the years of service program requirements.

Funding Policy. The City funds OPEB expense on a pay-as-you-go basis. No assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The City Council has the authority for establishing and amending the funding policy.

Total OPEB Liability. The City's total OPEB liability of \$5,795,177 as of December 31, 2022 was determined by actuarial valuation as of December 31, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Actuarial cost method	Entry Age Normal, determined as a level percent of projected pay
Inflation	3.0% per year
Payroll growth	3.0% per year, Source: Colorado PERA Local Government Division December 31, 2021 Actuarial Valuation
Discount rate	4.31% Source: S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2022

Healthcare trend rates are assumed to increase at the following rates:

Year	2022	2023	2024	2025	2026	2027	2028	2029+
Trend Rate	5.90%	5.71%	5.63%	5.32%	5.13%	4.94%	4.74%	4.62%
Mortality rates	For retirees, PubG-2010 Healthy Retiree table with adjustments. Males 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older. Females: 87% prior to age 80 and 107% for ages 80 and older. All tables use generational projection based on scale MP-2019. Source: Colorado PERA Local Government Division December 31, 2021 Actuarial Valuation							

Changes in Assumptions

The following table shows the assumption changes and their impact on the total OPEB liability:

Assumption	Description	Source/Reason	Impact on Liability
Discount Rate	Increased from 2.25% to 4.31%	S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2022	\$ (793,822)
Participation Rate	Retirees taking the benefit increased from 27% to 30%; percent of retirees covering spouse increased from 24% to 28%.	Based on study of last six years of City retirements	472,986
Medical Trend	Graded down from 5.90% to 4.62%; prior was 6.4% graded down from 5.83% to 4.67%	Based on Deloitte 2022 Study of Economic Assumptions	2,716
Total Impact			\$ (318,120)

Changes in Total OPEB Liability

	OPEB Liability
Total OPEB Liability – December 31, 2021	\$ 5,553,240
Changes for the year	
Service cost	525,484
Interest	239,345
Differences between expected and actual experience	(467,953)
Changes of assumptions or other inputs	(318,120)
Changes in benefit terms	557,416
Employer benefit payments	(294,235)
Net changes for the year	241,937
Total OPEB Liability – December 31, 2022	\$ 5,795,177

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

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate			
	1% Decrease 3.31%	Discount Rate 4.31%	1% Increase 5.31%
Total OPEB Liability	\$ 6,270,470	\$ 5,795,177	\$ 5,354,454

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

	1% Decrease 4.90%	Discount Rate 5.90%	1% Increase 6.90%
Total OPEB Liability	\$ 5,151,226	\$ 5,795,177	\$ 6,557,470

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended December 31, 2022, the City recognized OPEB expense of \$1,011,434. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 149,967	\$ 589,877
Changes of assumptions and inputs	500,873	579,313
Change in proportion	121,843	121,843
	<hr/> <u>\$ 772,683</u>	<hr/> <u>\$ 1,291,033</u>

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

Year	Net Deferred Outflows (Inflows) of Resources
2023	\$ (16,576)
2024	(16,576)
2025	(16,576)
2026	(71,491)
2027	(77,290)
Thereafter	<hr/> <u>(319,841)</u>
	<hr/> <u>\$ (518,350)</u>

J. Tax Spending and Debt Limitations

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

In November 2002, Westminster voters approved a ballot measure that exempts the City from the spending and revenue limits of the amendment. The Amendment requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

At December 31, 2022, amounts required as Emergency Reserves in compliance with the Amendment total \$6,733,592 for the general government and an aggregate of \$45,461 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

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

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

L. Joint Ventures

Hyland Hills Park and Recreation District (Hyland Hills) & City of Westminster (City) Ice Centre Intergovernmental Agreement (IGA). The City entered into an IGA with Hyland Hills Park and Recreation District on January 29, 1998, in which 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 called 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 IGA entitled 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. Hyland Hills fulfilled its rental obligation when the debt was retired in 2022.

As part of the IGA, Hyland Hills also conveyed to the City an undivided fifty percent interest in Carroll Butts Park and leased to the City an undivided fifty percent interest in the Hyland Hills Carroll Butts sports facility (formerly the Hyland Hills Ice Arena) and adjacent parking lot for the twenty-five year term. At the end of the term, Hyland Hills was to convey to the City a fifty percent interest in the sports facility and parking lot. However, an Interim Intergovernmental Agreement (Interim IGA) entered into on March 14, 2022 between the City and Hyland Hills superseded this provision, and instead, the City agreed to Hyland Hill's demolition and construction of a new facility and shared renovation of Carroll Butts Park. In lieu of the fifty percent transfer in ownership interest of the sports facility and parking lot, the Interim IGA provides that the City and Hyland Hills will share in the conveyance of various other properties and realignment of property boundaries, to be achieved in the coming year.

The City receives one-half of the net revenues from operations of the Ice Centre and, until the Interim IGA took effect in 2022, the former Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2022 was \$497,835. At December 31, 2022, the net book value of the Ice Centre joint venture was \$3,486,192 and Carroll Butts Park was \$441,000 which are included in the City's capital assets. There are not separate financial statements for the joint venture.

Broomfield-Westminster Open Space Foundation. The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The City's annual lease rental payment obligation as set forth in the financing documents was fulfilled in 2016, thereby satisfying the requirement of one-half ownership interest in the property. The City records its investment in the Metzger Farm as Joint Venture Land valued at \$4,920,000. At December 31, 2022, the City's fifty percent equity interest in the Foundation is \$857,117. Financial statements for the Broomfield-Westminster Open Space Foundation may be obtained by contacting the City of Westminster, Colorado, Finance Department, 303-658-2442.

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors; 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, 2022, the City's equity interest in the Church Ditch Authority was \$1,624,713.

N. Intergovernmental Agreement

In September 1995, the City entered into an intergovernmental agreement with the State of Colorado, Department of Higher Education for the construction and operation of the College Hill Library at Front Range Community College. This agreement called for the City and Front Range College to jointly build, furnish, equip, staff, operate and maintain the College Hill Library. The library has been fully operational since April 7, 1998. The intergovernmental agreement calls for the City to pay Front Range Community College its proportionate share of operating expenses, which totaled \$158,158 in 2022. This agreement allows the City to occupy space in the facility for up to 50 years. After 33 years, either party may terminate this agreement by giving two years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

The City initially entered into an intergovernmental agreement (IGA) with the City of Thornton, the Thornton Development Authority and the Westminster Economic Development Authority on January 13, 1986 to set forth the sharing of revenues in the Interstate 25

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Corridor area. This IGA was subsequently amended several times with the final amendment dated November 10, 2004. Each City has committed to planned and orderly growth in the area along Interstate 25 between 150th Avenue on the north, Washington Street on the east, 132nd Avenue on the south and Huron Street on the West ("Corridor Area"). Increased coordination and cooperation between the Cities in planning for and regulating growth and development of land in the Corridor area will enhance the ability of the Cities to achieve their respective and common goals. Therefore, the Cities have agreed to share in the revenues received in the Corridor Area with annual payments on April 30th of the following year. The IGA is set to expire on February 1, 2026. For the year ended December 31, 2022, the City incurred a liability to the City of Thornton in the amount of \$4,185,362 and anticipates receiving \$2,925,605 from the City of Thornton in 2023.

O. Arbitrage Compliance

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

P. Tax Abatements

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

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

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

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

Tax abatements granted for the year ended December 31, 2022 were as follows:

Tax Abatement Program	Amount of Taxes Abated	
Development and Redevelopment		
Sales and Use Tax	\$	544,629
Building Use Tax		11,003
Accommodations Tax		<u>927,898</u>
Total	<u>\$</u>	<u>1,483,530</u>

Q. Property Held for Resale

The City purchased a 40,000 square foot parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2022, 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.

WEDA acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Construction of the first phase (and majority) of planned utilities, roads, parking structure and Central Plaza have been completed. The first six private development projects have opened for business which include the 9-screen Alamo Drafthouse Cinema, 8877 Eaton Street with 118 affordable housing units, the Ascent at Downtown Westminster, a mixed use residential and retail project, the 125 room Origin Hotel, the 226 unit mixed use development called Aspire at Downtown Westminster and the 274 unit mixed use

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

project called Westminster Row. Additionally, the first 34 unit ownership residential project, Townhomes on Harlan were completely sold in early 2023. Lastly, a number of retail/commercial businesses have opened which include Sweet Bloom Coffee, Westminster Tap & Burger, Familie Restaurant, Tattered Cover Bookstore, Lash & Company, 100% Chiropractic, Hope Pediatric Dentistry, and Superfruit Republic. At December 31, 2022, the properties still held by WEDA were reported as property held for resale in the financial statements at value of \$12,144,388, which is historical cost.

The City acquired five properties located in the 7300 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds with the intention of selling these properties to a developer for a United States Department Housing and Urban Development project. As of December 31, 2022, the properties were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a net realizable value of \$227,579.

R. Conduit Debt Obligations

To further economic development in the city, the City of Westminster has issued bonds that meet the definition of a conduit debt obligation. These bonds have provided private-sector entities with access to capital for the acquisition and construction of industrial and commercial facilities. The bonds are secured by the property they finance and are payable solely from payments received from the private-sector entities on the underlying mortgage or promissory notes. The City of Westminster has not extended any additional commitments for the debt service payments of the bonds beyond the collateral and the payments from the private-sector entities on the underlying mortgage or promissory notes and maintenance of the tax-exempt status of the conduit debt obligation. At December 31, 2022, the bonds have an aggregate outstanding principal amount payable of \$30,610,000, none of which was recognized as a liability by the City of Westminster.

S. Debt Issues

On April 28, 2022, the City of Westminster entered into a finance purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc., in the amount of \$1,294,217 at the rate of 2.073% for the acquisition of a Fire Aerial Ladder Truck.

On August 31, 2022, the City of Westminster, through a competitive private placement, issued \$13,785,000 as a Parks, Open Space, and Trails Special Purpose Revenue Note, Series 2022 with an arbitrage yield of 3.42%.

On September 26, 2022, the Board of Commissioners of the Westminster Economic Development Authority (WEDA), adopted a resolution authorizing the issuance of the Westminster Economic Development Authority Tax Increment Revenue Refunding Bond (South Sheridan Renewal Project), Series 2022. WEDA utilized \$2,946,435 of cash on hand at Vectra Bank towards the outstanding loan balance for the 2012 South Sheridan URA Loan. In addition, through a private placement with the City of Westminster, the Authority issued \$954,716 in Increment Revenue Refunding Bond with an arbitrage yield of 2.60% to fully prepay, redeem and discharge the refunded bonds..

T. Pollution Remediation

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

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 30 year period. At December 31, 2022, the pollution remediation liability was \$227,681 which is recorded in the Utility fund. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

The Colorado Department of Public Health & Environment (CDPHE) recognizes the City of Westminster as the sole responsible party for the pollution remediation of a property located at 7371 W 92nd Avenue in Westminster. This property was purchased with the intent to convert it to open space. Cleanup activities and site restoration, including asbestos abatement and demolition of a structure, will be completed in 2023.

As of December 31, 2022, the estimated pollution remediation liability was \$114,538, which is recorded in the Statement of Net Position, Governmental Activities. The estimated cost for the cleanup is based quotes from industry contractors, which were determined by site visits and property assessment reports, CDPHE requirements, and construction industry standard methods and assumptions. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

U. Unrealized Loss on Investments

Along with the universe of fixed income investors including most public entities, the City of Westminster's fixed income portfolio declined in value over the fiscal year due to the rapid and extreme increases in interest rates over the period. For example, the 2-year US Treasury rose 370 basis points over the fiscal year, bringing average reinvestment yields to levels around 4.00%. The total market value of the consolidated investment portfolio was \$343,909,095 as of December 31, 2022, and the total market value change was (\$13,518,357). All losses were unrealized; no losses were realized by selling securities. Although higher rates have put pressure on the total returns of the portfolio in the short-term, reinvestments are expected at higher interest rates to result in higher total returns for the portfolio over the longer-term.

V. Expenses in Excess of Appropriations

For the year ended December 31, 2022, the Parking Management Fund operating expenses exceeded budget by \$23,255, which may be a violation of Colorado budget law. The negative variance is primarily due to greater than expected personnel and contractual service costs.

W. Subsequent Event

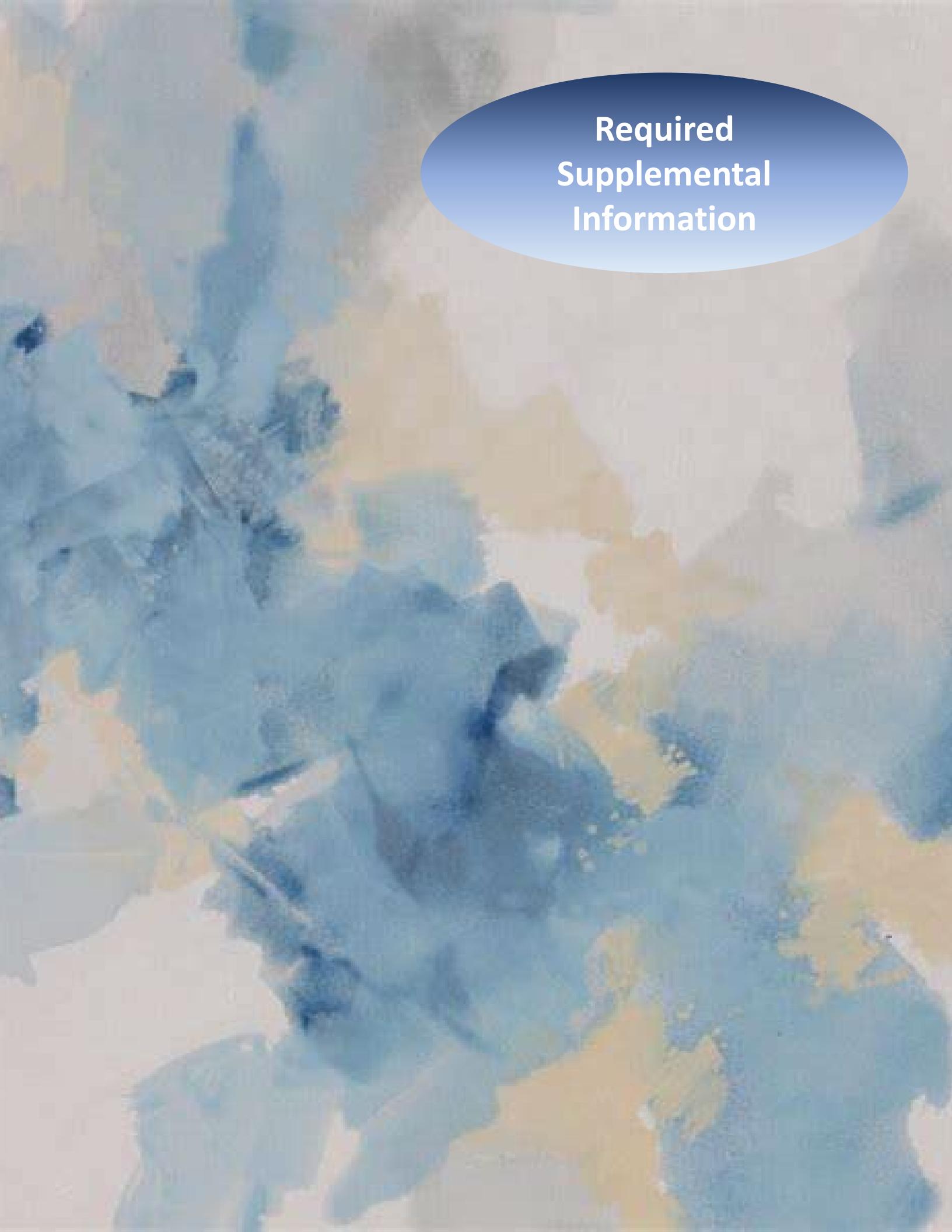
In July of 2019, City Council approved the acquisition or condemnation of real property interests for a new drinking water treatment facility site. The City made an offer of \$9,019,000 for the 37.65 acres of private property, which was the City's appraised value for the land. The landowner contracted for an appraisal and provided the City with a value of just over \$37 million. After the City was unsuccessful in negotiating a price, the City moved forward with condemnation. A petition in condemnation was filed in the Jefferson County District Court and immediate possession of the property was granted after the City deposited \$9,019,000 with the Court.

The eminent domain case went to trial in Jefferson County Civil Court in December of 2022. The case was heard by a three-person commission appointed by the Court. The commission's certificate of ascertainment was recorded with the Court in the amount of \$27,101,090. In February of 2023 the City chose to preserve the ability to appeal this verdict and deposited an additional \$20,320,503 with the Court; the difference between the initial deposit of \$9,019,000 and the commission's verdict of \$27,101,090 plus estimated interest, fees, and costs.

X. Implementation of New Accounting Standards

The City adopted Governmental Accounting Standards Board Statement No. 87, *Leases*, (GASB 87), which requires recognition of certain lease assets and liabilities previously classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provision of the contract. GASB 87 establishes lease accounting standards based on the principle that leases are financings of right to use assets. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. GASB Statement No. 87 is intended to enhance the relevance and consistency in reporting about a government's leasing activities. Information about the City's leases can be found on pages 35, 44, 47, and 53 of this report.

GASB 87 was adopted on January 1, 2022 resulting the recognition of lease receivables of \$699,077 and \$767,785 in the general fund and WEDA, respectively, and \$1,466,862 in the governmental activities for contracts entered into as lessor as of January 1, 2022. The lease receivable was reported at the present value using the City's incremental borrowing rate. All contracts entered into as lessee occurred during 2022 and therefore did not result in any items recognized as of January 1, 2022. The adoption of GASB 87 had no effect on net position/fund balances as of January 1, 2022 or on the previously reported change in net position or fund balances.



