



COMPREHENSIVE ANNUAL
FINANCIAL REPORT – 2016



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CITY OF WHEAT RIDGE, COLORADO

FINANCIAL STATEMENTS

December 31, 2016

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INTRODUCTORY SECTION

CITY OF WHEAT RIDGE, COLORADO

CITY OFFICIALS

December 31, 2016

MAYOR

Joyce Jay

CITY COUNCIL

District 1

Monica Duran
Janeece Hoppe

District 2

Zachary Urban
Kristi Davis

District 3

George Pond
Tim Fitzgerald

District 4

Genevieve Wooden
Larry Mathews

CITY CLERK

Janelle Shaver

MUNICIPAL JUDGE

Christopher Randall

CITY TREASURER

Jerry DiTullio

CITY ATTORNEY

Gerald Dahl

CITY MANAGER

Patrick Goff

ACCOUNTING MANAGER

Tim Dronkers

DIRECTOR OF ADMINISTRATIVE SERVICES

Heather Geyer

DIRECTOR OF COMMUNITY DEVELOPMENT

Kenneth Johnstone

DIRECTOR OF PARKS & RECREATION

Joyce Manwaring

DIRECTOR OF PUBLIC WORKS

Scott Brink

CHIEF OF POLICE

Daniel G. Brennan

HUMAN RESOURCES MANAGER

Tamara Dixon

PURCHASING AND CONTRACTING AGENT

Jennifer Nellis

FINANCIAL SECTION



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge, 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.

Auditors' 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 auditors' 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 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 internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of December 31, 2016, and the respective changes in financial position 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 and the required supplementary information 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 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 Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wheat Ridge's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2017, on our consideration of the City of Wheat Ridge's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 of Wheat Ridge's internal control over financial reporting and compliance.

Ernst & Young LLP

July 14, 2017

Management's Discussion and Analysis

As management of the City of Wheat Ridge, we offer this narrative overview and analysis of the financial activities of the City of Wheat Ridge for the fiscal year ended December 31, 2016. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City of Wheat Ridge exceeded its liabilities at the close of fiscal year 2016 by \$74.4 million (net position). Of this amount, \$7.5 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- At the close of fiscal year 2016, the City of Wheat Ridge's governmental funds reported combined ending fund balances of \$13.3 million, a decrease of approximately \$0.1 million compared to the prior year. Approximately \$6.3 million (47%), is available for spending at the City's discretion (unrestricted, unassigned fund balance).
- At the end of the fiscal year 2016, unrestricted, unassigned fund balance for the General Fund was \$6.3 million, or 21% of total General Fund expenditures.
- General Fund actual revenues were \$0.3 million less than final budgeted revenue for the fiscal year 2016 and actual expenditures were \$2 million less than final budgeted expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Wheat Ridge's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements report information on all activities of the City and its component unit (Wheat Ridge Urban Renewal Authority). The statement of net position includes all of the City's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The *statement of net position* presents information on all of the City of Wheat Ridge's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Wheat Ridge is improving or deteriorating.

The *statement of activities* presents information showing how the City of Wheat Ridge's net position changed during fiscal year 2016. All changes in net position are reported as

soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the City itself, but also the legally separate Wheat Ridge Urban Renewal Authority for which the City is financially accountable.

The governmental activities of the City include general government, economic development, community development, police, public works, and parks and recreation.

Fund financial statements. The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law (like the Police Investigation Fund).
- The City Council establishes other funds to control and manage money for particular purposes (like the Recreation Center Operating Fund) or to show that it is properly using certain taxes and grants (like the Conservation Trust Fund).

The City has one type of fund:

Governmental funds – All of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information on the subsequent pages is provided to explain the relationship (or differences) between them.

Financial Analysis of the City as a Whole

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Wheat Ridge, assets exceeded liabilities by \$74,377,286 at the close of the 2016 fiscal year.

