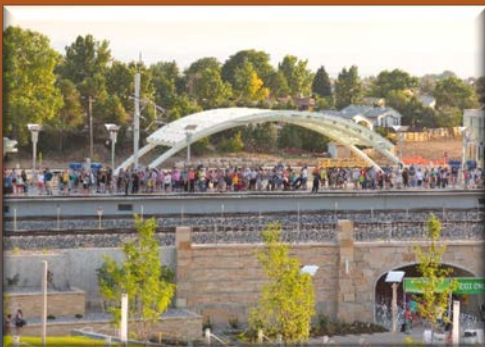


City of Westminster Colorado



Comprehensive Annual Financial Report for the year ended December 31, 2016



WESTMINSTER

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

Prepared by:

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

www.cityofwestminster.us

On the cover:

The Westminster Station, located at approximately 71st Avenue and Irving Street, opened in July, 2016. It is the first stop along the new B Line commuter rail route that will ultimately wind its way to Boulder and Longmont. It has become a new favorite for ways to commute to Denver, with daily ridership numbers at 1400 daily, nearly double the original estimate of 800. The B Line trains travel six miles from Westminster to Union Station in downtown Denver in just about 11 minutes.

The Westminster Station is the centerpiece of the transit oriented development area, accentuated by an architectural canopy design and amphitheater-style plaza landscape, as depicted in the photos and renderings on the cover, including the grand opening festival crowds and the VIP ribbon cutting.

A 600 space parking garage to the north and a 37 acre park and open space area to the south are what make the area so special. The City has taken thoughtful steps to create a vibrant mixed-use, transit-oriented district with ample possibilities for redevelopment in an area ideally located in relation to downtown Denver.

The first phase of the park development is on target to be completed in 2017 and will feature local trail connections, an outdoor amphitheater, and a stocked 2.5 acre pond. The next phase of the park will include a nature-themed play area and additional amenities.

The City is encouraging development within the 135 acre area around the station, and construction has already begun on an adjacent five story, mixed-use affordable housing project, an initiative of the Adams County Housing Authority. Additionally, the City has executed an agreement for the development of a market-rate residential and commercial project to wrap the parking garage.

CITY OF WESTMINSTER, COLORADO

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INTRODUCTION





WESTMINSTER
COLORADO

May 19, 2017

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

We are pleased to present to you the 2016 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's operations and financial position.

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

The Past Year

The City of Westminster delivers exceptional value and quality of life through SPIRIT. SPIRIT – Service, Pride, Integrity, Responsibility, Innovation and Teamwork. We'd like to highlight two significant items that occurred in 2016.

On July 25, 2016, the City celebrated the grand opening of the B-line. The RTD B-Line train took its first passengers from the new Westminster Station to Denver Union Station. RTD staff and additional invited guests rode the train to a ribbon cutting ceremony at Union Station. The train then departed to Westminster Station and, 11 minutes later, arrived for another ribbon cutting to celebrate its opening to the public.

Many City of Westminster employees have been involved in the planning and development of the train and station for years. This type of project only happens when you bring together a team of individuals that creates something greater than any could do on his or her own. With visionary planning, tenacious negotiations, political prowess, various funding sources, strong project management, nimble technical reviews, and solid field inspections, the city staff made it happen. The station is an example of the power of collaboration amongst multiple departments and disciplines within the City of Westminster.

Significant progress has been made in the new Downtown Westminster as a majority of the infrastructure work has been completed and several development agreements are in the final stages of approval. An 800 space parking garage is also nearing completion.

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

The Department of Community Development implemented an electronic permitting and development plan review system, using software known as "TRAKiT," just prior to the end of 2016. TRAKiT is now

being utilized by Community Development staff to provide a one-stop shop experience for all customers, internal and external. Everything from the issuance of a water heater permit to the approval of a multi-acre commercial development is processed through the system, including the application, routing, review and approval. Due to the efficiencies created by the new system, the department has been able to cut the overall project review time by 40%. Furthermore, customer service has been greatly enhanced via online application and payment options that were never before available.

In 2016, the City created its first ever Open Space Division to support the efforts of the Open Space Stewardship Plan. This realignment and new resources provide increased quality and experiences to one of the City's most cherished resources - - Open Space.

The City Manager's Office went through a structural change in order to better align the organization with the strategic plan and City Council goals. In addition to adding a second Deputy City Manager, the City Clerk's division was placed in the City Manager's Office from the General Services Department. In 2016, the City was able to add about 19 full time equivalent positions to work on organizational priorities, as well as take on responsibility for the additional workload that has naturally occurred as part of being a progressive, growing and changing community.

Much of 2016 was spent looking at the way the court communicates internally and externally. Processes were analyzed to determine if they made sense, were easy to understand, and if they accomplished what they were expected to accomplish. Many of the improvements were made based on community feedback to include surveys. The flow of communication, written and oral, internally has been enhanced, as has the flow of information to the public. The goal is to not have the public, including defendants, guess at how to navigate the judicial process. Information has been made more readily available to help the public make informed decisions. Another highlight in 2016 was the creation of Courtroom Decorum Policies and Court Security Procedures to ensure the integrity of the court proceedings and the safety of the public while at the courthouse.

It was another busy year for the Finance Department in the debt arena. In May, the Utility Enterprise Fund issued \$42.8 million of revenue bonds to acquire, develop, enhance and improve various utility system components throughout the City. Major projects include wastewater dewatering improvements, pressure zone improvements and lift station and force main improvements. The Department also led the refunding of 2007 Certificates of Participation in order to save roughly \$2 million over the remaining 9 year life. In addition, a fraud hotline was also established.

In 2016, the General Services Department continued to strengthen the total compensation package that allows the City to recruit and retain a talented workforce. Employee turnover was higher in 2016 than in years past due to a number of employees reaching retirement age and an extremely low unemployment rate in the fast-growing Denver metro area. Human Resources partnered with City departments to fill over 200 positions with individuals that possess strong technical skills and SPIRIT values. The City continued to place emphasis on hiring a diverse workforce and new hires in 2016 closely matched City demographics. General Services also led efforts to invest in employees by continuing to provide a sustainable employee benefits package, a strong safety culture, and a robust training and develop program. Additionally, the City was honored by winning first place in the 2016 Metro Denver Healthiest Employers awards from the Denver Business Journal for organizations with 500 or more employees.

The Information Technology Department received 4th place in the 75,000 to 125,000 population category from the Center for Digital Government. The award recognizes the success the City of

Westminster has achieved in the areas of open government, mobile applications, citizen engagement, regional collaboration, cybersecurity, disaster recovery planning, networks, IT budget management, IT performance measures, IT staff recruitment, retention and more.

The Fire Department partnered with the City's Fleet Division and Purchasing Officer in serving as the lead agency with seven North Area fire departments in the development of a common fire engine apparatus specification. The year-long process resulted in agreed upon design specifications, an RFP that selected a vendor and the ultimate purchase of seven fire apparatus, with an approximate combined value of \$3.8 million dollars. This regional collaboration in the mutually shared purchase resulted in not only cost savings in the tens of thousands of dollars, but better aligned operational capabilities amongst the North Area fire departments. This is but one example of how regional collaboration can result in better service to our respective communities.

In 2016, the Police Department successfully purchased a state-of-the-art database software tailored to Law Enforcement and Crime Analyst users that runs from a web browser. It allows for quick and easy access to data from both the Records Management System and Computer Automated Dispatch, in order to search for critical information provided from filed case reports and calls for service related to current incidents and case investigations. It also allows the ability to connect with other jurisdictions' data. It identifies trends, patterns and potential suspects, allowing the users to do more in less time. Thus, saving the department countless amount of hours and money it takes to sift through an enormous amount of data.

The Public Works and Utilities Department completed an enhanced street rehabilitation improvement project using funding from both the General Fund and the Utilities Fund. The resulting paving, addition of curb and gutter, an ADA accessible curb ramp and storm drainage infrastructure provided a major improvement and resolved a problem that existed for decades.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2017.

In March the Westminster City Council hosted a Community Summit to gather input from residents to inform the city's Strategic Planning efforts. An employee summit was also held with division managers and employees.

Over 100 community members attended the public event, which was facilitated by The Novak Consulting Group. The meeting was organized with five stations focused on a different series of questions, including:

- Vision: Urban center
- Mission
- Council Direction
- Progress
- Strategic Plan

Each community member had an opportunity to participate in three distinct conversations. At least one member of the City Council was present at each station and a city staff member served as the recorder for the session.

At the employee and supervisor employee summits, city staff sat in groups of 8 or 9 and answered similar questions posed to the community the night before.

City Council will take all the feedback received and review during their Strategic Plan retreat in May.

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

Independent Audit

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

Government Structure and Types of Services

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

With a population of approximately 113,000, the City is approximately 95% built out, with just over 5% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical service, court system, parks, recreation facilities and programs, libraries, planning and development, water and wastewater treatment, street construction and maintenance and a variety of related services such as human resources, finance, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA), which is utilized in housing initiatives;
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections; 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
 - Promenade Parking General Improvement District ⁽¹⁾
 - 144th Avenue General Improvement District
 - Orchard Park Place General Improvement District
 - Park 1200 General Improvement District
 - Downtown General Improvement District ⁽²⁾

⁽¹⁾ The Parking Garage GID was dissolved in 2016.

⁽²⁾ Approved by the voters in the November 2015 elections – no financial activity in 2016.

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:
 - o Budgetary oversight by the City Manager's Office separate from the accounting and recording of transactions by the Finance Department;
 - o The legal level of budgetary control is at the department level;
 - o Segregation of authorization, collection and recording/reconciliation functions across all departments and financially-related functions of the City of Westminster;
 - o Access controls to all systems, whether purchasing, general ledger, payroll, information technology, or others; and
 - o Independent checks on the system and transactions by staff performing the internal audit function.

As with any system, the inherent limitations of the system make it imperative that the City rely on review and revision of programs when weaknesses are discovered; SAS 114, *The Auditor's Communication with Those Charged with Governance* and SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*; reporting by the City's audit firm; and constant diligence on the part of management and employees for preventing and correcting errors or other weaknesses when reviewed.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster, Colorado, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the content of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last thirty-three consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

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

In particular, our sincere appreciation is extended to Cherie Sanchez, Accounting Manager; Vicki Adams, ERP Business Analyst; Karen Barlow, Accountant; Karen Creager, Accountant; Gary Newcomb, Accountant; Josie Shrum, Accountant; Sarah Stehr, Accountant; Kim McDaniel, Retirement Administrator; Chad Smith, Financial Analyst; Sherri Young, Financial Analyst; Barb Dolan, Sales Tax Manager; Bob Byerhof, Treasury Manager; and Maggie Hunter, Executive Assistant. Thank you for your dedication, hard work, and another excellent annual report.

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

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

Respectfully submitted,

Donald M. Tripp
City Manager

Tammy Hitchens
Director of Finance



WESTMINSTER
COLORADO

ORGANIZATIONAL CHART

Citizens



Herb Atchison
Mayor



Alberto Garcia
Mayor Pro Tem



Bruce Baker
Councillor



Shannon Bird
Councillor



Maria De Cambra
Councillor



Emma Pinter
Councillor



Anita Seitz
Councillor



David Frankel
City Attorney



Don Tripp
City Manager



John Stipech
Presiding Judge



Jody Andrews
Deputy City Manager



Barbara Opie
Deputy City Manager



Tim Carlson
Police Chief



Dave Downing
Director of
Community
Development



Jason Genck
Director of Parks,
Recreation &
Libraries



Doug Hall
Fire Chief



Tammy Hitchens
Director of
Finance



Max Kirschbaum
Director of Public
Works & Utilities



Debbie Mitchell
Director of
General Services



David Punttenney
Director of
Information
Technology



Government Finance Officers Association

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

Presented to

**City of Westminster
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2016 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2016, 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.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual fund financial statements and schedule and other supplementary information, including the local highway finance report information and the schedule of expenditures of federal awards (supplementary information) 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

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

supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
May 19, 2017



WESTMINSTER COLORADO

City of Westminster, Colorado

Management's Discussion and Analysis (Unaudited)

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2016 provides a narrative overview of the City's financial activities. Please consider the information here in conjunction with the transmittal letter at the beginning of this Comprehensive Annual Financial Report and the financial statements and notes to the financial statements, which begin on page 19.

THE CITY

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

Centrally located between Denver and Boulder Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative and progressive local government services. With a population of approximately 113,000, the City is approximately 95% built out, with just about 5% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 58 developed parks and 4 undeveloped parks, 3,092 acres of natural open space, two libraries, two golf courses, several recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 54.0% of the City's governmental activities revenues. Property taxes comprise approximately 2.7% of the City's governmental activities revenues. Property and sales tax increment contributes an additional 5.9%. The primary sources of revenues for the City's enterprise funds including the Utility Enterprise and Golf Course Enterprise are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was up \$5.4 million, or 6.2% compared to 2015. The increase is attributed to the strong housing market and employment base across the Front Range that has bolstered public confidence and increased consumer spending.

In May, the Utility Enterprise Fund issued \$42.8 million of Revenue Bonds at a premium of \$8.5 million for the purpose of acquiring, developing, enhancing and maintaining various utility system improvements throughout the city. In particular, bond proceeds were appropriated to fund \$51 million in capital project spending for Big Dry Creek dewatering improvements, Little Dry Creek interceptor repair, lift station and force mains major repair and replacement, pressure zone improvements and Sheridan Boulevard water main replacement.

In September, the City issued \$15.0 million in Certificates of Participation lease financing (COPs) to refund the Series 2007 COP issue for better financing terms that will save the City nearly \$2.0 million in debt service payments over the next 9 years.

In June, the City entered into a master lease-purchase agreement in the amount of \$1.0 million used as a prepayment for two 2016 Pierce Velocity pumper fire trucks that will be received in 2017.

In addition to these new debt issues, five long term debt issues totaling \$5.7 million were paid off in 2016 including the 2005 Energy Saving Equipment COPs, 2007A Sales and Use Tax Refunding, 2007B Sales and Use Tax Refunding, 2007C Sales and Use Tax Refunding, and 2006 capital lease financing of the Metzger Farm.

The City received \$5.5 million in federal award reimbursements from the US Department of Housing and Urban Development for the Community Development Block Grant program, Department of Transportation for bridge replacement, regional trail improvements, public safety and Departments of Justice and Homeland Security for public safety related efforts.

\$0.2 million in grant reimbursements was received from the State for public safety, historical preservation, and acquisition of educational resources for the libraries.

\$0.4 million in reimbursements was received from Adams County for Little Dry Creek open space and drainage improvements and from both Adams County and Jefferson County for victim assistance and law enforcement efforts.

The City's Utility Fund received capital contributions from developers totaling \$23.8 million for tapping into the City's water utility system. This is a \$9.8 million, or 69.7% increase in contributions over 2015.

A total of \$90.2 million was expended in relation to the City's Capital Improvement Program (CIP) in 2016. Governmental activities CIP spending totaled \$63.9 million, up \$18.8 million or 41.7% from the prior year. Business-type activities CIP spending totaled \$26.3 million, down \$8.8 million or 25.1% from 2015.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2016 by \$922.0 million (\$424.5 million in governmental activities and \$497.5 million in business-type activities). Of the governmental activities net position total, \$125.7 million, or 29.6%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$106.4 million, or 21.4%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$69.5 million, or 8.2%, compared to 2015. The net position of the City's governmental activities increased \$39.9 million, which represents an increase of 10.4% over 2015. The net position of the City's business-type activities increased \$29.6 million, or 6.3%, over 2015.

The total expenses of all the City's programs increased \$15.7 million, or 8.5%, compared to 2015. The cost of governmental activities program expenses increased \$13.5 million, or 10.3%, to \$145.1 million, while business-type activities expenses increased \$2.2 million, or 4.2%, to \$54.3 million from 2015.

Total revenues, excluding transfers, increased \$33.0 million, or 14.0%, compared to 2015. Governmental activities revenues increased \$20.4 million, or 12.5%, to \$184.0 million, while revenues of business-type activities increased \$12.6 million, or 17.4%, to \$84.9 million compared to 2015.

As of December 31, 2016, the City's governmental funds reported a combined ending fund balance of \$147.0 million. Approximately 54.5%, or \$80.0 million, is committed, assigned or unassigned fund balance and, therefore, available for spending at the City's discretion within the purposes specified for the City's funds.

The General Fund reported a fund balance of \$43.8 million as of December 31, 2016 of which \$36.5 million was assigned or unassigned.

During 2016, the City adopted GASB Statement No. 72 of the Governmental Accounting Standards Board (GASB 72), Fair Value Measurement and Application. GASB 72 addresses accounting and financial reporting issues related to fair value measurement and related disclosures. Updated fair value disclosure pertaining to the City's investments can be found in the Notes to the Financial Statements beginning on page 41.

In addition, the City adopted GASB Statement No. 77 of the Governmental Accounting Standards Board (GASB 77), Tax Abatement Disclosures. GASB 77 addresses accounting and financial reporting issues related to tax abatement agreements and related disclosures. New tax abatement disclosure can be found in the Notes to the Financial Statements on page 76.

Both pronouncements provide detail that is essential to fully understanding the information presented in the City's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

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

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

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

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

- Governmental activities – Most of the City's basic services are reported here – police, fire, public works, parks, recreation and libraries and general administration. Sales and use taxes, property

taxes, fees and charges from the municipal court and the Parks, Recreation and Libraries Department, franchise fees, and state and federal grants finance most of these activities.

- Business-type activities – The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's water and sewer system, golf courses, and Westminster Housing Authority activities are reported here.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into 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 16 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 13 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 Westminster Housing Authority. The Utility Fund is considered a major fund of the City; the Golf Course Fund and the Westminster Housing Authority are nonmajor funds. Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining statements and individual fund statements in the supplementary information of this report.

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$922.0 million at December 31, 2016. Governmental activities make up \$424.5 million (46.0%) of the net position, with business-type activities making up the remaining \$497.5 million (54.0%). Total net position increased by \$69.5 million (8.2%) in 2016. The increase is comprised of the following:

Total assets increased \$96.7 million, or 8.3%, to \$1,257.2 million. This included an increase in current and other assets of \$44.3 million and an increase in capital assets of \$52.4 million.

The increase in current and other assets was primarily due to \$44.7 million in unspent proceeds from the 2016 Utility Enterprise Revenue Bond issue, a \$7.3 million increase in receivables (primarily related to a single intergovernmental reimbursement agreement for development in the City's transit oriented district), and a \$1.5 million increase in prepaid items and inventories primarily related to the down payment on the fire trucks to be received in 2017.

\$30.0 million of depreciation expense was recognized while \$82.5 million in capital assets was added. \$64.8 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes, and \$0.2 million in capital assets net of depreciation were disposed of.

Total liabilities increased \$29.3 million, or 9.8%, to \$327.1 million. This is primarily due to the addition of debt financing by governmental activities totaling \$17.6 million and by business-type activities totaling \$51.3 million. This increase was offset by reductions of outstanding bonds, loans, notes, and leases totaling \$36.1 million for governmental activities and \$5.7 million for business-type activities

due to principal payments, amortization of premiums and discounts, and refunding of the Series 2007 COPs.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 209.3	\$ 224.7	\$ 161.5	\$ 101.8	\$ 370.8	\$ 326.5
Capital assets	445.2	406.7	441.2	427.3	886.4	834.0
Total assets	654.5	631.4	602.7	529.1	1,257.2	1,160.5
Deferred outflow of resources	8.4	6.7	-	-	8.4	6.7
Current and other liabilities	21.6	18.0	6.0	7.4	27.6	25.4
Long-term liabilities	200.3	218.6	99.2	53.8	299.5	272.4
Total liabilities	221.9	236.6	105.2	61.2	327.1	297.8
Deferred inflow of resources	16.5	16.9	-	-	16.5	16.9
Net Position:						
Net investment in capital assets	263.0	233.7	385.9	375.1	648.9	608.8
Restricted	35.8	32.0	5.2	5.2	41.0	37.2
Unrestricted	125.7	118.9	106.4	87.6	232.1	206.5
Total net position	\$ 424.5	\$ 384.6	\$ 497.5	\$ 467.9	\$ 922.0	\$ 852.5

By far the largest portion of the City's net position reflects its investment of \$886.4 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$648.9 million as of December 31, 2016, or 70.4% of total net position.

An additional portion of the City's net position, \$41.0 million, or 4.4% represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$232.1 million, or 25.2% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$106.4 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 \$69.5 million during 2016. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$39.9 million during 2016. This was \$7.9 million more than the increase of \$32.0 million in 2015.

Governmental activities revenues increased \$20.4 million from 2015. The change is attributed to increases in the amount of revenues from Charges for Services (\$2.1 million), Operating Grants and Contributions (\$1.0 million), Capital Grants and Contributions (\$10.8 million), Property Tax (\$0.6 million), Sales Tax (\$3.5 million), Use Tax (\$2.2 million), Property Tax Increment (\$1.0 million), Sales Tax Increment (\$0.2 million), Accommodations Tax (\$0.3 million), and Interest (\$0.6 million). These increases were offset by a decreases in Business Fees and Other Taxes (\$0.2 million), Intergovernmental (\$0.2 million) and Gain on Sale of Assets (\$1.5 million).

Most of the increases in tax revenues are due to improvements in the overall economy. Increases in capital grants and contributions resulted mostly from regional cooperation to fund the TOD area. Increases in intergovernmental revenue resulted mostly from federal grants that financed road improvements, bridge replacements and trail development. Charges for services increased due to license and permit fees, common area maintenance charges, and reimbursements. No significant transactions relating to the sales assets occurred in the current year.

Governmental expenses increased \$13.5 million (10.3%) from 2015. The change is attributable to increased expenses in General Government (\$8.3 million), Public Safety (\$1.7 million), Community Development (\$1.1 million), Culture and Recreation (\$3.1 million) and debt refinancing fees (\$0.2 million) offset by decreases in expenses in Public Works (\$0.1 million), Interest and fiscal charges (\$0.7 million), and unallocated depreciation (\$0.1 million).

Increases in expenses are primarily due to personnel services and capital project spending as construction of significant projects in the TOD area were completed and WURP redevelopment continued. Economic development assistance provided to developers in the form of waivers and rebates of certain fees and taxes also contributed to the increases.

As can be seen in Table 2, General Government, which includes all benefits, insurances and lease payments as well as the City Council and four departments' (City Manager's Office, City Attorney's Office, General Services and Finance) accounted for 34.0% of governmental expenses, Public Safety accounted for 25.0%, Public Works accounted for 9.0%, Community Development accounted for 10.0%, Culture and Recreation accounted for 17.0%, and Interest and Fiscal Charges accounted for 5.0%.

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues						
Charges for services	\$ 21.2	\$ 19.1	\$ 58.8	\$ 54.1	\$ 80.0	\$ 73.2
Operating grants and contributions	9.3	8.3	-	-	9.3	8.3
Capital grants and contributions	26.6	15.8	24.1	16.7	50.7	32.5
General revenues						
Property taxes	5.0	4.4	-	-	5.0	4.4
Sales taxes	79.4	75.9	-	-	79.4	75.9
Uses taxes	19.8	17.6	-	-	19.8	17.6
Property tax increment	10.1	9.1	-	-	10.1	9.1
Sales tax increment	0.8	0.6	-	-	0.8	0.6
Business fees and other taxes	5.4	5.6	-	-	5.4	5.6
Accommodations tax	4.3	4.0	-	-	4.3	4.0
Intergovernmental	0.2	0.4	-	-	0.2	0.4
Interest	1.3	0.7	1.0	0.6	2.3	1.3
Rentals	0.4	0.4	-	-	0.4	0.4
Other	-	-	0.9	0.9	0.9	0.9
Gain on sale of assets	0.2	1.7	0.1	-	0.3	1.7
Total revenues	184.0	163.6	84.9	72.3	268.9	235.9
Program expenses						
General government	49.6	41.3	-	-	49.6	41.3
Public safety	36.3	34.6	-	-	36.3	34.6
Public works	13.4	13.5	-	-	13.4	13.5
Community development	14.2	13.1	-	-	14.2	13.1
Culture and recreation	24.6	21.5	-	-	24.6	21.5
Utility	-	-	50.7	48.5	50.7	48.5
Golf	-	-	3.5	3.5	3.5	3.5
Housing Authority	-	-	0.1	0.1	0.1	0.1
Interest and fiscal charges	6.6	7.3	-	-	6.6	7.3
Refunding fee	0.2	-	-	-	0.2	-
Unallocated depreciation	0.2	0.3	-	-	0.2	0.3
Other	-	-	-	-	-	-
Total expenses	145.1	131.6	54.3	52.1	199.4	183.7
Excess before transfers	38.9	32.0	30.6	20.2	69.5	52.2
Transfers	1.0	-	(1.0)	-	-	-
Change in net position	39.9	32.0	29.6	20.2	69.5	52.2
Net position - beginning	384.6	352.6	467.9	447.7	852.5	800.3
Net position - ending	\$424.5	\$384.6	\$ 497.5	\$ 467.9	\$ 922.0	\$ 852.5

Charts 1 and 2 illustrate the City's governmental expenses and revenues by function and its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, sales and use taxes are the largest single source (54.0%), followed by capital grants and contributions (14.4%) and charges for services (11.5%).

**CHART 1: EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES**

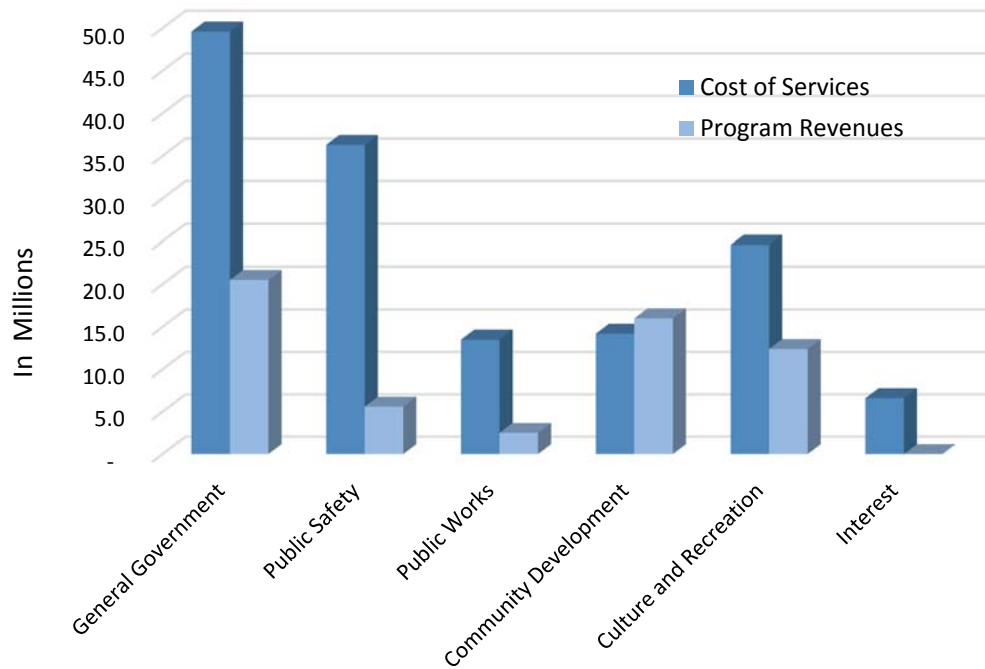
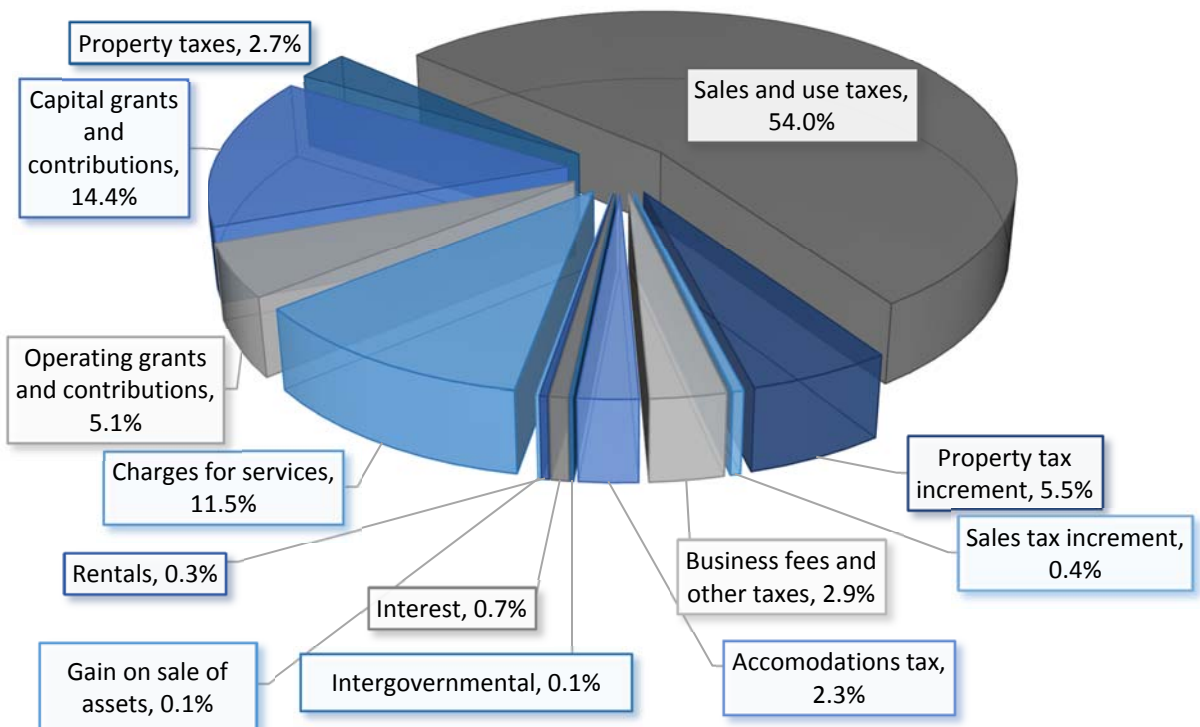


CHART 2: REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



Business-type Activities

Net position in business-type activities increased \$29.6 million in 2016. This is \$9.4 million, or 46.5%, more than the \$20.2 million increase in 2015.

Total business-type revenues increased \$12.6 million, or 17.4%, compared to 2015. This increase was due primarily to increases of \$4.7 million, or 8.7% in Charges for Service, \$7.4 million, or 44.3% in Capital Grants and Contributions, \$0.4 million, or 66.7% in Interest and \$0.1 million in Gain on Sale of Assets.

Increases in charges for services revenue are attributable to the effect of climatic variations on water consumption and increased billing rates. Increases in capital grants and contributions are due to developer tap fees and water lines for connecting to the utility system as a result of increased building activity in the City.