**Required
Supplemental
Information**

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 8,090,214	\$ 8,090,214	\$ 7,270,431	\$ (819,783)
Sales taxes	94,806,202	94,806,202	99,891,745	5,085,543
Use taxes	17,125,291	17,125,291	19,247,804	2,122,513
Business fees and other taxes	4,942,392	4,942,392	6,180,406	1,238,014
Accommodations taxes	4,820,680	4,820,680	4,944,010	123,330
Intergovernmental	12,559,370	29,248,867	31,602,364	2,353,497
Licenses and permits	3,072,320	3,072,320	2,485,670	(586,650)
Investment earnings	541,317	541,317	(1,453,924)	(1,995,241)
Lease interest	—	—	17,529	17,529
Recreation fees	6,336,016	6,336,016	6,922,587	586,571
Fines and forfeits	1,200,315	1,200,315	688,516	(511,799)
Fleet maintenance billings and other	6,180,833	6,180,833	5,994,799	(186,034)
EMS billings	2,200,000	2,200,000	2,767,059	567,059
Leases	—	—	48,439	48,439
Total revenues	161,874,950	178,564,447	186,607,435	8,042,988
EXPENDITURES				
General government				
City council	329,783	329,783	199,365	130,418
City attorney's office	2,259,920	2,259,920	2,047,117	212,803
City manager's office	6,056,669	5,168,669	5,235,896	(67,227)
Central charges	23,326,070	23,882,505	23,040,685	841,820
General services	8,981,416	8,591,416	7,849,899	741,517
Finance	3,289,824	3,069,825	3,196,674	(126,849)
Human resources	3,197,744	3,267,672	3,007,217	260,455
Information technology	6,314,478	6,314,478	5,758,786	555,692
Public safety				
Police	41,162,540	42,729,726	39,484,511	3,245,215
Fire	22,532,997	22,819,342	24,116,793	(1,297,451)
Public works	10,771,920	10,971,919	10,502,588	469,331
Community development	8,743,704	9,143,704	8,823,693	320,011
Economic development	2,796,546	2,796,546	2,290,208	506,338
Culture and recreation	23,660,756	23,936,727	23,202,236	734,491
Total expenditures	163,424,367	165,282,232	158,755,668	6,526,564
Excess of revenues over (under) expenditures	(1,549,417)	13,282,215	27,851,767	14,569,552
OTHER FINANCING SOURCES (USES)				
Issuance of lease	—	—	347,565	347,565
Sale of capital asset	46,346	46,346	179,392	133,046
Insurance recoveries	—	—	407,812	407,812
Transfers in	921,772	921,772	2,224,172	1,302,400
Transfers (out)	(7,600,183)	(32,398,085)	(32,398,084)	1
Total other financing sources (uses):	(6,632,065)	(31,429,967)	(29,239,143)	2,190,824
Net change in fund balance	\$ (8,181,482)	\$ (18,147,752)	(1,387,376)	\$ 16,760,376
Fund balance, beginning			65,415,406	
Fund balance, ending			\$ 64,028,030	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 17,074,442	\$ 17,655,049	\$ 18,537,265	\$ 882,216
Investment earnings	—	157	630	473
Lease interest	—	—	16,679	16,679
Rentals	—	—	110,401	110,401
Leases	—	—	268,443	268,443
Other	4,850	742,750	743,251	501
Total revenues	17,079,292	18,397,956	19,676,669	1,278,713
EXPENDITURES				
General government	1,251,877	1,887,090	1,513,757	373,333
Capital projects	10,866,447	8,981,879	631,606	8,350,273
Debt service:				
Principal	6,035,000	8,502,692	8,502,571	121
Interest and fiscal charges	1,768,254	1,733,973	1,728,988	4,985
Refunding bond issuance costs	—	9,001	9,001	—
Total expenditures	19,921,578	21,114,635	12,385,923	8,728,712
Excess of revenues (under) expenditures	(2,842,286)	(2,716,679)	7,290,746	10,007,425
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	—	954,717	954,716	(1)
Payment to refunded bond escrow agent	—	(950,717)	(787,429)	(163,288)
Transfers in	67,800	1,017,800	1,013,000	(4,800)
Transfers (out)	(1,204,850)	(4,639,305)	(4,639,305)	—
Total other financing sources (uses):	(1,137,050)	(3,617,505)	(3,459,018)	(168,089)
Net change in fund balance	\$ (3,979,336)	\$ (6,334,184)	3,831,728	\$ 9,839,336
Fund balance, beginning			42,942,615	
Fund balance, ending			\$ 46,774,343	

Budgetary Information

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

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

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

Appropriations lapse at year end for legally adopted operating budgets.

Project-length budgets are adopted for all capital projects. At year end, appropriations for incomplete capital projects are carried forward to the following year. The General Capital Improvements; Parks, Open Space, and Trails; Westminster Economic Development Authority; Community Development Block Grant; Conservation Trust; Utility Enterprise and Golf Course Enterprise Funds 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 in Note 3.D, Construction and Other Significant Commitments, on page 59.

The Investigation Recovery Fund is budgeted through supplemental appropriations when budget is needed for expenditures. In 2022, the fund did not have any expenditures, therefore budget was not appropriated as indicated on page 109.

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

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

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 525,484	\$ 560,119	\$ 227,909	\$ 181,349	\$ 213,072
Interest	239,345	75,192	58,477	109,484	94,506
Differences between expected and actual	(467,953)	117,810	(136,325)	98,817	(180,393)
Changes of assumptions or other inputs	(318,120)	91,281	108,645	(540,169)	885,897
Change in benefit terms	557,416	1,298,392	—	—	—
Employer benefit payments	(294,235)	68,593	53,226	(177,966)	(250,994)
Net change in total OPEB liability	241,937	2,211,387	311,932	(328,485)	762,088
Total OPEB liability - beginning	5,553,240	3,341,853	3,029,921	3,358,406	2,596,318
Total OPEB liability - ending	\$ 5,795,177	\$ 5,553,240	\$ 3,341,853	\$ 3,029,921	\$ 3,358,406

Covered-employee payroll \$ 79,765,206 \$ 75,068,768 \$ 77,324,931 \$ 77,907,783 \$ 75,273,220

Total OPEB liability as a percentage of covered-employee payroll 7.27% 7.40% 4.32% 3.89% 4.50%

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

Notes:

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

Changes in assumptions and other inputs as of December 31, 2022 reflect updates to the discount rate, increasing from 2.25% to 4.31% based on S&P Municipal Bond 20-year High Grade Rate Index as of December 30, 2022; participation rates, an increase in percent of retirees taking the benefit from 27% to 30% and an increase in percent of retirees covering their spouse from 24% to 28% based on a study of the last six years of City retirements; and medical trend, grading down from 5.90% to 4.62% based on Deloitte 2022 Study of Economic Assumptions.

Changes in assumptions and other inputs as of December 31, 2021 reflect updates to the discount rate, increasing from 1.93% to 2.25% based on S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2021; participation rates, an increase in percent of retirees taking the benefit from 25% to 27% and an increase in percent of retirees covering their spouse from 20% to 24% based on a study of the last five years of City retirements; medical trend, grading down to 4.67% from 6.4% based on Deloitte 2021 Study of Economic Assumptions; and payroll trend, reduced to 3.0% from 3.5% based on CO PERA Local Government Division 12/31/20 pension valuation. Other miscellaneous assumptions including mortality, termination, disability and retirement rates, were updated to reflect CO PERA Local Government Division 12/31/20 pension valuation.

Changes in assumptions and other inputs as of December 31, 2020 reflect updates to the discount rate, decreasing from 3.26% to 1.93% based on S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2020; participation rates, a reduction in percent of retirees taking the benefit from 32% to 25% and increase in percent of retirees covering spouses from 14% to 20% based on a study of the last four years of City retirements; and medical trend, increasing slightly to 5.7% from an ultimate 5.0% based on PriceWaterhouseCoopers 2020 OPEB Assumption and Disclosure Survey.

Changes in assumptions and other inputs effective for the 2019 measurement period include a decrease in the discount rate from 3.64% to 3.26%, and removal of the excise tax impact, as the law was repealed.

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

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

Measurement period ending December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Interest on the Total Pension Liability	\$ 93,797	\$ 100,851	\$ 104,907	\$ 109,431	\$ 113,458	\$ 116,377	\$ 121,049	\$ 125,396
Difference between Expected and Actual Experience	—	(45,954)	—	49,185	—	(52,369)	—	6,313
Assumption Changes	—	—	—	47,889	—	70,113	—	—
Benefit Payments	(152,110)	(159,110)	(166,460)	(167,160)	(167,160)	(178,710)	(187,810)	(191,450)
Net Change in Total Pension Liability	(58,313)	(104,213)	(61,553)	39,345	(53,702)	(44,589)	(66,761)	(59,741)
Total Pension Liability - Beginning	1,414,726	1,518,939	1,580,492	1,541,147	1,594,849	1,639,438	1,706,199	1,765,940
Total Pension Liability - Ending (a)	<u>\$1,356,413</u>	<u>\$1,414,726</u>	<u>\$1,518,939</u>	<u>\$1,580,492</u>	<u>\$1,541,147</u>	<u>\$1,594,849</u>	<u>\$1,639,438</u>	<u>\$1,706,199</u>
Plan Fiduciary Net Position								
Pension Plan Net Investment Income	\$ 382,378	\$ 311,207	\$ 327,047	\$ 2,356	\$ 334,534	\$ 124,098	\$ 46,269	\$ 170,962
Benefit Payments	(152,110)	(159,110)	(166,460)	(167,160)	(167,160)	(178,710)	(187,810)	(191,450)
Pension Plan Administrative Expense	(7,145)	(5,979)	(6,808)	(6,238)	(6,088)	(3,989)	(4,705)	(4,277)
Net Change in Plan Fiduciary Net Position	223,123	146,118	153,779	(171,042)	161,286	(58,601)	(146,246)	(24,765)
Plan Fiduciary Net Position - Beginning	2,651,721	2,505,603	2,351,824	2,522,866	2,361,580	2,420,181	2,566,427	2,591,192
Plan Fiduciary Net Position - Ending (b)	<u>\$2,874,844</u>	<u>\$2,651,721</u>	<u>\$2,505,603</u>	<u>\$2,351,824</u>	<u>\$2,522,866</u>	<u>\$2,361,580</u>	<u>\$2,420,181</u>	<u>\$2,566,427</u>
Net Pension Liability(Asset) - Ending (a) - (b)	\$1,518,431	\$(1,236,995)	\$(986,664)	\$(771,332)	\$(981,719)	\$(766,731)	\$(780,743)	\$(860,228)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	211.94%	187.44%	164.96%	148.80%	163.70%	148.08%	147.62%	150.42%
*Covered Payroll	N/A							
*Net Pension Liability as a Percentage of Covered Payroll	N/A							

*Covered payroll is not applicable for volunteer pension plans.

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

Westminster Volunteer Firefighter Pension Plan
City of Westminster

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

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Actual Contribution as a % of Covered Payroll
2015	\$ —	\$ —	\$ —	N/A	N/A
2016	—	—	—	N/A	N/A
2017	—	—	—	N/A	N/A
2018	—	—	—	N/A	N/A
2019	—	—	—	N/A	N/A
2020	—	—	—	N/A	N/A
2021	—	—	—	N/A	N/A
2022	—	—	—	N/A	N/A

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

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

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

Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021, determines the contribution amounts for 2022 and 2023.

Methods and	Assumptions Used	to	Determine	Contribution	Rates:
Actuarial Cost Method	Entry Age Normal				
Amortization Method	Level Dollar, Open				
Remaining Amortization Period	18 years*				
Asset Valuation Method	5-Year smoothed fair value				
Inflation	2.5%				
Salary Increases	N/A				
Investment Rate of Return	7.0%				
Retirement Age	50% per year of eligibility until 100% at age 65				
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.				

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

Changes of assumptions. Effective for January 1, 2017 valuations inflation decreased from 3.00% to 2.50% from the previous valuation and the mortality tables were updated as follows:

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

Effective for January 1, 2019 valuations the investment rate of return decreased from 7.50% to 7.00% from the previous valuation and the mortality tables were updated as follows:

Pre-retirement. 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.

Post-retirement. 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years.

Disabled. 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	1.489%	1.497%	1.562%	1.732%	1.737%	1.931%	2.063%	2.095%	2.123%
City's proportionate share of the net pension liability (asset)	\$ (8,069,595)	\$ (3,250,686)	\$ (883,250)	\$ 2,190,251	\$ (2,499,316)	\$ 697,573	\$ (36,368)	\$ (2,364,925)	\$ (1,898,788)
City's covered payroll	\$11,919,675	\$11,173,130	\$10,568,307	\$10,539,531	\$ 9,165,122	\$ 8,856,168	\$ 8,889,916	\$ 8,366,305	\$ 8,149,551
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(67.70)%	(29.09)%	(8.36)%	20.78%	(27.27)%	7.88%	(0.41)%	(28.27)%	(23.30)%
Plan fiduciary net position as a percentage of the total pension liability(asset)	116.16%	106.72%	101.94%	95.23%	106.34%	98.21%	100.10%	106.80%	105.80%

Information above is presented as of the measurement date.

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

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 857,075	\$ 735,523	\$ 620,727	\$ 544,013	\$ 502,313	\$ 408,032	\$ 380,840	\$ 363,791	\$ 331,008
Contributions in relation to the statutorily required contribution	857,075	735,523	620,727	544,013	502,313	408,032	380,840	363,791	331,008
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$9,523,067	\$8,654,764	\$7,759,125	\$6,800,163	\$6,278,920	\$5,100,367	\$4,760,395	\$4,547,383	\$4,137,588
Contributions as a percentage of covered payroll	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 309,960	\$ 326,491	\$ 341,401	\$ 376,816	\$ 426,064	\$ 405,605	\$ 409,577	\$ 434,257	\$ 422,872
Contributions in relation to the statutorily required contribution	309,960	326,491	341,401	376,816	426,064	405,605	409,577	434,257	422,872
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

City's covered payroll	\$3,099,603	\$3,264,911	\$3,414,005	\$3,768,144	\$4,260,611	\$4,064,755	\$4,095,773	\$4,342,533	\$4,228,717
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.

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

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

	2022	2021	2020	2019	2018
City's proportion of the net pension liability (asset)	1.875%	2.220%	2.265%	2.452%	2.450%
City's proportionate share of the net pension liability (asset)	\$ (10,161,493)	\$ (4,819,664)	\$ (1,280,911)	\$ 3,099,857	\$ (3,523,998)
City's covered payroll	\$ 14,854,297	\$ 15,065,596	\$ 13,973,407	\$ 13,591,774	\$ 2,415,071
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(68.41)%	(31.99)%	(9.17)%	22.81%	(145.92)%
Plan fiduciary net position as a percentage of the total pension liability	116.16%	106.72%	101.94%	95.23%	106.34%

Information above is presented as of the measurement date.

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

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

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

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

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 518,120	\$ 389,361	\$ 320,240	\$ 247,716	\$ 180,972	\$ 19,929
Contributions in relation to the statutorily required contribution	518,120	389,361	320,240	247,716	180,972	19,929
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 5,756,939	\$ 4,582,197	\$ 4,003,015	\$ 3,096,440	\$ 2,262,170	\$ 249,108
Contributions as a percentage of covered payroll	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.

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

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

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 969,362	\$ 1,027,207	\$ 1,106,269	\$ 1,087,692	\$ 1,132,959	\$ 216,596
Contributions in relation to the statutorily required contribution	969,362	1,027,207	1,106,269	1,087,692	1,132,959	216,596
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 9,693,621	\$ 10,272,100	\$ 11,062,581	\$ 10,876,967	\$ 11,329,604	\$ 2,165,962
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension asset	1.651%	2.761%	3.716%	4.067%	4.897%	5.641%	5.178%	4.769%	5.576%
City's proportionate share of the net pension asset	\$ (626,070)	\$ 759,359	\$ 723,582	\$ 561,326	\$ 957,427	\$ 614,060	\$ 545,354	\$ 565,544	\$ 568,776
City's covered payroll	\$ 279,524	\$ 468,912	\$ 592,947	\$ 648,118	\$ 748,707	\$ 729,525	\$ 681,843	\$ 590,284	\$ 721,382
City's proportionate share of the net pension asset as a percentage of its covered payroll	223.98%	161.94%	122.03%	86.61%	127.88%	84.17%	79.98%	95.81%	78.85%
Plan fiduciary net position as a percentage of the total pension asset	149.01%	137.99%	130.06%	123.46%	138.86%	127.50%	129.44%	140.60%	139.00%

Information above is presented as of the measurement date.

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

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 10,302	\$ 27,952	\$ 46,891	\$ 59,295	\$ 64,812	\$ 74,871	\$ 72,952	\$ 68,184	\$ 59,028
Contributions in relation to the statutorily required contribution	10,302	27,952	46,891	59,295	64,812	74,871	72,952	68,184	59,028
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 103,015	\$ 279,524	\$ 468,912	\$ 592,947	\$ 648,118	\$ 748,707	\$ 729,525	\$ 681,843	\$ 590,284
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.

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

Schedule of the Employer's Proportionate Share of the Net Pension Asset

	2022	2021	2020	2019	2018
City's proportion of the net pension asset	7.788%	8.165%	8.193%	8.677%	9.241%
City's proportionate share of the net pension asset	\$ 2,953,097	\$ 2,245,754	\$ 1,595,553	\$ 1,197,714	\$ 1,806,823
City's covered payroll	\$ 1,318,518	\$ 1,386,750	\$ 1,307,508	\$ 1,382,914	\$ 271,719
City's proportionate share of the net pension asset as a percentage of its covered payroll	223.97%	161.94%	122.03%	86.61%	664.96%
Plan fiduciary net position as a percentage of the total pension asset	149.01%	137.99%	130.06%	123.46%	138.86%

Information above is presented as of the measurement date.

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

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

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

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

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 120,841	\$ 131,851	\$ 138,677	\$ 130,750	\$ 138,291	\$ 27,172
Contributions in relation to the statutorily required contribution	120,841	131,851	138,677	130,750	138,291	27,172
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 1,208,412	\$ 1,318,518	\$ 1,386,750	\$ 1,307,508	\$ 1,382,914	\$ 271,719
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Information above is presented as of the fiscal year.