By far the largest portion of the City of Wheat Ridge's net position (84%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment). The City of Wheat Ridge uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City of Wheat Ridge’s net position (5%) represents resources that are subject to external restrictions on how they may be used (open space and parks, police investigations, crime prevention activities, government access channel and emergency reserves). The remaining balance of unrestricted net position (\$7,501,359) may be used to meet the City’s obligations to citizens and creditors.

At the end of the current fiscal year, the City of Wheat Ridge is able to report positive balances in net position for the City as a whole. The same situation held true for the prior fiscal year.

City of Wheat Ridge Net Position

	Governmental Activities	
	2016	2015
Current and other assets	\$16,091,037	\$16,294,603
Capital assets	\$63,566,729	\$63,423,238
Total assets	\$79,657,766	\$79,717,841
Long-term liabilities outstanding	\$2,489,504	\$2,115,656
Other liabilities	\$1,937,746	\$1,405,651
Total liabilities	\$4,427,250	\$3,521,307
Deferred Inflows of Resources	\$853,230	\$854,497
Net Position:		
Net Investment in Capital Assets	\$62,821,162	\$62,642,679
Restricted	\$4,054,765	\$3,559,785
Unrestricted	\$7,501,359	\$9,139,573
Total net position	\$74,377,286	\$75,342,037

Changes in Net Position

Governmental activities.

- Current and other assets decreased by 1% primarily due to a reduction in intergovernmental receivables.
- Long-term liabilities increased by 18% primarily due to an increase in insurance claims payable.
- Governmental Activities decreased the City’s total net position by \$964,751. This decrease is primarily due to a \$1.1 million increase in Parks and Recreation net program expense.
- Unrestricted net position decreased by 18% in 2016 as a result of the completion of major capital improvement projects such as the Kipling Path trail improvements, and the Tabor Street road improvements.
- Net investment in capital assets is \$745,567 less than capital assets to account for the outstanding solar panel lease.

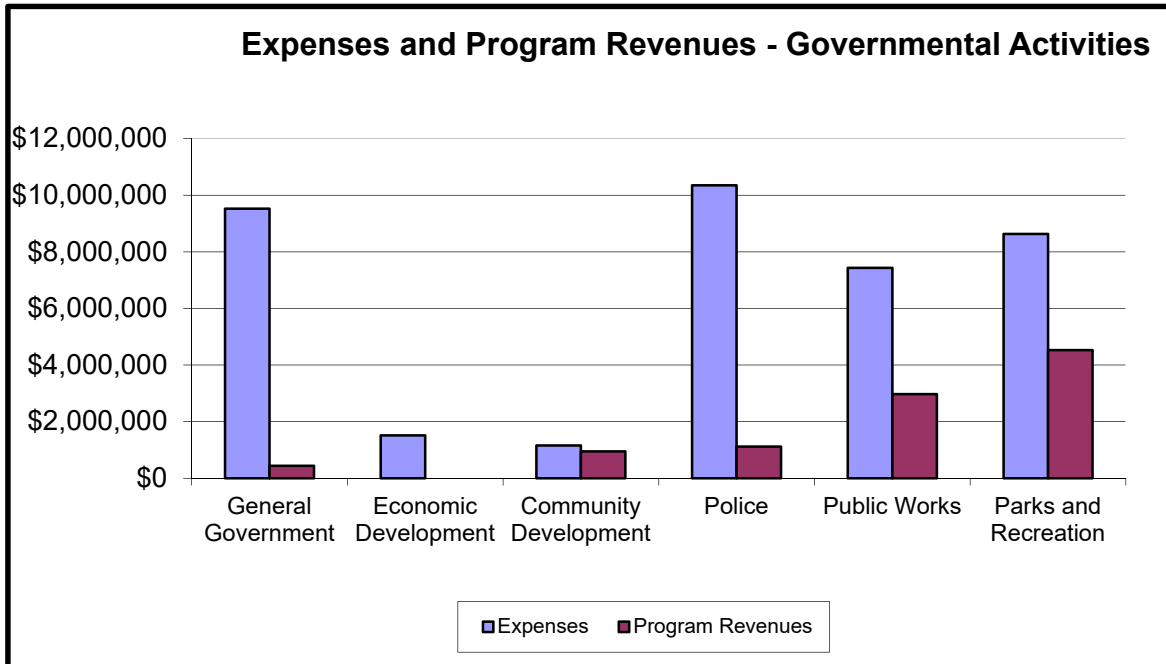
City of Wheat Ridge Changes in Net Position