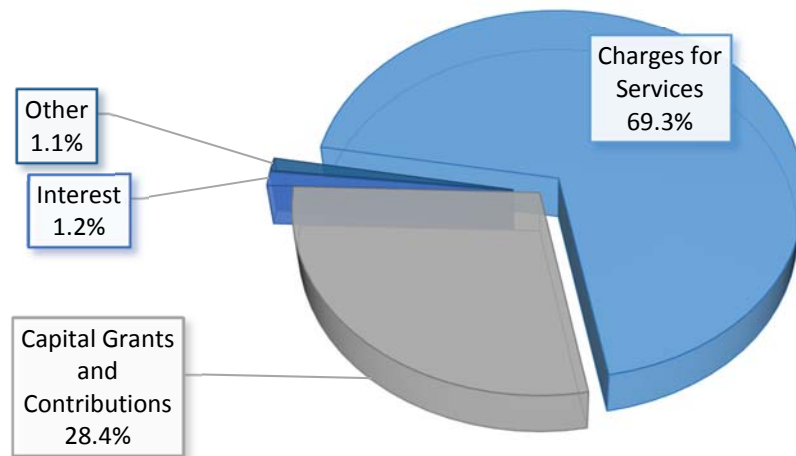
Expenses of business-type activities increased \$2.2 million, or 4.2%, compared to 2015. The increase was due primarily to an increase in costs associated with providing utility services.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 93.4% of total business-type expenses. Charges for Services provides the largest share of revenues (69.3%), followed by Capital Grants and Contributions (28.4%).

**CHART 3: EXPENSES AND PROGRAM REVENUES
BUSINESS TYPE ACTIVITIES**



CHART 4: REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

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

At December 31, 2016, the City's governmental funds reported a combined ending fund balance of \$147.0 million, a decrease of \$16.6 million, or 10.1%, compared to 2015. Based on the level of constraint imposed on the use of financial resources, fund balance is reported as either nonspendable; restricted; or as committed, assigned or unassigned.

- Nonspendable fund balance related to property held for resale, primarily reflecting property acquired for the Westminster Urban Reinvestment Project area remained unchanged at \$20.8 million as the City is still undertaking development activities related to this project.
- Fund balance restricted for capital additions and improvements decreased \$21.8 million primarily due to expenditure of proceeds related to the 2015 Certificates of Participation lease financing for the WURP redevelopment.
- Fund balance restricted for debt service decreased \$0.3 million, or 2.0%, to \$15.6 million.
- Fund balance restricted for emergencies as required by TABOR increased \$0.5 million, or 11.8%.
- Fund balance restricted for open space conservation and improvements increased \$0.2 million to \$2.2 million due in part to an increase in Parks Open Space and Trails sales and use tax revenue.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$41.2 million from \$36.9 million, or 11.6% due to additional funding for capital construction.
- Committed fund balance decreased for urban renewal \$0.6 million from \$0.8 million, or 70.4%, due to project spending.

- Unassigned fund balance increased \$0.3 million, or 0.9%, to \$31.6 million compared to 2015. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. At the end of 2016, the unassigned fund balance of the General Fund was \$30.0 million, while total fund balance was \$43.8 million. Total fund balance decreased in the General Fund by \$0.7 million, or 1.5%, compared to 2015. The unassigned fund balance represents 22.4% of General Fund expenditures and transfers out. The City's goal is to maintain a 10% fund balance.

The original budget in the General Fund was \$118.9 million. Actual General Fund expenditures and transfers out totaled \$133.8 million. Supplemental appropriations of transfers to other funds and economic development rebates account for the increase in expenditure activity between the original and final budgets.

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

CHART 5: GENERAL FUND BUDGET AND ACTUAL REVENUE BY SOURCE, LESS OTHER FINANCING SOURCES AND USES

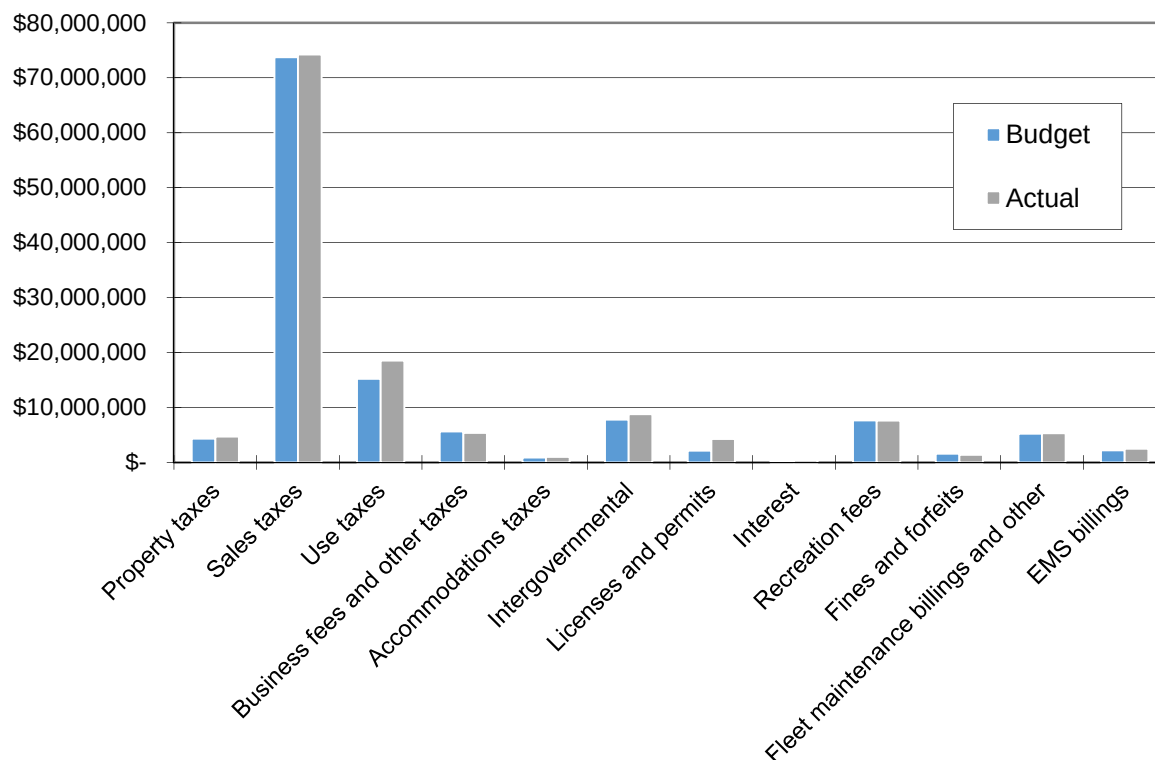
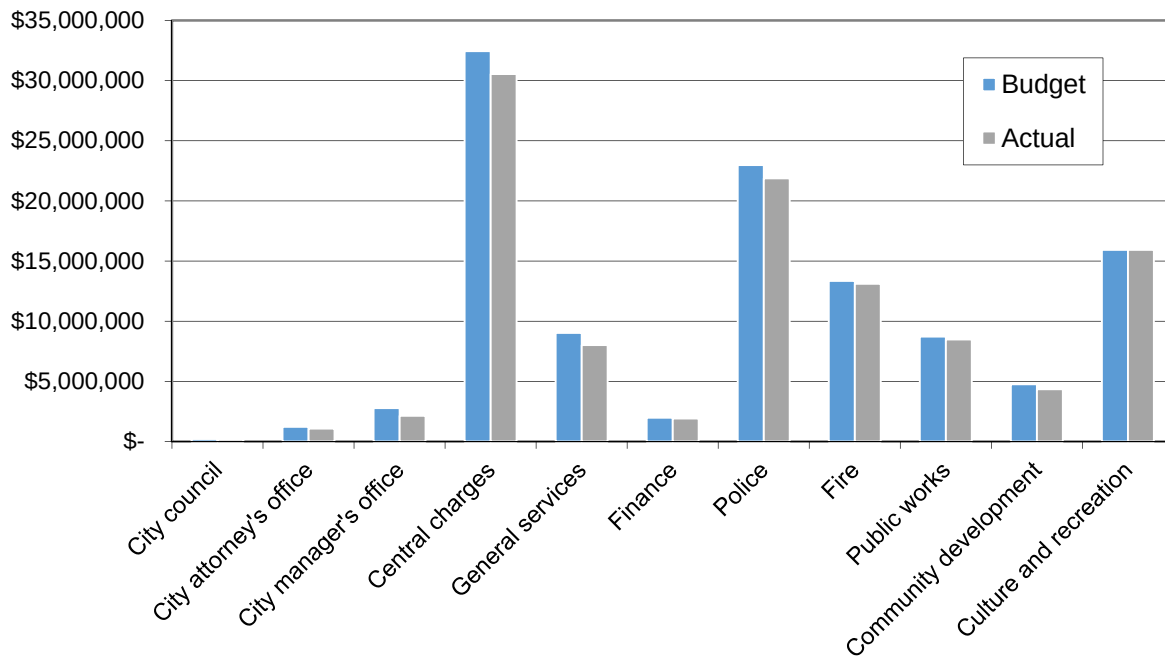


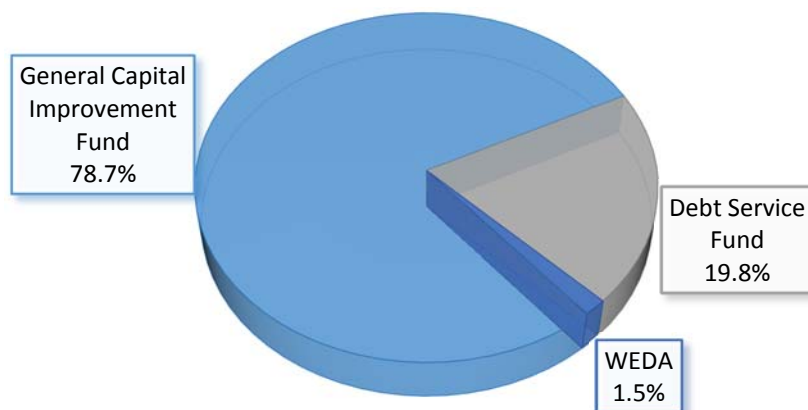
CHART 6: GENERAL FUND BUDGET AND ACTUAL EXPENDITURES BY DEPARTMENT, LESS DEBT SERVICE AND OTHER FINANCING SOURCES AND USES



Sales and use taxes are the primary funding source for the City's governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 7 illustrates, 78.7% of the sales and use tax was transferred to the General Capital Improvement Fund for capital construction projects, 19.8% was transferred to the Debt Service Fund, and 1.5% was transferred to the Westminster Economic Development Authority. \$72.2 million was budgeted in the General Fund for operating purposes.

General Fund sales and use tax increased 6.2%, or \$5.4 million, compared to 2015.

CHART 7: GENERAL FUND TRANSFERS OF SALES AND USE TAX



The General Capital Improvement Fund is used to account for financial resources used for the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2016, the fund had a fund balance of \$58.8 million.

The General Capital Improvement Fund revenues include accommodations taxes, revenues from other governments, contributions, interest, and transfers from other funds. The fund's revenues increased by \$13.1 million due to increases in Accommodations Tax of \$0.2 million, Intergovernmental of \$4.2 million, Interest of \$0.3 million and Contributions of \$8.4 million.

Capital grants and contributions reflect regional funding of the TOD area. Intergovernmental revenue reflects mostly federal grants utilized for capital construction.

Expenditures totaling \$66.3 million were \$32.6 million more than 2015 due to substantial capital project activity and economic development assistance provided to developers.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance increased \$2.9 million from 2015. As of December 31, 2016, Fund Balance was \$35.7 million.

Revenue for the Westminster Economic Development Authority increased by \$1.3 million, or 12.4%, compared to 2015. The increase was due primarily to an increase in property tax increment of \$1.0 million.

Expenditures decreased by \$8.9 million, or 40.6% compared to 2015. The decrease was due to a decrease in capital project activity.

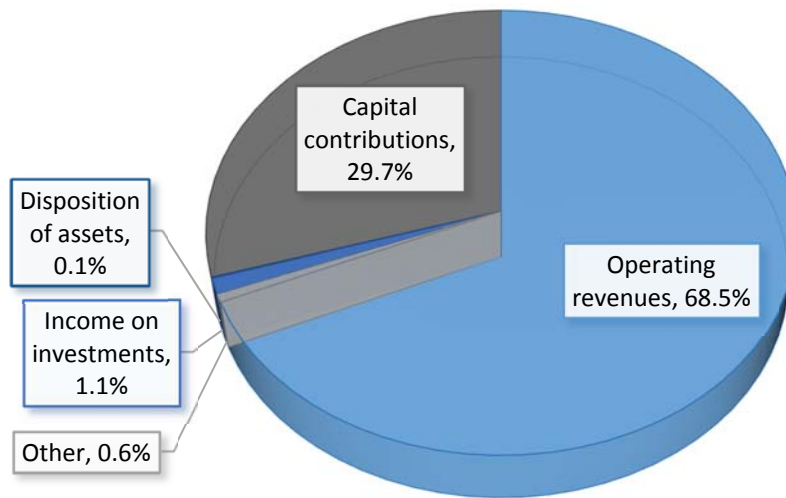
Proprietary Funds- As already discussed, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2016 with net position equal to \$478.7 million. Of that amount, \$102.0 million is unrestricted. Net position increased \$29.1 million, or 6.5%, compared to 2015.

Operating revenues increased \$4.8 million, or 9.4%, compared to 2015. Chart 8 illustrates both operating and non-operating revenues by source. The primary reason for the increase in operating revenues is due to increased demand and billing rates.

Utility Fund operating expenses increased \$1.8 million, or 3.9%, compared to 2015. The primary reason is due to increases in personnel and contractual services, as well as commodity purchases and depreciation of fixed assets that make up the utility system.

CHART 8: UTILITY FUND REVENUES BY SOURCE



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2016, amounts to \$886.4 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 \$52.4 million, or 6.3%. Net capital assets of governmental activities increased \$38.5 million, or 9.5%, and business-type activities increased \$13.9 million, or 3.3%.

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

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land and property rights	\$ 150.2	\$ 147.7	\$ 118.5	\$ 117.0	\$ 268.7	\$ 264.7
Buildings and plants	33.0	35.7	135.0	141.3	168.0	177.0
Improvements other than buildings	20.9	19.1	169.0	151.5	189.9	170.6
Parks	18.7	20.8	0.3	0.4	19.0	21.2
Ice Center	4.3	4.5	-	-	4.3	4.5
Infrastructure	169.7	138.9	-	-	169.7	138.9
Construction in progress	35.6	28.5	13.7	12.2	49.3	40.7
Machinery and equipment	12.8	11.5	4.7	4.9	17.5	16.4
Totals	\$ 445.2	\$ 406.7	\$ 441.2	\$ 427.3	\$ 886.4	\$ 834.0

Major capital asset activity during 2016 included the following:

Governmental Activities

- \$21.8 million for the Westminster Urban Reinvestment Project area improvements
- \$18.4 million for South Westminster transportation oriented development projects
- \$4.6 million for 120th Avenue/Federal Boulevard intersection improvements

Business-type activities

- \$5.6 million for South Westminster transportation oriented development projects
- \$2.3 million for the Pressure Zone 3 Expansion project
- \$2.5 million for Little Dry Creek Regional Detention project
- \$2.2 million for Big Dry Creek Wastewater Treatment Facility Digester Complex Repair and Replacement project
- \$2.0 million for repairs to potable water pump stations throughout the City
- \$1.8 million for Little Dry Creek Interceptor Repair Design project

Additional information on the City's capital assets can be found in Note 2E on pages 47 and 48.

Debt Administration

At December 31, 2016 the City's bond ratings carry investment grade ratings as follows:

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

This chart shows the lowest 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 \$259.1 million state-imposed limit. See page 149 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	
	2016	2015	2016	2015	2016	2015
Revenue Bonds						
(backed by specific tax and fee revenues)	\$ 27.4	\$ 33.5	\$ 73.1	\$32.2	\$100.5	\$ 65.7
Tax Increment Revenue Bonds and Loans	75.6	81.2	-	-	75.6	81.2
Notes and Loans	0.9	1.2	12.3	15.2	13.2	16.4
Leases	81.8	88.8	3.7	4.3	85.5	93.1
Total	<u>\$185.7</u>	<u>\$204.7</u>	<u>\$ 89.1</u>	<u>\$51.7</u>	<u>\$274.8</u>	<u>\$256.4</u>

Further information on the City's debt can be found in Note 2H on pages 50-52.

PLANS AND BUDGET FOR 2017

In its 2016 strategic planning retreat the City Council affirmed the City's Strategic Goals that reinforce long-term planning of City operations and capital programs:

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

City Council adopted the 2017-2018 budget on October 24, 2016. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separated for budgeting, legal and administrative purposes. Highlights of the 2017 budget include the following:

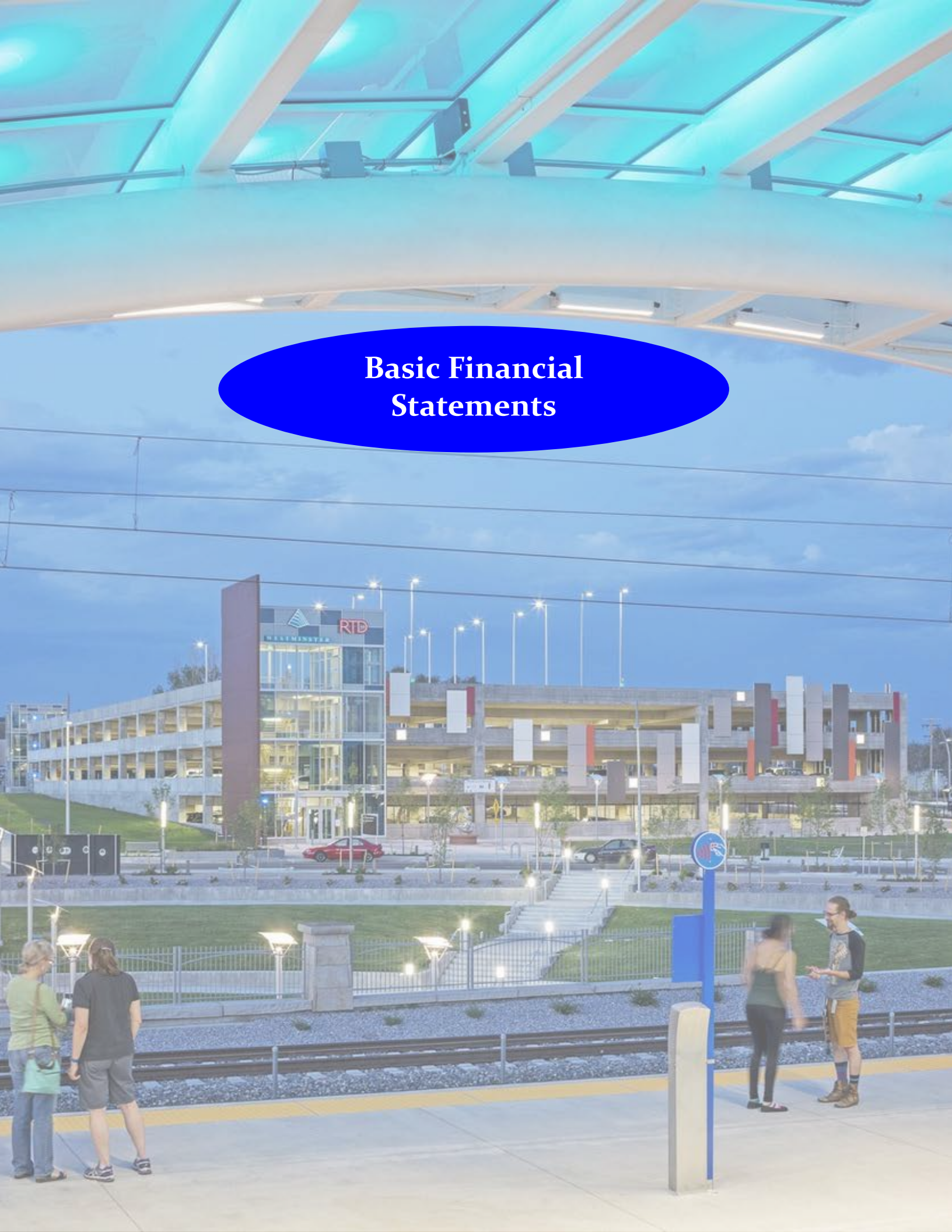
- The 2017 General Fund operating expenditures is budgeted at \$118.0 million (including contingencies).
- The 2017 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$78.0 million, which is an 8.0% increase over the 2016 transfer payment of \$72.2 million.
- In 2017, the Contingency account is \$1.0 million in the General Fund. The 2016 General Reserve Fund is projected to be \$11.9 million, the General Fund Stabilization Reserve is projected to be \$6.5 million, the Utility Capital Project Reserve Fund is projected to be \$21.1 million and the Utility Rate Stabilization Reserve is projected to be \$13.7 million.
- The total number of full-time equivalent (FTE) staffing in 2017 is 988.8 FTE, a net increase of 28.1 FTE.

- In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2017 budget. For 2017, total general capital improvements include new appropriations of \$33.2 million and utility capital improvements include new appropriations of \$26.5 million. The 2017 CIP will be funded by Governmental and Business-type Activities on a “pay-as-you-go” basis and do not include the use of debt financing.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

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

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



Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,850,056	\$ 7,633,345	\$ 16,483,401
Cash and cash equivalents with fiscal agent	214,150	-	214,150
Investments	101,659,273	87,744,947	189,404,220
Receivables:			
Taxes	26,661,920	-	26,661,920
Accounts	10,743,166	5,725,265	16,468,431
Notes and leases	3,452,736	-	3,452,736
Grants	1,961,137	3,024,675	4,985,812
Interest	351,252	312,129	663,381
Internal balances	(1,929,760)	1,929,760	-
Inventories	823,063	1,916,110	2,739,173
Property held for resale	20,807,529	-	20,807,529
Bond insurance and other prepaid items	1,458,336	97,233	1,555,569
Restricted assets:			
Cash and cash equivalents	229,702	378,890	608,592
Cash and cash equivalents with fiscal agent	24,393,361	46,141,118	70,534,479
Investments	2,641,570	4,756,960	7,398,530
Investments with fiscal agent	5,056,924	-	5,056,924
Notes receivable	-	455,899	455,899
Other assets	-	1,335,657	1,335,657
Investment in joint venture	596,090	-	596,090
Net pension asset	1,362,465	-	1,362,465
Capital assets:			
Non-depreciable assets	185,794,010	132,204,409	317,998,419
Depreciable assets, net	259,435,563	308,985,069	568,420,632
Total assets	<u>654,562,543</u>	<u>602,641,466</u>	<u>1,257,204,009</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>8,358,610</u>	<u>28,716</u>	<u>8,387,326</u>
LIABILITIES			
Accounts payable and other	18,128,099	5,383,973	23,512,072
Accrued liabilities	1,006,550	231,527	1,238,077
Unearned revenue	115,019	29,811	144,830
Accrued interest	1,132,207	335,611	1,467,818
Estimated claims	1,198,821	-	1,198,821
Noncurrent liabilities:			
Due within one year	15,621,741	6,849,656	22,471,397
Due in more than one year	184,663,865	92,388,058	277,051,923
Total liabilities	<u>221,866,302</u>	<u>105,218,636</u>	<u>327,084,938</u>
DEFERRED INFLOWS OF RESOURCES	<u>16,504,076</u>	<u>-</u>	<u>16,504,076</u>
NET POSITION			
Net investment in capital assets	262,972,719	385,909,492	648,882,211
Restricted for:			
Emergencies	5,090,654	-	5,090,654
Capital projects	3,770,970	-	3,770,970
Improvements and open space conservation	6,821,760	-	6,821,760
Debt service	14,718,829	5,135,850	19,854,679
Net pension asset	1,362,465	-	1,362,465
Other purposes	4,065,088	-	4,065,088
Unrestricted	125,748,290	106,406,204	232,154,494
Total net position	<u>\$ 424,550,775</u>	<u>\$ 497,451,546</u>	<u>\$ 922,002,321</u>

The accompanying notes are an integral part of the financial statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Function/Program Activities				
Governmental activities:				
General government	\$ 49,564,913	\$ 6,105,832	\$ 7,440,703	\$ 6,925,521
Public safety	36,274,992	3,972,310	1,570,971	23,723
Public works	13,459,466	2,548,173	1,274	-
Community development	14,174,997	801,191	43,560	15,126,835
Culture and recreation	24,576,687	7,746,111	216,627	4,471,611
Interest and fiscal charges	6,637,408	-	-	-
Refunding issuance costs	191,082	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	232,974	-	-	-
Total governmental activities	145,112,519	21,173,617	9,273,135	26,547,690
Business-type activities:				
Utility	50,691,118	55,326,918	-	24,125,580
Golf	3,579,035	3,529,970	700	-
Westminster Housing Authority	70,770	-	-	-
Total business-type activities	54,340,923	58,856,888	700	24,125,580
Total	\$ 199,453,442	\$ 80,030,505	\$ 9,273,835	\$ 50,673,270

GENERAL REVENUES

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

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (29,092,857)	-	\$ (29,092,857)
(30,707,988)	-	(30,707,988)
(10,910,019)	-	(10,910,019)
1,796,589	-	1,796,589
(12,142,338)	-	(12,142,338)
(6,637,408)	-	(6,637,408)
(191,082)	-	(191,082)
(232,974)	-	(232,974)
(88,118,077)	-	(88,118,077)
-	28,761,380	28,761,380
-	(48,365)	(48,365)
-	(70,770)	(70,770)
-	28,642,245	28,642,245
(88,118,077)	28,642,245	(59,475,832)
4,972,700	-	4,972,700
79,440,451	-	79,440,451
19,824,648	-	19,824,648
10,117,447	-	10,117,447
842,775	-	842,775
5,373,974	-	5,373,974
4,258,630	-	4,258,630
241,386	-	241,386
1,298,621	958,005	2,256,626
443,074	10	443,084
30,561	931,015	961,576
156,319	66,973	223,292
1,028,460	(1,028,460)	-
128,029,046	927,543	128,956,589
39,910,969	29,569,788	69,480,757
384,639,804	467,881,758	852,521,562
\$ 424,550,773	\$ 497,451,546	\$ 922,002,319

The accompanying notes are an integral part of the financial statements

CITY OF WESTMINSTER, COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2016

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,246,227	\$ 3,467,602	\$ 298,830	\$ 317,662	\$ 7,330,321
Cash and cash equivalents with fiscal agent	6,952	-	-	-	6,952
Investments	37,219,422	39,877,429	3,436,541	3,648,916	84,182,308
Receivables:					
Taxes	14,559,347	-	11,063,628	1,038,945	26,661,920
Accounts	2,902,354	7,703,867	40,884	15,110	10,662,215
Notes and leases	2,945,000	194,847	312,889	-	3,452,736
Grants	256,375	1,500,081	-	204,681	1,961,137
Interest	124,147	133,947	12,910	20,923	291,927
Due from other funds	22,230	-	-	-	22,230
Inventories	823,063	-	-	-	823,063
Property held for resale	31,474	319,659	19,246,173	1,210,223	20,807,529
Prepaid items	141,416	-	-	-	141,416
Restricted assets:					
Cash and cash equivalents	-	-	9,812	219,890	229,702
Cash and cash equivalents with fiscal agent	4,834	13,715,619	10,672,908	-	24,393,361
Investments	-	-	112,834	2,528,736	2,641,570
Investments with fiscal agent	1,166,368	-	3,890,556	-	5,056,924
Loans to other funds	120,000	1,125,000	-	-	1,245,000
Total assets	<u>\$ 63,569,209</u>	<u>\$ 68,038,051</u>	<u>\$ 49,097,965</u>	<u>\$ 9,205,086</u>	<u>\$ 189,910,311</u>
LIABILITIES					
Accounts payable and other	\$ 9,729,834	\$ 7,581,315	\$ 99,955	\$ 65,506	\$ 17,476,610
Accrued liabilities	943,870	18,176	-	11,064	973,110
Unearned revenue	91,027	-	23,992	-	115,019
Due to other funds	-	-	-	22,230	22,230
Accrued interest	-	-	-	1,643	1,643
Loans from other funds	-	-	1,870,000	-	1,870,000
Total liabilities	<u>10,764,731</u>	<u>7,599,491</u>	<u>1,993,947</u>	<u>100,443</u>	<u>20,458,612</u>
DEFERRED INFLOWS OF RESOURCES	<u>8,997,591</u>	<u>1,631,231</u>	<u>11,376,517</u>	<u>487,231</u>	<u>22,492,570</u>
FUND BALANCES					
Nonspendable:					
Long-term receivables	120,000	-	-	-	120,000
Prepays and inventories	964,478	-	-	-	964,478
Property held for resale	31,474	319,659	19,246,173	1,210,223	20,807,529
Restricted for:					
Capital additions and improvements	-	17,288,203	-	4,655,169	21,943,372
Contractual obligations	156,696	-	-	5,272	161,968
Debt service	1,014,506	24,376	14,595,316	-	15,634,198
Emergencies - TABOR	5,056,536	-	-	34,118	5,090,654
Open space conservation and improvements	-	-	-	2,177,641	2,177,641
Public safety	-	-	-	23,330	23,330
Committed for:					
Capital additions and improvements	-	41,175,091	-	-	41,175,091
Urban renewal	-	-	240,534	-	240,534
Assigned to:					
Community development	-	-	-	329,450	329,450
Debt service	-	-	-	222,070	222,070
Other	6,492,595	-	-	-	6,492,595
Unassigned	29,970,602	-	1,645,478	(39,861)	31,576,219
Total fund balances	<u>43,806,887</u>	<u>58,807,329</u>	<u>35,727,501</u>	<u>8,617,412</u>	<u>146,959,129</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 63,569,209</u>	<u>\$ 68,038,051</u>	<u>\$ 49,097,965</u>	<u>\$ 9,205,086</u>	<u>\$ 189,910,311</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2016

Fund balances - total government funds		\$ 146,959,129
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 \$7,371,849 are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	788,700,648	
Less accumulated depreciation	<u>(350,842,924)</u>	437,857,724
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Prepaid bond insurance costs	76,061	
Investment in joint venture	596,090	
Net pension assets	<u>1,362,465</u>	2,034,616
Deferred outflows of resources reflecting the future consumption of net position are not financial resources and therefore are not reported in the governmental funds.		
Deferred loss on refunding of long-term debt	4,234,111	
Deferred outflows of resources related to pension plans	<u>4,124,499</u>	8,358,610
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	(184,075,920)	
(Premiums)/discounts on long-term debt payable	(9,039,950)	
Compensated absences	(5,381,667)	
Postemployment benefits	<u>(157,211)</u>	(198,654,748)
Short-term liabilities that are not payable with current financial resources in the current period are not reported in the governmental funds.		
Comp time	(28,951)	
Accrued interest	<u>(1,104,506)</u>	(1,133,457)
Deferred inflows of resources reflecting the future acquisition of net position are not financial resources and therefore are not reported in the governmental funds.		
Revenues earned, but not available during the reporting year	6,076,507	
Deferred inflows of resources related to pension plans	<u>(88,013)</u>	5,988,494
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	24,445,167	
Internal Service Funds, activity related to enterprise funds	<u>(1,304,760)</u>	23,140,407
Net position of governmental activities		<u><u>\$ 424,550,775</u></u>

The accompanying notes are an integral part of the financial statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 4,703,357	\$ -	\$ -	\$ 269,343	\$ 4,972,700
Sales taxes	74,230,008	-	-	5,210,443	79,440,451
Use taxes	18,537,962	-	-	1,286,686	19,824,648
Property tax increment	-	-	10,117,447	-	10,117,447
Sales tax increment	-	-	842,775	-	842,775
Business fees and other taxes	5,373,974	-	-	-	5,373,974
Accommodations taxes	1,008,687	3,249,943	-	-	4,258,630
Intergovernmental	8,788,301	8,331,061	-	1,716,066	18,835,428
Licenses and permits	4,278,584	-	-	-	4,278,584
Interest	415,840	591,256	41,896	86,679	1,135,671
Rentals	-	-	443,074	-	443,074
Contributions	-	14,996,774	-	-	14,996,774
Recreation fees	7,605,943	-	-	-	7,605,943
Fines and forfeitures	1,374,530	-	-	2,871	1,377,401
Fleet maintenance billings and other	5,326,371	-	-	-	5,326,371
EMS billings	2,503,787	-	-	-	2,503,787
Other	-	2,247	19,419	568,247	589,913
Total revenues	134,147,344	27,171,281	11,464,611	9,140,335	181,923,571
EXPENDITURES					
General government	43,882,904	5,167,808	438,815	128,613	49,618,140
Public safety	34,987,444	-	-	-	34,987,444
Public works	8,488,590	-	-	-	8,488,590
Community development	4,352,093	-	-	1,725,817	6,077,910
Culture and recreation	15,930,277	-	-	-	15,930,277
Capital projects	-	59,471,969	4,071,723	421,732	63,965,424
Debt service:					
Principal	-	-	5,683,000	6,335,000	12,018,000
Interest and fiscal charges	-	1,691,039	2,835,461	1,387,794	5,914,294
Refunding bond issuance costs	191,082	-	-	-	191,082
Total expenditures	107,832,390	66,330,816	13,028,999	9,998,956	197,191,161
Excess of revenues over (under) expenditures	26,314,954	(39,159,535)	(1,564,388)	(858,621)	(15,267,590)
OTHER FINANCING SOURCES (USES)					
Issuance of refunding debt	14,995,000	-	-	-	14,995,000
Premium on refunding debt	1,550,018	-	-	-	1,550,018
Payment to refunded bond escrow agent	(18,978,975)	-	-	-	(18,978,975)
Sale of capital asset	32,952	-	-	-	32,952
Transfers in	1,415,973	21,923,168	4,910,800	7,581,971	35,831,912
Transfers (out)	(26,008,334)	(2,852,538)	(375,000)	(5,536,257)	(34,772,129)
Total other financing sources (uses):	(26,993,366)	19,070,630	4,535,800	2,045,714	(1,341,222)
Net change in fund balance	(678,412)	(20,088,905)	2,971,412	1,187,093	(16,608,812)
Fund balance, beginning	44,485,299	78,896,234	32,756,089	7,430,319	163,567,941
Fund balance, ending	\$ 43,806,887	\$ 58,807,329	\$ 35,727,501	\$ 8,617,412	\$ 146,959,129

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Net changes in fund balances - total government funds \$ (16,608,812)

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	50,037,325	
Transfers of capital assets to enterprise funds	(31,323)	
Current year depreciation	<u>(14,649,276)</u>	
		35,356,726

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	(32,952)	
Gain on sale of capital assets	<u>(47,135)</u>	
		(80,087)

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

Issuance of refunding debt	(14,995,000)	
Premium on refunding debt	(1,550,018)	
Payment to refunded bond escrow agent	18,978,975	
Principal payments	<u>15,953,752</u>	
		18,387,709

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	(464,466)	
Accrual of interest expense	(227,493)	
Adjustment to long-term compensated absences liability	(135,742)	
Adjustment to postemployment benefit obligation	(68,053)	
Adjustment to net pension expense	<u>465,955</u>	
		(429,799)

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		2,222,560
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements until they become available. As a result, some revenues recognized in governmental funds may have been recognized in the statement of activities in prior years. These amounts are the difference in the treatment of revenue recognition.