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

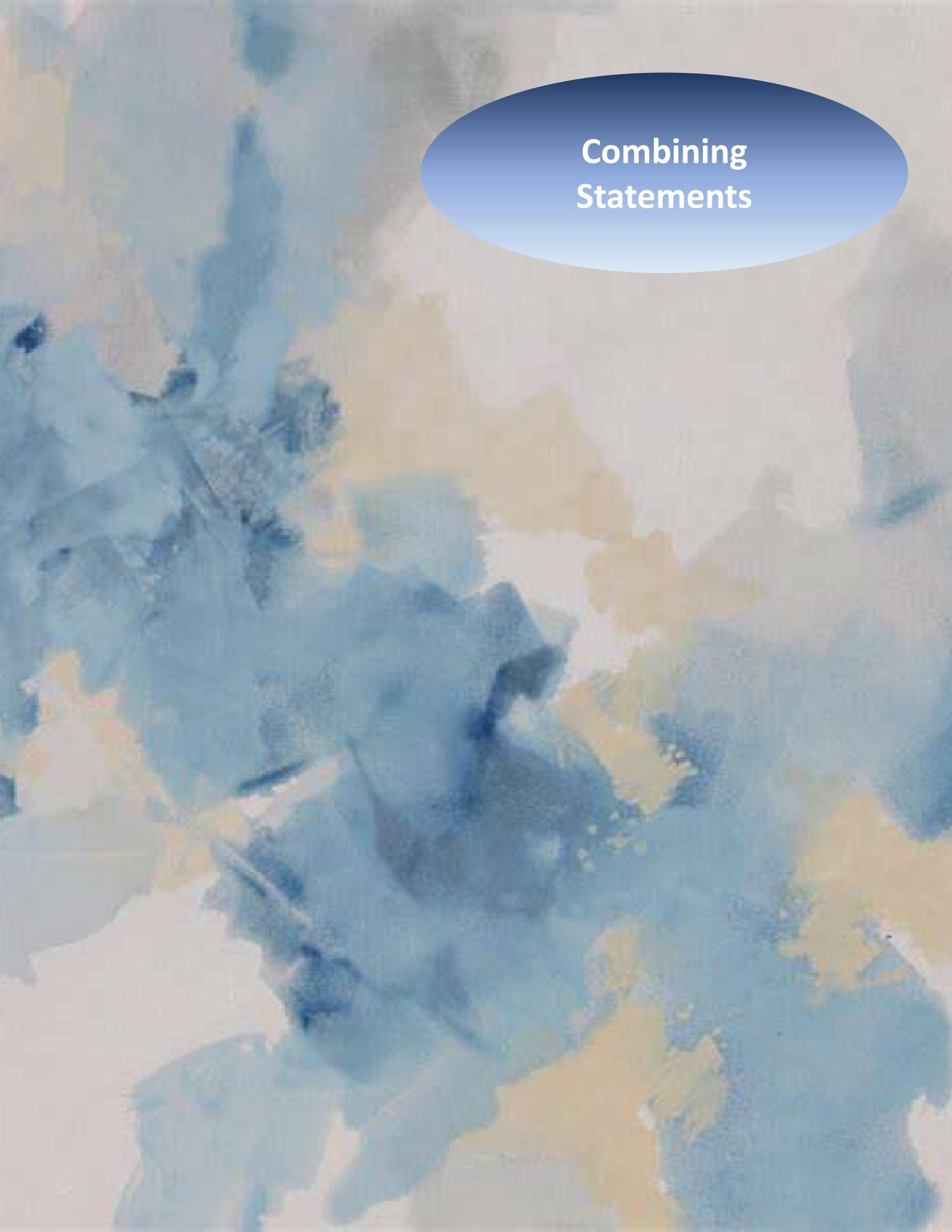
**The Police Officers affiliated with the Fire & Police Pension Association of Colorado on October 1, 2017. Contributions for 2017 include only three months of actual contributions.

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Changes of assumptions: FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Effective with the December 31, 2012 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the December 31, 2013 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% (which is unchanged from the prior year), an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased. Beginning with January 1, 2019 actuarial valuations the real return on investments decreased from 7.5% to 7.0%, projected salary increases were modified to a range of 4.25% - 11.25% from 4.0% to 14.0% and mortality tables were updated.



Combining Statements

Nonmajor Governmental Funds

Special Revenue Funds

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.

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

Downtown 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.

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

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

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

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

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

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

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

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

Debt Service Fund

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

- a) 2010 Sales and Use Tax Revenue Refunding Bonds of \$10,545,000 in annual installments through December 1, 2022; interest at 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- b) 2015 Sales and Use Tax Revenue Refunding Bonds of \$18,500,000 in annual installments through December 1, 2031; interest at 2.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.

Capital Project 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 and shared open space tax revenues from Adams and Jefferson Counties. The City's sales and use tax revenues 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. The intergovernmental county revenues is restricted for the purpose of preserving open space and the creation and maintenance of parks and recreation facilities.

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

This Page Intentionally Blank

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds				
	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID	Sheridan Crossing GID
ASSETS					
Current assets:					
Cash and cash equivalents	\$ —	\$ 23,102	\$ 67,639	\$ 20,645	\$ 166,114
Investments	—	269,325	788,545	240,683	1,936,594
Receivables:					
Taxes	—	—	—	143,876	135,842
Accounts	—	—	—	—	824
Notes	—	—	396,877	—	—
Grants	—	—	—	—	—
Interest	6,183	798	2,393	698	5,883
Property held for resale	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	183,684	—	—	—	—
Cash and cash equivalents with fiscal agent	—	—	—	—	—
Investments	2,141,429	—	—	—	—
Total assets	<u>2,331,296</u>	<u>293,225</u>	<u>1,255,454</u>	<u>405,902</u>	<u>2,245,257</u>
LIABILITIES					
Accounts payable and other	220,621	—	—	466	—
Accrued liabilities	—	—	—	—	—
Unearned revenue	—	—	—	—	—
Total liabilities	<u>220,621</u>	<u>—</u>	<u>—</u>	<u>466</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES					
	—	—	396,877	143,876	135,842
FUND BALANCES					
Restricted for:					
Capital additions and improvements	2,110,675	—	—	244,023	2,106,588
Contractual obligations	—	—	—	—	—
Debt service	—	—	—	—	—
Community development	—	—	—	—	—
Emergencies	—	—	215	17,537	2,827
Open space conservation and improvements	—	—	—	—	—
Public safety	—	293,225	—	—	—
Assigned to:					
Community development	—	—	858,362	—	—
Debt service	—	—	—	—	—
Unassigned	—	—	—	—	—
Total fund balances	<u>2,110,675</u>	<u>293,225</u>	<u>858,577</u>	<u>261,560</u>	<u>2,109,415</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,331,296</u>	<u>\$ 293,225</u>	<u>\$ 1,255,454</u>	<u>\$ 405,902</u>	<u>\$ 2,245,257</u>

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

Special Revenue Funds (Continued)

Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Avenue GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds
\$ 65,003	\$ 1,756	\$ 7,498	\$ 394	\$ 738	\$ 6,146	\$ 38	\$ 359,073
757,821	20,471	87,408	4,593	8,607	71,648	442	4,186,137
101,877	11,241	5,037	31,687	38,675	67,037	8,073	543,345
619	1,388	801	3,045	6,123	418	28	13,246
—	—	—	—	—	—	—	396,877
—	—	—	—	—	—	—	—
2,294	99	299	—	—	199	—	18,846
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	183,684
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	2,141,429
927,614	34,955	101,043	39,719	54,143	145,448	8,581	7,842,637
—	6,336	—	—	—	—	—	227,423
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	6,336	—	—	—	—	—	227,423
101,877	11,241	5,037	31,687	38,675	67,037	8,073	940,222
822,989	—	90,840	—	—	76,186	330	5,451,631
—	7,797	815	5,655	12,046	—	—	26,313
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
2,748	9,581	4,351	2,377	3,422	2,225	178	45,461
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	293,225
—	—	—	—	—	—	—	858,362
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
825,737	17,378	96,006	8,032	15,468	78,411	508	6,674,992
\$ 927,614	\$ 34,955	\$ 101,043	\$ 39,719	\$ 54,143	\$ 145,448	\$ 8,581	\$ 7,842,637

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Debt Service Fund		Capital Project Funds		Total Other Governmental Funds
	Debt Service	Parks, Open Space & Trails	Community Development Block Grant		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 15,422	\$ 1,289,427	\$ 38,632	\$ 1,702,554	
Investments	179,796	15,032,435	450,377	19,848,745	
Receivables:					
Taxes	—	1,393,148	—	1,936,493	
Accounts	—	—	—	13,246	
Notes	—	—	—	396,877	
Grants	—	864,740	78,075	942,815	
Interest	599	46,768	—	66,213	
Property held for resale	—	—	227,579	227,579	
Restricted assets:					
Cash and cash equivalents	—	—	—	183,684	
Cash and cash equivalents with fiscal agent	—	13,789,353	—	13,789,353	
Investments	—	—	—	2,141,429	
Total assets	<u>195,817</u>	<u>32,415,871</u>	<u>794,663</u>	<u>41,248,988</u>	
LIABILITIES					
Accounts payable and other	750	891,484	66,543	1,186,200	
Accrued liabilities	—	65,206	2,483	67,689	
Unearned revenue	—	—	498,055	498,055	
Total liabilities	<u>750</u>	<u>956,690</u>	<u>567,081</u>	<u>1,751,944</u>	
DEFERRED INFLOWS OF RESOURCES					
	—	864,740	78,075	1,883,037	
FUND BALANCES					
Restricted for:					
Capital additions and improvements	—	23,854,837	—	29,306,468	
Contractual obligations	—	—	—	26,313	
Debt service	—	107,353	—	107,353	
Community development	—	—	227,579	227,579	
Emergencies	—	—	—	45,461	
Open space conservation and improvements	—	6,521,062	—	6,521,062	
Public safety	—	—	—	293,225	
Assigned to:					
Community development	—	111,189	—	969,551	
Debt service	195,067	—	—	195,067	
Unassigned	—	—	(78,072)	(78,072)	
Total fund balances	<u>195,067</u>	<u>30,594,441</u>	<u>149,507</u>	<u>37,614,007</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 195,817</u>	<u>\$ 32,415,871</u>	<u>\$ 794,663</u>	<u>\$ 41,248,988</u>	

This Page Intentionally Blank

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds				
	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID	Sheridan Crossing GID
REVENUES					
Property taxes	\$ —	\$ —	\$ —	\$ 137,005	\$ 138,260
Sales taxes	—	—	—	—	—
Use taxes	—	—	—	—	—
Intergovernmental	1,107,824	—	—	452,824	10,238
Investment earnings	(59,908)	(8,325)	(22,007)	(5,262)	(54,267)
Fines and forfeitures	—	172,771	—	—	—
Other	—	—	29,169	—	—
Total revenues	1,047,916	164,446	7,162	584,567	94,231
EXPENDITURES					
General government	—	—	—	18,555	35,121
Community development	—	—	—	—	—
Capital projects	688,121	—	2,548	—	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—
Bond issuance costs	—	—	—	—	—
Total expenditures	688,121	—	2,548	18,555	35,121
Excess of revenues over (under) expenditures	359,795	164,446	4,614	566,012	59,110
OTHER FINANCING SOURCES (USES)					
Issuance of notes	—	—	—	—	—
Insurance recoveries	—	—	—	—	—
Transfers in	—	—	—	—	—
Transfers (out)	—	—	—	(575,000)	—
Total other financing sources (uses):	—	—	—	(575,000)	—
Net change in fund balance	359,795	164,446	4,614	(8,988)	59,110
Fund balance, beginning	1,750,880	128,779	853,963	270,548	2,050,305
Fund balance, ending	\$ 2,110,675	\$ 293,225	\$ 858,577	\$ 261,560	\$ 2,109,415

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Special Revenue Funds (Continued)									
Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Ave GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds		
\$ 105,118	\$ 11,708	\$ 5,982	\$ 31,754	\$ 37,730	\$ 70,932	\$ 5,534	\$ 544,023		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
7,668	308,655	142,098	47,282	75,992	5,159	405	2,158,145		
(21,193)	(1,004)	(3,026)	205	337	(1,921)	—	(176,371)		
—	—	—	—	—	—	—	172,771		
—	—	—	—	—	—	—	29,169		
91,593	319,359	145,054	79,241	114,059	74,170	5,939	2,727,737		
35,812	10,165	16,580	16,976	17,026	30,376	6,333	186,944		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	690,669		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
35,812	10,165	16,580	16,976	17,026	30,376	6,333	877,613		
55,781	309,194	128,474	62,265	97,033	43,794	(394)	1,850,124		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	(303,675)	(107,207)	(63,000)	(118,000)	—	—	(1,166,882)		
—	(303,675)	(107,207)	(63,000)	(118,000)	—	—	(1,166,882)		
55,781	5,519	21,267	(735)	(20,967)	43,794	(394)	683,242		
769,956	11,859	74,739	8,767	36,435	34,617	902	5,991,750		
\$ 825,737	\$ 17,378	\$ 96,006	\$ 8,032	\$ 15,468	\$ 78,411	\$ 508	\$ 6,674,992		

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

(continued)

	Debt Service Fund	Capital Project Fund		Total Other Governmental Funds
	Debt Service	Parks, Open Space & Trails	Community Development Block Grant	
REVENUES				
Property taxes	\$ —	\$ —	\$ —	\$ 544,023
Sales taxes	—	6,932,921	—	6,932,921
Use taxes	—	1,335,897	—	1,335,897
Intergovernmental	—	3,423,668	944,993	6,526,806
Interest	4,479	(324,801)	—	(496,693)
Fines and forfeitures	—	—	—	172,771
Other	—	7,500	—	36,669
Total revenues	4,479	11,375,185	944,993	15,052,394
EXPENDITURES				
General government	—	—	—	186,944
Community development	—	3,264,446	—	3,264,446
Capital projects	—	5,904,075	304,160	6,898,904
Debt service:				
Principal	2,370,000	—	—	2,370,000
Interest and fiscal charges	651,818	—	—	651,818
Bond issuance costs	—	103,000	—	103,000
Total expenditures	3,021,818	9,271,521	304,160	13,475,112
Excess of revenues over (under) expenditures	(3,017,339)	2,103,664	640,833	1,577,282
OTHER FINANCING SOURCES (USES)				
Issuance of notes	—	13,785,000	—	13,785,000
Insurance recoveries	—	11,290	—	11,290
Transfers in	2,998,844	282,544	—	3,281,388
Transfers (out)	—	(2,350,169)	—	(3,517,051)
Total other financing sources (uses):	2,998,844	11,728,665	—	13,560,627
Net change in fund balance	(18,495)	13,832,329	640,833	15,137,909
Fund balance, beginning	213,562	16,762,112	(491,326)	22,476,098
Fund balance, ending	\$ 195,067	\$ 30,594,441	\$ 149,507	\$ 37,614,007

BUDGETARY COMPARISON SCHEDULES

GOVERNMENTAL FUNDS

This Page Intentionally Blank

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 2,127,004	\$ 5,077,184	\$ 2,950,180
Investment earnings	660,000	(1,790,760)	(2,450,760)
Contributions	2,340,900	3,848,473	1,507,573
Total revenues	5,127,904	7,134,897	2,006,993
EXPENDITURES			
General government	2,022,000	1,617,385	404,615
Capital projects	93,245,322	27,878,420	65,366,902
Total expenditures	95,267,322	29,495,805	65,771,517
Excess of revenues under expenditures	(90,139,418)	(22,360,908)	(63,764,524)
OTHER FINANCING SOURCES AND (USES)			
Sale of asset	—	48,650	48,650
Transfers in	18,993,000	30,854,413	11,861,413
Transfers out	(950,000)	(950,000)	—
Total other financing sources (uses):	18,043,000	29,953,063	11,910,063
Net change in fund balance	\$ (72,096,418)	7,592,155	\$ (51,854,461)
Fund balance, beginning		58,574,128	
Fund balance, ending		\$ 66,166,283	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 982,381	\$ 1,107,824	\$ 125,443
Investment earnings	30,000	(59,908)	(89,908)
Total revenues	1,012,381	1,047,916	35,535
EXPENDITURES			
Capital projects	2,696,177	688,121	2,008,056
Total expenditures	2,696,177	688,121	2,008,056
Change in net position	\$ (1,683,796)	359,795	\$ 2,043,591
Fund balance, beginning		1,750,880	
Fund balance, ending		\$ 2,110,675	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
INVESTIGATION RECOVERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment earnings	\$ —	\$ (8,325)	\$ (8,325)
Fines and forfeitures	—	172,771	172,771
Total revenues	—	164,446	164,446
EXPENDITURES			
Public safety	—	—	—
Total expenditures	—	—	—
Excess of revenues over (under) expenditures	—	164,446	164,446
Net change in fund balance	\$ —	164,446	\$ 164,446
Fund balance, beginning		128,779	
Fund balance, ending		\$ 293,225	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment earnings	\$ —	\$ (22,007)	\$ (22,007)
Other	—	29,169	29,169
Total revenues	—	7,162	7,162
EXPENDITURES			
Capital projects	2,548	2,548	—
Total expenditures	2,548	2,548	—
Net change in fund balance	\$ (2,548)	4,614	\$ 7,162
Fund balance, beginning		853,963	
Fund balance, ending		\$ 858,577	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DOWNTOWN GENERAL IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 205,992	\$ 137,005	\$ (68,987)
Intergovernmental	490,599	452,824	(37,775)
Investment earnings	263	(5,262)	(5,525)
Total revenues	696,854	584,567	(112,287)
EXPENDITURES			
General government	19,590	18,555	1,035
Total expenditures	19,590	18,555	1,035
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(655,000)	(575,000)	80,000
Net change in fund balance	\$ 22,264	(8,988)	\$ (31,252)
Fund balance, beginning			270,548
Fund balance, ending		\$ 261,560	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 139,871	\$ 138,260	\$ (1,611)
Intergovernmental	9,400	10,238	838
Investment earnings	17,941	(54,267)	(72,208)
Total revenues	167,212	94,231	(72,981)
EXPENDITURES			
General government	102,998	35,121	67,877
Total expenditures	102,998	35,121	67,877
Net change in fund balance	\$ 64,214	59,110	\$ (5,104)
Fund balance, beginning			2,050,305
Fund balance, ending			\$ 2,109,415

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
AMHERST GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 105,125	\$ 105,118	\$ (7)
Intergovernmental	5,600	7,668	2,068
Investment earnings	6,570	(21,193)	(27,763)
Total revenues	117,295	91,593	(25,702)
EXPENDITURES			
General government	69,577	35,812	33,765
Total expenditures	69,577	35,812	33,765
Net change in fund balance	\$ 47,718	55,781	\$ 8,063
Fund balance, beginning		769,956	
Fund balance, ending		\$ 825,737	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 10,919	\$ 11,708	\$ 789
Intergovernmental	305,364	308,655	3,291
Investment earnings	127	(1,004)	(1,131)
Total revenues	316,410	319,359	2,949
EXPENDITURES			
General government	10,264	10,165	99
Total expenditures	10,264	10,165	99
Excess of revenues over (under) expenditures	306,146	309,194	3,048
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(303,675)	(303,675)	—
Net change in fund balance	\$ 2,471	5,519	\$ 3,048
Fund balance, beginning		11,859	
Fund balance, ending		\$ 17,378	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 4,983	\$ 5,982	\$ 999
Intergovernmental	141,360	142,098	738
Investment earnings	289	(3,026)	(3,315)
Total revenues	146,632	145,054	(1,578)
EXPENDITURES			
General government	16,625	16,580	45
Total expenditures	16,625	16,580	45
Excess of revenues over (under) expenditures	130,007	128,474	(1,533)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(107,207)	(107,207)	—
Net change in fund balance	\$ 22,800	21,267	\$ (1,533)
Fund balance, beginning			74,739
Fund balance, ending	\$ 96,006		