	2016	2015
Revenues		
Program Revenues		
Charges for services	\$5,319,148	\$5,084,470
Operating grants and contributions	\$1,829,402	\$1,952,672
Capital grants and contributions	\$2,858,207	\$4,972,377
General Revenues		
Property taxes	\$848,612	\$739,669
Sales taxes	\$19,302,347	\$18,458,719
Use taxes	\$3,263,930	\$3,457,442
Franchise taxes	\$1,587,707	\$1,620,891
Lodgers taxes	\$1,455,456	\$1,479,363
Other taxes	\$605,265	\$583,763
Investment income	\$138,379	\$99,101
Insurance proceeds	\$0	\$195,022
Miscellaneous	<u>\$476,943</u>	<u>\$396,698</u>
Total revenues	\$37,685,396	\$39,040,187
Expenses		
General Government	\$9,522,273	\$8,887,226
Economic Development	\$1,512,403	\$1,343,539
Community Development	\$1,157,032	\$1,119,108
Police	\$10,352,011	\$10,359,988
Public Works	\$7,431,154	\$9,246,454
Parks and Recreation	\$8,630,099	\$7,534,542
Interest on Long-Term Debt	<u>\$45,175</u>	<u>\$27,323</u>
Total expenses	<u>\$38,650,147</u>	<u>\$38,518,180</u>
Change in net position	-\$964,751	\$522,007
Net position, beginning	<u>\$75,342,037</u>	<u>\$74,820,030</u>
Net position, ending	\$74,377,286	\$75,342,037

General Government expenses include budgets for the City Treasurer, Legislative Services, Finance, City Manager, City Attorney, City Clerk's Office, Municipal Court, Administrative Services, Human Resources, Sales Tax, Purchasing and Contracting, Information Technology and Central Charges.

- Total revenues decreased by 3% compared to 2015. This decrease is primarily due to a decrease in capital grants and contributions, partially offset by an increase in total tax collections in 2016.
- Capital grants and contributions decreased by 43% primarily due to large one-time funds received for the Kipling Trail project and dedicated right-of-way and infrastructure from the Kipling Ridge development project in 2015.
- Sales taxes increased by 5% compared to 2015 due to an overall improvement in the retail economy as well as the realization of a full year of revenues for mixed-used developments that were completed in 2015 such as Kipling Ridge.

- Investment income increased by 40% over 2015 due to an improving interest rate environment in the United States.
- Public Works expenditures decreased by 20% in 2016 primarily due to normalization in operations after a large project was completed in 2015.



Financial Analysis of the City’s Funds

The focus of the City of Wheat Ridge’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Wheat Ridge’s financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2016, the City of Wheat Ridge’s governmental funds reported combined ending fund balances of \$13.3 million, a decrease of \$0.1 million in comparison with the prior year. Approximately 47% of this total amount (\$6.3 million) constitutes unrestricted, unassigned fund balance, which is available for spending at the City’s discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for: 1) Developer Loan Receivable (\$517,000); 2) Urban Renewal Authority (\$20,000); 3) prepaid expenditures (\$10,094); 3) open space and parks (\$2.2 million); 4) Police Investigations Fund activities (\$68,969); 5) Crime Prevention Activities Fund (\$470,065); 6) government access channel (\$206,783) and 7) State mandated emergency reserves (\$1.1 million) or committed to: 1) Municipal Court Fund (\$89,737); 2) Recreation Center Fund

(\$745,207); and 3) Public Art Fund (\$83,611) or assigned to: 1) Capital Projects Fund (\$1.1 million); and 2) Capital Equipment Replacement Fund (\$355,359).