Investment in Joint Venture	(182,910)	
Intergovernmental revenue	(16,728)	
Fines and forfeitures	(30,420)	
Recreation fees	20,000	
Fleet maintenance billing and other	<u>(167,227)</u>	
		(377,285)

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	1,515,485	
Internal allocation to Business-type activities	<u>(75,528)</u>	
		1,439,957

Change in net position of governmental activities		<u>\$ 39,910,969</u>
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CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2016

	Business-type Activities			
	Enterprise Funds			Governmental
	Utility	Other Nonmajor Proprietary Funds	Total	Activities Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 7,408,738	\$ 224,607	\$ 7,633,345	\$ 1,519,735
Cash and cash equivalents with fiscal agent	-	-	-	207,198
Investments	85,200,482	2,544,465	87,744,947	17,476,965
Receivables:				
Accounts	5,725,265	-	5,725,265	80,951
Grants	3,024,675	-	3,024,675	-
Interest	303,455	8,674	312,129	59,325
Inventories	1,701,914	214,196	1,916,110	-
Bond insurance and other prepaid items	78,379	18,854	97,233	1,240,859
Total current assets	<u>103,442,908</u>	<u>3,010,796</u>	<u>106,453,704</u>	<u>20,585,033</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	378,890	-	378,890	-
Cash and cash equivalents with fiscal agent	46,141,118	-	46,141,118	-
Investments	4,756,960	-	4,756,960	-
Loans to other funds	625,000	-	625,000	-
Notes receivable	59,022	396,877	455,899	-
Other assets	1,335,657	-	1,335,657	-
Capital assets:				
Non-depreciable assets	118,547,562	13,656,847	132,204,409	-
Depreciable assets, net	304,624,059	4,361,010	308,985,069	7,371,849
Total noncurrent assets	<u>476,468,268</u>	<u>18,414,734</u>	<u>494,883,002</u>	<u>7,371,849</u>
Total assets	<u>579,911,176</u>	<u>21,425,530</u>	<u>601,336,706</u>	<u>27,956,882</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>28,716</u>	<u>28,716</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other	5,334,889	49,084	5,383,973	651,489
Accrued liabilities	204,677	26,850	231,527	4,489
Unearned revenue	-	29,811	29,811	-
Bonds payable, current portion	3,185,000	-	3,185,000	-
Notes payable, current portion	2,881,314	-	2,881,314	-
Lease payable, current portion	-	633,562	633,562	397,301
Other liabilities, current portion	148,060	1,720	149,780	4,559
Accrued interest	314,069	21,542	335,611	26,058
Estimated claims	-	-	-	1,198,821
Total current liabilities	<u>12,068,009</u>	<u>762,569</u>	<u>12,830,578</u>	<u>2,282,717</u>
Noncurrent liabilities:				
Bonds payable	78,183,719	-	78,183,719	-
Notes payable	9,774,867	-	9,774,867	-
Leases payable	-	3,073,517	3,073,517	1,197,386
Other liabilities payable	1,142,376	213,579	1,355,955	31,612
Total noncurrent liabilities	<u>89,100,962</u>	<u>3,287,096</u>	<u>92,388,058</u>	<u>1,228,998</u>
Total liabilities	<u>101,168,971</u>	<u>4,049,665</u>	<u>105,218,636</u>	<u>3,511,715</u>
NET POSITION				
Net investment in capital assets	371,569,998	14,339,494	385,909,492	5,754,506
Restricted for:				
Debt service	5,135,850	-	5,135,850	-
Unrestricted	102,036,357	3,065,087	105,101,444	18,690,661
Total net position	<u>\$ 478,742,205</u>	<u>\$ 17,404,581</u>	<u>496,146,786</u>	<u>\$ 24,445,167</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,304,760	
Net position of business-type activities			<u>\$ 497,451,546</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities			
	Enterprise Funds			Governmental
	Utility	Other Nonmajor Proprietary Funds	Total	Activities Internal Service Funds
Operating revenues				
Charges for services	\$ 55,326,918	\$ 3,529,970	\$ 58,856,888	\$ 19,029,267
Rentals	-	10	10	-
Other	444,696	20,034	464,730	678
Total operating revenues	<u>55,771,614</u>	<u>3,550,014</u>	<u>59,321,628</u>	<u>19,029,945</u>
Operating expenses				
Personnel services	17,499,100	1,626,441	19,125,541	292,016
Contractual services	13,914,683	649,720	14,564,403	2,756,411
Commodities	1,754,159	555,139	2,309,298	40,739
Capital expense	2,058,325	70,137	2,128,462	248,151
Insurance and other expenses	520	-	520	12,671,044
Depreciation expense	12,812,931	614,449	13,427,380	1,887,419
Total operating expenses	<u>48,039,718</u>	<u>3,515,886</u>	<u>51,555,604</u>	<u>17,895,780</u>
Operating income (loss)	<u>7,731,896</u>	<u>34,128</u>	<u>7,766,024</u>	<u>1,134,165</u>
Nonoperating revenues (expenses)				
Income on investments	932,064	25,941	958,005	185,298
Interest expense	(2,726,928)	(133,919)	(2,860,847)	(31,155)
Grants	-	700	700	23,723
Gain (loss) on disposition of capital assets	66,973	-	66,973	203,454
Other	466,285	-	466,285	-
Total nonoperating revenues (expenses)	<u>(1,261,606)</u>	<u>(107,278)</u>	<u>(1,368,884)</u>	<u>381,320</u>
Income (loss) before contributions and transfers	6,470,290	(73,150)	6,397,140	1,515,485
Capital contributions	24,125,580	31,323	24,156,903	-
Transfers in	-	480,371	480,371	-
Transfers (out)	<u>(1,531,754)</u>	<u>(8,400)</u>	<u>(1,540,154)</u>	<u>-</u>
Change in net position	29,064,116	430,144	29,494,260	1,515,485
Net position - beginning	449,678,089	16,974,437		22,929,682
Net position - ending	<u>\$478,742,205</u>	<u>\$ 17,404,581</u>		<u>\$ 24,445,167</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(75,528)	
Change in net position of business-type activities			<u>\$ 29,418,732</u>	

The accompanying notes are an integral part of the financial statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Other Nonmajor Proprietary Funds	Total	
Cash flow s from operating activities:				
Receipts from customers	\$ 55,276,658	\$ 3,525,811	\$ 58,802,469	\$ -
Receipts from interfund charges for risk management services	-	-	-	14,215,584
Receipts from interfund charges for capital outlay replacement	-	-	-	2,498,805
Cash payments to employees for services	(10,787,986)	(1,392,216)	(12,180,202)	(284,344)
Cash payments for benefits on behalf of employees	(3,231,565)	(241,919)	(3,473,484)	-
Cash payments to suppliers for goods and services	(17,851,037)	(1,294,393)	(19,145,430)	(16,103,165)
Payments (to) from other funds	(3,551,791)	-	(3,551,791)	2,255,193
Other operating revenues	444,696	16,330	461,026	678
Net cash provided by (used in) operating activities	20,298,975	613,613	20,912,588	2,582,751
Cash flow s from noncapital financing activities:				
Interfund lending	300,000	-	300,000	-
Transfer in	-	480,371	480,371	-
Transfer out	(1,531,754)	(8,400)	(1,540,154)	-
Grant proceeds not restricted to capital purposes	-	700	700	-
Net cash provided by (used in) noncapital financing activities	(1,231,754)	472,671	(759,083)	-
Cash flow s from capital and related financing activities:				
Principal paid on long-term debt	(4,791,621)	(675,384)	(5,467,005)	(262,888)
Interest paid on long-term debt	(3,049,785)	(141,474)	(3,191,259)	(22,764)
Acquisition and construction of capital assets	(25,343,018)	(59,931)	(25,402,949)	(4,069,094)
Proceeds from sale of capital assets	-	-	-	162,478
Contributions	20,611,059	-	20,611,059	-
Proceeds from bonds	51,316,234	-	51,316,234	-
Proceeds from grant/notes	-	-	-	23,723
Proceeds from capital lease financing	-	-	-	1,040,859
Payments of bond issuance costs	(309,320)	-	(309,320)	-
Interest subsidy on capital debt	466,285	-	466,285	-
Net cash provided by (used in) capital and related financing activities	38,899,834	(876,789)	38,023,045	(3,127,686)
Cash flow from investing activities:				
Proceeds from sale of investments	30,114,457	939,392	31,053,849	8,403,776
Purchases of investments	(48,472,559)	(1,178,223)	(49,650,782)	(8,464,923)
Interest received on investments	949,178	23,587	972,765	166,741
Net cash provided by (used in) investing activities	(17,408,924)	(215,244)	(17,624,168)	105,594
Net increase (decrease) in cash and cash equivalents	40,558,131	(5,749)	40,552,382	(439,341)
Cash and cash equivalents - beginning of year	13,370,615	230,356	13,600,971	2,166,274
Cash and cash equivalents - end of year	\$ 53,928,746	\$ 224,607	\$ 54,153,353	\$ 1,726,933
Reconciliation of cash and cash equivalents to Statement of Net Position				
Unrestricted				
Cash and cash equivalents	\$ 7,408,738	\$ 224,607	\$ 7,633,345	\$ 1,519,735
Cash and cash equivalents w ith fiscal agent	-	-	-	207,198
Restricted				
Cash and cash equivalents	378,890	-	378,890	-
Cash and cash equivalents w ith fiscal agent	46,141,118	-	46,141,118	-
Total Cash and Cash Equivalents	\$ 53,928,746	\$ 224,607	\$ 54,153,353	\$ 1,726,933

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Other Nonmajor Proprietary Funds	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 7,731,896	\$ 34,128	\$ 7,766,024	\$ 1,134,165
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	12,812,931	614,449	13,427,380	1,887,419
(Increase) decrease in accounts receivable	(50,260)	-	(50,260)	(59,685)
(Increase) decrease in inventories	(192,542)	(17,701)	(210,243)	-
(Increase) decrease in prepaid items	(9,359)	17	(9,342)	2,700
Increase (decrease) in unearned revenue	-	(7,873)	(7,873)	-
Increase (decrease) in accounts payable and other	(122,669)	(16,158)	(138,827)	218,303
Increase (decrease) in accrued liabilities	128,978	6,751	135,729	7,672
Increase (decrease) in estimated claims	-	-	-	(607,823)
Total adjustments	12,567,079	579,485	13,146,564	1,448,586
Net cash provided by (used in) operating activities	\$ 20,298,975	\$ 613,613	\$ 20,912,588	\$ 2,582,751

Noncash investing, capital, and financing activities Enterprise Funds:

- * The Utility Fund disposed of capital assets at a gain of \$66,973.
- * A contribution of \$265,148 was recorded in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority.
- * Capital contributions were received by the Utility Fund from developers totaling \$2,927,363.
- * Capital contributions were received by the Golf Fund from the General Capital Improvement Fund in the amount of \$31,323.
- * Accounts payable and retainage used to acquire capital assets decreased by \$1,624,652 for the Utility Fund.
- * The unrecognized loss recorded to value the noncash investments for all Enterprise Funds to fair market value was \$95,198.
- * Net amortization totaling \$272,717 was recognized by Enterprise Funds through the amortization of bond premiums, discounts, deferred charges on refunding, and prepaid bond insurance costs.
- * Accrued interest increased in total for enterprise funds by \$116,209.
- * An allowance for doubtful collection was recorded for a note receivable in the amount of \$82,000 in the Westminster Housing Authority.

Noncash investing, capital and financing activities Internal Service Funds:

- * The unrecognized loss recorded to value the noncash investments of the City's internal service funds to fair market value was \$13,828.
- * Accrued interest decreased for the General Capital Outlay Replacement Internal Service Fund by \$8,391.
- * Accounts payable used to acquire capital assets decreased by \$6,411 for the General Capital Outlay Replacement Internal Service Fund.
- * The General Capital Outlay Internal Service Fund disposed of capital assets at a gain of \$40,976.

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CITY OF WESTMINSTER, COLORADO
INDEX OF NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component Units

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

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

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

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

General Improvement Districts (GID)

- *Sheridan Crossing GID* was established on September 9, 1996 with the primary purpose of operating and maintaining storm drainage improvements and maintenance of all necessary incidental and appurtenant properties and facilities within the GID.
- *Amherst GID* was established on September 26, 1988 with the primary purpose of maintaining landscaped right-of-way, open space and drainage areas within the GID.
- *136th Avenue GID* was established on August 14, 2000 with the primary purpose of financing a new interchange at 136th Avenue and Interstate 25 benefitting the GID.
- *Orchard Park Place North GID* was established on September 14, 2009 with the primary purpose of financing the repayment of cost recoveries associated with the Orchard View Development within the GID.
- *Promenade Parking GID* was established on August 14, 2000 with the primary purpose of financing, operating and maintaining a parking garage within the GID. The Promenade Parking GID was dissolved in 2016.
- *Mandalay Town Center GID* was established on September 8, 2003 with the primary purpose of financing a portion of the costs of street improvements and other necessary and related appurtenance facilities in the GID.
- *144th Avenue GID* was established on August 30, 2004 with the primary purpose of paying debt associated with public improvements within or without the GID.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

- *Park 1200 GID* was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.
- *Downtown GID* was established on August 24, 2015 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District. Currently, there is no financial activity of the District.

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

Westminster Building Authority (WBA)

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

B. Basic Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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 Funds

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

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

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

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

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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

The City reports the following major governmental funds:

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

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

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

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

The City reports the following major proprietary fund:

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

The City additionally reports the following Fund types:

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

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. 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.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Receivables

The receivables for property taxes are recognized as of the lien date. Taxes are lien 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 lien, and as revenue when available for collection in the following year. The respective counties bill and collect the City's property taxes.

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

Inventories and Prepaid Items

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

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

Property Held for Resale

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

Restricted Assets

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

Capital Assets

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

Depreciable Life Schedule

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

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

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

Long-Term Debt Insurance Costs

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

Deferred Outflows of Resources

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

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

The City also reports deferred outflows in the government-wide statement of net position related to FPPA pension plans for deferred activity related to actuarial assumptions used to value the net pension liability (asset) and employer contributions made subsequent to the valuation measurement date.

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, postemployment benefits other than pension (OPEB), and pollution remediation obligations are reported as Other Liabilities in the proprietary fund financial statements and government-wide statements. These liabilities are accrued when incurred.

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

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

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

Deferred Inflows of Resources

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

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property tax receivables are reported as a deferred inflow of resources when levied. Unavailable fund resources are recognized as revenue in the government-wide statement of net position.

The City also reports deferred inflows in the government-wide statement of net position related to FPPA pension plans for deferred activity related to actuarial assumptions used to value the net pension liability (asset).

Use of Estimates

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

E. FPPA Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Statewide Defined Benefit Plan (SWDB), Statewide Hybrid Plan (SWH), and the Westminster Volunteer Firefighter Pension Plan, all administered by the Fire and Police Pension Association of Colorado (FPPA), and additions to/deductions from these plans' fiduciary net position have been determined on the same basis as they are reported by FPPA. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period in which the contributions are due. For the Westminster Volunteer Firefighter Pension Plan, 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. Net Position/Fund Balances

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

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

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

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

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

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

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

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

In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2016, the General Fund Stabilization Reserve balance was \$6,825,880. This amount is included in the unassigned fund balance on the balance sheet.

G. Interfund Transactions

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

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

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

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

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NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

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

The total balance of the City's cash deposits as of December 31, 2016 was \$29,634,269, 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, 2016 was \$28,391,495.

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, 2016, 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

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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.

Cash, cash equivalents and investments as reported on the financial statements at December 31, 2016

Cash and cash equivalents	\$ 16,483,401
Cash and cash equivalents with fiscal agent	214,150
Investments	189,404,220
Restricted cash and cash equivalents	608,592
Restricted cash and cash equivalents with fiscal agent	70,534,479
Restricted investments	7,398,530
Restricted investments with fiscal agent	5,056,924
Total per Statement of Net Position:	<u>\$ 289,700,296</u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S & P Rating</u>	<u>% of Total Investments</u>
Local Government Investment Pool CSAFE	AAAm	22.74%
Local Government Investment Pool COLOTRUST	AAAm	0.15%
Commercial Paper Rabobank Nederland NV NY	A-1	1.14%
Corporate Toyota Motor Credit	AA-	3.08%
Corporate Microsoft	AAA	0.94%
Corporate US Bank NA	AA-	3.06%
Corporate Berkshire Hathaway	AA	2.75%
Corporate Chevron Corp	AA-	0.86%
Corporate Johnson & Johnson	AAA	0.57%
Corporate Apple Inc.	AA+	1.53%
Corporate Wells Fargo	AA-	1.53%
Corporate Exxon Mobil Corp	AA+	0.77%
Corporate Colgate-Palm Co.	AA-	0.57%
Municipal Westminster EDA	NR	0.28%
US Treasury Securities	N/A	19.89%
Federal Farm Credit Banks	AA+	9.05%
Federal Home Loan Bank System	AA+	12.74%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	8.39%
Fannie Mae (Federal National Mortgage Association)	AA+	8.39%
Money Market First American Government Obligations Fund	AAAm	1.49%
Money Market First American Treasury Obligations Fund	AAAm	0.08%

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Local Government Investment Pools	\$ 59,792,919	0.02
Commercial Paper	2,980,365	-
US Treasuries	51,985,124	0.29
US Instrumentalities	100,796,110	0.79
Domestic Corporate Securities	40,927,133	0.21
Municipal	720,000	-
Money Market Funds	4,107,150	-
Total Investments controlled by City	<u>\$ 261,308,801</u>	
Portfolio weighted average maturity		1.32

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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, 2016:

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	\$ 4,107,150	\$ 4,107,150	\$ -	\$ -
Commercial Paper	2,980,365	-	2,980,365	-
US Treasuries	51,985,124	-	51,985,124	-
US Instrumentalities	100,796,110	-	100,796,110	-
Domestic Corporate Securities	40,927,133	-	40,927,133	-
Municipal	720,000	-	720,000	-
Total investments by fair value level	201,515,882	\$ 4,107,150	\$ 197,408,732	\$ -
Investments measured at the net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	59,393,191			
ColoTrust (external investment pool)	399,728			
Total investments measured at the NAV	59,792,919			
Total investments measured at fair value	\$ 261,308,801			

Investment in Local Government Investment Pools. The City utilizes two local government investment pools for investment, when a high degree of liquidity is prudent. The two pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), collectively, the Trusts. COLOTRUST is a local government investment pool with a stable net asset value and CSAFE is considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

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
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B. Disaggregation of Receivables

Receivables at December 31, 2016, were as follows:

	<u>Taxes</u>	<u>Accounts</u>	<u>Notes and Leases</u>	<u>Grants</u>	<u>Interest</u>	<u>Total Receivables</u>
Governmental Activities:						
General	\$ 14,559,347	\$ 4,852,443	\$ 2,945,000	\$ 256,375	\$ 124,147	\$ 22,737,312
GCIF	-	7,703,867	194,847	1,500,081	133,947	9,532,742
WEDA	11,063,628	40,884	312,889	-	12,910	11,430,311
Nonmajor governmental	1,038,945	15,110	-	204,681	20,923	1,279,659
Less: Allowance for Doubtful Accounts	-	(1,950,089)	-	-	-	(1,950,089)
Subtotal	26,661,920	10,662,215	3,452,736	1,961,137	291,927	43,029,935
Reconciliation of balances to government- wide financial statements:						
Internal service funds	-	80,951	-	-	59,325	140,276
Total - Governmental Activities	<u>\$ 26,661,920</u>	<u>\$ 10,743,166</u>	<u>\$ 3,452,736</u>	<u>\$ 1,961,137</u>	<u>\$ 351,252</u>	<u>\$ 43,170,211</u>
Business-type Activities:						
Utilities	\$ -	\$ 5,735,541	\$ 59,022	\$ 3,024,675	\$ 303,455	\$ 9,122,693
Nonmajor proprietary	-	-	2,332,000	-	8,674	2,340,674
Less: Allowance for Doubtful Accounts	-	(10,276)	(1,935,123)	-	-	(1,945,399)
Total - Business-type Activities:	<u>\$ -</u>	<u>\$ 5,725,265</u>	<u>\$ 455,899</u>	<u>\$ 3,024,675</u>	<u>\$ 312,129</u>	<u>\$ 9,517,968</u>

C. Notes and Leases Receivable

Governmental Activities

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

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

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

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

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

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Description of notes and leases receivable

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Year of Final Payment
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time pymt	*
Hyland Hills Park and Recreation District	Ice Centre	4,975,000	2,945,000	semi-annually	2022
Community Resources & Housing Development Corp	Development Corp Building Construction	355,513	312,889	monthly	2017
Total Governmental Activities		<u>\$ 5,525,360</u>	<u>\$ 3,452,736</u>		

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

Business-type Activities

The Westminster Housing Authority entered into a note with Community Builders for the construction of a 12,000 square foot building. Certain performance provisions of the note were satisfied in 2009. Therefore, the principal is forgiven at the rate of 10% per year. An allowance for doubtful accounts has been established for the remaining balance of \$82,000 at December 31, 2016.

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, 2016. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

The Utility Fund entered into notes receivable with five Utility customers. These notes allow the water system user to pay for the cost of connecting to the water system over a period of time. Payment amounts are based on water usage and collected along with the monthly usage billing. Since repayment is based on water usage the notes do not have a defined term. An allowance for doubtful accounts is not established as the City can lien the associated property.

Description of notes and leases receivable

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Year of Final Payment
Community Builders	Development Corp Building Construction	\$ 410,000	*	*	*
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 **	396,877	annually	2052
Utility Customers	Water System Connection	99,377	59,022	monthly	***
Total Business-Type Activities		<u>\$ 2,759,377</u>	<u>\$ 455,899</u>		

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

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

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

CITY OF WESTMINSTER, COLORADO
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Notes and Leases Receivable Maturities

Year Ending	Governmental activities				Business-type activities			
	Catellus	Hyland Hills	Colorado Rural Housing	Total	Community Builders	Westminster Commons VOA, LP	Utility Customers	Total
2017	194,847	375,000	312,889	882,736	41,000	14,307	32,662	87,969
2018		387,500	-	387,500	41,000	14,931	6,387	62,318
2019	-	400,000	-	400,000	-	15,550	6,614	22,164
2020		415,000		415,000		16,162	6,850	23,012
2021	-	427,500	-	427,500	-	16,767	6,509	23,276
2022-2026	-	940,000	-	940,000	-	92,613	-	92,613
2027-2031	-	-	-	-	-	106,980	-	106,980
2032-2036	-	-	-	-	-	121,830	-	121,830
2037-2041	-	-	-	-	-	136,680	-	136,680
2042-2046	-	-	-	-	-	151,530	-	151,530
2047-2051	-	-	-	-	-	166,380	-	166,380
2052	-	-	-	-	-	35,058	-	35,058
	194,847	2,945,000	312,889	3,452,736	82,000	888,788	59,022	1,029,810
Net present value/ principal adjustment	-	-	-	-	(82,000)	(\$491,911)	-	(573,911)
Total	<u>\$ 194,847</u>	<u>\$ 2,945,000</u>	<u>\$ 312,889</u>	<u>\$ 3,452,736</u>	<u>\$ -</u>	<u>\$ 396,877</u>	<u>\$ 59,022</u>	<u>\$ 455,899</u>

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2016, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Due to/from other funds:</i>		
General Fund	Community Development Block Grant	<u>\$ 22,230</u>
<i>Loans from/to other funds:</i>		
General Fund	Westminster Economic Development Authority	120,000
General Capital Improvement	Westminster Economic Development Authority	1,125,000
Utility Fund	Westminster Economic Development Authority	625,000
	Total loans from/to other funds	<u>1,870,000</u>
Total interfund receivables and payables		<u><u>\$ 1,892,230</u></u>

At December 31, 2016, the General Fund covered the overdrawn cash balance of the Community Development Block Grant Fund in the amount of \$22,230.

The loans of \$1,870,000 to the WEDA Fund were used for the redevelopment and revitalization of the Westminster Plaza Shopping Center and to pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. These interfund loans are expected to be repaid in the near term.

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

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E. Capital Assets

Capital Assets at December 31, 2016 were as follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities					
Land & Land Rights	\$ 141,355,696	\$ 2,222,561	\$ 252,347	\$ -	\$ 143,830,604
Water Rights	1,000,000	-	-	-	1,000,000
Joint Venture	5,361,000	-	-	-	5,361,000
Construction in progress	28,541,605	49,432,065	(42,371,264)	-	35,602,406
Total nondepreciable assets	176,258,301	51,654,626	(42,118,917)	-	185,794,010
Buildings	90,123,763	-	-	-	90,123,763
Improvements other than buildings	44,813,458	-	3,903,055	-	48,716,513
Parks	58,886,886	-	-	-	58,886,886
Ice Center	6,972,384	-	-	-	6,972,384
Infrastructure	339,974,988	-	37,051,794	-	377,026,782
Machinery and equipment	38,151,206	3,595,599	1,132,227	(2,390,956)	40,488,076
Total depreciable assets	578,922,685	3,595,599	42,087,076	(2,390,956)	622,214,404
Less accumulated depreciation for:					
Buildings	(54,457,412)	(2,654,631)	-	-	(57,112,043)
Improvements other than buildings	(25,767,513)	(2,083,830)	-	-	(27,851,343)
Parks	(38,066,447)	(2,139,730)	-	-	(40,206,177)
Ice Center	(2,469,386)	(145,258)	-	-	(2,614,644)
Infrastructure	(201,071,386)	(6,259,036)	-	-	(207,330,422)
Machinery and equipment	(26,606,673)	(3,254,210)	518	2,196,153	(27,664,212)
Total accumulated depreciation	(348,438,817)	(16,536,695)	518	2,196,153	(362,778,841)
Net total depreciable assets	230,483,868	(12,941,096)	42,087,594	(194,803)	259,435,563
Governmental activities capital assets, net	\$ 406,742,169	\$ 38,713,530	\$ (31,323)	\$ (194,803)	\$ 445,229,573

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,676,794
Public safety	2,240,038
Public works	3,074,047
Community development	3,544,300
Culture and Recreation	5,768,542
Unallocated depreciation-governmental funds	232,974
Total depreciation expense	<u>\$ 16,536,695</u>

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 23,079,573	\$ -	\$ -	\$ -	\$ 23,079,573
Water rights	93,978,431	-	1,392,700	-	95,371,131
Construction in progress	12,224,499	23,988,327	(22,459,121)	-	13,753,705
Total nondepreciable assets	129,282,503	23,988,327	(21,066,421)	-	132,204,409
Buildings and plants	244,744,127	-	-	-	244,744,127
Improvements other than buildings	237,580,970	3,133,325	20,088,106	-	260,802,401
Parks	1,590,689	-	-	-	1,590,689
Machinery and equipment	19,651,824	135,742	1,010,156	(590,697)	20,207,025
Total depreciable assets	503,567,610	3,269,067	21,098,262	(590,697)	527,344,242
Less accumulated depreciation for:	-				
Buildings and plants	(103,406,155)	(6,272,817)	-	-	(109,678,972)
Improvements other than buildings	(86,090,007)	(5,751,679)	-	-	(91,841,686)
Parks	(1,218,397)	(78,174)	-	-	(1,296,571)
Machinery and equipment	(14,795,560)	(1,324,710)	(518)	578,844	(15,541,944)
Total accumulated depreciation	(205,510,119)	(13,427,380)	(518)	578,844	(218,359,173)
Net total depreciable assets	298,057,491	(10,158,313)	21,097,744	(11,853)	308,985,069
Business-type activities capital assets, net	\$ 427,339,994	\$ 13,830,014	\$ 31,323	\$ (11,853)	\$ 441,189,478

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

Utility	\$ 12,812,931
Golf	569,015
Westminster Housing Authority	45,434
Total depreciation expense	<u>\$ 13,427,380</u>

During the year ended December 31, 2016, the City recorded \$479,371 of capitalized interest for the Utility Fund.