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 103,258	\$ 31,754	\$ (71,504)
Intergovernmental	48,600	47,282	(1,318)
Investment earnings	183	205	22
Total revenues	152,041	79,241	(72,800)
EXPENDITURES			
General government	18,149	16,976	1,173
Total expenditures	18,149	16,976	1,173
Excess of revenues over (under) expenditures	133,892	62,265	(71,627)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(139,000)	(63,000)	76,000
Net change in fund balance	\$ (5,108)	(735)	\$ 4,373
Fund balance, beginning			8,767
Fund balance, ending			<u>8,032</u>

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 38,179	\$ 37,730	(449)
Intergovernmental	78,000	75,992	(2,008)
Investment earnings	103	337	234
Total revenues	116,282	114,059	(2,223)
EXPENDITURES			
General government	17,173	17,026	147
Total expenditures	17,173	17,026	147
Excess of revenues over (under) expenditures	99,109	97,033	(2,076)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(129,619)	(118,000)	11,619
Net change in fund balance	\$ (30,510)	(20,967)	\$ 9,543
Fund balance, beginning		36,435	
Fund balance, ending		\$ 15,468	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARK 1200 GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 70,932	\$ 70,932	\$ —
Intergovernmental	5,206	5,159	(47)
Investment earnings	115	(1,921)	(2,036)
Total revenues	76,253	74,170	(2,083)
EXPENDITURES			
General government	74,464	30,376	44,088
Total expenditures	74,464	30,376	44,088
Net change in fund balance	\$ 1,789	43,794	\$ 42,005
Fund balance, beginning		34,617	
Fund balance, ending		\$ 78,411	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER STATION GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 4,785	\$ 5,534	\$ 749
Intergovernmental	1,120	405	(715)
Investment earnings	45	—	(45)
Total revenues	5,950	5,939	(11)
EXPENDITURES			
General government	6,622	6,333	289
Total expenditures	6,622	6,333	289
Net change in fund balance	\$ (672)	(394)	\$ 278
Fund balance, beginning			902
Fund balance, ending		\$ 508	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment earnings	\$ 5,730	\$ 4,479	\$ (1,251)
Total revenues	<u>5,730</u>	<u>4,479</u>	<u>(1,251)</u>
EXPENDITURES			
Debt service:			
Principal	2,370,000	2,370,000	—
Interest and fiscal charges	652,219	651,818	401
Total expenditures	<u>3,022,219</u>	<u>3,021,818</u>	<u>401</u>
Excess of revenues (under) expenditures	<u>(3,016,489)</u>	<u>(3,017,339)</u>	<u>(850)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,995,169	2,998,844	3,675
Net change in fund balance	<u>\$ (21,320)</u>	<u>(18,495)</u>	<u>\$ 2,825</u>
Fund balance, beginning		213,562	
Fund balance, ending	<u><u>\$ 195,067</u></u>		

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 6,581,130	\$ 6,932,921	\$ 351,791
Use taxes	1,188,780	1,335,897	147,117
Intergovernmental	5,032,601	3,423,668	(1,608,933)
Investment earnings	120,000	(324,801)	(444,801)
Other	5,000	7,500	2,500
Total revenues	12,927,511	11,375,185	(1,552,326)
EXPENDITURES			
Community development	3,423,145	3,264,446	158,699
Capital projects	36,441,375	5,904,075	30,537,300
Bond issuance costs	103,000	103,000	—
Total expenditures	39,967,520	9,271,521	30,695,999
Excess of revenues over expenditures	(27,040,009)	2,103,664	29,143,673
OTHER FINANCING SOURCES (USES)			
Issuance of notes	13,785,000	13,785,000	—
Insurance recoveries	—	11,290	11,290
Transfers in	282,544	282,544	—
Transfers (out)	(2,350,169)	(2,350,169)	—
Total other financing sources (uses):	11,717,375	11,728,665	11,290
Net change in fund balance	\$ (15,322,634)	13,832,329	\$ 29,154,963
Fund balance, beginning		16,762,112	
Fund balance, ending		\$ 30,594,441	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 609,723	\$ 944,993	\$ 335,270
Total Revenues	<u>609,723</u>	<u>944,993</u>	<u>335,270</u>
EXPENDITURES			
Capital projects	2,515,080	304,160	2,210,920
Total expenditures	<u>2,515,080</u>	<u>304,160</u>	<u>2,210,920</u>
Net change in fund balance	<u><u>\$ (1,905,357)</u></u>	<u><u>640,833</u></u>	<u><u>\$ 2,546,190</u></u>
Fund balance, beginning			(491,326)
Fund balance, ending		<u><u>\$ 149,507</u></u>	

Nonmajor Proprietary Funds

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

Parking Management Fund - accounts for the operation and management of parking facilities and services as well as the enforcement of ordinances regulating parking in Downtown Westminster and the Westminster Station Area.

This Page Intentionally Blank

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2022

	Golf Course Fund	Parking Management Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 65,676	\$ 11,778	\$ 77,454
Investments	715,534	137,312	852,846
Receivables, net:			
Accounts	19,491	18,849	38,340
Interest	2,294	399	2,693
Inventories	266,622	—	266,622
Prepaid items	1,450	—	1,450
Total current assets	1,071,067	168,338	1,239,405
Non-current assets:			
Cash and cash equivalents with fiscal agent	770,651	—	770,651
Investments with fiscal agent	5,674	—	5,674
Capital assets:			
Non-depreciable assets	16,339,395	—	16,339,395
Depreciable assets, net	9,177,530	24,452,968	33,630,498
Total noncurrent assets	26,293,250	24,452,968	50,746,218
Total assets	27,364,317	24,621,306	51,985,623
DEFERRED OUTFLOWS OF RESOURCES	16,450	9,596	26,046
LIABILITIES			
Current liabilities:			
Accounts payable and other	646,132	8,649	654,781
Accrued liabilities	60,578	9,400	69,978
Unearned revenue	82,750	—	82,750
Notes payable, current portion	1,157,467	—	1,157,467
Other liabilities, current portion	12,706	2,382	15,088
Accrued interest	26,138	—	26,138
Total current liabilities	1,985,771	20,431	2,006,202
Non-current liabilities:			
Notes payable	7,026,320	—	7,026,320
Other liabilities payable	257,459	22,165	279,624
Total non-current liabilities	7,283,779	22,165	7,305,944
Total liabilities	9,269,550	42,596	9,312,146
DEFERRED INFLOWS OF RESOURCES	21,558	2,536	24,094
Net Position			
Net Investment in capital assets	17,599,842	24,452,968	42,052,810
Unrestricted	489,817	132,802	622,619
Total Net Position	\$ 18,089,659	\$ 24,585,770	\$ 42,675,429

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf Course Fund	Parking Management Fund	Total
Operating revenues			
Charges for services	\$ 4,140,230	\$ 111,201	\$ 4,251,431
Other	35,551	—	35,551
Total operating revenues	4,175,781	111,201	4,286,982
Operating expenses			
Personnel services	2,179,627	304,988	2,484,615
Contractual services	1,222,640	343,897	1,566,537
Commodities	570,227	2,773	573,000
Capital expense	259,193	703	259,896
Depreciation expense	937,514	646,872	1,584,386
Total operating expenses	5,169,201	1,299,233	6,468,434
Operating income (loss)	(993,420)	(1,188,032)	(2,181,452)
Nonoperating revenues (expenses)			
Investment earnings	10,538	(3,682)	6,856
Interest expense	(200,556)	—	(200,556)
Grants	3,250	—	3,250
Gain on disposition of capital assets	9,719	—	9,719
Insurance recoveries	2,900	—	2,900
Total nonoperating revenues (expenses)	(174,149)	(3,682)	(177,831)
Income (loss) before transfers	(1,167,569)	(1,191,714)	(2,359,283)
Capital contributions	1,789,740	16,928	1,806,668
Transfers in	425,000	520,183	945,183
Total other financing sources (uses):	2,214,740	537,111	2,751,851
Change in net position	1,047,171	(654,603)	392,568
Net position - beginning	17,042,488	25,240,373	42,282,861
Net position - ending	\$ 18,089,659	\$ 24,585,770	\$ 42,675,429

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf Course Fund	Parking Management Fund	Total Nonmajor Proprietary Fund
Cash flows from operating activities:			
Receipts from customers	\$ 4,176,440	\$ 111,201	\$ 4,287,641
Cash payments to employees for services	(1,728,768)	(304,988)	(2,033,756)
Cash payments to benefits on behalf of employees	(417,462)	(9,297)	(426,759)
Cash payments to suppliers for goods and services	(1,975,056)	(323,687)	(2,298,743)
Payments to other funds	—	(78,242)	(78,242)
Net cash provided by operating activities	<u>55,154</u>	<u>(605,013)</u>	<u>(549,859)</u>
Cash flows from noncapital financing activities:			
Transfer in	425,000	520,183	945,183
Grant proceeds not restricted to capital purposes	3,250	—	3,250
Net cash provided by noncapital financing activities	<u>428,250</u>	<u>520,183</u>	<u>948,433</u>
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(720,381)	—	(720,381)
Interest paid on long-term debt	(206,972)	—	(206,972)
Acquisition and construction of capital assets	(3,966,844)	(703)	(3,967,547)
Insurance recoveries	2,900	—	2,900
Net cash used in capital and related financing activities	<u>(4,891,297)</u>	<u>(703)</u>	<u>(4,892,000)</u>
Cash flow from investing activities:			
Proceeds from sale of investments	2,103,345	162,234	2,265,579
Purchases of investments	(1,032,722)	(92,478)	(1,125,200)
Interest received on investments	(15,810)	1,582	(14,228)
Net cash provided by investing activities	<u>1,054,813</u>	<u>71,338</u>	<u>1,126,151</u>
Net decrease in cash and cash equivalents	(3,353,080)	(14,195)	(3,367,275)
Cash and cash equivalents - beginning of year	4,189,407	25,973	4,215,380
Cash and cash equivalents - end of year	<u>\$ 836,327</u>	<u>\$ 11,778</u>	<u>\$ 848,105</u>
Reconciliation of cash and cash equivalents to Statement of Net Position			
Unrestricted cash and cash equivalents	\$ 65,676	\$ 11,778	\$ 77,454
Restricted cash and cash equivalents with fiscal agent	<u>770,651</u>	<u>—</u>	<u>770,651</u>
Total Cash and Cash Equivalents	<u>\$ 836,327</u>	<u>\$ 11,778</u>	<u>\$ 848,105</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities			
Operating loss	<u>\$ (993,420)</u>	<u>\$ (1,188,032)</u>	<u>\$ (2,181,452)</u>
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	937,514	646,872	1,584,386
(Increase) decrease in accounts receivable	(12,033)	2,421	(9,612)
(Increase) decrease in inventories	(33,084)	—	(33,084)
Increase(decrease) in deferred outflow of resources	323	(9,297)	(8,974)
Increase(decrease) in unearned revenue	12,692	—	12,692
Increase (decrease) in accounts payable and other	124,769	(66,700)	58,069
Increase (decrease) in accrued liabilities	7,020	6,592	13,612
Increase (decrease) in deferred inflow of resources	11,373	2,428	13,801
Total adjustments	<u>1,048,574</u>	<u>583,019</u>	<u>1,631,593</u>
Net cash provided by (used in) operating activities	<u>\$ 55,154</u>	<u>\$ (605,013)</u>	<u>\$ (549,859)</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

NON-CASH FINANCING, CAPITAL AND INVESTING ACTIVITIES:	Business-type Activities Nonmajor Proprietary Funds		
	Golf Course Fund	Parking Management Fund	Total Nonmajor Proprietary Funds
Financing Activities			
Amortization of discounts (premiums), prepaid insurance, and loss on refunding	\$ (1,926)	\$ —	\$ (1,926)
Capital Activities			
Capital contributions from governmental activities	\$ 1,789,740	\$ 16,928	\$ 1,806,668
Capital assets acquired through payables	\$ 264,722	\$ 703	\$ 265,425
Gain (Loss) on disposal of capital assets	\$ 9,719	\$ —	\$ 9,719
Investing Activities			
Increase (Decrease) in fair value of investments	\$ (29,107)	\$ 5,242	\$ (23,865)

BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

This Page Intentionally Blank

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 72,534,170	\$ 74,423,847	\$ 1,889,677
Other	477,713	689,464	211,751
Total operating revenues	<u>73,011,883</u>	<u>75,113,311</u>	<u>2,101,428</u>
Operating expenses			
Personnel services	18,770,436	17,582,156	1,188,280
Contractual services	20,524,063	17,255,835	3,268,228
Commodities	3,443,322	3,002,542	440,780
Capital expense	121,435,311	25,262,423	96,172,888
Total operating expenses	<u>164,173,132</u>	<u>63,102,956</u>	<u>101,070,176</u>
Operating income (loss)	<u>(91,161,249)</u>	<u>12,010,355</u>	<u>103,171,604</u>
Nonoperating revenues (expenses)			
Investment earnings	1,145,171	(4,227,339)	(5,372,510)
Debt service	(9,732,948)	(9,708,748)	24,200
Disposition of assets	—	920,000	920,000
Contributions	8,956,611	3,366,044	(5,590,567)
Insurance recoveries	—	20,851	20,851
Issuance of lease	—	116,517	116,517
Total nonoperating revenues (expenses)	<u>368,834</u>	<u>(9,512,675)</u>	<u>(9,881,509)</u>
Income before transfers	<u>(90,792,415)</u>	<u>2,497,680</u>	<u>93,290,095</u>
Transfers in	24,088,409	34,246,749	10,158,340
Transfers (out)	(30,884,210)	(30,884,210)	—
Total other financing	<u>(6,795,801)</u>	<u>3,362,539</u>	<u>10,158,340</u>
Change in net position	<u>\$ (97,588,216)</u>	<u>5,860,219</u>	<u>\$ 103,448,435</u>
Adjustments to GAAP basis			
Debt			
Principal payments	5,360,312		
Amortization of prepaid bond insurance	(5,396)		
Amortization of premiums and discounts	1,154,622		
Amortization of loss on refunding	(53,874)		
Accrued interest adjustment	17,466		
Capital assets			
Acquisitions	23,744,202		
Net book value of disposals	(701,250)		
Capital contributions	15,949,900		
Depreciation	(16,285,119)		
Leased assets			
Leases	(116,517)		
Accrued interest adjustment	(288)		
Amortization	(4,855)		
Inventories	343,588		
Personnel services accruals	206,081		
Change in net position, GAAP basis	<u>\$ 35,469,091</u>		

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,730,825	\$ 4,140,230	\$ 409,405
Other	33,468	35,551	2,083
Total operating revenues	<u>3,764,293</u>	<u>4,175,781</u>	<u>411,488</u>
Operating Expenses			
Personnel services	2,230,976	2,153,250	77,726
Contractual services	947,888	1,220,378	(272,490)
Commodities	596,203	605,573	(9,370)
Capital expense	4,847,066	4,179,066	668,000
Total operating expenses	<u>8,622,133</u>	<u>8,158,267</u>	<u>463,866</u>
Operating loss	<u>(4,857,840)</u>	<u>(3,982,486)</u>	<u>875,354</u>
Nonoperating revenues (expenses)			
Investment earnings	20,500	10,538	(9,962)
Debt service	(972,267)	(927,353)	44,914
Grants	1,250	3,250	2,000
Insurance recoveries	—	2,900	2,900
Total nonoperating revenues (expenses)	<u>(950,517)</u>	<u>(910,665)</u>	<u>39,852</u>
Income before transfers	<u>(5,808,357)</u>	<u>(4,893,151)</u>	<u>915,206</u>
Transfers in	425,000	425,000	—
Total other financing	<u>425,000</u>	<u>425,000</u>	<u>—</u>
Change in net position	<u>\$ (5,383,357)</u>	<u>(4,468,151)</u>	<u>\$ 915,206</u>
Adjustments to GAAP basis			
Debt			
Principal payments	720,381		
Amortization of prepaid bond insurance	(2,901)		
Amortization of premiums and discounts	9,245		
Amortization of loss on refunding	(4,418)		
Accrued interest adjustment	4,489		
Capital assets			
Acquisitions	3,919,873		
Net book value of disposals	9,719		
Capital contributions	1,789,740		
Depreciation	(937,514)		
Inventories			
Personnel services accruals			
Change in net position, GAAP basis	<u>\$ 1,047,171</u>		

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKING MANAGEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 88,000	\$ 111,201	\$ 23,201
Total operating revenues	<u>88,000</u>	<u>111,201</u>	<u>23,201</u>
Operating Expenses			
Personnel services	293,643	305,265	(11,622)
Contractual services	330,740	343,897	(13,157)
Commodities	4,297	2,773	1,524
Capital expense	703	703	—
Total operating expenses	<u>629,383</u>	<u>652,638</u>	<u>(23,255)</u>
Operating loss		(541,383)	(541,437)
Nonoperating revenues (expenses)			
Investment earnings	1,200	(3,682)	(4,882)
Total nonoperating revenues (expenses)	<u>1,200</u>	<u>(3,682)</u>	<u>(4,882)</u>
Income before transfers		(540,183)	(545,119)
OTHER FINANCING SOURCES AND (USES)			
Transfers in	520,183	520,183	—
Total other financing	<u>520,183</u>	<u>520,183</u>	<u>—</u>
Change in net position		<u>\$ (20,000)</u>	<u>(24,936)</u>
Adjustments to GAAP basis			
Capital assets			
Capital contributions	16,928		
Depreciation	(646,872)		
Personnel services accruals		277	
Change in net position, GAAP basis	<u>\$ (654,603)</u>		

This Page Intentionally Blank

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.

Fleet Fund - accounts for the maintenance of the City's fleet assets.