The General Fund is the chief operating fund of the City of Wheat Ridge. At the end of fiscal year 2016, unrestricted, unassigned fund balance of the General Fund was \$6.3 million, while total General Fund balance reached approximately \$8.1 million. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted, unassigned fund balance and total fund balance to total fund expenditures. Unrestricted, unassigned fund balance represents 21% of total General Fund expenditures, while total fund balance represents 28% of that same amount.

There were notable fund balance changes in several funds at the end of fiscal year 2016:

- The Open Space Fund saw an increase in fund balance of \$557,057 as a result of increased revenue and a decrease in expenditures. The increased revenue was from higher interest earnings and developer fees. Additionally, increased grant revenue was received from the Jefferson County Open Space Tax and from Great Outdoors Colorado for a State Trail Grant for Clear Creek Trail signage. Decreased expenditures were the result of the timing of projects for trail repair and replacement and the Public Works/Parks Operations Facility.
- The Capital Projects Fund fund balance increased by \$366,577 due to increased grant revenue received for the Kipling Trail project that was completed in 2016. Additionally, increased grant revenue was received for the RTD Gold Line Station project.

General Fund Budgetary Highlights

The original budget was amended by City Council for a total of \$673,701 in supplemental budget appropriations throughout the 2016 fiscal year. These amendments can be briefly summarized as follows:

Supplemental Budget Appropriations HG: organize from largest to smallest expenditure

- \$297,027 allocated for prior year encumbrances
- \$165,785 allocated for additional funding for the Tabor Street Reconstruction
- \$45,567 allocated for police replacement vehicle
- \$44,930 allocated for Public Works mechanical street sweeper
- \$33,160 allocated for increased public safety program activities
- \$29,854 allocated for Parks & Recreation replacement vehicle
- \$26,448 allocated for Public Works replacement vehicle
- \$11,454 allocated for increased public safety program activities
- \$7,500 allocated for police training activities
- \$5,000 allocated for donation to the Curtis J. Gilmore Lifelong Learning Scholarship Fund
- \$4,000 allocated for new grant funded-exercise equipment for Hayward Park
- \$2,976 allocated for police training activities

During the 2016 fiscal year, unrestricted, unassigned fund balance in the General Fund decreased to \$6.3 million, a decrease of \$1.2 million from the previous year. The decrease can be primarily attributed to an increase in transfers to the Capital Improvement Program for the Wadsworth Widening Project and preventative street maintenance.

The 2016 General Fund budget was adopted without using any of the fund balance to balance the budget. However, the final budget allocated \$3,065,785 of the fund balance to the Capital Projects Fund for capital improvements.

Capital Asset and Debt Administration

Capital assets. The City of Wheat Ridge's investment in capital assets for its governmental activities as of December 31, 2016 amounts to \$63.5 million (net of accumulated depreciation). This investment in capital assets includes land, artwork, construction in progress, land improvements, buildings, vehicles, machinery and equipment, infrastructure, software and solar power capacity. Major capital asset events during the 2016 fiscal year totaled \$8.3 million and included the following:

- Land and Land Improvements in the amount of \$4.2 million
 - Kipling Path trail improvements
 - Tabor Street road improvements
 - Hayward Park drainage improvements
- Construction in Progress in the amount of \$2.6 million
 - Wadsworth widening project
 - Clear Creek trail improvements
 - Clear Creek Crossing I-70 hook ramps
- Buildings in the amount of \$160,764
 - Richard Hart Estate boiler replacement
 - Municipal Court roof replacement
 - Indoor and Outdoor pool improvements
- Vehicles in the amount of \$787,274
 - One Public Works skid steer
 - One Public Works street sweeper
 - Two Public works maintenance trucks
 - Two Parks HD trucks with snow plow
 - One Parks passenger bus for active adult center
 - Two Police investigations hybrid passenger cars
 - Two Police patrol cars
 - One Police $\frac{3}{4}$ ton van
- Machinery and Equipment in the amount of \$535,891
 - Recreation center fitness equipment
 - City firewall replacement
 - Traffic control cabinets and other traffic control system equipment
 - Stites Park playground

City of Wheat Ridge's Capital Assets
(net of depreciation)