CITY OF WESTMINSTER, COLORADO
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The following is a summary of machinery and equipment purchased by capital lease with a liability outstanding as of December 31, 2016.

Leased Equipment	Historical Cost	Accumulated Depreciation	Net Book Value
Governmental Activities	\$ 604,167	\$ (143,488)	\$ 460,679
General Capital Outlay Replacement Fund	2,361,473	(827,231)	1,534,242
Golf Course Fund	1,194,283	(555,590)	638,693
Total	<u>\$ 4,159,923</u>	<u>\$ (1,526,309)</u>	<u>\$ 2,633,614</u>

F. Disaggregation of Payables

Payables at December 31, 2016, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 2,042,942	\$ 7,686,892	\$ 943,870	\$ -	\$ 10,673,704
GCIF	5,389,208	2,192,107	18,176	-	7,599,491
WEDA	79,709	20,246	-	-	99,955
Nonmajor governmental	45,141	20,365	11,064	1,643	78,213
Subtotal - Governmental Funds	<u>7,557,000</u>	<u>9,919,610</u>	<u>973,110</u>	<u>1,643</u>	<u>18,451,363</u>
Reconciliation of balances to government-wide financial statements:					
Long-term liabilities susceptible to full accrual reporting	-	-	28,951	1,104,506	1,133,457
Internal service funds	651,489	-	4,489	26,058	682,036
Total - Governmental Activities	<u>\$ 8,208,489</u>	<u>\$ 9,919,610</u>	<u>\$ 1,006,550</u>	<u>\$ 1,132,207</u>	<u>\$ 20,266,856</u>
Business-type Activities:					
Utilities	\$ 4,935,161	\$ 399,728	\$ 204,677	\$ 314,069	\$ 5,853,635
Nonmajor proprietary	41,933	7,151	26,850	21,542	97,476
Total - Business-type Activities	<u>\$ 4,977,094</u>	<u>\$ 406,879</u>	<u>\$ 231,527</u>	<u>\$ 335,611</u>	<u>\$ 5,951,111</u>

CITY OF WESTMINSTER, COLORADO
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G. Interfund Transfers

Transfer activity for the year ended December 31, 2016 was as follows:

TRANSFERS OUT	TRANSFERS IN					Grand Total
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Golf Course Fund	
General Fund	\$ -	\$ 19,858,334	\$ 2,250,000	\$ 3,900,000	\$ -	\$ 26,008,334
General Capital Improvement Fund	-	-	2,600,000	22,538	230,000	2,852,538
WEDA	-	375,000	-	-	-	375,000
Nonmajor Governmental Funds	82,326	1,588,080	60,800	3,554,680	250,371	5,536,257
Housing Authority	-	-	-	8,400	-	8,400
Utility Fund	1,333,647	101,754	-	96,353	-	1,531,754
Grand Totals	\$ 1,415,973	\$ 21,923,168	\$ 4,910,800	\$ 7,581,971	\$ 480,371	\$ 36,312,283

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 2016, a transfer of \$1,650,000 from the General Fund to the Westminster Economic Development Authority transpired to provide funding to allow the Downtown Westminster affordable housing project to move forward. Also in 2016, a transfer of \$2,500,000 transpired for expenditures related to the Phase 1 Public Improvements in the Downtown area. Transfer activity between governmental and business-type funds is detailed below:

Reconciliation of Transfers between Governmental and Proprietary Funds:

From the Utility Fund to the General Fund in lieu of taxes	\$ 1,333,647
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	96,353
From the Utility Fund to the General Capital Improvement Fund supplement capital improvement	101,754
From Nonmajor Proprietary to Nonmajor Governmental Fund for debt service payment	8,400
From the General Capital Improvement Fund to the Golf Course Fund for operating subsidies	(230,000)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(250,371)
Total transfers between Governmental and Business Type Activities Funds	<u>\$ 1,059,783</u>

Reconciliation of Transfers between Governmental and Business-type Activities

Transfers between Governmental and Proprietary Funds	\$ 1,059,783
Reassignment of capital asset contributions between governmental and business-type activities	(31,323)
	<u>\$ 1,028,460</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, loans, leases and other payable:					
Revenue bonds	33,475,000	-	(6,105,000)	27,370,000	2,185,000
Tax increment bonds and loans	81,252,000	-	(5,683,000)	75,569,000	5,857,000
Notes & Loans	1,159,724	-	(230,000)	929,724	112,724
Capital leases	88,779,663	16,035,859	(23,013,639)	81,801,883	7,276,252
	<u>204,666,387</u>	<u>16,035,859</u>	<u>(35,031,639)</u>	<u>185,670,607</u>	<u>15,430,976</u>
Add:					
Bond premium	8,814,072	1,550,018	(1,075,868)	9,288,222	-
Bond discount	<u>(269,554)</u>	<u>-</u>	<u>21,282</u>	<u>(248,272)</u>	<u>-</u>
Total bonds, loans and leases payable	<u>213,210,905</u>	<u>17,585,877</u>	<u>(36,086,225)</u>	<u>194,710,557</u>	<u>15,430,976</u>
Other liabilities:					
Compensated absences	5,284,877	8,048,258	(7,915,297)	5,417,838	190,765
OPEB	89,158	158,569	(90,516)	157,211	-
Total other liabilities	<u>5,374,035</u>	<u>8,206,827</u>	<u>(8,005,813)</u>	<u>5,575,049</u>	<u>190,765</u>
Governmental activities long-term liabilities	<u>218,584,940</u>	<u>25,792,704</u>	<u>(44,092,038)</u>	<u>200,285,606</u>	<u>15,621,741</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds, notes and leases payable:					
Revenue bonds	\$ 32,205,000	\$ 42,830,000	\$ (1,905,000)	\$ 73,130,000	\$ 3,185,000
Notes	15,203,463	-	(2,886,621)	12,316,842	2,881,314
Capital leases	4,322,374	-	(675,384)	3,646,990	633,562
	<u>51,730,837</u>	<u>42,830,000</u>	<u>(5,467,005)</u>	<u>89,093,832</u>	<u>6,699,876</u>
Add:					
Bond/Notes premium	479,311	8,486,234	(300,773)	8,664,772	-
Bond discount	<u>(31,976)</u>	<u>-</u>	<u>5,350</u>	<u>(26,625)</u>	<u>-</u>
Total bonds, notes and leases payable	<u>52,178,172</u>	<u>51,316,234</u>	<u>(5,762,428)</u>	<u>97,731,979</u>	<u>6,699,876</u>
Other liabilities:					
Compensated absences	1,104,898	1,658,008	(1,588,808)	1,174,098	51,866
OPEB	219,199	31,816	(17,292)	233,723	-
Pollution Remediation	307,642	21,928	(231,656)	97,914	97,914
Total other liabilities	<u>1,631,739</u>	<u>1,711,752</u>	<u>(1,837,756)</u>	<u>1,505,735</u>	<u>149,780</u>
Business-type activities long-term liabilities	<u>53,809,911</u>	<u>\$ 53,027,986</u>	<u>\$ (7,600,184)</u>	<u>\$ 99,237,714</u>	<u>\$ 6,849,656</u>

CITY OF WESTMINSTER, COLORADO
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Long-term liability outstanding at December 31, 2016 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 980,000	4.6-5.0%	12/01/21
Sales and Use Tax POST Series 2007D	Open Space Purchases/Facility Improvements	20,000,000	960,000	4.00%	12/01/17
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	10,545,000	6,930,000	3.0% - 5.0%	12/01/22
Sales and Use Tax Refunding Series 2015	Refunding/POST 2007D	18,500,000	18,500,000	2.0% - 5.0%	12/01/31
Total Governmental Activities			<u>27,370,000</u>		
Water/Wastewater Revenue Series 2010	Build America Bonds	29,505,000	26,525,000	3.695% - 5.818%	12/01/30
Stormwater Revenue Series 2015	Stormwater Bonds	4,610,000	3,775,000	1.35%	06/01/19
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	42,830,000	1.5-5.0%	12/01/36
Total Business-type Activities			<u>73,130,000</u>		
Total Revenue bonds			<u>\$100,500,000</u>		

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2017	\$ 2,185,000	\$ 1,131,719	\$ 3,316,719	2017	\$ 3,185,000	\$ 3,232,236	\$ 6,417,236
2018	2,300,000	1,052,969	3,352,969	2018	4,210,000	3,152,387	7,362,387
2019	2,390,000	958,469	3,348,469	2019	4,290,000	3,023,048	7,313,048
2020	2,495,000	849,569	3,344,569	2020	3,345,000	2,877,528	6,222,528
2021	2,595,000	757,819	3,352,819	2021	3,460,000	2,732,606	6,192,606
2022-2026	7,505,000	2,501,994	10,006,994	2022-2026	19,020,000	11,483,823	30,503,823
2027-2031	7,900,000	830,044	8,730,044	2027-2031	20,675,000	6,410,032	27,085,032
Total	<u>\$ 27,370,000</u>	<u>\$ 8,082,583</u>	<u>\$ 35,452,583</u>	2032-2036	14,945,000	1,930,200	16,875,200
				Total	<u>\$ 73,130,000</u>	<u>\$ 34,841,860</u>	<u>\$ 107,971,860</u>

Tax Increment Bonds and Loans

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
WEDA Revenue Refunding Bonds Series 2009	Westminster Plaza Redevelopment	\$ 5,330,000	\$ 720,000	3.800%	12/01/17
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	28,900,000	22,025,000	4.000%	12/01/28
Total Tax Increment Bonds			<u>22,745,000</u>		
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	47,149,000	3.510%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	5,675,000	(1)	12/01/28
Total Tax Increment Loans			<u>52,824,000</u>		
Total Governmental Activities			<u>\$ 75,569,000</u>		

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

Governmental Activities			
Year	Principal	Interest	Total
2017	\$ 5,857,000	\$ 2,701,718	\$ 8,558,718
2018	5,285,000	2,493,726	7,778,726
2019	5,473,000	2,307,930	7,780,930
2020	5,649,000	2,131,772	7,780,772
2021	5,840,000	1,941,498	7,781,498
2022-2026	32,428,000	6,469,730	38,897,730
2027-2028	15,037,000	825,280	15,862,280
Total	<u>\$ 75,569,000</u>	<u>\$ 18,871,654</u>	<u>\$ 94,440,654</u>

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

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Capital Leases ⁽²⁾	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Capital lease	12 Heavy Rescue Truck (10 refinance)	\$ 274,999	\$ 30,603	1.39%	01/31/17
Capital lease	12 Pumper Truck (10 refinance)	451,416	65,155	1.39%	10/15/17
Capital lease	10 Energy Saving Equipment	2,517,094	1,260,179	4.10%	04/01/21
Capital lease	11 Fire Ladder	683,383	205,901	2.180%	10/15/17
Capital lease	13 Fire Pumper	435,393	252,169	1.95%	01/15/20
Capital lease	15 Parks Equipment	577,946	332,017	1.94%	01/15/20
Capital lease	16 Fire Pumper	1,040,859	1,040,859	2.36%	06/28/23
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	12,825,000	7,835,000	3.25% - 4.25%	12/01/22
Capital lease - Certificates of Participation 10	Ice Centre Refunding	9,950,000	5,890,000	3.0% - 4.5%	12/01/22
Capital lease - Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	9,895,000	2.0% - 4.0%	12/01/25
Capital lease - Certificates of Participation 15 A	Westminster Downtown Nontaxable	30,000,000	30,000,000	4.0% - 5.0%	12/01/38
Capital lease - Certificates of Participation 15 B	Westminster Downtown Taxable	10,000,000	10,000,000	1.54% - 3.72%	12/01/38
Capital lease - Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	14,995,000	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>81,801,883</u>		
Golf Course capital lease	13 Golf Cart Joint Lease	484,283	63,121	2.40%	04/15/17
Golf Course capital lease	14 Golf Equipment Joint Lease	1,101,068	553,869	2.30%	01/15/19
Capital lease - Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	3,030,000	3.0% - 4.25%	12/01/22
Total Business-type Activities			<u>3,646,990</u>		
Total Capital Leases			<u>\$ 85,448,873</u>		

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

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2017	\$ 7,276,252	\$ 3,249,482	\$ 10,525,734	2017	\$ 633,562	\$ 119,108	\$ 752,670
2018	7,435,141	2,953,543	10,388,684	2018	589,591	98,789	688,380
2019	7,559,081	2,742,731	10,301,812	2019	608,837	82,393	691,230
2020	6,162,708	2,478,151	8,640,859	2020	430,000	65,450	495,450
2021	6,128,754	2,276,781	8,405,535	2021	445,000	52,013	497,013
2022-2026	20,849,947	8,417,423	29,267,371	2022-2023	940,000	55,549	995,549
2027-2031	9,190,000	5,320,250	14,510,250	Total	<u>\$ 3,646,990</u>	<u>\$ 473,302</u>	<u>\$ 4,120,292</u>
2032-2036	11,725,000	2,782,000	14,507,000				
2037-2038	5,475,000	330,600	5,805,600				
Total	<u>\$ 81,801,883</u>	<u>\$ 30,550,961</u>	<u>\$ 112,352,845</u>				

Notes & Loans	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	12 CHF Shoenberg Farm Note	\$ 112,724	\$ 112,724	3.00%	01/01/17
Loan	12 Section 108 HUD Loan	1,500,000	817,000	(3)	08/01/32
Total Governmental Activities			<u>929,724</u>		
Colorado Water Power Authority Note 97	Reclamation Facility	13,246,525	1,008,002	4.54%	06/01/17
Colorado Water Power Authority Note 98	Reclamation Facility	4,085,697	145,341	3.96%	06/01/17
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	3,398,830	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	7,667,500	3.32%	06/01/25
Rehfeld Note	Purchase of water shares	180,000	97,169	4.00%	03/31/23
Total Business-type Activities			<u>12,316,842</u>		
Total Notes and Loans			<u>\$ 13,246,566</u>		

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2017	\$ 112,724	\$ 16,874	\$ 129,598	2017	\$ 2,881,314	\$ 452,120	\$ 3,333,434
2018	-	15,183	15,183	2018	1,789,029	378,526	2,167,555
2019	-	15,183	15,183	2019	1,875,017	280,667	2,155,684
2020	-	15,183	15,183	2020	1,411,556	190,399	1,601,955
2021	-	15,183	15,183	2021	906,892	152,452	1,059,344
2022-2026	-	75,915	75,915	2022-2025	3,453,034	211,854	3,664,888
2027-2031	517,000	68,485	585,485	Total	<u>\$ 12,316,842</u>	<u>\$ 1,666,018</u>	<u>\$ 13,982,860</u>
2032	300,000	4,474	304,474				
Total	<u>\$ 929,724</u>	<u>\$ 226,480</u>	<u>\$ 1,156,204</u>				

(3) The 2012 Section 108 Housing and Urban Development Loan has variable interest based on 3 month LIBOR plus 0.20% as of the reset date. As of 12/31/2016 the total rate paid was 0.9979%. The Community Development Block Grant allocation is pledged as security for repayment of this note in the event of a default on the note.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
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I. Net Position

The government-wide and business-type financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. **Net Investment in Capital Assets** is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. **Restricted Net Position** is liquid assets which have third-party limitations on their use. Restricted net position is reported by major category, which includes emergencies; capital projects; open space conservation and improvements; and debt service. Nonmajor categories have been aggregated as restricted for other purposes. **Unrestricted Net Position** represents assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions. Net Investment in Capital Assets at December 31, 2016 was as follows:

Governmental activities:

Capital Assets: \$ 445,229,573

Related Debt:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2001	\$ 980,000	\$ (1,885)	\$ 978,115	\$ -	\$ 978,115
Sales and Use Tax POST Series 2007D	960,000	6,611	966,611	-	966,611
Sales and Use Tax Refunding Series 2010	6,930,000	(279,072)	6,650,928	-	6,650,928
Sales and Use Tax Refunding Series 2010 "B"	-	(3,014)	(3,014)	-	(3,014)
Sales and Use Tax Refunding Series 2015	18,500,000	837,935	19,337,935	-	19,337,935
WEDA Revenue Refunding Bonds Series 2012	22,025,000	1,016,189	23,041,189	-	23,041,189
WEDA Revenue Loan Series 2012 (North Huron)	47,149,000	-	47,149,000	-	47,149,000
WEDA Revenue Loan Series 2012 (South Sheridan)	5,675,000	(171,312)	5,503,688	-	5,503,688
Notes, Loans & Capital Leases	82,731,607	3,415,800	86,147,407	14,710,960	71,436,447
Accounts payable incurred for capital asset purchases	7,195,955	-	7,195,955	-	7,195,955
Total Governmental Activities *	<u>\$ 192,146,562</u>	<u>\$ 4,821,252</u>	<u>\$ 196,967,814</u>	<u>\$ 14,710,960</u>	<u>182,256,854</u>

Net investment in capital assets, governmental activities

262,972,719

Business-type activities:

Capital Assets: 441,189,478

Related Debt:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2010	\$ 26,525,000	\$ -	\$ 26,525,000	\$ 1,476,444	\$ 25,048,556
Stormwater Revenue Series 2015	3,775,000	-	3,775,000	-	3,775,000
Water/Wastewater Revenue Series 2016	42,830,000	8,238,719	51,068,719	44,662,535	6,406,184
Certificates of Participation 10 (Golf Course Portion)	3,030,000	31,374	3,061,374	-	3,061,374
Water Notes	12,316,842	339,338	12,656,180	-	12,656,180
Capital Leases	616,990	-	616,990	-	616,990
Accounts payable incurred for capital asset purchases	3,715,702	-	3,715,702	-	3,715,702
Total Business Type Activities	<u>\$ 92,809,534</u>	<u>\$ 8,609,431</u>	<u>\$ 101,418,965</u>	<u>\$ 46,138,979</u>	<u>55,279,986</u>

Net investment in capital assets, business-type activities

385,909,492

Total net investment in capital assets

\$ 648,882,211

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

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J. Pledged Revenues

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

- \$13,275,000 issued in 2001 to refund the Series 1991 refunding and improvement bonds originally issued to finance capital improvements.
- \$20,000,000 issued in December 2007 to finance the acquisition, development, enhancement, and maintenance of open space and parkland throughout the City.
- \$10,545,000 issued in July 2010 to refund certain of the City's outstanding series 2001 and 2002 sales and use tax revenue refunding and improvement bonds, originally issued to finance capital improvements.
- \$18,500,000 issued in December 2015 to refund certain of the City's outstanding series 2007 sales and use tax revenue refunding and improvement bonds, originally issued to finance open space and parkland.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$7,481,521 were paid using 10% of net pledged revenues totaling \$77,164,758. Total principal and interest payments remaining on the bonds is \$35,452,583 payable through December 2031.

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

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

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Principal, interest and fees of \$8,518,461 reported in the WEDA statements were paid using 83% of incremental net pledged revenues plus prior year revenues for a total of \$10,427,564. Total principal and interest remaining on the bonds and loans is \$94,440,654, 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:

- \$13,246,525 issued in May 1997 to construct a Reclamation Facility
- \$4,085,697 issued in April 1998 to construct a Reclamation Facility
- \$14,998,357 issued in April 2000 to construct the Northwest Water Treatment Facility
- \$15,440,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

Revenue Bonds:

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

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- \$42,830,000 issued in May 2016 to acquire, develop, enhance and maintain system improvements throughout the City.

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$7,825,217 reported in the Utility statements were paid using 18% of pledged net revenues totaling \$42,075,699. Total principal and interest remaining on the revenue bonds and loans is \$121,841,395, payable through December 2036.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Loan Series 2012 (North Huron), and Revenue Loan Series 2012 (South Sheridan) with an aggregate balance of \$75,569,000 outstanding as of December 31, 2016. 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.

L. Defeased Debt

The City has defeased certain certificates of participation and certain revenue bonds by placing the proceeds and available cash in an irrevocable trust to provide for all future debt service payments on the refunded lease and bonds. Accordingly, the trust account assets and the liability for the defeased certificates of participation and bonds are not included in the City's financial statements. As of December 31, 2016, \$19,040,000 of the defeased Special Purpose Sales and Use Tax Bonds, Series 2007 and \$16,350,000 of the defeased Certificates of Participation, Series 2016 remains outstanding. The total amount of defeased debt outstanding as of December 31, 2016 is \$35,390,000.

M. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Deferred Charges on refunding	Pensions	Total
Governmental Fund Activities:	\$ -	\$ -	\$ -
Reconciliation of balances in fund financial statements to government-wide financial statements	4,234,111	4,124,499	8,358,610
Total - Governmental Activities	4,234,111	4,124,499	8,358,610
Business-type Activities:			
Golf Course	28,716		28,716
Total - Business-type Activities:	28,716	-	28,716
Total Government-wide Activities	\$ 4,262,827	\$ 4,124,499	\$ 8,387,326

Deferred Inflows of Resources	Property taxes	Pensions	Grants	Assessments	Notes and Leases	Other	Total
Governmental Fund Activities:							
General	\$ 4,871,029	\$ -	\$ 178,783	\$ -	\$ 2,945,000	\$ 1,002,779	\$ 8,997,591
GCIF	-		1,419,144	194,847	-	17,240	1,631,231
WEDA	11,063,628		-	-	-	312,889	11,376,517
Other Governmental	286,559		200,672	-	-	-	487,231
Subtotal	16,221,216	-	1,798,599	194,847	2,945,000	1,332,908	22,492,570
Reconciliation of balances in fund financial statements to government-wide financial statements	-	88,013	(1,798,599)	-	(2,945,000)	(1,332,908)	(5,988,494)
Total - Governmental Activities	\$ 16,221,216	\$ 88,013	\$ -	\$ 194,847	\$ -	\$ -	\$ 16,504,076

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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 2015 to 2016. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

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

The City has an Administrative Service Only plan with Cigna, whereby the City pays Cigna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$150,000 per individual per year. This Open Access Plus plan has an unlimited lifetime benefit. The City has recorded a liability in this fund totaling \$656,339 for open and estimated claims not yet reported at December 31, 2016.

As of 2016, the City is now offering a fully insured DHMO plan through Kaiser Permanente which has unlimited lifetime benefits.

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2016, the program covers individual losses up to \$500,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$87,195 for open claims and estimated claims not yet reported at December 31, 2016.

Property and Liability Self-Insurance Internal Service Fund

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

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$455,287 for open claims at December 31, 2016.

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

Year	Beginning Balance Unpaid Claims	Incurring Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2015	\$ 1,117,141	\$ 10,965,166	\$ 10,275,663	\$ 1,806,644
2016	1,806,644	11,594,938	12,202,761	1,198,821

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, 2016, there were 261 member municipalities and 40 Affiliated Public Entities, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2016 was \$250,000 for property and \$250,000 for liability. Coverages are as follows:

- 1) Property/excess property: total insured value for City property up to the \$500,500,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence prior to June 30, 2013 then \$350,000 per person and \$990,000 per occurrence. (Claims not subject to Governmental Immunity Act up to \$10,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$5,000,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage to \$10,000,000.
- 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.

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C. Contingent Liabilities

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

Various suits and claims are pending against the City as of December 31, 2016. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

D. Construction and Other Significant Commitments

At December 31, 2016, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

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

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

	Appropriation 12/31/2016	Cumulative Expenditures 12/31/2016	Authorized Available 12/31/2016
Governmental activities:			
General Capital Improvement Fund	\$ 78,895,637	\$ 35,367,914	\$ 43,527,723
Westminster Economic Development Authority	2,608,498	186,370	2,422,128
Nonmajor Governmental activities	2,680,936	48,122	2,632,814
General Capital Outlay Replacement Fund	4,141,236	-	4,141,236
Total Governmental activities	<u>\$ 88,326,307</u>	<u>\$ 35,602,406</u>	<u>\$ 52,723,901</u>
Business-type activities			
Utility Fund	\$ 112,347,996	\$ 13,568,761	\$ 98,779,235
Nonmajor Business-type activities	1,065,184	-	1,065,184
Total Business-type activities	<u>\$ 113,413,180</u>	<u>\$ 13,568,761</u>	<u>\$ 99,844,419</u>

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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 2016 rate charged by Denver Water was \$0.98 per thousand gallons, or \$319.33 per acre-foot (there are 325,851 gallons in one acre-foot). Westminster did not take its remaining 6 acre-feet for the July 1, 2015 to June 30, 2016 fiscal period and was not charged for this amount. For the subsequent fiscal period of July 1, 2016 through June 30, 2017, the City paid Denver Water \$559,153 for approximately 1,751 acre-feet of water delivered between August, 2016 and December, 2016. Thus, the 2016 calendar year total cost for the contract was \$559,153. The entire 1,750 acre-feet was taken as of December 31, 2016.

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, 2016 through December 31, 2016 was \$4.64 per thousand gallons, for a total lease cost of \$3,048,480. 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 Pension Plans

Description of the Plans. The City provides pension benefits through two defined contribution 401A pension plans for all of its regular full-time employees and part-time employees who work at least 20 hours per week and are over age 18. The Police Plan includes Police Officers and the General Employee Plan includes all other employees, the details of which are discussed below.

Both employee plans are established by separate ordinances as single-employer, defined contribution plans, qualified under IRS guidelines. When employees change job status, their account balance is moved from their old plan to the appropriate new plan through a transfer. The City does not participate in Social Security. Long-term disability and death benefits are provided as employee benefits apart from the Pension Plans.

The Plans' provisions and requirements are established by Municipal Ordinance and determined to be a qualified Pension Plan by the Internal Revenue Service. The Plans' Ordinances grant the Pension Board members and Trustee the authority to administer, interpret, and apply the requirements of the Plans' documents. Any changes to the Plans' Documents are subject to City Council approval and require Internal Revenue Service determination of qualification. Eligible employees must participate from the date of employment.

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

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

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

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

Summary of Contributions For the year ended December 31, 2016, contributions made to the two plans equaled required contributions and were as follows:

	2016
Police Pension Plan	
City Contributions	\$ 1,283,570
Mandatory employee contributions	1,350,501
Voluntary employee contributions	6,907
General Pension Plan	
City Contributions	3,361,802
Mandatory employee contributions	3,984,242
Voluntary employee contributions	37,414
Rollover contribution	259,980
Total	<u>\$ 10,284,416</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 had the option of joining the SMP plan. Participants can choose from various mutual funds selected by the Self-Directed Plans Committee pursuant to the fund structure approved by the FPPA's Board of Directors, as well as mutual funds or other investments offered through a Self-Directed Brokerage Account.

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

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

Total contributions to the Statewide Money Purchase Plan from the City were \$37,683 for the year ended December 31, 2016.

General Information about the Deferred Compensation Plans

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

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

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

Contributions into the 457(b) plans are funded by participant contributions of up to a maximum limit set by the IRS of \$18,000 for the calendar year 2016. Catch-up contributions up to \$6,000 for calendar year 2016 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$3,131,650 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$267,791. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$10,063.

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

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 asset or pension expense and include:

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

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

- Differences in plan experience, changes in assumptions, and changes in proportion will be amortized over the remaining service lives of current and former employees, and retirees.
- The differences between expected and actual investment earnings will be amortized over a five-year period.

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- 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	\$ 36,368	\$ 3,559,531	\$ 42,937	\$ 560,641
FPPA SWH	545,354	443,967	45,076	(134,648)
Volunteer Firefighter	780,743	121,001	-	(28,580)
Totals	\$ 1,362,465	\$ 4,124,499	\$ 88,013	\$ 397,413

Statewide Defined Benefit Plan

General Information about the Statewide Defined Benefit Pension Plan

Plan description. Effective September 1, 2004, the City began contributing to the Statewide Defined Benefit Plan (SWDB) a cost-sharing multiple-employer defined benefit pension plan administered by the FPPA. 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 are members of the SWDB and the Statewide Death and Disability Plan. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for both the SWDB and the Statewide Death and Disability Plan. That report may be obtained by calling FPPA at 303-770-3772 or on FPPA's website at <http://www.fppaco.org>.

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

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

A member is eligible for an early retirement at age 50 or after 30 years of service. 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 Board sets contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based on current actuarial assumptions. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and the City are contributing at the rate of 9 and 8 percent, respectively, of base salary for a total contribution rate of 17 percent for 2016. Member contribution rates are scheduled to increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions are scheduled to remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

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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 21 percent of base salary for 2016. The members pay the additional 4 percent contribution. The re-entry group are scheduled to have their required member contribution rate increase 0.5 percent annually through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

Prior to 1997, the State of Colorado made a one-time contribution to fund future service costs for all firefighters hired prior to January 1, 1997. These members do not make contributions to the Statewide Death and Disability Plan. Aggregate contributions totaling 2.6 percent of payroll were made to the Statewide Death and Disability Plan in 2011 for firefighters hired on or after January 1, 1997, of which 1.8 percent and 0.8 percent were funded by the City and Plan members, respectively through October 31, 2011. Beginning November 1, 2011, the contribution of 2.6 percent changed. In 2016, 1.06 percent and 1.54 percent were funded by the City and plan members, respectively. The contribution rate may vary from year to year, depending on actuarial experience.

Total contributions to the SWDB from the City were \$790,417 for the year ended December 31, 2016.