This Page Intentionally Blank

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022

	Internal Service Funds						Total
	Medical and Dental Self-Insurance	Workers' Compensation Self-Insurance	Property and Liability Self-Insurance	General Capital Outlay Replacement	Fleet Fund		
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 564,660	\$ 383,922	\$ 221,273	\$ 503,343	\$ 56,773	\$ 1,729,971	
Cash and cash equivalents with fiscal	184,752	—	—	—	—	—	184,752
Investments	6,582,937	4,475,845	2,579,657	5,868,092	661,868	20,168,399	
Receivables:							
Accounts	61,759	—	152	18,542	—	80,453	
Interest	23,035	13,761	7,678	17,949	2,094	64,517	
Inventories	—	—	—	—	69,141	69,141	
Prepaid items	—	—	—	3,020,531	—	3,020,531	
Total current assets	<u>7,417,143</u>	<u>4,873,528</u>	<u>2,808,760</u>	<u>9,428,457</u>	<u>789,876</u>	<u>25,317,764</u>	
Noncurrent assets:							
Capital assets:							
Depreciable assets, net	—	—	—	9,943,155	193,964	10,137,119	
Total noncurrent assets	—	—	—	9,943,155	193,964	10,137,119	
Total assets	<u>7,417,143</u>	<u>4,873,528</u>	<u>2,808,760</u>	<u>19,371,612</u>	<u>983,840</u>	<u>35,454,883</u>	
LIABILITIES							
Current liabilities:							
Accounts payable and other	167,771	10,665	216,645	178,422	147,454	720,957	
Accrued liabilities	9,191	2,756	2,755	—	36,792	51,494	
Notes payable, current portion	—	—	—	652,556	—	652,556	
Other liabilities, current portion	129	—	2,681	—	582	3,392	
Accrued interest	—	—	—	49,918	—	49,918	
Estimated claims	916,882	124,162	714,392	—	—	1,755,436	
Total current liabilities	<u>1,093,973</u>	<u>137,583</u>	<u>936,473</u>	<u>880,896</u>	<u>184,828</u>	<u>3,233,753</u>	
Noncurrent liabilities:							
Notes payable	—	—	—	2,391,627	—	2,391,627	
Other liabilities payable	1,157	—	17,001	—	49,580	67,738	
Total noncurrent liabilities	<u>1,157</u>	<u>—</u>	<u>17,001</u>	<u>2,391,627</u>	<u>49,580</u>	<u>2,459,365</u>	
Total liabilities	<u>1,095,130</u>	<u>137,583</u>	<u>953,474</u>	<u>3,272,523</u>	<u>234,408</u>	<u>5,693,118</u>	
NET POSITION							
Net investment in capital assets	—	—	—	6,734,010	193,964	6,927,974	
Unrestricted	6,322,013	4,735,945	1,855,286	9,365,079	555,468	22,833,791	
Total net position	<u>\$ 6,322,013</u>	<u>\$ 4,735,945</u>	<u>\$ 1,855,286</u>	<u>\$ 16,099,089</u>	<u>\$ 749,432</u>	<u>\$ 29,761,765</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, 2022

	Governmental Activities Internal Service Funds					
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	Total
Operating revenues						
Charges for services	\$ 17,792,982	\$ 461,979	\$ 3,301,375	\$ 5,544,872	\$ 2,987,486	\$ 30,088,694
Other	3,301	1,182	—	44,438	—	48,921
Total operating revenues	17,796,283	463,161	3,301,375	5,589,310	2,987,486	30,137,615
Operating expenses						
Personnel services	252,042	79,989	135,089	—	1,234,279	1,701,399
Contractual services	3,063,530	209,175	1,031,859	—	1,169,753	5,474,317
Commodities	15,072	12,635	150	—	1,498,329	1,526,186
Capital expense	—	—	484	679,510	—	679,994
Insurance and other expenses	14,095,011	834,491	1,505,558	—	—	16,435,060
Depreciation	—	—	—	2,363,705	28,503	2,392,208
Total operating expenses	17,425,655	1,136,290	2,673,140	3,043,215	3,930,864	28,209,164
Operating income (loss)	370,628	(673,129)	628,235	2,546,095	(943,378)	1,928,451
Nonoperating revenues (expenses)						
Investment earnings	(224,116)	(123,094)	(68,980)	(163,749)	(17,501)	(597,440)
Interest expense	—	—	—	(55,274)	—	(55,274)
Gain on disposition of capital assets	—	—	—	84,027	—	84,027
Insurance recoveries	—	—	—	—	623,817	623,817
Total nonoperating revenues (expenses)	(224,116)	(123,094)	(68,980)	(134,996)	606,316	55,130
Capital contributions	—	—	—	43,668	—	43,668
Transfers (out)	—	—	—	(176,255)	—	(176,255)
Total other financing sources (uses):	—	—	—	(132,587)	—	(132,587)
Change in net position	146,512	(796,223)	559,255	2,278,512	(337,062)	1,850,994
Net position - beginning	6,175,501	5,532,168	1,296,031	13,820,577	1,086,494	27,910,771
Net position - ending	\$ 6,322,013	\$ 4,735,945	\$ 1,855,286	\$ 16,099,089	\$ 749,432	\$ 29,761,765

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Governmental Activities Internal Service Funds					
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	Total
Cash flows from operating activities:						
Receipts from interfund charges for risk management services	\$ 17,732,029	\$ 461,979	\$ 3,301,223	\$ —	\$ —	\$ 21,495,231
Receipts from interfund charges for capital outlay replacement	—	—	—	5,750,403	—	5,750,403
Receipts from interfund charges for fleet services	—	—	—	—	2,987,486	2,987,486
Cash payments to employees for services	(304,613)	(79,593)	(131,926)	—	(924,722)	(1,440,854)
Cash payments to benefits on behalf of employees	—	—	—	—	(286,679)	(286,679)
Cash payments to suppliers for goods and services	(16,843,281)	(1,182,790)	(3,315,628)	(3,686,580)	(2,541,161)	(27,569,440)
Other operating revenues	3,301	1,183	—	44,438	—	48,922
Net cash provided by (used in) operating activities	587,436	(799,221)	(146,331)	2,108,261	(765,076)	985,069
Cash flows from noncapital financing activities:						
Transfer out	—	—	—	(176,255)	—	(176,255)
Net cash provided by (used in) noncapital financing activities	—	—	—	(176,255)	—	(176,255)
Cash flows from capital and related financing activities:						
Principal paid on long term debt	—	—	—	(468,317)	—	(468,317)
Interest paid on long term debt	—	—	—	(45,497)	—	(45,497)
Acquisition and construction of capital assets	—	—	—	(2,230,022)	(119,321)	(2,349,343)
Proceeds from sale of capital assets	—	—	—	99,173	—	99,173
Insurance recoveries	—	—	—	—	623,817	623,817
Proceeds from grant/notes	—	—	—	1,294,217	—	1,294,217
Net cash provided (used in) capital and related financing activities	—	—	—	(1,350,446)	504,496	(845,950)
Cash flow from investing activities:						
Proceeds from sale of investments	3,797,893	4,021,982	1,859,803	3,172,537	839,458	13,691,673
Purchases of investments	(4,164,808)	(3,166,315)	(1,853,100)	(3,970,924)	(584,293)	(13,739,440)
Interest received on investments	(535,613)	(302,646)	32,138	70,939	(46,398)	(781,580)
Net cash provided by (used in) investing activities	(902,528)	553,021	38,841	(727,448)	208,767	(829,347)
Net decrease in cash and cash equivalents	(315,092)	(246,200)	(107,490)	(145,888)	(51,813)	(866,483)
Cash and cash equivalents - beginning of year	1,064,504	630,122	328,763	649,231	108,586	2,781,206
Cash and cash equivalents - end of year	\$ 749,412	\$ 383,922	\$ 221,273	\$ 503,343	\$ 56,773	\$ 1,914,723
Reconciliation of cash and cash equivalents to Statement of Net Position						
Unrestricted cash and cash equivalents	\$ 564,660	\$ 383,922	\$ 221,273	\$ 503,343	\$ 56,773	\$ 1,729,971
Unrestricted cash and cash equivalents with fiscal agent	184,752	—	—	—	—	184,752
Total Cash and Cash Equivalents	\$ 749,412	\$ 383,922	\$ 221,273	\$ 503,343	\$ 56,773	\$ 1,914,723
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 370,628	\$ (673,129)	\$ 628,235	\$ 2,546,095	\$ (943,378)	\$ 1,928,451
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	—	—	—	2,363,705	28,503	2,392,208
(Increase) decrease in accounts receivable	(60,953)	—	(152)	205,531	—	144,426
(Increase) decrease in inventory	—	—	—	—	54,723	54,723
(Increase) decrease in prepaid items	—	—	—	(3,020,531)	—	(3,020,531)
Increase (decrease) in accounts payable and other	(157,780)	(58,526)	50,338	13,461	84,417	(68,090)
Increase (decrease) in accrued liabilities	(43,777)	396	395	—	10,659	(32,327)
Increase (decrease) in estimated claims	479,318	(67,962)	(825,147)	—	—	(413,791)
Total adjustments	216,808	(126,092)	(774,566)	(437,834)	178,302	(943,382)
Net cash provided by (used in) operating activities	\$ 587,436	\$ (799,221)	\$ (146,331)	\$ 2,108,261	\$ (765,076)	\$ 985,069

(Continued)

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

		Governmental Activities Internal Service Funds					
		Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay	Fleet Fund	Total
Non-cash financing, capital and investing activities:							
Capital Activities							
Capital contributions from governmental activities	\$ —	\$ —	\$ —	\$ 43,668	\$ —	\$ 43,668	
Capital assets acquired through payables	\$ —	\$ —	\$ —	\$ 164,961	\$ —	\$ 164,961	
Gain (Loss) on disposal of capital assets	\$ —	\$ —	\$ —	\$ (15,146)	\$ —	\$ (15,146)	
Investing Activities							
Increase (Decrease) in fair value of investments	\$ 6,715	\$ 5,855	\$ 3,043	\$ (237,309)	\$ 1,025	\$ (220,671)	

*BUDGETARY COMPARISON SCHEDULES
INTERNAL SERVICE FUNDS*

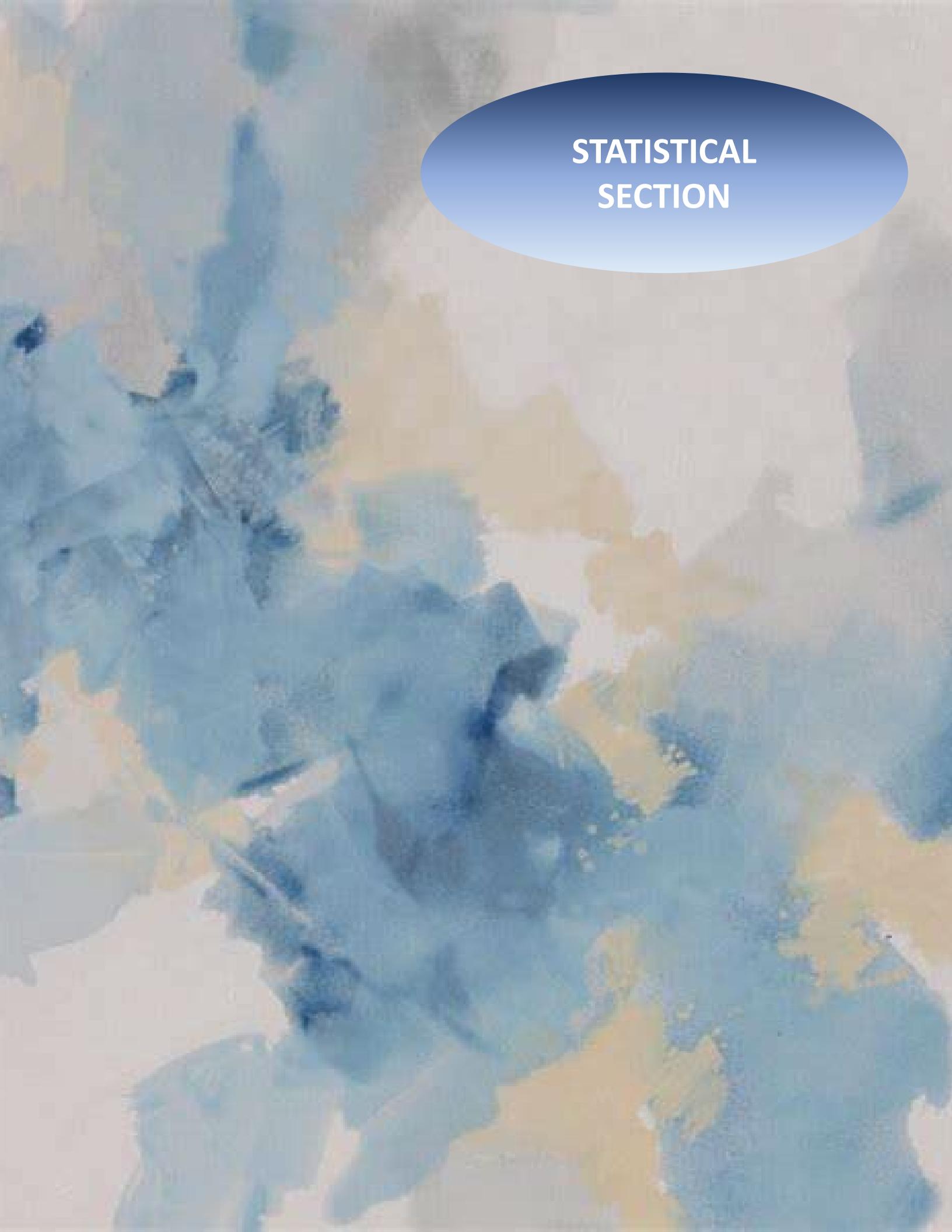
This Page Intentionally Blank

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 5,548,000	\$ 5,544,872	\$ (3,128)
Other	—	44,438	44,438
Total operating revenues	<u>5,548,000</u>	<u>5,589,310</u>	<u>41,310</u>
Operating expenses			
Capital expense	12,129,741	3,056,873	9,072,868
Total operating expenses	<u>12,129,741</u>	<u>3,056,873</u>	<u>9,072,868</u>
Operating income	<u>(6,581,741)</u>	<u>2,532,437</u>	<u>9,114,178</u>
Nonoperating revenues (expenses)			
Investment earnings	—	(163,749)	(163,749)
Debt service	(513,815)	(513,814)	1
Disposition of assets	—	140,173	140,173
Issuance of debt	1,294,217	1,294,217	—
Total nonoperating revenues (expenses)	<u>780,402</u>	<u>756,827</u>	<u>(23,575)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (out)	(176,255)	(176,255)	—
Total other financing	<u>(176,255)</u>	<u>(176,255)</u>	<u>—</u>
Change in net position	<u>\$ (5,977,594)</u>	<u>3,113,009</u>	<u>\$ 9,090,603</u>
Adjustments to GAAP basis			
Debt			
Principal payments	468,317		
Issuance of notes	(1,294,217)		
Accrued interest adjustment	(9,777)		
Capital assets			
Acquisitions	2,377,363		
Net book value of disposals	(56,146)		
Capital contributions	43,668		
Depreciation	(2,363,705)		
Change in Net Position, GAAP Basis	<u>\$ 2,278,512</u>		

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
FLEET FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 2,981,665	\$ 2,987,486	\$ 5,821
Total operating revenues	<u>2,981,665</u>	<u>2,987,486</u>	<u>5,821</u>
 Operating expenses			
Personnel Services	1,222,778	1,257,157	(34,379)
Contractual Services	584,341	1,169,753	(585,412)
Commodities	1,678,389	1,443,606	234,783
Capital expense	118,000	—	118,000
Total operating expenses	<u>3,603,508</u>	<u>3,870,516</u>	<u>(267,008)</u>
 Operating income			
	<u>(621,843)</u>	<u>(883,030)</u>	<u>(261,187)</u>
 Nonoperating revenues (expenses)			
Investment earnings	9,000	(17,501)	(26,501)
Insurance recoveries	—	623,817	623,817
Total nonoperating revenues (expenses)	<u>9,000</u>	<u>606,316</u>	<u>597,316</u>
 Change in net position	<u>\$ (612,843)</u>	<u>(276,714)</u>	<u>\$ 336,129</u>
 Adjustments to GAAP basis			
Capital assets			
Depreciation	(28,503)		
Inventory Adjustment			
Personnel services accruals			
Change in Net Position, GAAP Basis	<u>\$ (337,062)</u>		



**STATISTICAL
SECTION**

STATISTICAL SECTION (Unaudited)

	Page No.	Table
Financial Trends Information		
These schedules contain trend information to help the reader understand how the city's financial performance and well-being are changed over time.		
Net Position by Component	147	1
Changes in Net Position	148	2
Fund Balance of Governmental Funds	150	3
Changes in Fund Balances of Governmental Funds	151	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	152	5
Direct and Overlapping Sales and Use Tax Rates	153	6
Principal Sales and Use Taxpayers by Industry	154	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	155	8
Direct and Overlapping Governmental Activities Debt	156	9
Legal Debt Margin Information	157	10
Pledged Revenue Coverage	158	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	162	12
Principal Employers	163	13
Operating Information		
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.		
Full Time Equivalent City Government Employees by Function/Program	164	14
Operating Indicators by Function/Program	165	15
Capital Asset Statistics by Function/Program	166	16