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

At December 31, 2016, the City reported an asset of \$36,368 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2016, which was unchanged from December 31, 2015. 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, 2015, the City's proportion was 2.063 percent, which was a decrease of 0.0324 percent from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense of \$560,641. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 294,134	\$ 42,937
Changes of assumptions	571,242	-
Net difference between projected and actual earnings on pension plan investments	1,850,969	-
Changes in proportion	52,769	-
City contributions subsequent to the measurement date	790,417	-
Total	<u>\$ 3,559,531</u>	<u>\$ 42,937</u>

\$790,417 reported 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, 2017.

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:

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Year Ended December 31,	Amounts Recognized in Pension Expense
2017	\$ 569,069
2018	569,069
2019	569,069
2020	523,176
2021	94,853
Thereafter	400,941
Total	<u>\$ 2,726,177</u>

Actuarial assumptions. The January 1, 2016 actuarial valuation used the following actuarial assumptions and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2016
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.5% (3.0% in prior year)

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

Changes in Assumptions. The FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. 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.

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, 2015 are summarized in the following table:

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	Total Pension Liability
Actuarial Valuation Date	January 1, 2016
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5% (3.0% in prior year)

*While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent real rate of return is utilized.

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

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

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset)	\$ 5,094,651	\$ (36,368)	\$ (4,292,373)

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

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

General Information about the Statewide Hybrid Plan

Plan description. Effective September 1, 2004, the City began contributing to the Statewide Hybrid Plan (SWH), 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 or the Statewide Hybrid Plan (SWH). The SWH is comprised of two components: Defined Benefit and Money Purchase. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available comprehensive annual financial report that include 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

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pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

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

Contributions. The Board 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, 2015 through June 30, 2016 is 12.6 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.

Prior to 1997, the State of Colorado made a one-time contribution to fund future service costs for all firefighters hired prior to January 1, 1997. These members do not make contributions to the Statewide Death and Disability Plan. Aggregate contributions totaling 2.6 percent of payroll were made to the Statewide Death and Disability Plan in 2011 for firefighters hired on or after January 1, 1997, of which 1.8 percent and 0.80 percent were funded by the City and Plan members, respectively through October 31, 2011. Beginning November 1, 2011, the contribution of 2.60 percent changed. In 2016, 1.06 percent and 1.54 percent were funded by the City and plan members, respectively. The contribution rate may vary from year to year, depending on actuarial experience.

Total contributions to the SWH from the City were \$72,952 for the year ended December 31, 2016.

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

At December 31, 2016, the City reported an asset of \$545,354 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2016, which was unchanged from December 31, 2015. 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, 2015, the City's proportion was 5.178 percent, which was an increase of 0.409 percent from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized a reduction of pension expense of \$134,648. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 163,169	\$ -
Changes of assumptions	28,789	-
pension	113,877	-
Changes in proportion	65,180	45,076
City contributions subsequent to the measurement date	72,952	-
Total	<u>\$ 443,967</u>	<u>\$ 45,076</u>

\$72,952 reported 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, 2017.

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,	Amounts Recognized in Pension Expense
2017	\$ 56,981
2018	56,981
2019	56,981
2020	54,599
2021	27,916
Thereafter	72,481
Total	<u>\$ 325,939</u>

Actuarial assumptions. The January 1, 2016 actuarial valuation used the following actuarial assumption and other inputs:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 163,169	\$ -
Changes of assumptions	28,789	-
pension	113,877	-
Changes in proportion	65,180	45,076
City contributions subsequent to the measurement date	72,952	-
Total	<u>\$ 443,967</u>	<u>\$ 45,076</u>

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

Changes in Assumptions. The FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. 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

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mortality studies and the expected incidence of total disability was increased.

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, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Managed Futures	4%	3.0%
Cash	2%	0%*
Total	100%	

**While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent real rate of return is utilized.*

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

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

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension asset	\$(315,817)	\$(545,354)	\$(737,245)

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

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

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a volunteer beneficiary has been permanently capped. With the approval of the Volunteer Fire Pension Board and the City Council of Westminster, the assets of the plan were transferred to the FPPA as allowed by C.R.S., 31-31-705. This statute allows FPPA to manage the funds of the plan and pay beneficiaries. Administrative costs and fees of the plan are netted against investment earnings on a prorated basis. The City of Westminster retains responsibility for administration and the liability of the plan. Investments of the funds are invested under the concept of an agent multiple-employer plan. The plan is closed to new entrants. When the last participant of the plan passes away, the residual assets will transfer to the City and can only be used for fire related purposes.

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

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

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

Volunteers covered by benefit terms. At December 31, 2016, membership in the plan consisted of:

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

Contributions. An actuarial study performed on January 1, 2015, 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 \$780,743. Therefore, no additional contributions are required at this time by the City. State statutes govern contribution requirements. The required contribution for 2016 was determined as part of the 2015 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, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015. The liability was rolled forward from January 1, 2015 to December 31, 2015 using standard actuarial methods. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2013, determines the contribution amounts for 2014 and 2015. The actuarial valuation as of January 1, 2015 determines the contribution amounts for 2016 and 2017.

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Actuarial assumptions. The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	3.00%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65

Mortality rates were based on the RP-2000 Combined Mortality Table with a Blue Collar Adjustment (40% multiplier for off-duty mortality used for pre-retirement). Disabled rates based on RP-2000 Disabled Mortality Table. All tables projected with Scale AA.

Changes of assumptions. The assumptions shown above pertain to the actuarial valuation as of January 1, 2013 and the associated Actuarially Determined Contribution for the year ending December 31, 2015. Following a regularly scheduled experience study in 2015, the FPPA Board adopted a new assumption set for first use in the January 1, 2016 valuations. Due to the biennial valuation process, the new assumptions will first apply to the January 1, 2017 Volunteer valuations. The impact of these changes on future valuations is undeterminable. The primary changes, which can be observed in the January 1, 2017 valuation, as compared to the assumptions shown are as follows:

Inflation: 2.50%

Mortality:

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

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of December 31, 2015, is summarized in the table below.

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Managed Futures	4%	3.0%
Cash	2%	0%*
Total	100%	

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**While expected inflation exceeds the expected rate of return for cash, a 0.0% real rate of return is utilized.*

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

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a) - (b)
Balances at 1/1/16	\$ 1,706,199	\$ 2,566,427	\$ (860,228)
Changes for the year:			
Interest on the total pension liability	121,049	-	121,049
Net investment income	-	46,269	(46,269)
Benefit payments	(187,810)	(187,810)	-
Pension Plan Administrative Expense	-	(4,705)	4,705
Net Changes	(66,761)	(146,246)	79,485
Balances at 12/31/2016	\$ 1,639,438	\$ 2,420,181	\$ (780,743)

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

	1% Decrease (6.50%)	Current Single Discount Rate Assumption (7.50%)	1% Increase (8.50%)
Plan's net pension asset	\$(657,086)	\$(780,743)	\$(888,983)

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 Related to Pensions

For the year ended December 31, 2016, the plan recognized a reduction of pension expense of \$28,580. At December 31, 2016, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	121,001
Total	\$ 121,001

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

Year Ended December 31	Net Deferred Outflows of Resources
2017	\$ 31,059
2018	31,059
2019	31,059
2020	27,824
Total	<u>\$ 121,001</u>

I. Retiree Health Program

Program Description. The Retiree Health Program (Program) is a single-employer defined benefit healthcare plan administered by the City of Westminster. The Program provides medical, dental, and vision insurance benefits to eligible retirees and their dependents until reaching the Medicare qualification age. Retirees may not stay on the Program after age 65. Benefits are provided for active employees and retirees under the same health care plan.

The Program offers a self-funded Open Access Point of Service plan as well as a fully insured HMO plan. The dental benefit component is self-funded and the vision benefit is paid solely by the participants in the Program.

Funding Policy. The Program provisions and requirements are established and may be amended by Council policy. The City funds OPEB expense on a pay-as-you-go basis. Program claims and fees for the self-funded plan and expected premiums for the fully funded plan totaled \$487,216 during 2016. Program members receiving benefits contributed \$377,378 in actual premiums equal to 100% of the equivalent premium recognized for active employees. The City's pay-as-you-go program funding totaled \$109,838 during the year.

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

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover current year costs plus amortization for a portion of the unfunded accrued actuarial liability for Program benefits. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the Program, and changes in the City's net OPEB obligation.

	2016
Annual required contribution	\$ 191,448
Interest on net OPEB obligation	11,717
Annual required contribution adjustment	<u>(10,750)</u>
Annual OPEB cost	192,415
Contributions made	<u>(109,838)</u>
Increase (decrease) in annual OPEB obligation	82,577
OPEB obligation - beginning of year	308,357
OPEB obligation - end of year	<u>\$ 390,934</u>

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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for years 2014-2016 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2014	\$ 177,521	71.6%	\$ 440,913
12/31/2015	192,833	168.7%	308,357
12/31/2016	192,415	57.1%	390,934

Funded Status and Funding Progress. As of January 1, 2015, the most recent actuarial valuation date, the Program was not funded. The unfunded actuarial accrued liability (UAAL) was \$2,424,602. The covered payroll (annual payroll of active employees covered by the Program) was \$57,861,424. The ratio of the UAAL to covered payroll was 4.2 percent.

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

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

In the January 1, 2015 valuation, the Projected Unit Credit cost method was used. The actuarial assumptions included a 3.8 percent investment rate of return to calculate the ARC on a pay-as-you-go basis, which is the rate expected on short-term liquid investments. The Unfunded Actuarial Accrued Liability is amortized over the maximum acceptable period of 30 years. It is calculated assuming a level percentage of projected payroll on an open basis. Payroll is assumed to increase at 3.5% per year. Trend rates found in a recent study released by the Society of Actuaries (SOA) titled, "Getzen Model of Long-Run Medical Costs for the SOA" were used to project the benefit costs for current and future retirees. The trend begins at 4.7%, increases for several years up to 5.5%, and then reduces to an ultimate rate of 3.8% in the year 2075. A separate financial report is not issued for the Retiree Medical Program.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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, 2016, amounts required as Emergency Reserves in compliance with the Amendment total \$5,056,536 for the general government and an aggregate of \$34,118 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

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

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

L. Joint Ventures

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

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

The City receives one-half of the net revenues from operations of the Ice Centre and the Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2016 was \$570,948. At December 31, 2016, the net book value of the Ice Centre joint venture was \$4,357,740 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.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Broomfield-Westminster Open Space Foundation. The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The cities agreed to their share of payments as set forth in the By-Laws of the Foundation. The City's portion of annual lease rental payments 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, 2016, the City's fifty percent equity interest in the Foundation is \$596,090.

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

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors consisting of two directors appointed by the City of Northglenn, and one director appointed by the City of Westminster. The City owns one-third of the Church Ditch while Northglenn owns the other two-thirds. The City of Northglenn reports the Church Ditch Authority as a discretely presented component unit; the City of Westminster, as the minority participant in the Authority, reports an equity interest of one-third of the Authority's net position as "Other Assets" in the Utility Fund. At December 31, 2016, the City's equity interest in the Church Ditch Authority was \$1,335,657.

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 \$225,108 in 2016. 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.

O. Arbitrage Compliance

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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 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, 2016 were as follows:

Tax Abatement Program	Amount of Taxes Abated
Development and Redevelopment	
Sales and Use Tax	\$ 562,153
Building Use Tax	1,406,231
Accommodations Tax	866,380
Affordable Housing	
Building Use Tax	402,349
Total	<u><u>\$ 3,237,113</u></u>

Q. Property Held for Resale

WEDA acquired the abandoned portions of a townhome project within the Holly Park urban renewal area with the intention to clean-up the abandoned areas and ready the land for sale. WEDA continues to maintain the property as a potential redevelopment site of approximately 5.7 acres. At December 31, 2016, the property was reported in the financial statements at the fair market value of \$850,000.

WEDA has also acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. This site is at the center of the City's ambitious journey to become the next urban center on the Colorado Front Range. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Utilities and roads are being installed as the new Downtown Westminster takes shape. Additionally, construction on a major residential and retail development is expected to begin in early 2017. At December 31, 2016, the properties still held by WEDA were reported as property held for resale in the financial statements at the fair market value of \$18,396,173, which is less than cost.

The City is holding an approximate 110,920 square foot parcel of land in the South Westminster Transportation Oriented District which is intended to be sold at a later date for development purposes. At December 31, 2016, the property held for resale was reported in the General Capital Improvement Fund at a cost of \$319,659.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

The City purchased a 40,000 square foot/.9183 acre parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2016, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474.

The City acquired five properties located in the 7200 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds. The City has an agreement with a developer. Upon development plan approval, the City plans to convey these properties to the developer in exchange for the developer assuming the debt. As of December 31, 2016, the properties held for resale were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a cost of \$1,210,223.

R. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2016, Industrial Revenue Bonds outstanding aggregated \$38,635,000.

S. Pollution Remediation

The State of Colorado, Department of Labor and Employment, Division of Oil and Public Safety (OPS) recognizes the City of Westminster as the sole responsible party for the pollution remediation of a leak from underground gas storage tanks at the Municipal Service Center discovered in 1986. Various remediation efforts have been undertaken since that time.

In 2016, several components of the current remediation system were found to be non-functioning and will be decommissioned during 2017. As a result a new exposure based Natural Source Zone Depletion (NSZD) strategy was presented to OPS. OPS requested additional studies to evaluate gasoline degradation rates to support this closure strategy. The studies will be completed in 2017 and presented to OPS for acceptance of the NSZD strategy. The costs for these actions are estimated at \$97,914. Costs beyond 2017 are inestimable at this time.

T. Debt Issues

On May 25, 2016 the City Water and Wastewater Utility Enterprise issued \$42,830,000 of Non-Taxable Revenue Bonds with an arbitrage yield of 2.55%. The net proceeds of \$51,316,234 were allocated to cover the cost of issuance fees and underwriter's discount of \$309,320.

On September 7, 2016, the City issued \$14,995,000 of Certificates of Participation, Series 2016 with an arbitrage yield of 1.43% to fully advance refund Certificates of Participation, Series 2007. The net proceeds of \$16,545,018 were allocated to cover the cost of issuance fees and underwriter's discount of \$191,082. The proceeds of the certificates of participation and an additional \$2,881,769 of City funds were deposited in an irrevocable trust with an escrow agent used to purchase U.S. Government Obligations sufficient to provide for all future debt service payments on the Series 2007 certificates of participation refunded. As a result, the Series 2007 certificates of participation refunded are considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

The City advance refunded the Series 2007 certificates of participation to reduce its total debt service payments over the next 9 years by \$1,952,493 and to obtain the economic gain (difference between the present values

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

of the debt service payments on the old and new debt) of \$1,832,609. A deferred amount on refunding of \$461,220 was recorded.

U. Dissolution of Promenade Parking General Improvement District

On October 10, 2016, City Council authorized the dissolution of the City of Westminster Promenade Parking General Improvement District. Plans for the parking garage stalled when the economy weakened and the current official development plan in the Promenade area no longer provides for a parking garage. The ordinance provides for a residual equity transfer of the remaining fund balance to the City to compensate for costs relating to the District's dissolution and any un-covered administrative expenses that the City incurred over the life of the District. On December 31, 2016 a residual equity transfer of \$33 was made to the City. The dissolution of the GID is effective as of December 31, 2016.

V. Implementation of New Accounting Standards

During 2016, the City adopted GASB Statement No. 72 of the Governmental Accounting Standards Board (GASB 72), *Fair Value Measurement and Application*. GASB 72 addresses accounting and financial reporting issues related to fair value measurement and related disclosures. Adoption of GASB 72 had no effect on the City's beginning net position/fund balance or on the change in net position/fund balance.

During 2016, the City adopted GASB Statement No. 77 of the Governmental Accounting Standards Board (GASB 77), *Tax Abatement Disclosures*. GASB 77 addresses accounting and financial reporting issues related to tax abatement agreements and related disclosures. Adoption of GASB 77 had no effect on the City's beginning net position/fund balance or on the change in net position/fund balance.

W. Subsequent Events

On March 27, 2017 the Westminster Economic Development Authority (WEDA) Board authorized an amendment to the loan agreement with Community Resources and Housing Development Corporation (CRHDC), a non-profit housing agency, that was originally issued in 2008 for the construction and acquisition of a commercial building located in the South Westminster Urban Renewal Area. At CRHDC's request, the loan was restructured in 2012 and provided for monthly principal and interest payments for five years with a balloon payment of \$313,681 in January 2017. In late October, 2016, CRHDC requested another loan restructuring that excluded a balloon payment. WEDA and CRHDC negotiated mutual loan repayment terms that include a small balloon payment of \$38,681 to reduce the principal balance to \$275,000. The remaining principal balance will be assessed interest at a rate of 2% per annum and repaid over a five year period with monthly payments of principal and interest.

On February 25, 2017 the City initiated a \$492,064 lease purchase agreement with UMB Banc Leasing Corp. for golf equipment. Lease payments will be made quarterly beginning on January 25, 2018 at an interest rate of 2.330%.



Required Supplemental Information

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 4,320,525	\$ 4,320,525	\$ 4,703,357	\$ 382,832
Sales taxes	69,898,903	73,744,355	74,230,008	485,653
Use taxes	13,390,725	15,203,470	18,537,962	3,334,492
Business fees and other taxes	5,646,973	5,646,973	5,373,974	(272,999)
Accommodations taxes	898,356	898,356	1,008,687	110,331
Intergovernmental	7,128,005	7,777,721	8,788,301	1,010,580
Licenses and permits	1,778,151	2,139,510	4,278,584	2,139,074
Interest	268,064	268,064	415,840	147,776
Recreation fees	7,455,835	7,642,053	7,605,943	(36,110)
Fines and forfeits	1,585,000	1,585,000	1,374,530	(210,470)
Fleet maintenance billings and other	4,664,718	5,236,575	5,326,371	89,796
EMS billings	2,194,000	2,194,000	2,503,787	309,787
Total revenues	119,229,255	126,656,602	134,147,344	7,490,742
EXPENDITURES				
General government				
City council	213,991	213,992	181,300	32,692
City attorney's office	1,222,207	1,222,207	1,070,826	151,381
City manager's office	2,483,211	2,773,280	2,140,404	632,876
Central charges	28,630,947	32,449,389	30,551,606	1,897,783
General services	8,964,733	9,033,110	8,023,921	1,009,189
Finance	1,974,021	1,985,521	1,914,847	70,674
Public safety				
Police	22,094,645	22,982,083	21,879,630	1,102,453
Fire	13,245,176	13,350,832	13,107,814	243,018
Public works	8,718,456	8,718,542	8,488,590	229,952
Community development	4,564,351	4,759,440	4,352,093	407,347
Culture and recreation	15,708,496	15,931,484	15,930,277	1,207
Refunding bond issuance costs	-	191,082	191,082	-
Total expenditures	107,820,234	113,610,962	107,832,390	5,778,572
Excess of revenues over (under) expenditures	11,409,021	13,045,640	26,314,954	13,269,314
OTHER FINANCING SOURCES (USES)				
Issuance of refunding debt	-	14,995,000	14,995,000	-
Premium on refunding debt	-	1,550,018	1,550,018	-
Payment to refunded bond escrow agent	-	(18,982,911)	(18,978,975)	3,936
Sale of capital asset	30,000	30,000	32,952	2,952
Transfers in	1,333,647	1,333,647	1,415,973	82,326
Transfers (out)	(11,073,178)	(26,883,334)	(26,008,334)	875,000
Total other financing sources (uses):	(9,709,531)	(27,957,580)	(26,993,366)	964,214
Net change in fund balance	\$ 1,699,490	\$ (14,911,940)	(678,412)	\$ 14,233,528
Fund balance, beginning			44,485,299	
Fund balance, ending			\$ 43,806,887	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 9,309,865	\$ 9,343,890	\$ 10,117,447	\$ 773,557
Sales tax increment	634,318	634,318	842,775	208,457
Interest	9,000	14,202	41,896	27,694
Rentals	-	443,074	443,074	-
Other	193	193	19,419	19,226
Total revenues	<u>9,953,376</u>	<u>10,435,677</u>	<u>11,464,611</u>	<u>1,028,934</u>
EXPENDITURES				
General government	535,249	572,850	438,815	134,035
Capital projects	1,591,753	6,493,851	4,071,723	2,422,128
Debt service:				
Principal	5,683,000	5,683,000	5,683,000	-
Interest and fiscal charges	2,841,685	2,841,685	2,835,461	6,224
Total expenditures	<u>10,651,687</u>	<u>15,591,386</u>	<u>13,028,999</u>	<u>2,562,387</u>
Excess of revenues (under) expenditures	<u>(698,311)</u>	<u>(5,155,709)</u>	<u>(1,564,388)</u>	<u>3,591,321</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	57,600	4,607,600	4,910,800	303,200
Transfers (out)	(375,000)	(375,000)	(375,000)	-
Total other financing sources (uses):	<u>(317,400)</u>	<u>4,232,600</u>	<u>4,535,800</u>	<u>303,200</u>
Net change in fund balance	<u>\$ (1,015,711)</u>	<u>\$ (923,109)</u>	2,971,412	<u>\$ 3,894,521</u>
Fund balance, beginning			32,756,089	
Fund balance, ending			<u>\$ 35,727,501</u>	

Budgetary Information

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

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

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

Appropriations lapse at year end for legally adopted operating budgets.

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

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

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

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

See the disclosure on Construction and Other Significant Commitments, page 58.

CITY OF WESTMINSTER, COLORADO
Schedule of Funding Progress
December 31, 2016

Retiree Health Program

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2011	\$ -	\$ 2,402,366	\$ 2,402,366	0%	\$ 51,742,297	4.6%
1/1/2013	-	2,718,852	2,718,852	0%	52,816,246	5.1%
1/1/2015	-	2,424,602	2,424,602	0%	57,861,424	4.2%

City of Westminster
Westminster Volunteer Firefighter Pension Plan
Schedule of Changes in Net Pension Liability(Asset) and Related Ratios
Last 10 Fiscal Years**

Measurement period ending December 31,	2015	2014
Total Pension Liability		
Service Cost	\$ -	\$ -
Interest on the Total Pension Liability	121,049	125,396
Benefit Changes	-	-
Difference between Expected and Actual Experience	-	6,313
Assumption Changes	-	-
Benefit Payments	(187,810)	(191,450)
Net Change in Total Pension Liability	(66,761)	(59,741)
Total Pension Liability - Beginning	1,706,199	1,765,940
Total Pension Liability - Ending (a)	\$ 1,639,438	\$ 1,706,199
Plan Fiduciary Net Position		
Employer Contributions	\$ -	\$ -
Pension Plan Net Investment Income	46,269	170,962
Benefit Payments	(187,810)	(191,450)
Pension Plan Administrative Expense	(4,705)	(4,277)
State of Colorado Supplemental Discretionary Payment	-	-
Net Change in Plan Fiduciary Net Position	(146,246)	(24,765)
Plan Fiduciary Net Position - Beginning	2,566,427	2,591,192
Plan Fiduciary Net Position - Ending (b)	\$ 2,420,181	\$ 2,566,427
Net Pension Liability(Asset) - Ending (a) - (b)	\$ (780,743)	\$ (860,228)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	147.62%	150.42%
*Covered Employee Payroll	N/A	N/A
*Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A

*Covered-employee 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.

**City of Westminster
Westminster Volunteer Firefighter Pension Plan
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
(a)	(b)	(c)	(d)=(b)-(c)	(e)	(f)
2014	\$ -	\$ -	\$ -	N/A	N/A
2015	-	-	-	N/A	N/A
2016	-	-	-	N/A	N/A

*Includes both employer and State of Colorado Supplemental Discretionary Payment.

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

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

Notes to Schedule of Contributions

Valuation Date:

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2013, determines the contribution amounts for 2014 and 2015. The actuarial valuation as of January 1, 2015 determines the contribution amounts for 2016 and 2017.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	3.00%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off-duty mortality Post-retirement: RP-2000 Combined Mortality Table, with Blue Collar Adjustment Disabled: RP-2000 Disabled Mortality Table All tables projected with Scale AA

Changes of assumptions. the assumptions shown above pertain to the actuarial valuation as of January 1, 2013 and the associated Actuarially Determined Contribution for the year ending December 31, 2015. Following a regularly scheduled experience study in 2015, the Board adopted a new assumption set for first use in the January 1, 2016 valuations. Due to the biennial valuation process, the new assumptions will first apply to the January 1, 2017 valuations. The impact of these changes on future valuations is undeterminable.

The primary changes, which can be observed in the January 1, 2017 valuation, as compared to the assumptions shown are as follows:

Inflation	2.50%
Mortality	Pre-retirement: RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience. Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

City of Westminster
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
Fire & Police Pension Association of Colorado - Statewide Defined Benefit Plan
Last 10 fiscal years*

	2016	2015	2014
City's proportion of the net pension liability (asset)	2.063%	2.095%	2.123%
City's proportionate share of the net pension liability (asset)	\$ (36,368)	\$ (2,364,925)	\$ (1,898,788)
City's covered-employee payroll	\$ 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-employee payroll	-0.41%	-28.27%	-23.30%
Plan fiduciary net position as a percentage of the total pension liability	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.

City of Westminster
Westminster Fire: FPPA Statewide Defined Benefit
Schedule of Employer Contributions
Last 10 fiscal years*

	2016	2015	2014
Statutorily required contribution	\$ 380,840	\$ 363,791	\$ 331,008
Contributions in relation to the statutorily required contribution	380,840	363,791	331,008
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 4,760,395	\$ 4,547,383	\$ 4,137,588
Contributions as a percentage of covered-employee payroll	8.00%	8.00%	8.00%

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

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

Change to benefit terms. Effective for 2015, a 0.61 percent benefit adjustment was granted to all retirees and beneficiaries of the FPPA plan who retired on or before October 1, 2014.

City of Westminster
Westminster Fire: FPPA Statewide Defined Benefit - Re-entry
Schedule of Employer Contributions
Last 10 fiscal years*

	2016	2015	2014
Statutorily required contribution	\$ 409,577	\$ 434,257	\$ 422,872
Contributions in relation to the statutorily required contribution	409,577	434,257	422,872
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 4,095,773	\$ 4,342,533	\$ 4,228,717
Contributions as a percentage of covered-employee payroll	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.

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.

Change to benefit terms. Effective for 2015, a 0.61 percent benefit adjustment was granted to all retirees and beneficiaries of the FPPA plan who retired on or before October 1, 2014.

City of Westminster
Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset)
Fire & Police Pension Association of Colorado - Statewide Hybrid Defined Benefit Plan
Last 10 fiscal years*

	2016	2015	2014
City's proportion of the net pension liability (asset)	5.178%	4.769%	5.576%
City's proportionate share of the net pension liability (asset)	\$ (545,354)	\$ (565,544)	\$ (568,776)
City's covered-employee payroll	\$ 681,843	\$ 590,284	\$ 721,382
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-79.98%	-95.81%	-78.85%
Plan fiduciary net position as a percentage of the total pension liability	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.

City of Westminster
Westminster Fire: FPPA Statewide Hybrid Defined Benefit
Schedule of Employer Contributions
Last 10 fiscal years*

	2016	2015	2014
Statutorily required contribution	\$ 72,952	\$ 68,184	\$ 59,028
Contributions in relation to the statutorily required contribution	72,952	68,184	59,028
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 729,525	\$ 681,843	\$ 590,284
Contributions as a percentage of covered-employee payroll	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.

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.

Change to benefit terms. Effective for 2015, a 3.00 percent benefit adjustment was granted to all retirees and beneficiaries of the plan who retired on or before October 1, 2014.

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Combining Statements



Nonmajor Governmental Funds

Special Revenue Funds

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

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.

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

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

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.

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

Investigation Recovery Fund - accounts for proceeds from police seizures, forfeitures and restitutions. Spending is restricted by both Federal and State law to Police Department equipment, commodities, and/or training needs above budgeted amounts. In 2016, the City of Westminster did not receive any federal forfeited assets.

Debt Service Fund

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

- a) 2001 Sales and Use Tax Revenue Refunding Bonds of \$13,275,000 originally issued; \$980,000 remaining after 2010 refunding, due in annual installments through December 1, 2021; interest at 4.6 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- b) 2007D Special Purpose Sales and Use Tax Revenue Bonds of \$20,000,000 originally issued; \$960,000 remaining after 2015 refunding, due in annual installments through December 1, 2017, interest at 4.0 percent. Financing is provided by the City's 0.25 percent open space sales and use tax.
- c) 2010 Sales and Use Tax Revenue Refunding Bonds of \$10,545,000 in annual installments through December 1, 2022; interest at 3.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- d) 2015 Sales and Use Tax Revenue Refunding Bonds of \$18,500,000 in annual installments through December 1, 2031; interest at 2.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.

Capital Projects Fund

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

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CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Special Revenue Funds				
	Parks, Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID
ASSETS					
Cash and cash equivalents	\$ 143,103	\$ 114,367	\$ 37,827	\$ 602	\$ 959
Investments	1,645,690	1,315,225	435,016	5,302	8,440
Receivables:					
Taxes	752,386	137,211	69,085	10,284	3,547
Accounts	1,300	917	407	1,305	-
Grants	174,293	-	-	-	-
Interest	5,628	4,436	1,457	-	-
Property held for resale	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	<u>\$ 2,722,400</u>	<u>\$ 1,572,156</u>	<u>\$ 543,792</u>	<u>\$ 17,493</u>	<u>\$ 12,946</u>
LIABILITIES					
Accounts payable and other	\$ 35,452	\$ -	\$ 8,100	\$ -	\$ 8,587
Accrued liabilities	9,573	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued interest	-	-	-	-	-
Total liabilities	<u>45,025</u>	<u>-</u>	<u>8,100</u>	<u>-</u>	<u>8,587</u>
DEFERRED INFLOWS OF RESOURCES	<u>170,284</u>	<u>137,211</u>	<u>69,085</u>	<u>10,284</u>	<u>3,547</u>
FUND BALANCES					
Nonspendable:					
Property held for resale	-	-	-	-	-
Restricted for:					
Capital additions and improvements	-	1,430,093	464,230	-	-
Contractual obligations	-	-	-	13	-
Emergencies	-	4,852	2,377	7,196	812
Open space conservation and improvements	2,177,641	-	-	-	-
Public safety	-	-	-	-	-
Assigned to:					
Community development	329,450	-	-	-	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>2,507,091</u>	<u>1,434,945</u>	<u>466,607</u>	<u>7,209</u>	<u>812</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,722,400</u>	<u>\$ 1,572,156</u>	<u>\$ 543,792</u>	<u>\$ 17,493</u>	<u>\$ 12,946</u>

Promenade Parking GID	Mandalay Town Center GID	144th Avenue GID	Park 1200 GID	Conservation Trust	Investigation Recovery	Total Special Revenue Funds
\$ -	\$ 191	\$ 999	\$ -	\$ -	\$ 1,861	\$ 299,909
-	2,193	11,492	-	-	21,403	3,444,761
-	27,081	35,127	4,224	-	-	1,038,945
-	3,810	5,389	-	1,982	-	15,110
-	-	-	-	-	-	174,293
-	-	66	-	8,608	66	20,261
-	-	-	-	-	-	-
-	-	-	-	219,890	-	219,890
-	-	-	-	2,528,736	-	2,528,736
<u>\$ -</u>	<u>\$ 33,275</u>	<u>\$ 53,073</u>	<u>\$ 4,224</u>	<u>\$ 2,759,216</u>	<u>\$ 23,330</u>	<u>\$ 7,741,905</u>
\$ -	\$ -	\$ -	\$ -	\$ 9,420	\$ -	\$ 61,559
-	-	-	-	-	-	9,573
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	9,420	-	71,132
-	27,081	35,127	4,224	-	-	456,843
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,749,796	-	4,644,119
-	2,136	3,123	-	-	-	5,272
-	4,058	14,823	-	-	-	34,118
-	-	-	-	-	-	2,177,641
-	-	-	-	-	23,330	23,330
-	-	-	-	-	-	-
-	-	-	-	-	-	329,450
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	6,194	17,946	-	2,749,796	23,330	7,213,930
<u>\$ -</u>	<u>\$ 33,275</u>	<u>\$ 53,073</u>	<u>\$ 4,224</u>	<u>\$ 2,759,216</u>	<u>\$ 23,330</u>	<u>\$ 7,741,905</u>

CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016
(Continued)

	Debt Service Fund	Capital Project Fund	
	Debt Service	Community Development Block Grant	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 17,753	\$ -	\$ 317,662
Investments	204,155	-	3,648,916
Receivables:			
Taxes	-	-	1,038,945
Accounts	-	-	15,110
Grants	-	30,388	204,681
Interest	662	-	20,923
Property held for resale	-	1,210,223	1,210,223
Restricted assets:			
Cash and cash equivalents	-	-	219,890
Investments	-	-	2,528,736
Total assets	<u>\$ 222,570</u>	<u>\$ 1,240,611</u>	<u>\$ 9,205,086</u>
LIABILITIES			
Accounts payable and other	\$ 500	\$ 3,447	\$ 65,506
Accrued liabilities	-	1,491	11,064
Due to other funds	-	22,230	22,230
Accrued interest	-	1,643	1,643
Total liabilities	<u>500</u>	<u>28,811</u>	<u>100,443</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>30,388</u>	<u>487,231</u>
FUND BALANCES			
Nonspendable:			
Property held for resale	-	1,210,223	1,210,223
Restricted for:			
Capital additions and improvements	-	11,050	4,655,169
Contractual obligations	-	-	5,272
Emergencies	-	-	34,118
Open space conservation and improvements	-	-	2,177,641
Public safety	-	-	23,330
Assigned to:			
Community development	-	-	329,450
Debt service	222,070	-	222,070
Unassigned	-	(39,861)	(39,861)
Total fund balances	<u>222,070</u>	<u>1,181,412</u>	<u>8,617,412</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 222,570</u>	<u>\$ 1,240,611</u>	<u>\$ 9,205,086</u>

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Special Revenue Funds				
	Parks, Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID
REVENUES					
Property taxes	\$ -	\$ 137,078	\$ 69,134	\$ 9,931	\$ -
Sales taxes	5,210,443	-	-	-	-
Use taxes	1,286,686	-	-	-	-
Intergovernmental	-	11,456	5,693	229,799	11,901
Interest	18,376	13,183	4,408	127	1
Fines and forfeitures	-	-	-	-	-
Other	568,247	-	-	-	-
Total revenues	<u>7,083,752</u>	<u>161,717</u>	<u>79,235</u>	<u>239,857</u>	<u>11,902</u>
EXPENDITURES					
Current:					
General government	-	24,362	36,146	10,149	36,893
Community development	1,725,817	-	-	-	-
Capital projects	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>1,725,817</u>	<u>24,362</u>	<u>36,146</u>	<u>10,149</u>	<u>36,893</u>
Excess of revenues over (under) expenditures	<u>5,357,935</u>	<u>137,355</u>	<u>43,089</u>	<u>229,708</u>	<u>(24,991)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	96,353	-	-	-	22,538
Transfers (out)	(5,161,924)	-	-	(231,207)	-
Total other financing sources (uses):	<u>(5,065,571)</u>	<u>-</u>	<u>-</u>	<u>(231,207)</u>	<u>22,538</u>
Net change in fund balance	292,364	137,355	43,089	(1,499)	(2,453)
Fund balance, beginning	2,214,727	1,297,590	423,518	8,708	3,265
Fund balance, ending	<u>\$ 2,507,091</u>	<u>\$ 1,434,945</u>	<u>\$ 466,607</u>	<u>\$ 7,209</u>	<u>\$ 812</u>

Promenade Parking GID	Mandalay Town Center GID	144th Ave GID	Park 1200 GID	Conservation Trust	Investigation Recovery	Total Special Revenue Funds
\$ 146	\$ 24,691	\$ 28,363	\$ -	\$ -	\$ -	\$ 269,343
-	-	-	-	-	-	5,210,443
-	-	-	-	-	-	1,286,686
10	46,291	75,394	-	910,803	-	1,291,347
-	203	333	-	22,153	194	58,978
-	-	-	-	-	2,871	2,871
-	-	-	-	-	-	568,247
156	71,185	104,090	-	932,956	3,065	8,687,915
178	10,370	10,515	-	-	-	128,613
-	-	-	-	-	-	1,725,817
-	-	-	-	236,849	-	236,849
-	-	-	-	-	-	-
-	-	-	-	-	-	-
178	10,370	10,515	-	236,849	-	2,091,279
(22)	60,815	93,575	-	696,107	3,065	6,596,636
-	-	-	-	-	-	118,891
-	(60,800)	(82,326)	-	-	-	(5,536,257)
-	(60,800)	(82,326)	-	-	-	(5,417,366)
(22)	15	11,249	-	696,107	3,065	1,179,270
22	6,179	6,697	-	2,053,689	20,265	6,034,660
\$ -	\$ 6,194	\$ 17,946	\$ -	\$ 2,749,796	\$ 23,330	\$ 7,213,930

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)

	Debt Service Fund	Capital Project Fund	
		Community Development	Total Other
	Debt Service	Block Grant	Governmental Funds
REVENUES			
Property taxes	\$ -	\$ -	\$ 269,343
Sales taxes	-	-	5,210,443
Use taxes	-	-	1,286,686
Intergovernmental	-	424,719	1,716,066
Interest	27,700	1	86,679
Fines and forfeits	-	-	2,871
Other	-	-	568,247
Total revenues	<u>27,700</u>	<u>424,720</u>	<u>9,140,335</u>
EXPENDITURES			
Current:			
General government	-	-	128,613
Community development	-	-	1,725,817
Capital projects	-	184,883	421,732
Debt service:			
Principal	6,105,000	230,000	6,335,000
Interest and fiscal charges	1,377,971	9,823	1,387,794
Total expenditures	<u>7,482,971</u>	<u>424,706</u>	<u>9,998,956</u>
Excess of revenues over (under) expenditures	<u>(7,455,271)</u>	<u>14</u>	<u>(858,621)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	7,454,680	8,400	7,581,971
Transfers (out)	-	-	(5,536,257)
Total other financing sources (uses):	<u>7,454,680</u>	<u>8,400</u>	<u>2,045,714</u>
Net change in fund balance	(591)	8,414	1,187,093
Fund balance, beginning	222,661	1,172,998	7,430,319
Fund balance, ending	<u>\$ 222,070</u>	<u>\$ 1,181,412</u>	<u>\$ 8,617,412</u>

BUDGETARY COMPARISON SCHEDULES

GOVERNMENTAL FUNDS

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Accommodations taxes	\$ 2,429,380	\$ 3,249,943	\$ 820,563
Intergovernmental	4,792,743	8,331,061	3,538,318
Interest	280,000	591,256	311,256
Contributions	4,582,369	14,996,774	10,414,405
Other	300,017	2,247	(297,770)
Total revenues	<u>12,384,509</u>	<u>27,171,281</u>	<u>14,786,772</u>
EXPENDITURES			
Governmental Activities:			
General government	5,167,808	5,167,808	-
Capital projects	102,999,692	59,471,969	43,527,723
Debt service:			
Interest and fiscal charges	1,691,039	1,691,039	-
Total expenditures	<u>109,858,539</u>	<u>66,330,816</u>	<u>43,527,723</u>
	-	-	-
Excess of revenues under expenditures	<u>(97,474,030)</u>	<u>(39,159,535)</u>	<u>58,314,495</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	15,223,012	21,923,168	6,700,156
Transfers out	(2,852,538)	(2,852,538)	-
Total other financing sources (uses):	<u>12,370,474</u>	<u>19,070,630</u>	<u>6,700,156</u>
Net change in fund balance	<u>\$ (85,103,556)</u>	<u>(20,088,905)</u>	<u>\$ 65,014,651</u>
Fund balance, beginning		78,896,234	
Fund balance, ending		<u>\$ 58,807,329</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 5,109,500	\$ 5,210,443	\$ 100,943
Use taxes	948,091	1,286,686	338,595
Intergovernmental	170,284	-	(170,284)
Interest	10,500	18,376	7,876
Other	503,059	568,247	65,188
Total revenues	<u>6,741,434</u>	<u>7,083,752</u>	<u>342,318</u>
EXPENDITURES			
Community development	2,158,356	1,725,817	432,539
Debt service:			
Interest and fiscal charges	-	-	-
Refunding bond issuance costs	-	-	-
Total expenditures	<u>2,158,356</u>	<u>1,725,817</u>	<u>432,539</u>
Excess of revenues over expenditures	<u>4,583,078</u>	<u>5,357,935</u>	<u>774,857</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	96,353	96,353	-
Transfers (out)	(5,367,611)	(5,161,924)	205,687
Total other financing sources (uses):	<u>(5,271,258)</u>	<u>(5,065,571)</u>	<u>205,687</u>
Net change in fund balance	<u>\$ (688,180)</u>	292,364	<u>\$ 980,544</u>
Fund balance, beginning		2,214,727	
Fund balance, ending		<u>\$ 2,507,091</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 139,007	\$ 137,078	\$ (1,929)
Intergovernmental	9,000	11,456	2,456
Interest	13,400	13,183	(217)
Total revenues	<u>161,407</u>	<u>161,717</u>	<u>310</u>
EXPENDITURES			
General government	64,685	24,362	40,323
Total expenditures	<u>64,685</u>	<u>24,362</u>	<u>40,323</u>
Net change in fund balance	<u>\$ 96,722</u>	137,355	<u>\$ 40,633</u>
Fund balance, beginning		1,297,590	
Fund balance, ending		<u>\$ 1,434,945</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
AMHERST GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 69,079	\$ 69,134	\$ 55
Intergovernmental	4,800	5,693	893
Interest	4,004	4,408	404
Total revenues	<u>77,883</u>	<u>79,235</u>	<u>1,352</u>
EXPENDITURES			
General government	59,136	36,146	22,990
Total expenditures	<u>59,136</u>	<u>36,146</u>	<u>22,990</u>
Net change in fund balance	<u>\$ 18,747</u>	43,089	<u>\$ 24,342</u>
Fund balance, beginning		423,518	
Fund balance, ending		<u>\$ 466,607</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 9,924	\$ 9,931	\$ 7
Intergovernmental	230,680	229,799	(881)
Interest	150	127	(23)
Total revenues	<u>240,754</u>	<u>239,857</u>	<u>(897)</u>
EXPENDITURES			
General government	10,249	10,149	100
Total expenditures	<u>10,249</u>	<u>10,149</u>	<u>100</u>
Income (loss) before transfers	230,505	229,708	(797)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(232,310)</u>	<u>(231,207)</u>	<u>1,103</u>
Net change in fund balance	<u>\$ (1,805)</u>	<u>(1,499)</u>	<u>\$ 306</u>
Fund balance, beginning		8,708	
Fund balance, ending		<u>\$ 7,209</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 1,763	\$ -	\$ (1,763)
Intergovernmental	41,994	11,901	(30,093)
Interest	2	1	(1)
Total revenues	<u>43,759</u>	<u>11,902</u>	<u>(31,857)</u>
EXPENDITURES			
General government	45,676	36,893	8,783
Total expenditures	<u>45,676</u>	<u>36,893</u>	<u>8,783</u>
Income (loss) before transfers	(1,917)	(24,991)	(23,074)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	22,538	22,538
Net change in fund balance	<u>\$ (1,917)</u>	<u>(2,453)</u>	<u>\$ (536)</u>
Fund balance, beginning		3,265	
Fund balance, ending		<u>\$ 812</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PROMENADE PARKING GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 146	\$ 146	\$ -
Intergovernmental	51	10	(41)
Total revenues	<u>197</u>	<u>156</u>	<u>(41)</u>
EXPENDITURES			
General government	230	178	52
Total expenditures	<u>230</u>	<u>178</u>	<u>52</u>
Net change in fund balance	<u>\$ (33)</u>	(22)	<u>\$ 11</u>
Fund balance, beginning		22	
Fund balance, ending		<u>\$ -</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 26,745	\$ 24,691	\$ (2,054)
Intergovernmental	44,500	46,291	1,791
Interest	52	203	151
Total revenues	<u>71,297</u>	<u>71,185</u>	<u>(112)</u>
EXPENDITURES			
General government	10,501	10,370	131
Total expenditures	<u>10,501</u>	<u>10,370</u>	<u>131</u>
Income (loss) before transfers	60,796	60,815	19
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(60,800)</u>	<u>(60,800)</u>	<u>-</u>
Net change in fund balance	<u>\$ (4)</u>	15	<u>\$ 19</u>
Fund balance, beginning		6,179	
Fund balance, ending		<u>\$ 6,194</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 40,978	\$ 28,363	\$ (12,615)
Intergovernmental	48,100	75,394	27,294
Interest	25	333	308
Total revenues	<u>89,103</u>	<u>104,090</u>	<u>14,987</u>
EXPENDITURES			
General government	10,715	10,515	200
Total expenditures	<u>10,715</u>	<u>10,515</u>	<u>200</u>
Income (loss) before transfers	78,388	93,575	15,187
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(82,326)	(82,326)	-
Net change in fund balance	<u>\$ (3,938)</u>	<u>11,249</u>	<u>\$ 15,187</u>
Fund balance, beginning		6,697	
Fund balance, ending		<u>\$ 17,946</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 780,055	\$ 910,803	\$ 130,748
Interest	10,000	22,153	12,153
Total revenues	<u>790,055</u>	<u>932,956</u>	<u>142,901</u>
EXPENDITURES			
Capital projects	1,911,072	236,849	1,674,223
Total expenditures	<u>1,911,072</u>	<u>236,849</u>	<u>1,674,223</u>
Net change in fund balance	<u>\$ (1,121,017)</u>	696,107	<u>\$ 1,817,124</u>
Fund balance, beginning		2,053,689	
Fund balance, ending		<u>\$ 2,749,796</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 16,000	\$ 27,700	\$ 11,700
Total revenues	<u>16,000</u>	<u>27,700</u>	<u>11,700</u>
EXPENDITURES			
Debt service:			
Principal	6,105,000	6,105,000	-
Interest and fiscal charges	<u>1,589,808</u>	<u>1,377,971</u>	<u>211,837</u>
Total expenditures	<u>7,694,808</u>	<u>7,482,971</u>	<u>211,837</u>
Income (loss) before transfers	(7,678,808)	(7,455,271)	223,537
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>7,659,160</u>	<u>7,454,680</u>	<u>(204,480)</u>
Net change in fund balance	<u>\$ (19,648)</u>	(591)	<u>\$ 19,057</u>
Fund balance, beginning		222,661	
Fund balance, ending		<u>\$ 222,070</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 579,969	\$ 424,719	\$ (155,250)
Interest	-	1	1
Total Revenues	<u>579,969</u>	<u>424,720</u>	<u>(155,249)</u>
EXPENDITURES			
Capital projects	1,143,474	184,883	958,591
Debt service:			
Principal	230,000	230,000	-
Interest and fiscal charges	9,823	9,823	-
Total expenditures	<u>1,383,297</u>	<u>424,706</u>	<u>958,591</u>
Income (loss) before transfers	(803,328)	14	803,342
OTHER FINANCING SOURCES AND (USES)			
Transfers in	<u>8,400</u>	<u>8,400</u>	<u>-</u>
Net change in fund balance	<u>\$ (794,928)</u>	8,414	<u>\$ 803,342</u>
Fund balance, beginning		1,172,998	
Fund balance, ending		<u>\$ 1,181,412</u>	

Nonmajor Proprietary Funds

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2016

	Golf Course	Westminster Housing Authority	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 145,555	\$ 79,052	\$ 224,607
Investments	1,635,363	909,102	2,544,465
Receivables:			
Interest	5,628	3,046	8,674
Inventories	214,196	-	214,196
Bond insurance and other prepaid items	18,854	-	18,854
Total current assets	<u>2,019,596</u>	<u>991,200</u>	<u>3,010,796</u>
Noncurrent assets:			
Notes receivable	-	396,877	396,877
Capital assets:			
Non-depreciable assets	13,455,674	201,173	13,656,847
Depreciable assets, net	3,623,561	737,449	4,361,010
Total noncurrent assets	<u>17,079,235</u>	<u>1,335,499</u>	<u>18,414,734</u>
Total assets	<u>19,098,831</u>	<u>2,326,699</u>	<u>21,425,530</u>
 DEFERRED OUTFLOWS OF RESOURCES	 28,716	 -	 28,716
 LIABILITIES			
Current liabilities:			
Accounts payable and other	47,081	2,003	49,084
Accrued liabilities	26,850	-	26,850
Unearned revenue	29,811	-	29,811
Lease payable, current portion	633,562	-	633,562
Other liabilities, current portion	1,720	-	1,720
Accrued interest	21,542	-	21,542
Total current liabilities	<u>760,566</u>	<u>2,003</u>	<u>762,569</u>
Noncurrent liabilities:			
Leases payable	3,073,517	-	3,073,517
Other liabilities payable	213,579	-	213,579
Total noncurrent liabilities	<u>3,287,096</u>	<u>-</u>	<u>3,287,096</u>
Total liabilities	<u>4,047,662</u>	<u>2,003</u>	<u>4,049,665</u>
 NET POSITION			
Net investment in capital assets	13,400,872	938,622	14,339,494
Unrestricted	1,679,013	1,386,074	3,065,087
Total net position	<u>\$ 15,079,885</u>	<u>\$ 2,324,696</u>	<u>\$ 17,404,581</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Golf Course	Westminster Housing Authority	Total
Operating revenues			
Charges for services	\$ 3,529,970	\$ -	\$ 3,529,970
Rentals	-	10	10
Other	3,704	16,330	20,034
Total operating revenues	3,533,674	16,340	3,550,014
Operating expenses			
Personnel services	1,626,441	-	1,626,441
Contractual services	639,889	9,831	649,720
Commodities	555,139	-	555,139
Capital expense	54,632	15,505	70,137
Depreciation expense	569,015	45,434	614,449
Total operating expenses	3,445,116	70,770	3,515,886
Operating income (loss)	88,558	(54,430)	34,128
Nonoperating revenues (expenses)			
Income on investments	16,249	9,692	25,941
Interest expense	(133,919)	-	(133,919)
Grants	700	-	700
Total nonoperating revenues (expenses)	(116,970)	9,692	(107,278)
Income before contributions and transfers	(28,412)	(44,738)	(73,150)
Capital contributions	31,323	-	31,323
Transfers in	480,371	-	480,371
Transfers (out)	-	(8,400)	(8,400)
Change in net position	483,282	(53,138)	430,144
Net position - beginning	14,596,603	2,377,834	16,974,437
Net position - ending	\$ 15,079,885	\$ 2,324,696	\$ 17,404,581

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Golf Course	Westminster Housing Authority	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,525,801	\$ 10	\$ 3,525,811
Cash payments to employees for services	(1,392,216)	-	(1,392,216)
Cash payments to benefits on behalf of employees	(241,919)	-	(241,919)
Cash payments to suppliers for goods and services	(1,269,057)	(25,336)	(1,294,393)
Other operating revenues (expenses)	-	16,330	16,330
Net cash provided by (used in) operating activities	<u>622,609</u>	<u>(8,996)</u>	<u>613,613</u>
Cash flows from noncapital financing activities:			
Transfer in	480,371	-	480,371
Transfer out	-	(8,400)	(8,400)
Grant proceeds not restricted to capital purposes	700	-	700
Net cash provided by (used in) noncapital financing activities	<u>481,071</u>	<u>(8,400)</u>	<u>472,671</u>
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(675,384)	-	(675,384)
Interest paid on long-term debt	(141,474)	-	(141,474)
Acquisition and construction of capital assets	(59,931)	-	(59,931)
Net cash provided by (used in) capital and related financing activities	<u>(876,789)</u>	<u>-</u>	<u>(876,789)</u>
Cash flow from investing activities:			
Proceeds from sale of investments	582,004	357,388	939,392
Purchases of investments	(805,504)	(372,719)	(1,178,223)
Interest received on investments	13,408	10,179	23,587
Net cash provided by (used in) investing activities	<u>(210,092)</u>	<u>(5,152)</u>	<u>(215,244)</u>
Net increase (decrease) in cash and cash equivalents	16,799	(22,548)	(5,749)
Cash and cash equivalents - beginning of year	<u>128,756</u>	<u>101,600</u>	<u>230,356</u>
Cash and cash equivalents - end of year	<u>\$ 145,555</u>	<u>\$ 79,052</u>	<u>\$ 224,607</u>
Reconciliation of cash and cash equivalents to Statement of Net Position			
Unrestricted			
Cash and cash equivalents	\$ 145,555	\$ 79,052	\$ 224,607
Total Cash and Cash Equivalents	<u>\$ 145,555</u>	<u>\$ 79,052</u>	<u>\$ 224,607</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)

	Golf Course	Westminster Housing Authority	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 88,558	\$ (54,430)	\$ 34,128
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	569,015	45,434	614,449
(Increase) decrease in inventories	(17,701)	-	(17,701)
(Increase) decrease in prepaid items	17	-	17
Increase (decrease) in unearned revenue	(7,873)	-	(7,873)
Increase (decrease) in accounts payable and other	(16,158)	-	(16,158)
Increase (decrease) in accrued liabilities	6,751	-	6,751
Total adjustments	534,051	45,434	579,485
Net cash provided by (used in) operating activities	\$ 622,609	\$ (8,996)	\$ 613,613

Noncash investing, capital, and financing activities:

- * The unrecognized loss recorded to value the noncash investments of the non-major enterprise funds to fair market value was \$2,353.
- * Net amortization totaling \$1,926 was recognized through the amortization of bond premiums, discounts, deferred charges on refunding, and prepaid bond insurance costs.
- * Accrued interest decreased for non-major enterprise funds by \$5,628.
- * An allowance for doubtful collection was recorded for a note receivable in the amount of \$82,000 in the Westminster Housing Authority.
- * Capital contributions were received by the Golf Funds from the General Capital Improvement Fund in the amount of \$31,323.

BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 56,689,000	\$ 55,326,918	\$ (1,362,082)
Other	485,000	444,696	(40,304)
Total operating revenues	<u>57,174,000</u>	<u>55,771,614</u>	<u>(1,402,386)</u>
Operating expenses			
Personnel services	17,934,365	17,404,695	529,670
Contractual services	14,744,894	13,914,683	830,211
Commodities	2,357,464	1,946,701	410,763
Capital expense	126,895,231	25,855,517	101,039,714
Insurance and other expenses	-	520	(520)
Total operating expenses	<u>161,931,954</u>	<u>59,122,116</u>	<u>102,809,838</u>
Operating loss	<u>(104,757,954)</u>	<u>(3,350,502)</u>	<u>101,407,452</u>
Nonoperating revenues (expenses)			
Income on investments	784,221	932,064	147,843
Debt service	(8,844,862)	(8,150,726)	694,136
Disposition of assets	-	78,826	78,826
Contributions	13,271,180	24,125,580	10,854,400
Other	-	466,285	466,285
Issuance of debt	51,316,234	51,316,234	-
Total nonoperating revenues (expenses)	<u>56,526,773</u>	<u>68,768,263</u>	<u>12,241,490</u>
Income before transfers	<u>(48,231,181)</u>	<u>65,417,761</u>	<u>113,648,942</u>
Transfers in	13,909,797	17,872,838	3,963,041
Transfers (out)	(19,404,592)	(19,404,592)	-
Change in net position	<u><u>\$ (53,725,976)</u></u>	<u>63,886,007</u>	<u><u>\$117,611,983</u></u>
Adjustments to GAAP basis			
Debt			
Principal payments		4,791,621	
Issuance of bonds		(51,316,234)	
Amortization of prepaid bond sale expense		(11,535)	
Amortization of premiums and discounts		286,178	
Amortization of loss on refunding		(121,837)	
Accrued interest adjustment		479,371	
Capital assets			
Acquisitions		23,797,192	
Net book value of disposals		(11,853)	
Depreciation		(12,812,931)	
Inventories		192,542	
General leave accrual		(94,405)	
Change in net position, GAAP basis		<u><u>\$ 29,064,116</u></u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,407,716	\$ 3,529,970	\$ 122,254
Other	-	3,704	3,704
Total operating revenues	<u>3,407,716</u>	<u>3,533,674</u>	<u>125,958</u>
Operating Expenses			
Personnel services	1,714,077	1,638,650	75,427
Contractual services	1,468,292	1,456,745	11,547
Commodities	587,593	572,840	14,753
Capital expense	842,110	108,101	734,009
Total operating expenses	<u>4,612,072</u>	<u>3,776,336</u>	<u>835,736</u>
Operating loss	<u>(1,204,356)</u>	<u>(242,662)</u>	<u>961,694</u>
Nonoperating revenues (expenses)			
Income on investments	-	16,249	16,249
Grants	700	700	-
Total nonoperating revenues (expenses)	<u>700</u>	<u>16,949</u>	<u>16,249</u>
Loss before transfers	<u>(1,203,656)</u>	<u>(225,713)</u>	<u>977,943</u>
Transfers in	480,371	480,371	-
Change in net position	<u><u>\$ (723,285)</u></u>	<u>254,658</u>	<u><u>\$ 977,943</u></u>
Adjustments to GAAP basis			
Debt			
Principal payments		675,384	
Amortization of prepaid bond sale expense		(2,901)	
Amortization of premiums and discounts		9,244	
Amortization of loss on refunding		(4,418)	
Accrued interest adjustment		5,628	
Capital assets			
Acquisitions		53,469	
Capital contributions		31,323	
Depreciation		(569,015)	
Inventories		17,701	
General leave accrual		12,209	
Change in net position, GAAP basis		<u><u>\$ 483,282</u></u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Rentals	\$ 10	\$ 10	\$ -
Other	-	16,330	16,330
Total operating revenues	<u>10</u>	<u>16,340</u>	<u>16,330</u>
Operating expenses			
Contractual services	11,000	9,831	1,169
Capital Expense	378,547	15,505	363,042
Total operating expenses	<u>389,547</u>	<u>25,336</u>	<u>364,211</u>
Operating loss	<u>(389,537)</u>	<u>(8,996)</u>	<u>380,541</u>
Nonoperating revenues			
Income on investments	-	9,692	9,692
Total nonoperating revenues	<u>-</u>	<u>9,692</u>	<u>9,692</u>
Change in net position	<u>\$ (397,937)</u>	<u>(7,704)</u>	<u>\$ 390,233</u>
Adjustments to GAAP basis			
Capital assets			
Depreciation		(45,434)	
Change in net position, GAAP Basis		<u>\$ (53,138)</u>	

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Internal Service Funds

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

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

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2016

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 393,865	\$ 518,013	\$ 348,426	\$ 259,431	\$ 1,519,735
Cash and cash equivalents with fiscal agent	207,198	-	-	-	207,198
Investments	4,529,450	5,957,154	4,006,899	2,983,462	17,476,965
Receivables:					
Accounts	-	-	1,299	79,652	80,951
Interest	15,295	20,128	13,573	10,329	59,325
Prepaid items	-	-	-	1,240,859	1,240,859
Total current assets	5,145,808	6,495,295	4,370,197	4,573,733	20,585,033
Noncurrent assets:					
Capital assets:					
Depreciable assets, net	-	-	-	7,371,849	7,371,849
Total assets	5,145,808	6,495,295	4,370,197	11,945,582	27,956,882
LIABILITIES					
Current liabilities:					
Accounts payable and other	331,218	2,251	292,971	25,049	651,489
Accrued liabilities	1,586	-	2,903	-	4,489
Lease payable, current portion	-	-	-	397,301	397,301
Other liabilities, current portion	1,170	-	3,389	-	4,559
Accrued interest	-	-	-	26,058	26,058
Estimated claims	656,339	87,195	455,287	-	1,198,821
Total current liabilities	990,313	89,446	754,550	448,408	2,282,717
Noncurrent liabilities:					
Leases payable	-	-	-	1,197,386	1,197,386
Other liabilities payable	18,840	-	12,772	-	31,612
Total noncurrent liabilities	18,840	-	12,772	1,197,386	1,228,998
Total liabilities	1,009,153	89,446	767,322	1,645,794	3,511,715
NET POSITION					
Net investment in capital assets	-	-	-	5,754,506	5,754,506
Unrestricted	4,136,655	6,405,849	3,602,875	4,545,282	18,690,661
Total net position	\$ 4,136,655	\$ 6,405,849	\$ 3,602,875	\$ 10,299,788	\$ 24,445,167

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
Operating revenues					
Charges for services	\$ 13,971,129	\$ 1,103,003	\$ 1,376,678	\$ 2,578,457	\$ 19,029,267
Other	578	-	-	100	678
Total operating revenues	<u>13,971,707</u>	<u>1,103,003</u>	<u>1,376,678</u>	<u>2,578,557</u>	<u>19,029,945</u>
Operating expenses					
Personnel services	99,249	2,626	190,141	-	292,016
Contractual services	2,096,871	116,857	542,683	-	2,756,411
Commodities	9,565	28,052	3,122	-	40,739
Capital expense	-	-	-	248,151	248,151
Insurance and other expenses	11,031,476	396,233	1,243,335	-	12,671,044
Depreciation	-	-	-	1,887,419	1,887,419
Total operating expenses	<u>13,237,161</u>	<u>543,768</u>	<u>1,979,281</u>	<u>2,135,570</u>	<u>17,895,780</u>
Operating income (loss)	<u>734,546</u>	<u>559,235</u>	<u>(602,603)</u>	<u>442,987</u>	<u>1,134,165</u>
Nonoperating revenues (expenses)					
Income on investments	45,953	59,772	44,422	35,151	185,298
Interest expense	-	-	-	(31,155)	(31,155)
Grants	-	-	-	23,723	23,723
Gain on disposition of capital assets	-	-	-	203,454	203,454
Total nonoperating revenues (expenses)	<u>45,953</u>	<u>59,772</u>	<u>44,422</u>	<u>231,173</u>	<u>381,320</u>
Change in net position	<u>780,499</u>	<u>619,007</u>	<u>(558,181)</u>	<u>674,160</u>	<u>1,515,485</u>
Net position - beginning	<u>3,356,156</u>	<u>5,786,842</u>	<u>4,161,056</u>	<u>9,625,628</u>	<u>22,929,682</u>
Net position - ending	<u>\$ 4,136,655</u>	<u>\$ 6,405,849</u>	<u>\$ 3,602,875</u>	<u>\$ 10,299,788</u>	<u>\$ 24,445,167</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
Cash flow s from operating activities:					
Receipts from interfund charges for risk management services	13,971,262	142,947	101,375	-	14,215,584
Receipts from interfund charges for capital outlay repalcement	-	-	-	2,498,805	2,498,805
Cash payments to employees for services	(97,639)	(2,626)	(184,079)	-	(284,344)
Cash payments to suppliers for goods and services	(13,466,612)	(804,492)	(1,586,304)	(245,757)	(16,103,165)
Payments from other funds	-	960,056	1,295,137	-	2,255,193
Other operating revenues	578	-	-	100	678
Net cash provided by (used in) operating activities	407,589	295,885	(373,871)	2,253,148	2,582,751
Cash flow s from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(262,888)	(262,888)
Interest paid on long term debt	-	-	-	(22,764)	(22,764)
Acquisition and construction of capital assets	-	-	-	(4,069,094)	(4,069,094)
Proceeds from sale of capital assets	-	-	-	162,478	162,478
Proceeds from grant/notes	-	-	-	23,723	23,723
Proceeds from capital lease financing	-	-	-	1,040,859	1,040,859
Net cash provided (used in) capital and related financing activities	-	-	-	(3,127,686)	(3,127,686)
Cash flow from investing activities:					
Proceeds from sale of investments	1,729,585	2,240,545	2,150,169	2,283,477	8,403,776
Purchases of investments	(2,223,132)	(2,694,907)	(1,947,179)	(1,599,705)	(8,464,923)
Interest received on investments	39,411	52,033	41,438	33,859	166,741
Net cash provided by (used in) investing activities	(454,136)	(402,329)	244,428	717,631	105,594
Net increase (decrease) in cash and cash equivalents	(46,547)	(106,444)	(129,443)	(156,907)	(439,341)
Cash and cash equivalents - beginning of year	647,610	624,457	477,869	416,338	2,166,274
Cash and cash equivalents - end of year	\$ 601,063	\$ 518,013	\$ 348,426	\$ 259,431	\$ 1,726,933
Reconciliation of cash and cash equivalents to Statement of Net Position					
Unrestricted					
Cash and cash equivalents	\$ 393,865	\$ 518,013	\$ 348,426	\$ 259,431	\$ 1,519,735
Cash and cash equivalents with fiscal agent	207,198	-	-	-	207,198
Total Cash and Cash Equivalents	\$ 601,063	\$ 518,013	\$ 348,426	\$ 259,431	\$ 1,726,933
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ 734,546	\$ 559,235	\$ (602,603)	\$ 442,987	\$ 1,134,165
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	1,887,419	1,887,419
(Increase) decrease in accounts receivable	133	-	19,834	(79,652)	(59,685)
(Increase) decrease in prepaid items	-	2,700	-	-	2,700
Increase (decrease) in accounts payable and other	33,002	(54,911)	237,818	2,394	218,303
Increase (decrease) in accrued liabilities	1,610	-	6,062	-	7,672
Increase (decrease) in estimated claims	(361,702)	(211,139)	(34,982)	-	(607,823)
Total adjustments	(326,957)	(263,350)	228,732	1,810,161	1,448,586
Net cash provided by (used in) operating activities	\$ 407,589	\$ 295,885	\$ (373,871)	\$ 2,253,148	\$ 2,582,751
Noncash investing, capital and financing activities Internal Service Funds:					

- * The unrecognized loss recorded to value the noncash investments of the City's internal service funds to fair market value was \$13,828.
- * Accrued interest decreased for the General Capital Outlay Replacement Internal Service Fund by \$8,391.
- * Accounts payable used to acquire capital assets decreased by \$6,411 for the General Capital Outlay Replacement Internal Service Fund.
- * The General Capital Outlay Internal Service Fund disposed of capital assets at a gain of \$40,976.