This Page Intentionally Blank

Table 1
City of Westminster

Net Position by Component
Last ten fiscal years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net Investment in capital assets	\$ 319,402,292	\$ 315,511,637	\$ 293,006,176	\$ 310,753,100	\$ 298,581,511	\$ 284,051,559	\$ 262,972,719	\$ 233,726,088	\$ 203,103,757	\$ 181,518,179
Restricted	88,991,630	72,374,573	55,763,500	47,539,906	50,047,232	44,958,563	35,829,766	31,977,574	27,825,584	34,508,098
Unrestricted	159,254,497	156,864,076	168,684,266	163,495,988	141,137,700	129,559,139	125,748,290	118,916,142	118,324,325	107,275,937
Total governmental activities net position	\$ 567,648,419	\$ 544,750,286	\$ 517,453,942	\$ 521,788,994	\$ 489,766,443	\$ 458,569,261	\$ 424,550,775	\$ 384,619,804	\$ 349,253,666	\$ 323,302,214
Business-type activities										
Net Investment in capital assets	\$ 517,865,022	\$ 500,726,173	\$ 491,753,788	\$ 455,230,597	\$ 422,842,682	\$ 397,726,132	\$ 385,909,492	\$ 375,115,816	\$ 353,498,654	\$ 343,060,522
Restricted	2,247,814	2,011,655	2,011,430	3,487,032	3,476,326	3,427,214	5,135,850	5,133,269	5,132,572	5,207,324
Unrestricted	173,461,797	155,120,662	140,341,808	113,143,678	113,325,081	113,763,592	106,406,204	87,632,673	89,037,701	86,956,838
Total business-type activities net position	\$ 693,574,633	\$ 657,858,490	\$ 634,107,026	\$ 571,861,307	\$ 539,644,089	\$ 514,916,938	\$ 497,451,546	\$ 467,881,758	\$ 447,668,927	\$ 435,224,684
Total										
Net Investment in capital assets	\$ 837,267,314	\$ 816,237,810	\$ 784,759,964	\$ 765,983,697	\$ 721,424,193	\$ 681,777,691	\$ 648,882,211	\$ 608,841,904	\$ 556,602,411	\$ 524,578,701
Restricted	91,239,444	74,386,228	57,774,930	51,026,938	53,523,558	48,385,777	40,965,616	37,110,843	32,958,156	39,715,422
Unrestricted	332,716,294	311,984,738	309,026,074	276,639,666	254,462,781	243,322,731	232,154,494	206,548,815	207,362,026	194,232,775
Total net position	\$1,261,223,052	\$1,202,608,776	\$1,151,560,968	\$1,093,650,301	\$1,029,410,532	\$973,486,199	\$922,002,321	\$852,501,562	\$796,922,593	\$758,526,898

Table 2
City of Westminster

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

	Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
Expenses											
Governmental activities:											
General government	\$ 46,627,776	\$ 60,456,852	\$ 68,922,318	\$ 60,497,064	\$ 51,245,789	\$ 50,382,503	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	
Public safety	64,232,887	47,320,297	47,640,463	42,902,368	40,662,978	39,908,597	36,274,992	34,620,914	33,917,996	34,701,963	
Public works	18,280,002	12,790,144	10,021,168	17,283,356	15,393,799	13,475,717	13,459,466	13,490,199	14,967,446	14,526,130	
Community development	18,421,108	17,552,829	17,894,840	14,327,393	13,734,388	15,565,417	14,174,997	13,136,180	9,253,118	10,053,995	
Economic development	2,290,541	1,690,566	2,579,468	3,764,393	1,752,565	—	—	—	—	—	
Culture and recreation	33,104,505	26,859,916	25,439,359	27,485,527	25,638,240	24,625,914	24,576,687	21,506,116	23,345,230	20,547,209	
Interest and fiscal charges	2,086,297	825,268	2,959,178	3,264,280	3,569,427	3,838,725	6,637,408	7,326,033	6,586,443	7,012,596	
Bond issuance costs	103,000	—	—	—	—	—	—	—	—	—	
Refunding issuance costs	9,001	—	—	—	—	—	191,082	—	—	157,626	
Unallocated depreciation	130,943	193,922	195,761	227,411	230,339	230,867	232,974	271,497	304,769	308,894	
Total governmental activities expenses	185,286,060	167,689,794	175,652,555	169,751,792	152,227,525	148,027,740	145,112,517	131,616,187	125,600,376	125,404,425	
Total primary government expenses	250,435,531	232,022,973	240,387,732	230,756,371	212,156,575	205,298,817	199,453,440	183,757,275	174,025,049	172,623,216	
Program Revenues											
Governmental activities:											
Charges for services:											
General government	9,049,119	8,751,424	8,752,107	5,761,167	4,797,788	5,237,623	6,105,832	4,856,467	4,150,020	4,883,189	
Public safety	4,055,438	4,386,099	3,191,828	3,995,334	4,605,643	3,709,546	3,972,310	4,138,624	4,031,642	4,204,733	
Public works	3,963,893	2,703,468	2,662,461	2,523,557	2,756,068	2,824,964	2,548,173	2,439,228	2,026,345	1,630,161	
Community development	243,048	183,511	253,762	287,453	243,737	228,383	801,191	206,671	358,835	190,322	
Culture and recreation	6,226,332	5,263,157	2,864,075	7,479,551	7,948,709	7,506,249	7,746,111	7,476,626	7,368,157	6,765,100	
Operating grants and contributions	31,903,386	14,498,795	22,436,312	10,928,246	10,932,984	9,484,810	9,273,135	8,279,617	7,792,918	6,266,173	
Capital grants and contributions	16,542,657	9,562,362	16,607,880	14,631,021	14,039,483	10,959,356	26,547,690	15,799,445	14,107,955	15,133,416	
Total program revenues	71,983,873	45,348,816	56,768,425	45,606,329	45,324,412	39,950,931	56,994,442	43,196,678	39,835,872	39,073,094	
Business-type activities:											
Charges for services:											
Utility	74,423,847	73,855,471	77,561,514	67,548,532	63,758,787	57,918,080	55,326,918	50,580,355	47,890,317	45,097,929	
Golf	4,140,230	4,637,641	3,459,592	4,194,475	3,655,051	3,748,446	3,529,970	3,483,098	3,427,107	3,090,119	
Westminster Housing Authority	—	—	—	—	—	—	—	—	—	—	
Parking Management	111,201	151,951	16,919	—	—	—	—	—	—	—	
Operating grants and contributions	3,250	1,500	1,425	1,500	1,400	1,500	700	—	—	1,695	
Capital grants and contributions	3,366,044	8,651,859	13,691,078	16,960,139	14,474,171	12,800,673	24,125,580	16,731,575	7,060,781	9,313,996	
Total business-type activities program revenues	82,044,572	87,298,422	94,730,528	88,704,646	81,889,409	74,468,699	82,983,168	70,795,028	58,378,205	57,503,739	
Total revenues	154,028,445	132,647,238	151,498,953	134,310,975	127,213,821	114,419,630	139,977,610	113,991,706	98,214,077	96,576,833	
Net (expense)/revenue											
Governmental activities	(113,302,187)	(122,340,978)	(118,884,130)	(124,145,463)	(106,903,113)	(108,076,809)	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	
Business-type activities	16,895,101	22,965,243	29,995,351	27,700,067	21,960,359	17,197,622	28,642,245	18,653,940	9,953,532	10,284,948	
Total primary government net expense	\$ (96,407,086)	\$ (99,375,735)	\$ (88,888,779)	\$ (96,445,396)	\$ (84,942,754)	\$ (90,879,187)	\$ (59,475,830)	\$ (69,765,569)	\$ (75,810,972)	\$ (76,046,383)	

Table 2 (continued)
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 26,351,719	\$ 24,779,281	\$ 23,042,829	\$ 19,587,247	\$ 17,691,457	\$ 15,799,702	\$ 15,090,147	\$ 13,461,402	\$ 13,535,334	\$ 12,947,197
Sales taxes	106,824,666	99,303,980	87,270,216	90,810,385	88,708,382	84,790,732	80,283,226	76,576,042	72,699,403	68,712,125
Use taxes	20,583,701	20,345,972	20,216,479	21,312,747	18,590,498	19,861,540	19,824,648	17,498,401	14,797,452	14,110,138
Business fees and other taxes	931,128	570,756	607,722	5,575,081	5,480,552	5,381,255	5,373,974	5,636,924	5,745,800	5,587,433
Accommodations taxes	4,944,010	3,869,743	1,848,750	4,818,563	4,782,173	4,463,046	4,258,630	4,005,426	3,478,033	2,905,893
Intergovernmental not restricted to a specific purpose	823,271	565,450	329,012	303,244	285,165	249,184	241,386	393,033	224,580	672,693
Assessments	—	—	—	—	—	—	—	—	—	2,000
Investment earnings	(4,269,954)	(845,347)	4,247,094	5,231,237	2,423,030	1,018,194	1,298,621	739,407	996,457	139,218
Lease interest	34,208	—	—	—	—	—	—	—	—	—
Rentals	—	—	—	376,318	334,627	443,624	443,074	419,137	409,143	409,789
Miscellaneous	—	—	—	—	—	—	—	—	—	—
Other	1,957,834	1,095,020	4,557,064	7,897,485	1,508,051	8,288,774	30,561	6,862	257,781	1,084,214
Gain on Sale of Assets	84,027	594,614	124,130	—	87,142	227,523	156,319	1,651,759	71,130	—
Transfers	(22,064,290)	(642,147)	(27,694,218)	255,707	71,000	(356,098)	1,028,460	(757)	(499,157)	(774,544)
Total governmental activities	\$ 136,200,320	\$ 149,637,322	\$ 114,549,078	\$ 156,168,014	\$ 139,962,077	\$ 140,167,476	\$ 128,029,046	\$ 120,387,636	\$ 111,715,956	\$ 105,796,156
Business-type activities:										
Interest	\$ (4,220,483)	\$ (730,053)	\$ 3,516,881	\$ 3,683,434	\$ 2,135,610	\$ 1,045,374	\$ 958,005	\$ 634,166	\$ 860,924	\$ 32,742
Rentals	—	—	—	—	—	—	—	10	10	20
Other	748,766	772,182	984,169	1,003,119	892,376	845,666	931,015	911,961	948,874	883,951
Gain on Sale of Assets	228,469	101,945	55,100	86,305	—	345,328	66,973	11,997	181,736	98,245
Transfers	22,064,290	642,147	27,694,218	(255,707)	(71,000)	356,098	(1,028,460)	757	499,157	774,544
Total business-type activities	18,821,042	786,221	32,250,368	4,517,151	2,956,986	2,592,466	927,543	1,558,891	2,490,711	1,790,069
Total	\$ 155,021,362	\$ 150,423,543	\$ 146,799,446	\$ 160,685,165	\$ 142,919,063	\$ 142,759,942	\$ 128,956,589	\$ 121,946,527	\$ 114,206,667	\$ 107,586,225
Change in net position										
Governmental activities	\$ 22,898,133	\$ 27,296,344	\$ (4,335,052)	\$ 32,022,551	\$ 33,058,964	\$ 32,090,667	\$ 39,910,971	\$ 31,968,127	\$ 25,951,452	\$ 19,464,825
Adjustment for accounting change	—	—	—	—	(1,861,782)	—	—	3,418,011	—	(1,420,275)
Business-type activities	35,716,143	23,751,464	62,245,719	32,217,218	24,917,345	19,790,088	29,569,788	20,212,831	12,444,243	12,075,017
Adjustment for accounting change	—	—	—	—	(190,194)	—	—	—	—	(521,520)
Total	\$ 58,614,276	\$ 51,047,808	\$ 57,910,667	\$ 64,239,769	\$ 55,924,333	\$ 51,880,755	\$ 69,480,759	\$ 55,598,969	\$ 38,395,695	\$ 29,598,047

Note: 2013: Adjustment for accounting change due to implementation of GASB 65.

2015: Adjustment for accounting change due to implementation of GASB 68.

2017: Westminster Housing Authority change from a proprietary to a governmental fund.

2018: Adjustment for accounting change due to implementation of GASB 75.

Table 3
City of Westminster

	Fund Balances, Governmental Funds Last ten fiscal years									
	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 1,133,250	\$ 1,055,719	\$ 1,097,225	\$ 1,065,811	\$ 1,062,036	\$ 1,149,356	\$ 1,115,952	\$ 1,000,834	\$ 934,588	\$ 887,569
Restricted	8,751,478	7,205,778	7,592,825	6,872,557	6,306,526	6,205,516	6,227,738	5,699,348	5,145,534	5,177,644
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	10,535,260	8,728,098	8,437,802	8,308,210	8,052,727	6,836,562	6,492,595	5,915,385	6,118,523	5,732,552
Unassigned	43,608,042	48,425,811	30,784,911	32,084,317	35,004,249	33,655,936	29,970,602	31,869,732	25,115,741	18,960,092
Total General Fund	\$ 64,028,030	\$ 65,415,406	\$ 47,912,763	\$ 48,330,895	\$ 50,425,538	\$ 47,847,370	\$ 43,806,887	\$ 44,485,299	\$ 37,314,386	\$ 30,757,857
All other governmental funds										
Nonspendable	\$ 9,850	\$ —	\$ —	\$ —	\$ —	\$ 16,648,057	\$ 20,776,055	\$ 20,776,315	\$ 31,630,640	\$ 31,226,133
Restricted	71,015,609	54,328,577	44,804,916	41,065,022	38,148,501	37,372,256	38,803,425	60,767,096	22,539,782	29,425,771
Committed	62,706,818	55,054,278	78,802,034	70,527,334	57,985,681	52,930,080	41,415,625	37,721,829	36,473,901	34,204,717
Assigned	16,900,428	15,328,891	15,810,675	15,445,173	16,909,975	3,467,415	551,520	398,546	279,822	306,482
Unassigned	(78,072)	(718,905)	—	—	(56,924)	(196,189)	1,605,617	(581,144)	(455,532)	(621,910)
Total all other governmental funds	\$ 150,554,633	\$ 123,992,841	\$ 139,417,625	\$ 127,037,529	\$ 112,987,233	\$ 110,221,619	\$ 103,152,242	\$ 119,082,642	\$ 90,468,613	\$ 94,541,193

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

Table 4
City of Westminster

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Taxes and business fees	\$164,884,502	\$153,493,078	\$137,302,387	\$142,104,023	\$135,253,062	\$130,296,275	\$124,830,625	\$117,178,195	\$110,256,022	\$104,262,786
Intergovernmental	43,206,354	22,230,181	29,188,618	20,339,303	16,710,544	17,197,954	18,835,428	14,621,889	14,666,756	13,444,290
Assessments	—	—	—	—	—	—	—	41,662	39,444	41,199
Licenses and permits	2,485,670	2,857,334	3,540,558	4,192,596	3,280,098	3,563,800	4,278,584	2,923,276	2,459,437	2,653,281
Investment earnings	(3,740,747)	(705,679)	3,697,853	4,585,521	2,147,241	906,697	1,135,671	755,385	830,006	139,740
Lease interest	34,208	—	—	—	—	—	—	—	—	—
Rentals	110,401	372,284	245,021	376,318	334,627	443,624	443,074	419,137	409,143	425,569
Contributions	3,848,473	1,609,900	8,365,618	6,606,716	1,036,410	3,759,405	14,996,774	6,584,703	2,561,733	3,389,088
Recreation fees	6,922,587	5,935,711	2,587,271	7,726,601	7,704,447	7,583,862	7,605,943	7,569,719	7,379,510	6,788,407
Fines and forfeits	861,287	696,885	978,758	1,601,190	1,685,247	1,239,978	1,377,401	1,657,240	1,587,334	1,868,695
Fleet maintenance billings and other	5,994,799	4,293,687	3,976,378	4,910,359	4,945,591	5,151,565	5,326,371	4,920,307	4,374,067	4,508,886
EMS billings	2,767,059	3,395,779	2,100,166	2,050,593	3,179,449	2,410,270	2,503,787	2,362,530	2,178,911	2,173,899
Leases	316,882	—	—	—	—	—	—	—	—	—
Miscellaneous and other	779,920	380,757	3,228,329	2,834,834	1,284,054	4,931,886	589,913	65,761	358,555	810,454
Total revenues	228,471,395	194,559,917	195,210,957	197,328,054	177,560,770	177,485,316	181,923,571	159,099,804	147,100,918	140,506,294
Expenditures										
Current:										
General government	53,653,725	59,162,748	67,719,130	61,256,528	54,222,455	54,426,899	49,618,140	45,752,230	42,189,889	42,191,325
Public safety	63,601,304	46,523,019	45,865,100	42,723,342	39,791,231	38,084,423	34,987,444	33,409,984	32,982,207	33,173,549
Public works	10,502,588	7,126,119	6,849,480	9,941,029	8,711,852	8,646,817	8,488,590	7,812,814	7,589,559	7,398,650
Community development	12,088,139	10,440,204	9,537,808	8,302,645	7,036,989	10,241,109	6,077,910	6,007,219	5,442,684	5,746,886
Economic development	2,290,208	1,844,279	2,390,464	3,768,084	1,754,838	—	—	—	—	—
Culture and recreation	23,202,236	18,610,889	16,013,025	17,899,750	17,314,204	16,374,128	15,930,277	15,741,361	14,964,860	14,186,013
Capital projects	35,408,930	38,801,519	23,395,446	30,378,361	32,357,524	27,422,712	63,965,424	45,074,138	25,199,894	17,487,657
Debt service:										
Principal	10,872,571	8,435,000	8,144,000	8,680,000	7,585,000	8,042,000	12,018,000	11,775,000	10,790,000	14,651,000
Interest and fiscal charges	2,380,806	2,699,999	2,983,755	3,277,508	3,567,493	3,818,063	5,914,294	5,483,247	5,313,893	5,769,157
Issuance costs	103,000	—	—	—	—	—	191,082	532,288	—	157,626
Refunding bond issuance costs	9,001	—	—	—	—	—	—	—	—	—
Total expenditures	214,112,508	193,643,776	182,898,208	186,227,247	172,341,586	167,056,151	197,191,161	171,588,281	144,372,986	140,761,863
Excess of revenues over (under) expenditures	14,358,887	916,141	12,312,749	11,100,807	5,219,184	10,429,165	(15,267,590)	(12,488,477)	2,727,932	(255,569)
Other financing Sources (Uses)										
Issuance of bonds	954,716	—	—	—	—	—	—	—	—	11,095,000
Issuance of notes	13,785,000	900,070	—	—	—	—	—	—	—	—
Issuance of capital leases	—	—	—	—	—	—	—	40,577,946	—	—
Issuance of refunding debt	—	—	—	—	—	—	14,995,000	18,500,000	—	—
Issuance of right to use leases	347,565	—	—	—	—	—	—	—	—	—
Premium on debt	—	—	—	—	—	—	1,550,018	5,074,187	—	1,167,165
Discount on debt	—	—	—	—	—	—	—	(137,068)	—	—
Payment to refunded bond escrow agent	(787,429)	—	—	—	—	—	(18,978,975)	(20,451,328)	—	(12,065,594)
Sale of capital asset	228,042	428,997	70,164	58,545	53,598	34,901	32,952	4,678,053	57,990	848,454
Insurance Recoveries	419,102	408,628	835,924	461,301	—	—	—	—	—	—
Transfers in	37,372,973	33,961,575	18,251,491	26,269,844	31,657,554	31,101,861	35,831,912	23,439,943	19,439,703	23,123,984
Transfers (out)	(41,504,440)	(34,537,552)	(18,712,085)	(25,934,844)	(31,586,554)	(31,445,264)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)
Total other financing sources (uses)	10,815,529	1,161,718	445,494	854,846	124,598	(308,502)	(1,341,222)	48,273,419	(243,983)	3,826,478
Net change in fund balances	25,174,416	2,077,859	12,758,243	11,955,653	5,343,782	10,120,663	(16,608,812)	35,784,942	2,483,949	3,570,909
Debt Service as a percentage of noncapital expenditures	6.9 %	6.5 %	7.0 %	7.2 %	10.1 %	11.2 %	11.3 %	12.3 %	15.3 %	15.9 %

Table 5
City of Westminster

Sales and Use Tax Revenue
Last ten fiscal years

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate
2013	64,567,678	12,886,561	5,368,023	3.85%
2014	68,180,777	13,635,955	5,680,123	3.85%
2015	73,302,649	14,663,545	6,108,251	3.85%
2016	78,019,813	15,590,932	6,497,129	3.85%
2017	81,491,695	16,349,963	6,810,615	3.85%
2018	83,620,682	16,715,283	6,962,914	3.85%
2019	87,377,954	17,468,504	7,276,675	3.85%
2020	83,865,670	16,674,924	6,946,101	3.85%
2021	93,154,434	18,704,131	7,791,387	3.85%
2022	99,289,289	19,850,260	8,268,819	3.85%

Source: City Sales Tax Division

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

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

Table 6
City of Westminster

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

Fiscal Year	City Direct Rates				Overlapping Rates ³			
	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate	State of Colorado	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
2013	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2014	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2015	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2016	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2017	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2018	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2019	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2020	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2021	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2022	3.00%	0%.6	0%.25	3.85%	2.90%	0%.75	0%.5	1.10%

Source: City Sales Tax Division

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

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

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

Table 7
City of Westminster

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

Category	Fiscal Year 2022			Fiscal Year 2013		
	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	\$ 26,513,783	1	20.8 %	\$ 18,642,556	1	22.5 %
Restaurants	19,503,324	2	15.3 %	9,274,614	3	11.2 %
Automobile	12,880,110	3	10.1 %	7,091,115	4	8.6 %
Utility/Telecommunications	11,669,939	4	9.2 %	9,446,085	2	11.4 %
Building/Home Improvement	9,600,076	5	7.5 %	6,895,928	5	8.3 %
Grocery	7,600,891	6	0.0 %	4,971,213	6	6.0 %

Source: City Sales Tax Division

Note: Due to requirements under the City Code, the names of the largest revenue payers are held as confidential.