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BUDGETARY COMPARISON SCHEDULES

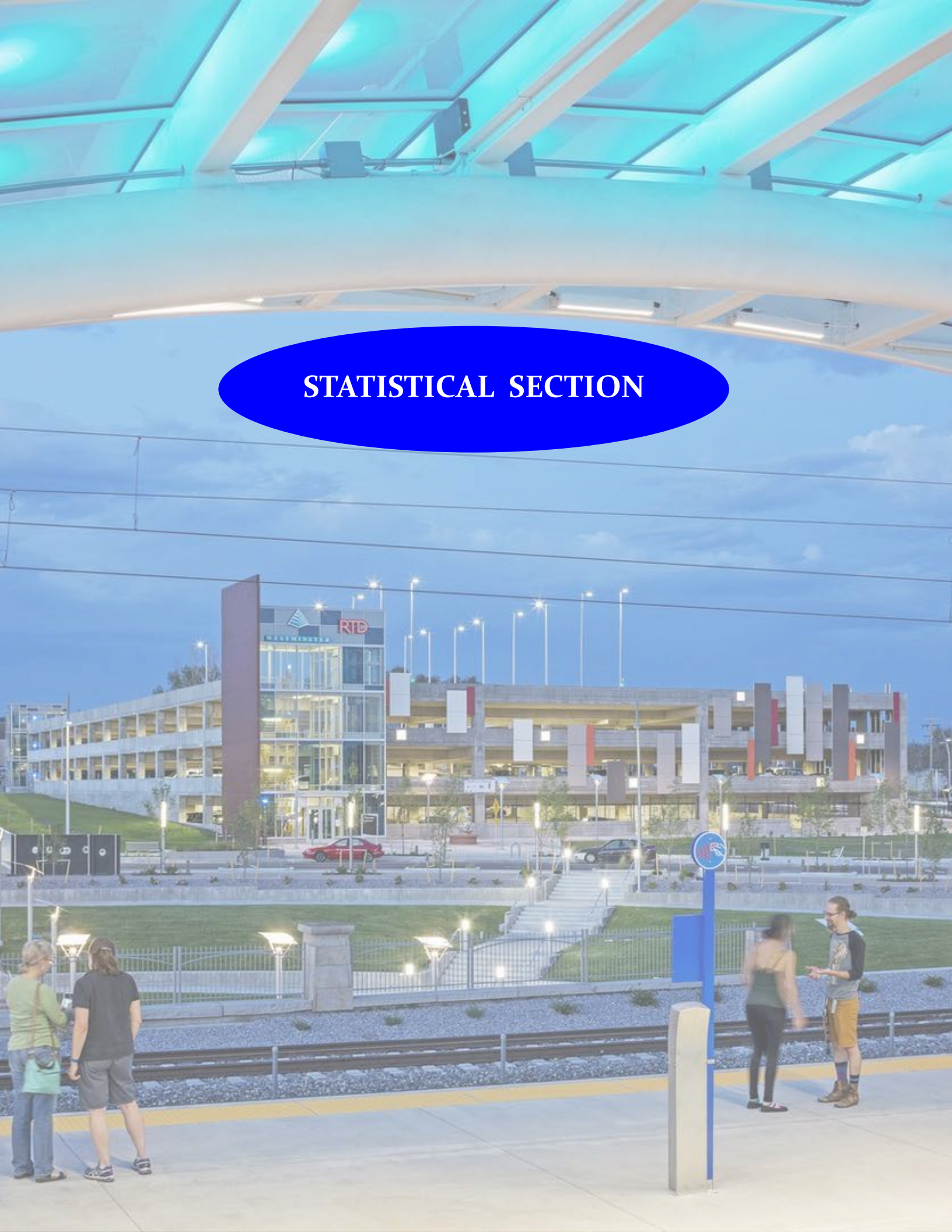
INTERNAL SERVICE FUNDS

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 2,478,457	\$ 2,578,457	\$ 100,000
Other	-	100	100
Total operating revenues	<u>2,478,457</u>	<u>2,578,557</u>	<u>100,100</u>
Operating expenses			
Capital expense	7,224,032	3,082,796	4,141,236
Total operating expenses	<u>7,224,032</u>	<u>3,082,796</u>	<u>4,141,236</u>
Operating income	<u>(4,745,575)</u>	<u>(504,239)</u>	<u>4,241,336</u>
Nonoperating revenues (expenses)			
Income on investments	-	35,151	35,151
Debt service	(285,651)	(285,651)	-
Grants	24,866	23,723	(1,143)
Contributions	-	296,978	296,978
Issuance of debt	1,040,859	1,040,859	-
Total nonoperating revenues (expenses)	<u>780,074</u>	<u>1,111,060</u>	<u>330,986</u>
Change in net position	<u><u>\$ (3,965,501)</u></u>	606,821	<u><u>\$ 4,572,322</u></u>
Adjustments to GAAP basis			
Debt			
Principal payments		262,888	
Issuance of notes		(1,040,859)	
Accrued interest adjustment		(8,392)	
Capital assets			
Acquisitions		2,834,645	
Net book value of disposals		(93,524)	
Depreciation		(1,887,419)	
Change in Net Position, GAAP Basis		<u><u>\$ 674,160</u></u>	

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STATISTICAL SECTION

STATISTICAL SECTION

Table

Financial Trends Information

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

Net Position by Component	1
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Fund Balances, Governmental Funds	3
Changes in Fund Balances, Governmental Funds	4

Revenue Capacity Information

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

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

Debt Capacity Information

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

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

Demographic and Economic Information

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

Demographic and Economic Statistics	12
Principal Employers	13

Operating Information

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

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

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Table 1.
City of Westminster

	Fiscal Year										Net Position by Component	
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Last ten fiscal years	
Governmental activities												
Net investment in capital assets												
Restricted	\$ 262,972,719	\$ 233,726,088	\$ 203,103,757	\$ 181,518,179	\$ 176,064,347	\$ 167,459,905	\$ 166,119,255	\$ 158,875,846	\$ 160,998,545	\$ 177,034,028		
Unrestricted	35,829,766	31,977,574	27,825,584	34,508,098	32,889,201	35,378,439	32,828,397	36,445,526	30,686,285	30,387,925		
	125,748,290	118,916,142	118,324,325	107,275,937	96,304,116	91,201,675	78,848,530	67,848,480	72,256,476	62,116,184		
Total governmental activities net position	\$ 424,550,775	\$ 384,619,804	\$ 349,253,666	\$ 323,302,214	\$ 305,257,664	\$ 294,040,019	\$ 277,796,182	\$ 263,169,852	\$ 263,941,306	\$ 269,538,137		
Business-type activities												
Net investment in capital assets												
Restricted	\$ 385,909,492	\$ 375,115,816	\$ 353,498,654	\$ 343,060,522	\$ 336,924,153	\$ 337,605,101	\$ 336,344,413	\$ 329,710,391	\$ 343,627,745	\$ 321,320,685		
Unrestricted	5,135,850	5,133,269	5,132,572	5,207,324	5,206,778	5,484,664	5,483,098	5,486,422	3,424,753	3,406,636		
	106,406,204	87,632,673	89,037,701	86,956,838	81,540,256	64,814,804	55,893,678	58,676,671	73,164,925	83,341,972		
Total business-type activities net position	\$ 497,451,546	\$ 467,881,758	\$ 447,668,927	\$ 435,224,684	\$ 423,671,187	\$ 407,904,569	\$ 397,721,189	\$ 393,873,484	\$ 420,217,423	\$ 408,069,293		
Total												
Net investment in capital assets												
Restricted	\$ 648,882,211	\$ 608,841,904	\$ 556,602,411	\$ 524,578,701	\$ 512,988,500	\$ 505,065,006	\$ 502,463,668	\$ 488,586,237	\$ 504,626,290	\$ 498,354,713		
Unrestricted	40,965,616	37,110,843	32,958,156	39,715,422	38,095,979	40,863,103	38,311,495	41,931,948	34,111,038	33,794,561		
	232,154,494	206,548,815	207,362,026	194,232,775	177,844,372	156,016,479	134,742,208	126,525,151	145,421,401	145,458,156		
Total net position	\$ 922,002,321	\$ 852,501,562	\$ 796,922,593	\$ 758,526,898	\$ 728,928,851	\$ 701,944,588	\$ 675,517,371	\$ 657,043,336	\$ 684,158,729	\$ 677,607,430		

Table 2
City of Westminster

		Fiscal Year											
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007		
Expenses													
Governmental activities:													
General government													
Public safety	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	\$ 35,878,873	\$ 35,365,276	\$ 37,650,090	\$ 36,876,436	\$ 37,827,492	\$ 37,827,492	\$ 30,083,440		
Public works	36,274,992	34,620,914	33,917,996	34,701,963	32,690,106	31,572,328	31,705,261	31,552,454	31,797,184	31,797,184	30,077,636		
Community development	13,459,466	13,490,199	14,967,446	14,526,130	14,484,672	10,278,949	14,468,243	13,941,301	13,748,911	13,748,911	14,501,794		
Culture and recreation	14,174,997	13,136,180	9,253,118	10,053,995	10,294,204	14,367,026	12,014,109	12,454,872	17,656,461	17,656,461	14,059,071		
Interest and fiscal charges	24,576,687	21,506,116	23,345,230	20,547,209	21,450,331	17,403,563	17,608,348	20,368,098	17,307,667	17,307,667	17,829,533		
Refunding issuance costs	6,637,408	7,326,033	6,586,443	7,012,596	6,697,736	6,952,116	7,803,642	8,449,810	7,845,618	7,845,618	7,394,096		
Unallocated depreciation	191,082	-	-	157,626	-	-	-	-	-	-	-		
	232,974	271,497	304,769	308,894	309,553	347,847	443,359	479,427	488,012	488,012	1,095,078		
Total governmental activities expenses	145,112,517	131,616,187	125,600,376	125,404,425	121,805,475	116,287,105	121,693,052	124,122,398	126,671,345	126,671,345	115,040,648		
Business-type activities:													
Utility	50,691,118	48,485,130	44,811,783	43,302,750	44,861,022	42,845,082	44,664,016	48,678,931	45,569,405	45,569,405	40,329,042		
Golf	3,579,035	3,530,467	3,528,224	3,809,085	3,354,014	3,389,873	3,526,264	4,017,357	4,128,726	4,128,726	3,410,562		
Westminster Housing Authority	70,770	125,491	84,666	106,956	696,930	792,691	1,243,300	922,689	969,722	969,722	995,606		
Total business-type activities expenses	54,340,923	52,141,088	48,424,673	47,218,791	48,911,966	47,027,646	49,433,580	53,618,977	50,667,853	50,667,853	44,735,210		
Total primary government expenses	199,453,440	183,757,275	174,025,049	172,623,216	170,717,441	163,314,751	171,126,632	177,741,375	177,339,198	177,339,198	159,775,858		
Program Revenues													
Governmental activities:													
Charges for services:													
General government	6,105,832	4,856,467	4,150,020	4,883,189	4,055,921	3,737,240	6,116,547	4,497,892	5,666,074	5,666,074	7,432,044		
Public safety	3,972,310	4,138,624	4,031,642	4,204,733	4,507,902	4,550,427	4,160,047	4,225,333	4,096,692	4,096,692	4,053,890		
Public works	2,548,173	2,439,228	2,026,345	1,630,161	1,810,028	1,744,118	1,419,414	1,777,317	1,527,937	1,527,937	-		
Community development	801,191	206,671	358,835	190,322	(12,469)	186,524	297,219	400,784	246,084	246,084	77,884		
Culture and recreation	7,746,111	7,476,626	7,368,157	6,765,100	6,747,706	6,550,418	7,139,822	6,249,434	6,908,729	6,908,729	5,753,903		
Operating grants and contributions	9,273,135	8,279,617	7,792,918	6,266,173	6,669,118	6,550,602	4,496,790	4,300,000	5,486,482	5,486,482	5,748,908		
Capital grants and contributions	26,547,690	15,799,445	14,107,955	15,133,416	9,309,177	9,094,638	11,701,408	7,113,267	8,736,385	8,736,385	14,261,659		
Total program revenues	56,994,442	43,196,678	39,835,872	39,073,094	33,087,383	32,413,967	35,331,247	28,564,027	32,668,383	32,668,383	37,328,288		
Business-type activities:													
Charges for services:													
Utility	55,326,918	50,580,355	47,890,317	45,097,929	49,243,639	44,227,706	43,638,168	37,785,693	41,355,962	41,355,962	37,009,477		
Golf	3,529,970	3,483,098	3,427,107	3,090,119	3,141,318	2,679,816	2,682,977	2,730,028	3,137,704	3,137,704	3,197,655		
Westminster Housing Authority	-	-	-	-	723,307	944,917	942,564	920,327	901,313	901,313	902,899		
Operating grants and contributions	700	-	-	1,695	36,435	-	1,972	-	-	-	-		
Capital grants and contributions	24,125,580	16,731,575	7,060,781	9,313,996	5,460,466	7,589,453	4,221,676	3,534,458	12,590,561	12,590,561	7,809,021		
Total business-type activities program revenues	82,983,168	70,795,028	58,378,205	57,503,739	58,605,165	55,441,892	51,487,357	44,970,506	57,985,540	57,985,540	48,919,052		
Total revenues	139,977,610	113,991,706	98,214,077	96,576,833	91,692,548	87,855,859	86,818,604	73,534,533	90,653,923	90,653,923	86,247,340		
Net (expense)/revenue													
Governmental activities													
Business-type activities	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	(88,718,092)	(83,873,138)	(86,361,805)	(95,558,371)	(94,002,962)	(94,002,962)	(77,712,360)		
Total primary government net expense	28,642,245	18,653,940	9,953,532	10,284,948	9,693,199	8,414,246	2,053,777	(8,648,471)	7,317,687	7,317,687	4,183,842		
	(59,475,830)	(69,765,569)	(75,810,972)	(76,046,383)	(79,024,893)	(75,458,892)	(84,308,028)	(104,206,842)	(86,685,275)	(86,685,275)	(73,528,518)		

Table 2 (continued)
City of Westminster

	Fiscal Year										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	
General revenues and other changes in net position											
Governmental activities:											
Taxes											
Property taxes	15,090,147	13,461,402	13,535,334	12,947,197	12,891,503	13,334,499	13,326,123	10,737,251	9,020,419	6,348,656	
Sales taxes	80,283,226	76,576,042	72,699,403	68,712,125	65,544,298	64,746,106	66,078,878	63,634,222	65,369,753	60,290,173	
Use taxes	19,824,648	17,498,401	14,797,452	14,110,138	11,946,218	11,614,468	11,432,450	10,382,385	12,436,326	13,610,159	
Business fees and other taxes	5,373,974	5,636,924	5,745,800	5,587,433	5,275,222	5,342,892	5,092,047	4,797,606	5,137,132	4,558,637	
Accommodations taxes	4,258,630	4,005,426	3,478,033	2,905,893	2,427,226	2,365,444	2,231,693	2,045,874	2,627,010	1,425,434	
Intergovernmental not restricted to a specific purpose	241,386	393,033	224,580	672,693	672,172	673,423	1,612,345	1,360,925	1,079,951	1,052,427	
Assessments	-	-	-	2,000	6,000	2,000	-	-	-	-	
Interest	1,298,621	739,407	996,457	139,218	811,117	913,339	1,261,427	1,979,580	6,043,261	6,496,200	
Rentals	443,074	419,137	409,143	409,789	470,674	569,867	-	-	-	-	
Other	30,561	6,862	257,781	1,084,214	35,000	273,002	-	597,423	1,420,276	1,980,122	
Gain on Sale of Assets	156,319	1,651,759	71,130	-	21,879	632,142	809,511	-	604,571	-	
Special Item	-	-	-	-	-	-	-	-	(14,825,447)	-	
Transfers	1,028,460	(757)	(499,157)	(774,544)	(165,572)	(350,207)	(856,339)	(748,349)	(507,121)	(1,059,672)	
Total governmental activities	128,029,046	120,387,636	111,715,956	105,796,156	99,935,737	100,116,975	100,988,135	94,786,917	88,406,131	94,700,136	
Business-type activities:											
Interest	958,005	634,166	860,924	32,742	840,406	901,668	670,337	1,177,710	3,978,172	5,899,913	
Rentals	10	10	20	587	839	-	-	-	-	-	
Other	931,015	911,961	948,874	883,951	1,190,155	517,259	267,252	-	-	-	
Gain on Sale of Assets	66,973	11,997	181,736	98,245	-	-	-	1,019	895,150	-	
Special Item	-	-	-	-	3,876,447	-	-	-	-	-	
Transfers	(1,028,460)	757	499,157	774,544	165,572	350,207	856,339	748,349	507,121	1,059,672	
Total business-type activities	927,543	1,558,891	2,490,711	1,790,069	6,073,419	1,769,134	1,793,928	1,927,078	5,380,443	6,959,585	
Total	128,956,589	121,946,527	114,206,667	107,586,225	106,009,156	101,886,109	102,782,063	96,713,995	93,786,574	101,659,721	
Change in net position											
Governmental activities											
Adjustment for accounting change	39,910,971	31,968,127	25,951,452	19,464,825	11,217,645	16,243,837	14,626,330	(771,454)	(5,596,831)	16,987,776	
Business-type activities	29,569,788	20,212,831	12,444,243	12,075,017	15,766,618	10,183,380	3,847,705	(6,721,393)	12,698,130	11,143,427	
Adjustment for accounting change	-	-	-	(521,520)	-	-	-	-	-	-	
Total	\$ 69,480,759	\$ 55,598,969	\$ 38,395,695	\$ 29,598,047	\$ 26,984,263	\$ 26,427,217	\$ 18,474,035	\$ (7,492,847)	\$ 7,101,299	\$ 28,131,203	

Note: 2013: Adjustment for accounting change due to implementation of GASB 65.
2015: Adjustment for accounting change due to implementation of GASB 68.

Table 3
City of Westminster

Fund Balances, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General fund										
Reserved										
Unreserved										
Nonspendable										
Restricted	\$ 1,115,952	\$ 1,000,834	\$ 934,588	\$ 887,569	\$ 943,056	\$ 1,060,299	\$ 7,220,548	\$ 4,971,225	\$ 5,299,062	\$ 5,203,223
Committed	6,227,738	5,699,348	5,145,534	5,177,644	4,849,535	4,822,404	11,628,557	14,873,895	12,045,241	9,859,229
Assigned	-	-	-	-	-	-				
Unassigned	6,492,595	5,915,385	6,118,523	5,732,552	5,843,851	5,802,983				
	29,970,602	31,869,732	25,115,741	18,960,092	17,795,609	15,243,510				
Total general fund	\$43,806,887	\$44,485,299	\$37,314,386	\$30,757,857	\$29,432,051	\$26,929,196	\$18,849,105	\$19,845,120	\$17,344,303	\$15,062,452
All other governmental funds										
Reserved										
Unreserved, reported in:										
Special revenue funds										
Capital project funds										
Nonspendable										
Restricted	\$ 20,776,055	\$ 20,776,315	\$ 31,630,640	\$ 31,226,133	\$ 32,351,416	\$ 27,391,523	\$ 53,287,957	\$ 32,504,877	\$ 49,434,107	\$ 55,624,752
Committed	38,803,425	60,767,096	22,539,782	29,425,771	30,475,367	32,119,519	11,702,434	9,959,421	10,975,428	12,304,218
Assigned	41,415,625	37,721,829	36,473,901	34,204,717	29,391,324	24,387,010	17,652,289	35,179,303	46,104,714	41,475,007
Unassigned	551,520	398,546	279,822	306,482	460,677	338,688				
	1,605,617	(581,144)	(455,532)	(621,910)	(382,694)	(754,471)				
Total all other governmental funds	\$103,152,242	\$119,082,642	\$90,468,613	\$94,541,193	\$92,296,090	\$83,482,269	\$82,642,680	\$77,643,601	\$106,514,249	\$109,403,977

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

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes and business fees	\$124,830,625	\$117,178,195	\$110,256,022	\$104,262,786	\$98,084,467	\$97,403,409	\$98,161,191	\$91,597,338	\$94,590,640	\$86,231,059
Intergovernmental	18,835,428	14,621,889	14,666,756	13,444,290	13,363,386	14,690,316	14,485,838	13,354,111	14,316,029	12,626,793
Assessments	-	41,662	39,444	41,199	45,935	43,361	41,905	46,471	42,886	149,199
Licenses and permits	4,278,584	2,923,276	2,459,437	2,653,281	2,006,610	1,824,264	1,708,941	1,127,900	2,133,832	2,654,027
Interest	1,135,671	755,385	830,006	139,740	828,450	937,931	1,265,429	2,029,458	6,102,824	6,554,612
Rentals	443,074	419,137	409,143	425,569	476,399	569,867	-	-	-	-
Contributions	14,996,774	6,584,703	2,561,733	3,389,088	2,846,572	2,893,030	2,444,022	341,739	771,595	4,349,528
Recreation fees	7,605,943	7,569,719	7,379,510	6,788,407	6,751,616	6,443,748	6,372,404	5,766,441	6,379,855	5,735,111
Fines and forfeits	1,377,401	1,657,240	1,587,334	1,868,695	2,010,118	2,251,882	2,077,598	2,066,013	1,977,465	2,164,544
Fleet maintenance billings and other	5,326,371	4,920,307	4,374,067	4,508,886	4,529,238	4,442,594	5,427,769	6,544,888	6,886,037	5,058,804
EMS billings	2,503,787	2,362,530	2,178,911	2,173,899	2,357,911	2,016,677	2,031,040	1,858,670	2,026,555	2,020,583
Miscellaneous and other	589,913	65,761	358,555	810,454	127,277	317,947	128,456	336,893	973,939	80,040
Total revenues	181,923,571	159,099,804	147,100,918	140,506,294	133,427,979	133,835,026	134,144,593	125,069,922	136,201,657	127,624,300
Expenditures										
Current:										
General government	49,618,140	45,752,230	42,189,889	42,191,325	41,025,193	40,160,148	39,544,389	38,893,287	38,981,777	32,017,213
Public safety	34,987,444	33,409,984	32,882,207	33,173,549	31,434,925	30,521,418	30,409,003	30,241,887	30,411,901	28,794,062
Public works	8,488,590	7,812,814	7,589,559	7,398,650	7,210,468	7,390,134	7,391,466	6,754,884	6,753,727	7,238,076
Community development	6,077,910	6,007,219	5,442,684	5,746,886	5,416,821	8,948,499	7,090,959	4,647,250	9,807,146	6,634,975
Culture and recreation	15,930,277	15,741,361	14,964,860	14,186,013	13,674,664	13,047,644	13,771,317	14,036,487	14,009,673	13,456,076
Capital projects	63,965,424	45,074,138	25,199,894	17,487,657	11,361,038	13,070,798	19,731,978	32,958,628	26,018,509	29,413,964
Debt service:										
Principal	12,018,000	11,775,000	10,790,000	14,651,000	11,635,000	12,585,000	8,720,000	15,538,875	4,920,000	5,480,000
Interest and fiscal charges	5,914,294	5,483,247	5,313,893	5,769,157	9,816,176	6,584,681	6,973,932	7,883,680	7,519,672	7,278,409
Issuance costs	191,082	532,288	-	157,626	383,516	-	483,318	1,003,757	-	1,558,275
Total expenditures	197,191,161	171,588,281	144,372,986	140,761,863	131,957,801	128,198,322	134,116,362	151,958,735	138,422,405	131,871,050
Excess of revenues over (under) expenditures	(15,267,590)	(12,488,477)	2,727,932	(255,569)	1,470,178	5,636,704	28,231	(26,888,813)	(2,220,748)	(4,246,750)
Other financing Sources (Uses)										
Issuance of bonds	-	-	-	11,095,000	5,812,724	-	1,134,410	535,337	-	29,485,488
Issuance of notes	-	-	-	-	-	3,500,000	-	-	-	-
Issuance of leases	-	40,577,946	-	-	-	-	2,575,190	562,530	32,792	40,626
Issuance of refunding debt	14,995,000	18,500,000	-	-	96,366,606	-	-	-	-	-
Premium on debt	1,550,018	5,074,187	-	1,167,165	1,756,197	-	-	-	-	-
Discount on debt	-	(137,068)	-	-	(67,028)	-	-	-	-	-
Payment to refunded bond escrow agent	(18,978,975)	(20,451,328)	-	(12,065,594)	(94,287,102)	-	-	-	-	-
Sale of capital asset	32,952	4,678,053	57,990	848,454	43,519	50,770	1,121,572	169,464	1,071,525	702,109
Transfers in	35,831,912	23,439,943	19,439,703	23,123,984	15,240,547	21,348,099	92,160,117	67,485,765	75,333,568	72,740,073
Transfers (out)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)	(15,018,965)	(21,615,893)	(93,016,456)	(68,234,114)	(75,840,689)	(74,489,469)
Total other financing sources (uses)	(1,341,222)	48,273,419	(243,983)	3,826,478	9,846,498	3,282,976	3,974,833	518,982	597,196	28,478,827
Net change in fund balances	\$ (16,608,812)	\$ 35,784,942	\$ 2,483,949	\$ 3,570,909	\$ 11,316,676	\$ 9,919,680	\$ 4,003,064	\$ (26,369,831)	\$ (1,623,552)	\$ 24,232,077
Debt Service as a percentage of noncapital expenditures	12.2%	12.9%	12.9%	16.0%	17.2%	16.4%	13.4%	18.4%	10.5%	11.6%

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
2007	\$ 56,966,362	\$ 11,927,367	\$ 5,006,603	3.85%
2008	60,528,509	12,196,830	5,080,740	3.85%
2009	57,689,143	11,526,170	4,801,294	3.85%
2010	60,677,400	11,832,426	5,001,503	3.85%
2011	59,520,797	11,887,799	4,951,978	3.85%
2012	60,408,927	12,058,508	5,023,081	3.85%
2013	64,567,679	12,886,561	5,368,023	3.85%
2014	68,180,777	13,635,955	5,680,123	3.85%
2015	73,302,647	14,663,545	6,108,251	3.85%
2016	78,019,813	15,590,932	6,497,129	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
2007	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2008	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2009	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2010	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2011	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2012	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2013	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2014	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2015	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2016	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%