The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Table 8
City of Westminster

Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year	Governmental Activities					Business- Type Activities					Total Primary Government	Per Capita ²
	Revenue Bonds	Tax Increment Bonds and Loans	Notes ¹	Certificates of Participation ¹	Capital Leases ¹	Revenue Bonds	Notes ¹	Certificates of Participation ¹	Capital Leases ¹	Total Primary Government		
2013	\$ 47,001,480	\$ 93,599,570	\$ 1,612,724	\$ —	\$ —	\$ 31,577,255	\$ 21,077,341	\$ —	\$ 4,516,937	\$ 199,385,307	2,396	
2014	41,214,039	88,185,621	1,612,724	—	—	29,505,000	18,374,433	—	5,064,654	183,956,471	2,167	
2015	36,429,070	82,594,672	1,159,724	—	93,027,440	32,291,867	15,581,464	—	4,304,841	265,389,078	2,368	
2016	29,892,252	76,807,723	929,724	—	87,080,858	81,444,004	12,656,181	—	3,631,794	292,442,536	2,585	
2017	27,467,417	70,846,774	817,000	—	79,377,924	77,759,407	9,736,204	—	3,556,337	269,561,063	2,329	
2018	24,934,193	65,457,826	817,000	—	71,515,263	73,125,093	7,908,512	—	2,836,156	246,594,043	2,106	
2019	22,310,968	59,880,877	2,167,027	62,401,539	—	112,287,446	6,235,413	1,847,356	—	267,130,626	2,267	
2020	19,582,743	54,127,928	2,135,789	56,319,061	—	109,005,223	28,300,696	1,408,111	—	270,879,551	2,278	
2021	16,754,518	48,183,979	3,118,353	50,066,582	—	106,198,567	27,518,343	7,603,867	—	259,444,209	2,366	
2022	28,674,002	39,105,311	3,765,290	42,554,298	—	101,721,913	25,219,683	7,134,622	—	248,175,119	2,087	

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

¹In 2019 GASB 88 was implemented with new debt balance classifications.

²Personal 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, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County	\$ 146,031,415	12.03 %	\$ 17,567,579
Adams County School District #12	427,871,000	28.33 %	121,215,854
Apex Park & Rec District	20,318,000	7.47 %	1,517,755
Arvada Fire Protection District	2,454,000	0.05 %	1,227
Bradburn Metro #2	9,245,000	100.00 %	9,245,000
Bradburn Metro #3	7,840,000	100.00 %	7,840,000
Country Club Highlands Metro District	2,055,000	100.00 %	2,055,000
Country Club Village Metro District	2,080,000	100.00 %	2,080,000
Countrydale Metropolitan District	17,835,000	100.00 %	17,835,000
Huntington Trails Metro District	5,410,000	100.00 %	5,410,000
Hyland Village Metro District	4,770,000	98.57 %	4,701,789
Jefferson County School District R-1	740,815,000	5.40 %	40,004,010
NBC Metropolitan District	9,050,000	99.59 %	9,012,895
North Metro Fire and Rescue	7,290,000	10.11 %	737,019
Orchard Park Place North Metro District	3,875,000	33.98 %	1,316,725
Westglenn Metro District	1,003,000	98.26 %	985,548
Westminster Public Schools	32,830,000	44.54 %	14,622,482
 Subtotal, overlapping debt			256,147,883
 City Direct debt			114,098,901
 Total direct and overlapping debt			\$ 370,246,784

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 2022

Actual value of taxable property Source¹

Adams County portion of the City	\$ 12,817,192,716
Jefferson County portion of the City	8,639,332,197
Total actual value	<u>\$ 21,456,524,913</u>
Debt limit (3% of actual value ²)	\$ 643,695,747

Debt applicable to limit:

Bonded debt - general obligation only	\$ —
Installment of lease/purchase contracts for purchase of property or equipment	<u>65,649,454</u>
	<u>65,649,454</u>

Less deductions allowed by law:

Total net debt applicable to limit	<u>65,649,454</u>
------------------------------------	-------------------

Legal debt margin	<u>\$ 578,046,293</u>
-------------------	-----------------------

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt limit	\$643,695,747	\$635,405,914	\$550,574,893	\$548,159,428	\$452,290,584	\$445,262,890	\$344,518,254	\$344,518,254	\$297,497,248	\$298,199,061
Total net debt applicable to limit	65,649,454	58,942,899	56,378,147	62,627,610	69,885,802	78,031,919	85,448,873	93,102,037	59,711,741	65,341,824
Legal debt margin	\$578,046,293	\$576,463,015	\$494,196,746	\$485,531,818	\$382,404,782	\$367,230,971	\$259,069,381	\$251,416,217	\$237,785,507	\$232,857,237
Total net debt applicable to the limit as a percentage of debt limit	10.20 %	9.28 %	10.24 %	11.43 %	15.45 %	17.52 %	24.80 %	27.02 %	20.07 %	21.91 %

1Source Adams County and Jefferson County Assessors' Offices

2CRS 31-15-302 (3% limit)

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

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Utilities Revenue Bonds and Notes						Coverage	
Fiscal Year	Less:		Debt Service				
	Applicable Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest		
2013	\$52,903,911	\$(27,684,633)	\$25,219,278	\$4,501,875	\$2,690,433	3.51	
2014	53,326,893	(29,817,470)	23,509,423	4,678,308	2,509,611	3.27	
2015	65,683,761	(33,884,996)	31,798,765	4,652,930	2,352,949	4.54	
2016	77,302,486	(35,226,787)	42,075,699	4,779,791	3,045,426	5.38	
2017	70,329,299	(37,392,699)	32,936,600	6,054,011	3,682,728	3.38	
2018	79,123,434	(38,663,747)	40,459,687	5,999,029	3,533,838	4.24	
2019	87,429,291	(38,798,805)	48,630,486	6,165,017	3,308,140	5.13	
2020	94,889,742	(39,937,104)	54,952,638	3,555,084	4,547,016	6.78	
2021	81,550,522	(39,079,319)	42,471,203	3,622,182	4,425,661	5.28	
2022	73,675,146	(38,813,940)	34,861,206	5,345,344	4,347,216	3.60	

Sales and Use Tax Revenue Bonds						
Fiscal Year	Sales and Use Tax Collections	Less:	Debt Service			
	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage	
2013	\$ 59,734,283	\$ (454,483)	\$ 59,279,800	\$ 3,545,000	\$ 1,172,826	12.57
2014	63,933,137	(452,233)	63,480,904	3,805,000	904,026	13.48
2015	68,723,743	(448,060)	68,275,683	4,080,000	744,345	14.15
2016	71,194,240	(446,034)	70,748,206	4,255,000	558,845	14.70
2017	74,824,655	(519,697)	74,304,958	1,225,000	374,600	46.45
2018	77,481,002	(549,687)	76,931,315	1,275,000	334,250	47.81
2019	80,622,826	(429,941)	80,192,885	1,330,000	270,500	50.10
2020	77,335,788	(480,122)	76,855,666	1,395,000	204,000	48.06
2021	92,285,568	(438,773)	91,846,795	1,470,000	134,250	57.25
2022	97,789,571	(667,326)	97,122,245	1,215,000	60,750	76.13

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Parks Open Space Trails Sales and Use Tax Revenue Bonds and Note						
	Sales and Use		Less:	Debt Service		
	Tax Collections	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage
2013	\$ 5,346,716	\$ (37,849)	\$ 5,308,867	\$ 1,610,000	\$ 1,268,038	1.84
2014	5,625,403	(37,686)	5,587,717	1,675,000	1,203,638	1.94
2015	6,084,365	(37,338)	6,047,027	1,755,000	1,119,888	2.10
2016	6,453,721	(37,169)	6,416,552	1,850,000	817,676	2.41
2017	6,767,505	(43,308)	6,724,197	960,000	757,119	3.92
2018	6,894,935	(45,778)	6,849,157	1,025,000	718,719	3.93
2019	7,302,260	(35,804)	7,266,456	1,060,000	687,969	4.16
2020	6,898,265	(39,985)	6,858,280	1,100,000	645,569	3.93
2021	7,685,530	(36,541)	7,648,989	1,125,000	623,569	4.37
2022	8,143,922	(55,575)	8,088,347	1,155,000	589,819	4.64

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009

	Less:					Debt Service			
	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
2013	\$ 469,946	\$ (6,390)	\$ 463,556	\$ 283,364	\$ 746,920	\$ 620,000	\$ 126,920	\$ 746,920	1.00
2014	286,639	(4,253)	282,386	465,974	748,360	645,000	103,360	748,360	1.00
2015	326,466	(3,594)	322,872	421,813	744,685	665,000	78,850	743,850	1.00
2016	545,321	(4,046)	541,275	202,305	743,580	690,000	53,580	743,580	1.00
2017	716,627	(4,832)	711,795	35,565	747,360	720,000	27,360	747,360	1.00
2018	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	—	—	—	—

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)									
	Less:				Total Revenues Available for Debt Service	Debt Service			
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees	Total Debt Service	Coverage
2013	\$ 1,795,005	\$ (26,105)	\$ 1,768,900	\$ 565,075	\$ 2,333,975	\$ 1,390,000	\$ 943,975	\$ 2,333,975	1.00
2014	2,062,679	(27,550)	2,035,129	295,096	2,330,225	1,400,000	930,225	2,330,225	1.00
2015	2,371,195	(27,420)	2,343,775	—	2,343,775	1,445,000	888,225	2,333,225	1.00
2016	2,459,290	(27,441)	2,431,849	—	2,431,849	1,490,000	844,875	2,334,875	1.04
2017	2,449,719	(27,298)	2,422,421	—	2,422,421	1,515,000	815,075	2,330,075	1.04
2018	2,596,428	(30,217)	2,566,211	—	2,566,211	1,570,000	762,050	2,332,050	1.10
2019	2,518,666	(30,038)	2,488,628	—	2,488,628	1,625,000	707,100	2,332,100	1.07
2020	2,224,925	(31,068)	2,193,857	137,768	2,331,625	1,665,000	666,625	2,331,625	1.00
2021	2,263,529	(33,008)	2,230,521	101,154	2,331,675	1,715,000	616,675	2,331,675	1.00
2022	2,261,078	(32,971)	2,228,107	103,793	2,331,900	1,765,000	566,900	2,331,900	1.00
WEDA Tax Increment Loan Series 2012 (North Huron Project)									
	Less:				Total Revenues Available for Debt Service	Debt Service			
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees	Total Debt Service	Coverage
2013	\$ 5,620,846	\$ (301,220)	\$ 5,319,626	\$ —	\$ 5,319,626	\$ 2,811,000	\$ 2,071,163	\$ 4,882,163	1.09
2014	6,072,318	(425,753)	5,646,565	—	5,646,565	2,910,000	1,972,514	4,882,514	1.16
2015	6,043,551	(388,377)	5,655,174	—	5,655,174	3,012,000	1,870,103	4,882,103	1.16
2016	6,966,179	(291,459)	6,674,720	—	6,674,720	3,118,000	1,764,394	4,882,394	1.37
2017	7,556,140	(484,838)	7,071,302	—	7,071,302	3,227,000	1,654,952	4,881,952	1.45
2018	7,593,615	(528,299)	7,065,316	—	7,065,316	3,340,000	1,541,669	4,881,669	1.45
2019	9,961,451	(814,211)	9,147,240	—	9,147,240	3,458,000	1,424,436	4,882,436	1.87
2020	11,522,599	(898,096)	10,624,503	—	10,624,503	3,579,000	1,303,062	4,882,062	2.18
2021	11,913,037	(613,896)	11,299,141	—	11,299,141	3,705,000	1,177,472	4,882,472	2.31
2022	12,127,125	(905,274)	11,221,851	—	11,221,851	3,835,000	1,050,460	4,885,460	2.30

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2012 (South Sheridan Project)										
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees			
2013	\$ 614,018	\$ (90,586)	\$ 523,432	\$ 29,083	\$ 552,515	\$ 350,000	\$ 202,515	\$ 552,515	1.00	
2014	510,298	(7,634)	502,664	44,892	547,556	355,000	192,556	547,556	1.00	
2015	525,707	(7,868)	517,839	29,651	547,490	365,000	182,490	547,490	1.00	
2016	586,198	(8,783)	577,415	—	577,415	385,000	172,612	557,612	1.04	
2017	579,970	(8,689)	571,281	—	571,281	395,000	168,307	563,307	1.01	
2018	677,673	(10,152)	667,521	—	667,521	375,000	189,404	564,404	1.18	
2019	865,670	(12,957)	852,713	—	852,713	390,000	175,889	565,889	1.51	
2020	898,895	(13,470)	885,425	—	885,425	405,000	162,349	567,349	1.56	
2021	939,377	(14,087)	925,290	—	925,290	420,000	147,383	567,383	1.63	
2022	989,854	(14,845)	975,009	1,880,904	2,855,913	3,690,000	120,629	3,810,629	0.75	

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2022 (South Sheridan Project)										
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees			
2013	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—	—
2014	—	—	—	—	—	—	—	—	—	—
2015	—	—	—	—	—	—	—	—	—	—
2016	—	—	—	—	—	—	—	—	—	—
2017	—	—	—	—	—	—	—	—	—	—
2018	—	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—	—
2022	3,752	(54)	3,698	—	3,698	—	—	—	—	—

Notes: Details regarding the City's outstanding debt can be found in the Long-Term Liability and Pledged Revenues notes to the financial statements.

Sales and Use Tax, Parks Open Space Sales and Use Tax and WEDA stated on a cash basis; all other revenues stated on accrual basis.

Source: City's Finance Department

Table 12
City of Westminster

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

Fiscal Year	Population ¹	Total Personal Income ²	Per Capita Personal Income (Weighted Avg.) ³	Unemployment Rate ⁴
2013	109,456	4,511,010,128	41,213	6.0%
2014	110,946	4,630,553,202	41,737	4.1%
2015	112,090	4,941,599,740	44,086	3.4%
2016	113,130	5,092,094,430	45,011	2.8%
2017	115,732	5,384,894,228	46,529	3.0%
2018	117,094	5,657,045,328	48,312	3.9%
2019	117,832	5,985,394,272	50,796	2.4%
2020	118,931	6,378,745,254	53,634	8.7%
2021	118,929	6,631,362,111	55,759	4.7%
2022	118,940	7,355,130,660	61,839	3.5%

Source:

¹ 2021 Population - ESRI Community Analyst, December, 2022

² Total Personal Income - Product of Per Capita Personal Income by Population

³ Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Jefferson County figures for 2021.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for November, 2022, and calculated as a weighted average of rates for Adams and Jefferson Counties.

Table 13
City of Westminster

Fiscal Year Principal Private Sector Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2022			Fiscal Year 2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	3,422	1	6.87 %	525	6	1.39 %
Maxar (formerly DigitalGlobe)	1,183	2	2.37 %	—	—	0.00 %
St. Anthony North Hospital	1,115	3	2.24 %	860	2	2.28 %
Trimble Navigation	955	4	1.92 %	430	9	1.14 %
Mtech Mechanical Technologies Group	542	5	1.09 %	—	—	0.00 %
Epsilon	530	6	1.06 %	—	—	0.00 %
Reed Group	500	7	1.00 %	325	10	0.86 %
Tri State Generation	480	8	0.96 %	523	7	1.39 %
Bread Financial (formerly Alliance Data Systems)	385	9	0.77 %	540	5	1.43 %
CACI International Research and Technology (formerly LPS Asset Management Solutions)	—	—	— %	500	8	1.32 %
Avaya	—	—	— %	1,000	1	2.65 %
McKesson Information Systems	—	—	— %	650	3	1.72 %
Kaiser Permanente (Sheridan)	—	—	— %	600	4	1.59 %

Note: Total employment in Westminster businesses was 49,830 in 2022 and 37,736 in 2013.