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 2016				Fiscal Year 2007			
	Sales and Use		Percentage of		Sales and Use		Percentage of	
	Tax Amount	Rank	Total City Sales	and Use Tax	Tax Amount	Rank	Total City Sales	and Use Tax
Department and Discount Stores	\$ 20,302,773	1	20.3%		\$ 17,986,824	1	24.3%	
Building/Home Improvement	11,533,852	2	11.5%		6,788,725	4	9.2%	
Restaurants	10,976,666	3	11.0%		8,068,263	3	10.9%	
Utility/Telecommunications	9,077,171	4	9.1%		8,445,796	2	11.4%	
Automobile	9,045,751	5	9.0%		6,577,378	5	8.9%	
Grocery	6,014,650	6	6.0%		4,484,140	6	6.1%	

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				
	Revenue Bonds	Tax Incremental Bonds	Notes	Capital Leases	Revenue Bonds	Notes	Capital Leases	Total Primary Government	Per Capita ¹
2007	\$ 75,066,416	\$ 120,044,045	\$ -	\$ 83,047,709	\$ 24,236,572	\$ 38,705,060	\$ 2,507,662	\$ 343,607,464	3,132
2008	70,443,343	119,735,076	-	79,914,150	16,250,019	36,517,757	835,300	323,695,645	2,909
2009	65,625,270	108,568,501	-	76,193,389	14,328,466	33,932,956	1,075,366	299,723,948	2,741
2010	61,109,196	104,883,171	-	75,754,921	37,291,914	31,790,310	5,450,956	316,280,468	2,724
2011	56,202,915	100,713,157	-	71,210,191	35,460,361	29,141,172	4,989,583	297,717,379	2,715
2012	51,151,751	97,880,475	1,612,724	65,433,763	33,558,808	24,123,395	4,427,856	278,188,772	2,577
2013	47,001,480	93,599,570	1,612,724	62,880,551	31,577,255	21,077,341	4,516,937	262,265,858	2,396
2014	41,214,039	88,185,621	1,612,724	56,474,766	29,505,000	18,374,433	5,064,654	240,431,237	2,167
2015	36,429,070	82,594,672	1,159,724	93,027,440	32,291,867	15,581,464	4,304,841	265,389,078	2,368
2016	29,892,252	76,807,723	929,724	87,080,858	81,444,004	12,656,181	3,631,794	292,442,536	2,585

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

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

Table 9
City of Westminster
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County Fire District 2 Southwest	\$ 507,900,000	27.25%	\$ 138,402,750
Adams County School District #12	25,900,000	5.89%	1,525,510
Apex Park & Rec District	900,000	58.74%	528,660
Apex Park & Rec District EX 15	6,938,000	0.01%	694
Anada Fire Protection District	4,892,000	100.00%	4,892,000
Bradburn Metro #2	8,500,000	100.00%	8,500,000
Bradburn Metro #3	1,530,000	99.99%	1,529,847
Church Ranch Metro District	2,055,000	51.76%	1,063,668
Counry Club Highlands Metro District	2,735,000	100.00%	2,735,000
Counry Club Village Metro District	22,090,000	99.02%	21,873,518
Counrydale Metropolitan District	7,260,000	100.00%	7,260,000
Huntington Trails Metro District	7,950,000	53.39%	4,244,505
Hyland Hills Park & Recreation	4,770,000	100.00%	4,770,000
Hyland Village Metro District	386,225,000	7.67%	29,623,458
Jefferson County School District R-1	5,125,000	99.96%	5,122,950
NBC Metropolitan District	20,365,000	0.48%	97,752
North Metro Fire and Rescue	3,668,000	97.64%	3,581,435
Westglenn Metro District	70,430,000	45.88%	32,313,284
Westminster Public Schools	-	0.00%	-
Subtotal, overlapping debt			\$ 268,065,031
City Direct debt			194,710,557
Total direct and overlapping debt			\$ 462,775,588

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 Calculation for Fiscal Year 2016
Legal Debt Margin Information
Last ten fiscal years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actual value of taxable property ¹										
Adams County portion of the City	\$ 344,518,254	\$ 344,518,254	\$ 297,497,248	\$ 298,199,061	\$ 294,623,453	\$ 296,197,301	\$ 305,686,451	\$ 306,001,998	\$ 315,072,736	\$ 311,178,234
Jefferson County portion of the City	85,448,873	93,102,037	59,711,741	65,341,824	70,496,233	76,942,093	82,058,107	77,901,812	85,685,000	83,852,128
Total actual value	\$ 259,069,381	\$ 251,416,217	\$ 237,785,507	\$ 232,857,237	\$ 224,127,220	\$ 219,255,208	\$ 223,628,344	\$ 228,100,186	\$ 229,387,736	\$ 227,326,106
Debt limit (3% of actual value ²)	24.80%	27.02%	20.07%	21.91%	23.93%	25.98%	26.84%	25.46%	27.20%	26.95%
Debt applicable to limit:										
Bonded debt - general obligation only										
Installment of lease/purchase contracts for purchase of property or equipment ³										
Less deductions allowed by law:										
Total net debt applicable to limit					85,448,873					
Legal debt margin					\$ 259,069,381					
Total net debt applicable to the limit as a percentage of debt limit										

¹ Source Adams County and Jefferson County Assessors' Offices

² CRS 31-15-302 (3% limit)

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

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

Utilities Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:		Debt Service		
		Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage
2007	\$ 47,716,690	\$ (30,278,159)	\$ 17,438,531	\$ 3,947,987	\$ 2,148,085	2.86
2008	52,890,292	(34,178,877)	18,711,415	9,913,352	2,159,562	1.55
2009	38,962,225	(34,914,945)	4,047,280	3,913,088	1,821,361	0.71
2010	45,945,519	(29,813,687)	16,131,832	4,055,665	2,446,814	2.48
2011	50,529,479	(27,931,057)	22,598,422	4,190,557	3,006,017	3.14
2012	54,605,982	(29,478,283)	25,127,699	4,337,883	2,852,651	3.49
2013	52,903,911	(27,684,633)	25,219,278	4,501,875	2,690,433	3.51
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

Golf Course Enterprise Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:		Debt Service		
		Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage
2007	\$ 3,197,655	\$ (2,625,270)	\$ 572,385	\$ 205,000	\$ 295,313	1.14
2008	3,137,704	(2,848,731)	288,973	215,000	285,165	0.58
*2009	2,730,028	(3,174,737)	(444,709)	225,000	274,415	(0.89)
2010	-	-	-	-	-	0.00
2011	-	-	-	-	-	0.00
2012	-	-	-	-	-	0.00
2013	-	-	-	-	-	0.00
2014	-	-	-	-	-	0.00
2015	-	-	-	-	-	0.00
2016	-	-	-	-	-	0.00

Notes: * Refunded in 2010 as part of the 2010 COPs issue.

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

Sales and Use Tax and Parks Open Space Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.

Source: City's Treasury Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	Sales and Use Tax Revenue Bonds					
	Sales and Use Tax Collections	Less:		Net Pledged Revenue	Debt Service	
		Operating Expenses			Principal	Interest
2007	\$ 51,799,803	\$ (393,333)	\$ 51,406,470	\$ 1,985,000	\$ 1,394,198	15.21
2008	51,438,718	(410,638)	51,028,080	3,450,000	1,896,409	9.54
2009	47,712,522	(434,255)	47,278,267	3,605,000	1,747,921	8.83
2010	53,964,035	(439,522)	53,524,513	3,220,000	2,347,240	9.61
2011	54,419,273	(434,196)	53,985,077	3,345,000	1,348,146	11.50
2012	56,057,366	(448,515)	55,608,851	3,435,000	1,211,039	11.97
2013	59,734,283	(454,483)	59,279,800	3,545,000	1,172,826	12.57
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

Parks Open Space Trails Sales and Use Tax Revenue Bonds						
	Sales and Use Tax Collections	Less:		Net Pledged Revenue	Debt Service	
		Operating Expenses			Principal	Interest
2007	\$ 4,963,410	\$ (32,757)	\$ 4,930,653	\$ 1,455,000	\$ 528,351	2.49
2008	5,068,261	(34,198)	5,034,063	1,140,000	1,513,780	1.90
2009	4,823,367	(36,165)	4,787,202	1,180,000	1,494,038	1.79
2010	4,998,817	(36,603)	4,962,214	1,435,000	1,466,838	1.71
2011	4,930,898	(36,160)	4,894,738	1,490,000	1,389,438	1.70
2012	5,039,265	(37,352)	5,001,913	1,545,000	1,329,837	1.74
2013	5,346,716	(37,849)	5,308,867	1,610,000	1,268,038	1.84
2014	5,625,403	(37,686)	5,587,717	1,675,000	1,203,638	1.94
2015	6,084,365	(37,338)	6,047,027	1,755,000	1,119,888	2.10
2016	6,453,721	(37,169)	6,416,552	1,850,000	817,676	2.41

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

Source: City's Treasury Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Fiscal Year	1997 Westminster Economic Development Authority (WEDA) Revenue Bonds (Westminster Plaza Urban Reinvestment Project)						
	Less:			Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2007 \$	516,158	\$ (80,113)	\$ 436,045	\$ 270,000	\$ 313,378	\$ 583,378	0.75
2008	505,684	(364,424)	141,260	330,000	206,828	536,828	0.26
*2009	262,399	(3,254)	259,145	-	33,436	33,436	7.75
2010	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	N/A

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

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2005 (North Huron Project)									
Fiscal Year	Less:			Total			Debt Service		
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service	Coverage
2007 \$	3,469,600	\$ (6,103)	\$ 3,463,497	\$ 1,439,736	\$ 4,903,233	\$ -	\$2,868,641	\$ 2,868,641	1.71
2008	6,369,646	(116,079)	6,253,567	1,439,736	7,693,303	-	2,316,866	2,316,866	3.32
*2009	2,245,860	(42,450)	2,203,410	-	2,203,410	5,925,000	792,075	6,717,075	0.33
2010	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	N/A
2012	-	-	-	-	-	-	-	-	N/A
2013	-	-	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	-	-	N/A
2015	-	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	-	N/A

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

Source: City's Sales Tax Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2006 (Mandalay Gardens Project)										
			Less:		Total		Debt Service			
Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service			Coverage
2007 \$ 3,154,147	\$ (14,067)	\$ 3,140,080	\$ -	\$ 3,140,080	\$ 250,000	\$1,609,735	\$ 1,859,735			1.69
2008 3,126,504	(23,084)	3,103,420	-	3,103,420	-	1,298,745	1,298,745			2.39
*2009 2,798,958	(27,004)	2,771,954	-	2,771,954	2,857,875	1,056,631	3,914,506			0.71
2010 -	-	-	-	-	-	-	-			N/A
2011 -	-	-	-	-	-	-	-			N/A
2012 -	-	-	-	-	-	-	-			N/A
2013 -	-	-	-	-	-	-	-			N/A
2014 -	-	-	-	-	-	-	-			N/A
2015 -	-	-	-	-	-	-	-			N/A
2016 -	-	-	-	-	-	-	-			N/A

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

WEDA Tax Increment Adjustable Rate Revenue Bonds Series 2007 (South Sheridan Project)										
			Less:		Total		Debt Service			
Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Revenues Available for Debt Service	Principal	Interest and Fees	Total Debt Service			Coverage
2007 \$ 24,974	\$ -	\$ 24,974	\$ 183,171	\$ 208,145	\$ -	\$ 183,171	\$ 183,171			1.14
2008 722,502	(550,629)	171,873	282,866	454,739	-	282,866	282,866			1.61
*2009 563,172	(401,776)	161,396	156,055	317,451	416,000	128,584	544,584			0.58
2010 -	-	-	-	-	-	-	-			N/A
2011 -	-	-	-	-	-	-	-			N/A
2012 -	-	-	-	-	-	-	-			N/A
2013 -	-	-	-	-	-	-	-			N/A
2014 -	-	-	-	-	-	-	-			N/A
2015 -	-	-	-	-	-	-	-			N/A
2016 -	-	-	-	-	-	-	-			N/A

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

Source: City's Sales Tax Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009									
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for		Principal	Interest and Fees	Total Debt Service
					Debt Service	Service			
2007 \$	-	\$	-	\$	-	\$	-	\$	-
2008	-	-	-	-	-	-	-	-	-
*2009	269,431	(3,341)	266,090	97,929	364,019	265,000	121,697	386,697	N/A
2010	379,965	(5,601)	374,364	373,106	747,470	555,000	192,470	747,470	0.94
2011	408,035	(5,948)	402,087	344,293	746,380	575,000	171,380	746,380	1.00
2012	469,479	(6,081)	463,398	281,132	744,530	595,000	149,530	744,530	1.00
2013	469,946	(6,390)	463,556	283,364	746,920	620,000	126,920	746,920	1.00
2014	286,639	(4,253)	282,386	465,974	748,360	645,000	103,360	748,360	1.00
2015	326,466	(3,594)	322,872	421,813	744,685	665,000	78,850	743,850	1.00
2016	545,321	(4,046)	541,275	202,305	743,580	690,000	53,580	743,580	1.00

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

Source: City's Sales Tax Division

WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009 (Mandalay Gardens Project)									
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Total Debt Interest and		Principal	Interest and Fees	Total Debt Service
					Debt Service	Service			
2007 \$	-	\$	-	\$	-	\$	-	\$	-
2008	-	-	-	-	-	-	-	-	-
*2009	803,667	(6)	803,661	-	376,662	376,662	-	N/A	N/A
2010	2,697,327	(31,954)	2,665,373	1,125,000	614,960	1,739,960	2.13	1.53	1.53
2011	2,175,755	(31,752)	2,144,003	1,185,000	589,869	1,774,869	1.21	4.59	1.21
2012	1,830,823	(27,462)	1,803,361	-	392,699	392,699	N/A	N/A	N/A
2013	-	-	-	-	-	-	-	N/A	N/A
2014	-	-	-	-	-	-	-	N/A	N/A
2015	-	-	-	-	-	-	-	N/A	N/A
2016	-	-	-	-	-	-	-	N/A	N/A

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

Source: City's Sales Tax Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2009 (North Huron Project)									
Gross Pledged Revenues	Less:		Net Pledged Revenue	Principal	Debt Service		Total Debt Service	Coverage	
	Operating Expenses				Interest and Fees				
2007 \$	-	\$	-	\$	-	\$	-	N/A	
2008	-	-	-	-	-	-	-	N/A	
*2009	4,529,320	(40,366)	4,488,954	1,170,000	1,911,157	3,081,157	1.46		
2010	5,993,927	(81,617)	5,912,310	2,125,000	2,760,466	4,885,466	1.21		
2011	5,352,616	(82,240)	5,270,376	2,215,000	2,664,608	4,879,608	1.08		
2012	5,326,071	(82,895)	5,243,176	-	1,627,997	1,627,997	3.22		
2013	-	-	-	-	-	-	N/A		
2014	-	-	-	-	-	-	N/A		
2015	-	-	-	-	-	-	N/A		
2016	-	-	-	-	-	-	N/A		

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

WEDA Tax Increment Loan Series 2009 (South Sheridan Project)									
Gross Pledged Revenues	Less:		Net Pledged Revenue	Principal	Debt Service		Total Debt Service	Coverage	
	Operating Expenses				Interest and Fees				
2007 \$	-	\$	-	\$	-	\$	-	N/A	
2008	-	-	-	-	-	-	-	N/A	
*2009	1,429,709	(637,131)	792,578	120,000	220,579	340,579	2.33		
2010	2,368,657	(1,090,879)	1,277,778	260,000	399,282	659,282	1.94		
2011	2,087,819	(1,204,614)	883,205	275,000	386,265	661,265	1.34		
2012	1,153,846	(845,516)	308,330	-	252,923	252,923	1.22		
2013	-	-	-	-	-	-	N/A		
2014	-	-	-	-	-	-	N/A		
2015	-	-	-	-	-	-	N/A		
2016	-	-	-	-	-	-	N/A		

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

Source: City's Sales Tax Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)										Coverage
Less:				Debt Service						
Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues		Principal	Interest and Fees	Total Debt Service		
				Available for Debt Service						
2007 \$	- \$	- \$	- \$	- \$	- \$	-	-	- \$	-	N/A
2008	-	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	-	N/A
*2012	125,145	(1,022)	124,123	1,306,770	1,430,893	1,150,000	280,893	1,430,893	1,430,893	1.00
2013	1,795,005	(26,105)	1,768,900	565,075	2,333,975	1,390,000	943,975	2,333,975	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	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	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	2,334,875	1.04

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

WEDA Tax Increment Loan Series 2012 (North Huron Project)										
Less:				Debt Service						
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues	Total Revenues		Principal	Interest and Fees	Total Debt Service	Coverage
					Available for Debt Service					
2007 \$	-	\$	\$	\$	\$	-	\$	-	\$	N/A
2008	-	-	-	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	-	-	-	N/A
2010	-	-	-	-	-	-	-	-	-	N/A
2011	-	-	-	-	-	-	-	-	-	N/A
*2012	26,490	(388)	26,102	508,941	535,043	-	535,043	535,043	535,043	1.00
2013	5,620,846	(301,220)	5,319,626	-	5,319,626	2,811,000	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	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	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	3,118,000	1,764,394	4,882,394	1.37

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

Table 11 (continued)
City of Westminster

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

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

Source: City's Sales Tax Division

Table 12
City of Westminster
Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population ¹	Total Personal Income ²	Per Capita Personal Income (Weighted Avg.) ³	Unemployment Rate ⁴
2007	109,724	\$ 4,328,502,076	\$ 39,449	3.9%
2008	111,257	4,327,786,043	38,899	5.6%
2009	109,353	4,238,522,280	38,760	7.7%
2010	106,114	4,574,427,144	43,109	9.0%
2011	109,652	4,475,336,728	40,814	8.9%
2012	107,967	4,477,067,589	41,467	8.0%
2013	109,456	4,511,010,128	41,213	6.0%
2014	110,946	4,704,955,560	42,408	4.1%
2015	112,090	4,715,626,300	42,070	3.4%
2016	113,130	5,092,094,430	45,011	2.8%

Source:

¹ 2016 Population - City of Westminster 2016-2017 City Profile

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 2015. 2016 estimated by applying 2016 CPI-U growth rate (2.1%) for all urban consumers to 2015 income.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for December, 2015, and calculated as a weighted average of rates for Adams and Jefferson Counties.

Table 13
City of Westminster

Principal Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2016			Fiscal Year 2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
St. Anthony North Hospital	895	1	1.96%	655	3	1.47%
Alliance Data Systems	829	2	1.81%	323	5	0.72%
Ball Corporation	587	3	1.28%	659	2	1.48%
DigitalGlobe	557	4	1.22%			
Trimble Navigation	550	5	1.20%	132	10	0.30%
Tri State Generation	512	6	1.12%	355	7	0.80%
Kaiser Permanente	475	7	1.03%	340	6	0.76%
Reed Group	430	8	0.94%			
Mtech Mechanical Technologies Gr	410	9	0.90%			
LGS Innovations	342	10	0.75%			
Avaya				1,303	1	2.92%
LaFarge North America				190	8	0.43%
Global Healthcare Exchange				150	9	0.34%
Access Distribution Systems (GE)				390	4	0.88%

Note: Total employment in Westminster businesses was 45,692 in 2016 and 44,517 in 2007.

Source: Westminster Economic Development Office

Table 14

City of Westminster

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
City Attorney's Office	14,700	13,700	13,700	13,700	13,700	13,700	13,950	13,950	13,950	13,950
City Manager's Office	23,000	17,500	15,500	15,500	15,500	14,800	16,900	16,900	11,900	11,900
Finance	28,500	28,500	27,500	27,500	26,750	26,750	29,000	29,000	28,000	28,000
General Services	74,516	71,766	72,766	72,766	71,766	71,766	78,326	76,326	75,826	75,826
Public Safety										
Fire Department	136,300	135,300	135,300	135,300	135,300	135,300	143,500	142,500	142,500	141,500
Police Department	263,600	263,600	261,600	261,600	262,600	262,600	274,800	275,300	277,300	276,300
Public Works										
Street Maintenance	24,000	24,000	24,000	24,000	24,000	24,000	26,000	26,000	26,000	26,000
Community Development										
Administration	7,600	6,100	6,100	6,100	6,100	6,100	7,600	7,600	7,600	7,600
Economic Development	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	4,000	4,000
Planning Division	17,000	14,500	14,200	14,200	14,200	14,200	14,200	14,700	14,700	14,700
Building Division	18,000	16,100	16,100	16,000	16,000	16,000	16,500	18,500	18,500	18,500
Engineering Division	15,750	13,000	13,000	13,000	13,000	13,000	14,500	14,500	14,500	16,000
Open Space	12,500	6,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Westminster Housing Authority	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	1,000	1,000
Culture and Recreation										
Administration	19,000	17,200	17,200	15,200	15,200	15,200	16,200	10,200	10,200	10,200
Parks Services	34,800	33,800	35,800	35,800	35,800	35,800	42,400	49,400	49,400	49,400
Aquatics	16,300	15,800	14,800	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Library Services	41,975	39,275	39,275	40,275	40,275	40,275	42,200	42,200	42,200	42,200
Recreation Programs	14,900	17,300	15,600	15,600	15,000	15,000	16,500	16,500	15,300	13,800
Recreation Facilities	37,000	35,500	35,500	50,300	50,300	50,300	64,048	65,298	65,298	65,800
Utilities										
Administration	45,500	45,300	41,800	41,800	41,800	42,300	44,300	46,800	45,700	45,200
Water Resources & Treatment	56,000	56,000	56,000	54,750	53,750	52,750	53,750	52,750	51,750	51,750
Field Operations	46,500	45,500	42,500	42,500	38,500	38,500	44,500	42,000	42,000	42,000
Golf Courses										
Legacy Ridge	8,000	8,500	9,000	10,000	10,000	9,000	10,500	10,500	10,500	10,500
The Heritage	8,000	8,500	9,000	9,000	9,000	10,000	10,500	10,500	10,500	10,500
Total	963,441	933,241	918,741	917,391	911,041	909,841	982,674	983,924	981,124	979,126

Source: City Annual Pay Plan

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public Safety										
Total Fire/EMS Incidents	10,699	10,226	9,968	6,709	9,267	8,834	8,288	7,980	8,058	8,147
EMS Transports by fire department	5,619	5,497	5,314	6,589	5,166	4,804	4,710	4,493	4,622	4,687
Police emergency responses	870	935	965	1,049	874	964	1,142	1,361	1,858	2,827
Traffic Citations (municipal)	5,454	7,117	7,791	8,325	9,190	11,528	11,739	10,536	9,771	11,897
Public Works										
Curb miles swept	3,430	3,051	3,281	3,258	4,426	3,112	4,001	8,004	7,361	6,166
Lane miles rehabilitated	80	88	71	103	101	103	104	98	133	77
Community Development										
Official Development Plans processed	142	136	130	129	120	92	137	123	176	242
Building Permits issued	6,890	4,976	5,999	4,994	5,456	5,079	6,007	5,978	4,244	3,986
Culture and Recreation										
Library circulation	746,113	844,001	941,256	1,015,864	1,102,660	1,183,780	1,403,597	1,533,879	1,475,611	1,435,330
Facility participants	1,079,685	1,025,625	986,153	955,079	943,876	918,842	918,842	675,855	924,843	811,064
Program registrants	178,038	172,257	103,704	97,325	91,397	97,447	97,447	91,640	88,483	90,652
Utilities										
Water gallons treated (in millions)	6,128	5,883	5,827	5,873	6,867	6,244	6,298	5,825	6,241	5,795
Water customers	32,587	32,322	32,227	32,163	32,040	31,938	31,815	31,659	31,730	31,519
Wastewater gallons treated (in millions)	2,586	2,684	2,488	2,508	2,603	3,681	2,746	2,470	2,345	2,552
Wastewater customers	30,904	30,586	30,803	30,726	30,626	30,526	30,042	30,299	30,296	30,145
Golf Courses										
Paid golf rounds played	76,684	71,750	67,728	61,899	61,439	58,382	54,792	51,825	58,300	58,678
Golf course acres maintained	414	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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	71	71	71	71	71	71	70	62	59	56
Public Works										
Total Lane Miles	1,116	1,101	1,101	1,100	1,099	1,099	1,106	1,061	1,057	1,054
Community Development										
Traffic Signals	113	113	113	111	111	111	110	109	105	103
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	218	215	212	212	200	196	194	188	157	153
Neighborhood, community & citywide parks	54	53	53	53	53	53	53	52	52	51
Utilities										
Water mains	531	544	516	509	508	509	509	508	504	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



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster (the City) as of and for the year ended December 31, 2016 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 19, 2017.

Internal Control Over Financial Reporting

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

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

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

Honorable Mayor and Members of City Council
City of Westminster

Compliance and Other Matters

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

Purpose of this Report

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

BKD, LLP

Denver, Colorado
May 19, 2017

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

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

Report on Compliance for Each Major Federal Program

We have audited the City of Westminster's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2016. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Honorable Mayor and Members of City Council
City of Westminster

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

BKD, LLP

Denver, Colorado
May 19, 2017

City of Westminster

Schedule of Findings and Questioned Costs

Year Ended December 31, 2016

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 accounting principles generally accepted in the United States of America (GAAP):

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over compliance for major federal awards programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

5. Type of auditor’s report issued on compliance for major federal award programs:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. Any audit findings disclosed required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

7. Identification of major programs:

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

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

9. Auditee qualified as low-risk auditee? ☒ Yes ☐ No

City of Westminster
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2016

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Westminster
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2016

Reference Number	Summary of Finding	Status
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No matters are reportable.

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CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Number	Passed- through to Subrecipients	Total Federal Program Expenditures
<u>Department of Housing and Urban Development</u> Community Development Block Grants/Entitlement Grants (CDBG - Entitlement Grants Cluster)			14,218	\$ 80,317	\$ 414,987
<u>Department of Justice</u> Missing Children's Assistance Edward Byrne Memorial Justice Assistance Grant Program Crime Victim Assistance Subtotal	City of Colorado Springs Police Colorado Department of Public Safety- Division of Criminal Justice	2015-MC-FX-K030 2015-VX-15-009595-17	16,543 16,738 16,575	- 24,696 -	8,306 51,865 3,797 63,968
<u>Department of Homeland Security</u> National Urban Search and Rescue (US&R) Response System Emergency Management Performance Grants Homeland Security Grant Program Subtotal	Colorado Urban Search & Rescue Colorado Division of Homeland Security & Emergency Management City and County of Denver	70-0711-0-1-999 14EM-15-94 None provided	97,025 97,042 97,067	- - -	2,741 42,000 40,029 84,770
<u>Executive Office of the President</u> High Intensity Drug Trafficking Areas Program			95,001	395,088	395,088
<u>Department of the Interior National Park Service</u> Historic Preservation Fund Grants-In-Aid	Colorado Historical Society	None provided	15,904	-	15,855
<u>Department of Transportation</u> Highway Planning and Construction (Highway Planning and Construction Cluster) Highway Planning and Construction (Highway Planning and Construction Cluster) Subtotal Highway Planning and Construction Cluster National Priority Safety Programs (Highway Safety Cluster) Subtotal	Colorado Department of Transportation Regional Air Quality Control Colorado Department of Transportation	WST11-7-R PO 954 PO 411005965/PO 411005155 Task 15-06-61-02	20,205 20,205 20,616	- - - -	4,151,668 31,300 4,182,968 4,933 4,187,901
TOTAL FEDERAL ASSISTANCE			\$ 500,101	\$	5,162,569

* The amount of \$40,029 reported under the Denver Urban Area Security Initiative grant is the value of equipment which was passed through to the City of Westminster.

The accompanying notes are an integral part of this schedule.

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

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, 2015. The accompanying notes are an integral part of this Schedule. 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 net 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, as applicable, either the cost principles contained in OMB Circular A-87 or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2: **Department of Housing and Urban Development, HUD Section 108 Loan Guarantee**

The original note was issued on October 05, 2012, for \$1,500,000. The outstanding loan balance as of December 31, 2016 is \$817,000. The terms of the loan are a 20-year repayment with the first 15 years set at interest-only payments, and the principal to be repaid in the remaining 5 years. A prepayment was made in 2015 toward the loan principal balance that had originally been scheduled with due dates of August 1, 2028 and August 1, 2029. The final maturity date is August 1, 2032. The loan has a variable interest based on 3 month LIBOR plus 0.20% as of the reset date. As of December 31, 2016 the total rate paid was 0.9979%. The Community Development Block Grant allocation is pledged as security for repayment in the event of a default on the note.

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		City of Westminster
		YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of City of Westminster)	Prepared By: Phone:	Josie Shrum (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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	18,273,798
3. Other local imposts (from page 2)	4,067,765
4. Miscellaneous local receipts (from page 2)	2,145,340
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	
7. Total (1 through 6)	24,486,903
B. Private Contributions	
C. Receipts from State government (from page 2)	4,004,423
D. Receipts from Federal Government (from page 2)	10,160
E. Total receipts (A.7 + B + C + D)	28,501,486

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	32,210,560
2. Maintenance:	5,478,519
3. Road and street services:	
a. Traffic control operations	2,426,401
b. Snow and ice removal	1,113,946
c. Other	
d. Total (a. through c.)	3,540,347
4. General administration & miscellaneous	
5. Highway law enforcement and safety	2,482,329
6. Total (1 through 5)	43,711,755
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	1,869,174
b. Redemption	5,220,940
c. Total (a. + b.)	7,090,114
2. Notes:	
a. Interest	1,655,953
b. Redemption	9,406,750
c. Total (a. + b.)	11,062,703
3. Total (1.c + 2.c)	18,152,817
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	61,864,572

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	14,498,020		3,284,270	11,213,750
1. Bonds (Refunding Portion)				
B. Notes (Total)	69,612,540		11,343,420	58,269,120

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	139,116,450	28,501,486	61,864,572	105,753,364	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2016	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	74,625
b. Other local imposts:		b. Traffic Fines & Penalties	1,245,482
1. Sales Taxes	3,646,152	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	421,613	g. Other Misc. Receipts	
6. Total (1. through 5.)	4,067,765	h. Other	825,233
c. Total (a. + b.)	4,067,765	i. Total (a. through h.)	2,145,340
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,572,272	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	10,160
c. Motor Vehicle Registrations	388,591	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) - CDOT	43,560	f. Other Federal	
f. Total (a. through e.)	432,151	g. Total (a. through f.)	10,160
4. Total (1. + 2. + 3.f)	4,004,423	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			
b. Engineering Costs		1,344,934	1,344,934
c. Construction:			
(1). New Facilities		22,379,089	22,379,089
(2). Capacity Improvements	40,108	6,307,009	6,347,117
(3). System Preservation	1,926,942		1,926,942
(4). System Enhancement & Operation		212,478	212,478
(5). Total Construction (1) + (2) + (3) + (4)	1,967,050	28,898,576	30,865,626
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	1,967,050	30,243,510	32,210,560
			(Carry forward to page 1)

Notes and Comments:

*S*PIRIT of full disclosure...

*R*esults that count

Service Pride Integrity Responsibility Innovation Teamwork



WESTMINSTER

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