Source: Westminster Economic Development Department

Table 14
City of Westminster

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
City Attorney's Office	16.800	16.800	15.700	15.700	15.700	15.700	14.700	13.700	13.700	13.700
City Manager's Office	32.000	28.550	25.550	21.550	20.550	29.500	23.000	17.500	15.500	15.500
Policy and Budget	9.000	11.000	6.000	—	—	—	—	—	—	—
Finance	28.000	28.500	30.500	30.500	30.000	29.500	28.500	28.500	27.500	27.500
General Services	60.100	59.916	58.716	57.716	56.716	71.466	74.516	71.766	72.766	72.766
Human Resources	20.500	20.500	19.500	19.500	19.500	—	—	—	—	—
Information and Technology	37.000	34.300	33.300	—	—	—	—	—	—	—
Public Safety										
Fire Department	144.000	143.000	143.000	143.000	143.000	139.500	136.300	135.300	135.300	135.300
Police Department	288.300	274.800	273.800	272.800	265.600	265.600	263.600	263.600	261.600	261.600
Public Works										
Street Maintenance	28.000	28.000	28.000	27.000	26.000	25.000	24.000	24.000	24.000	24.000
Community Development										
Administration	4.500	3.500	4.600	9.850	7.100	7.600	7.600	6.100	6.100	6.100
Planning Division	12.000	13.000	13.000	16.500	17.000	17.000	17.000	14.500	14.200	14.200
Building Division	18.000	18.000	17.900	18.000	18.500	18.500	18.000	16.100	16.100	16.000
Engineering Division	16.250	16.100	16.250	16.250	18.250	17.000	15.750	13.000	13.000	13.000
Operations and Community	13.100	13.850	12.850	—	—	—	—	—	—	—
Parking Management	4.000	1.000	1.000	—	—	—	—	—	—	—
Economic Development										
Administration	13.500	14.500	14.500	14.500	11.500	—	—	—	—	—
Culture and Recreation										
Administration	8.000	10.500	22.000	18.500	19.500	19.000	19.000	17.200	17.200	15.200
Parks Services	38.000	37.000	35.000	35.000	35.000	35.000	34.800	33.800	35.800	35.800
Library Services	42.100	42.100	42.100	42.175	41.975	41.975	41.975	39.275	39.275	40.275
Open Space	30.000	30.000	24.000	24.000	22.000	16.300	12.500	6.500	2.500	2.500
Recreation Programs	14.400	11.900	10.300	10.300	10.300	10.300	14.900	17.300	15.600	15.600
Recreation Facilities	54.800	57.300	57.400	42.300	42.300	42.300	37.000	35.500	35.500	50.300
Utilities										
Administration	30.750	31.150	27.500	55.800	50.500	49.500	45.500	45.300	41.800	41.800
Water Resources & Treatment	56.000	56.000	56.000	57.000	57.500	56.000	56.000	56.000	56.000	54.750
Field Operations	55.500	56.500	56.500	54.500	51.000	50.500	46.500	45.500	42.500	42.500
Golf Courses										
Legacy Ridge	9.000	8.500	8.500	8.500	8.500	8.000	8.000	8.500	9.000	10.000
The Heritage	9.000	8.500	8.500	8.500	8.500	8.000	8.000	8.500	9.000	9.000
Total	1,092.600	1,074.766	1,061.966	1,019.441	996.491	973.241	947.141	917.441	903.941	917.391

Source: City Annual Pay Plan

Table 15
City of Westminster

Operating Indicators by Function/Program
Last ten fiscal years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety										
Total Fire/EMS Incidents	16,725	14,377	12,431	12,398	11,924	11,559	10,699	10,226	9,968	6,709
EMS Transports by fire department	7,349	7,162	6,175	6,408	6,140	6,019	5,619	5,497	5,314	6,589
Police emergency responses	839	770	512	468	445	635	870	935	965	1,049
Traffic Citations (municipal)	3,136	2,676	3,284	7,374	8,281	5,506	5,454	7,117	7,791	8,325
Public Works										
Curb miles swept	3,785	4,205	2,562	2,380	3,711	4,101	3,430	3,051	3,281	3,258
Lane miles rehabilitated	87	37	54	83	67	74	80	88	71	103
Community Development										
Official Development Plans processed	164	162	104	134	153	177	142	136	130	129
Building Permits issued	7,434	7,834	6,133	8,174	7,672	6,937	6,890	4,976	5,999	4,994
Culture and Recreation										
Library circulation	382,186	385,962	249,050	600,924	672,108	964,606	746,113	844,001	941,256	1,015,864
Facilities & programs participants	945,072	659,570	99,514	1,348,404	1,326,442	1,293,038	1,257,723	1,197,882	1,089,857	1,035,273
Utilities										
Water gallons treated (in millions)	5,970	5,911	6,314	5,740	6,641	5,795	6,128	5,883	5,827	5,873
Water customers	33,554	33,413	33,300	33,112	33,016	32,825	32,587	32,322	32,227	32,163
Wastewater gallons treated (in millions)	2,277	2,406	2,382	2,390	2,409	2,460	2,586	2,683.52	2,488	2,508
Wastewater customers	32,824	32,689	32,558	32,338	31,465	30,347	30,904	30,586	30,803	30,726
Golf Courses										
Paid golf rounds played	68,644	73,581	65,158	59,384	80,354	70,613	76,684	71,750	67,728	61,899
Golf course acres maintained	389	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Table 16
City of Westminster

Capital Asset Statistics by Function/Program
Last ten fiscal years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	87	84	84	85	89	79	71	71	71	71
Public Works										
Total Lane Miles	1,136	1,135	1,135	1,132	1,128	1,126	1,116	1,101	1,101	1,100
Community Development										
Traffic Signals	117	117	116	115	115	113	113	113	113	111
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	220	220	220	220	220	219	218	215	212	212
Neighborhood, community & citywide parks	63	63	62	64	64	58	54	53	53	53
Utilities										
Water mains	550	550	550	550	550	550	531	544	516	509
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4	4	4
Golf Courses										
Golf Courses	2	2	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team



**COMPLIANCE
SECTION**

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

Independent Auditor's Report

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

We have audited, in accordance with the 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, 2022, 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 23, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 financial statements. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS, LLP

Denver, Colorado
June 23, 2023

FORVIS

1801 California Street, Suite 2900 / Denver, CO 80202
P 303.861.4545 / F 303.832.5705
forvis.com

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Westminster, Colorado's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB 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, 2022. 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.

In our opinion, the City complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

Report on 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 a 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 “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

FORVIS, LLP

Denver, Colorado
June 23, 2023

City of Westminster, Colorado
Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes No

Material weakness(es) identified? Yes None reported

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:

Significant deficiency(ies) identified? Yes No

Material weakness(es) identified? Yes None reported

5. Type of auditor’s report issued on compliance for major federal award program(s):

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

8. Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	CSLFRF - Coronavirus State and Local Fiscal Relief Funds
20.205	HWP - Highway Planning

8. Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

9. Auditee qualified as a low-risk auditee? Yes No

City of Westminster, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2022

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

City of Westminster, Colorado
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2022

Reference Number	Finding
	No matters are reportable.

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Assistance Listing Number	Passed-through to Subrecipients	Total Federal Program Expenditures
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)	N/A	N/A	14.218	138,864	274,460
COVID-19 Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)	N/A	N/A	14.218	29,700	29,700
Subtotal Department of Housing and Urban Development and CDBG - Entitlement Grants Cluster				168,564	304,160
<u>The Institute of Museum and Library Services</u>					
Grants to States	Colorado Department of Education	LS-250198-OLS-21	45.310	—	37,647
National Leadership Grants	N/A	N/A	45.312	—	25,000
Subtotal Institute of Museum and Library Services				—	62,647
<u>Department of Justice</u>					
Crime Victim Assistance	Colorado Department of Public Safety-Division of Criminal Justice	2018-V2-GX-0050	16.575	—	63,725
Missing Children's Assistance	City of Colorado Springs - Police Department	15PJDP-21-GK-03813-MECP	16.543	—	1,434
Edward Byrne Memorial Justice Assistance Grant Program	N/A	N/A	16.738	—	29,509
Subtotal Department of Justice				—	94,668
<u>Department of Homeland Security</u>					
Pre-Disaster Mitigation	Colorado Division of Homeland Security & Emergency Management	22-BRIC20-WST	97.047	—	10,637
National Urban Search and Rescue (US&R) Response System	West Metro Fire Protection District	None Provided	97.025	—	8,436
Urban Area Security Initiative (UASI) Arctic Wolf Managed Detection and Response Grant	City and County of Denver	N/A	97.067	—	165,942 *
Subtotal Department of Homeland Security				—	185,015
<u>Federal Highway Administration Department of Transportation</u>					
Multimodal Improvement Program (Highway Planning & Construction Cluster)	Colorado Department of Transportation	STU 095A-021 (22946)	20.205	—	3,750,833
Highway Safety Improvement Program (Highway Planning & Construction Cluster)	Colorado Department of Transportation	SHE M356-029 (22212)	20.205	—	123,966
Community Mobility Planning & Implementation (Highway Planning & Construction Cluster)	Denver Regional Council of Governments	SHE M356-029 (22212)	20.205	—	1,927
Regional Transportation Operations & Technology Set-Aside (Highway Planning & Construction Cluster)	Colorado Department of Transportation	AQC M356-034 (24280) & AQC M356-035 (24281)	20.205	—	696,827
RAQC Charge Ahead Colorado (Highway Planning & Construction Cluster)	Colorado Department of Transportation	N/A	20.205	—	9,000
Subtotal Department of Transportation and Highway Planning and Construction Cluster				—	4,582,553
<u>Department of Treasury</u>					
Coronavirus State and Local Fiscal Recovery Funds	N/A	N/A	21.027	—	14,548,323
Subtotal Department of Treasury				—	14,548,323
<u>Environmental Protection Agency</u>					
Clean Water State Revolving Funds (Clean Water State Revolving Fund Cluster)	Colorado Water Resources and Power Development Authority	None Provided	66.458	—	3,051,380
Subtotal Environmental Protection Agency				—	3,051,380
TOTAL FEDERAL ASSISTANCE					
				\$ 168,564	\$ 22,828,746

*The amount of \$165,942 reported under the Department of Homeland Security agency is the value of services passed through to the City of Westminster from the City and County of Denver through the Urban Area Security Initiative (UASI) Arctic Wolf Managed and Detection Grant.

The accompanying notes are an integral part of this schedule.

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2022

NOTE 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position or cash flows of the City.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2: Recognition of Pass Through Services

In 2022, the City received information technology cybersecurity services with a value of \$165,942 from the Urban Area Security Initiative (UASI) Arctic Wolf Managed Detection and Response Grant Program, Federal Assistance Listing Number 97.067. This was administered by City and County of Denver Colorado and passed through to the City.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Westminster		
		YEAR ENDING : December 2022		
This Information From The Records Of (example - City of or County of) City of Westminster		Prepared By: Lore Nusser, Accountant Phone: 303.658.2365		
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from local sources:		A. Local highway disbursements:		
1. Local highway-user taxes		1. Capital outlay (from page 2)	11,172,015	
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	8,608,986	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:		
c. Total (a.+b.)		a. Traffic control operations	2,970,527	
2. General fund appropriations	38,382,733	b. Snow and ice removal	1,098,981	
3. Other local imposts (from page 2)	31,959,380	c. Other	2,032,412	
4. Miscellaneous local receipts (from page 2)	2,770,014	d. Total (a. through c.)	6,101,920	
5. Transfers from toll facilities	—	4. General administration & miscellaneous	—	
6. Proceeds of sale of bonds and notes		5. Highway law enforcement and safety	—	
a. Bonds - Original Issues	—	6. Total (1 through 5)	25,882,921	
b. Bonds - Refunding Issues	—	B. Debt service on local obligations:		
c. Notes	—	1. Bonds:		
d. Total (a. + b. + c.)	—	a. Interest	887,223	
7. Total (1 through 6)	73,112,127	b. Redemption	5,654,398	
B. Private Contributions		c. Total (a. + b.)	6,541,621	
C. Receipts from State government (from page 2)	3,843,563	2. Notes:		
D. Receipts from Federal Government (from page 2)	20,561	a. Interest	1,095,811	
E. Total receipts (A.7 + B + C + D)	76,976,251	b. Redemption	1,127,706	
		c. Total (a. + b.)	2,223,517	
		3. Total (1.c + 2.c)	8,765,138	
		C. Payments to State for highways	—	
		D. Payments to toll facilities	—	
		E. Total disbursements (A.6 + B.3 + C + D)	34,648,059	
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	4,944,000	—	1,479,750	3,464,250
1. Bonds (Refunding Portion)		—	—	
B. Notes (Total)	45,643,370	—	5,302,353	40,341,017
V. LOCAL ROAD AND STREET FUND BALANCE				
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance
	314,334,762	76,976,251	34,648,059	356,662,954
E. Reconciliation				
Notes and Comments:				

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2022	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM AMOUNT	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	26,351,720	a. Interest on investments	217,344
b. Other local imposts:		b. Traffic Fines & Penalties	678,644
1. Sales Taxes	3,825,544	c. Parking Garage Fees	7,706
2. Infrastructure & Impact Fees	—	d. Parking Meter Fees	95,012
3. Liens	—	e. Sale of Surplus Property	—
4. Licenses	—	f. Charges for Services	—
5. Specific Ownership &/or Other	1,782,116	g. Other Misc. Receipts	1,771,308
6. Total (1. through 5.)	5,607,660	h. Other	—
c. Total (a. + b.)	31,959,380	i. Total (a. through h.)	2,770,014
(Carry forward to page 1)			1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,539,113	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	20,561
c. Motor Vehicle Registrations	247,683	d. Federal Transit Admin	—
d. Other (Specify) - DOLA Grant	—	e. U.S. Corps of Engineers	—
e. Other (Specify)	56,767	f. Other Federal	—
f. Total (a. through e.)	304,450	g. Total (a. through f.)	20,561
4. Total (1. + 2. + 3.f)	3,843,563	3. Total (1. + 2.g)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	—	—	—
b. Engineering Costs	661,288	234,040	895,328
c. Construction:			
(1). New Facilities	—	554,337	554,337
(2). Capacity Improvements	—	3,580,352	3,580,352
(3). System Preservation	—	16,444	16,444
(4). System Enhancement & Operation	6,104,993	20,561	6,125,554
(5). Total Construction (1) + (2) + (3) + (4)	6,104,993	4,171,694	10,276,687
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	6,766,281	4,405,734	11,172,015
Notes and Comments:			

*S*Pirit of full disclosure... *R*esults that count

Service

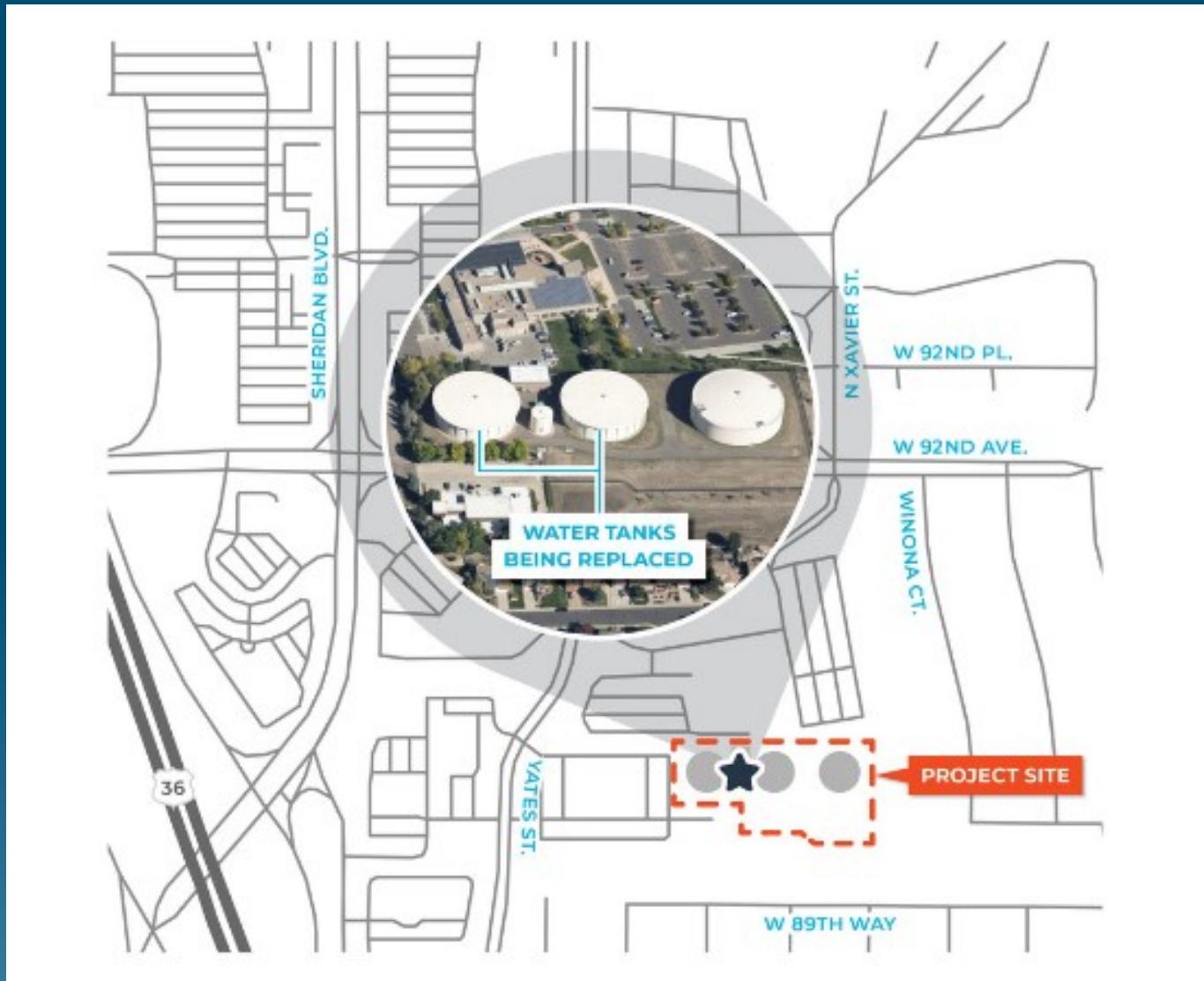
Pride

Integrity

Responsibility

Innovation

Teamwork



WESTMINSTER

City of Westminster | 4800 West 92nd Avenue | Westminster, CO 80031

(303) 658-2400

www.cityofwestminster.us