	2016	2015
Land	\$15,816,713	\$15,816,713
Artwork	\$113,295	\$113,295
Construction in Progress	\$2,660,107	\$4,213,932
Land improvements	\$9,973,313	\$6,430,934
Buildings	\$11,687,046	\$12,192,787
Vehicles	\$1,877,309	\$1,407,621
Machinery and equipment	\$2,948,889	\$2,863,397
Infrastructure	\$17,772,005	\$19,621,844
Software	\$9,379	\$15,211
Solar Power Capacity	<u>\$708,673</u>	<u>\$747,504</u>
Total Capital Assets	\$63,566,729	\$63,423,238

Long-term debt. At the end of the 2016 fiscal year, the City of Wheat Ridge had total long-term debt outstanding of \$2,489,504. Of this amount, \$718,569 is due within one year. This total debt represents compensated absences, claims payable, and lease payments for solar panels, which are expected to be liquidated primarily with revenues of the General Fund.

Economic Factors and Next Year's Budgets and Rates

The City's sales and use tax rate for 2016 was 3%. The mill levy was 1.830 mills. Both rates are among the lowest in the Denver metro area. In November 2016, Wheat Ridge voters passed a infrastructure ballot measure authorizing \$33 million in bonding authority for a 12-year period. The voter approved improvements include: \$4 million for Anderson Park Renovation, \$10 million for construction of hook ramps at I-70 into the Clear Creek Crossing development, \$7 million for the reconstruction of Wadsworth Boulevard improvements and \$12 million for the construction of improvements at the Ward Road Station. These projects are catalytic and expected to help the City continue to build its sales tax base while leveraging funding through local and regional partnerships. The City issued \$33 million in bonds on May 2, 2017. These funds are managed in restricted revenue Fund 31.

The adopted 2017 fiscal year budget is \$43 million. It includes a \$31 million operating budget, a \$5.2 million CIP budget and \$6.8 million for special revenue budgets.

Requests for Information

This financial report is designed to provide a general overview of the City of Wheat Ridge's finances for those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Administrative Services Director
City of Wheat Ridge
7500 W. 29th Avenue
Wheat Ridge, Colorado 80033

BASIC FINANCIAL STATEMENTS

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF NET POSITION

December 31, 2016

	PRIMARY GOVERNMENTAL ACTIVITIES	COMPONENT UNIT URBAN RENEWAL AUTHORITY
ASSETS		
Cash and Investments	\$ 11,252,249	\$ 965,647
Accounts Receivable	2,794,795	-
Property Taxes Receivable	853,230	91,009
Intergovernmental Receivables	632,123	-
Accrued Interest Receivable	11,546	-
Loan Receivable	517,000	-
Prepaid Expenses	10,094	-
Due from Component Unit/Primary Government	20,000	159,127
Property Held for Resale	-	330,299
Capital Assets, Not Being Depreciated	18,590,115	-
Capital Assets, Net of Accumulated Depreciation	44,976,614	-
	<hr/>	<hr/>
TOTAL ASSETS	79,657,766	1,546,082
	<hr/>	<hr/>
LIABILITIES		
Accounts Payable	984,497	-
Accrued Liabilities	411,712	-
Retainage Payable	117,090	-
Refundable Deposits	163,245	-
Unearned Revenues	102,075	-
Due to Component Unit/Primary Government	159,127	20,000
Noncurrent Liabilities		
Due Within One Year	718,569	275,000
Due in More Than One Year	1,770,935	1,805,000
	<hr/>	<hr/>
TOTAL LIABILITIES	4,427,250	2,100,000
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	853,230	91,009
	<hr/>	<hr/>
NET POSITION		
Net Investment in Capital Assets	62,821,162	-
Restricted for Open Space and Parks	2,226,948	-
Restricted for Police Investigations	68,969	-
Restricted for Crime Prevention Activities	470,065	-
Restricted for Government Access Channel	206,783	-
Restricted for Emergencies	1,082,000	-
Unrestricted	7,501,359	(644,927)
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 74,377,286	\$ (644,927)
	<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 9,522,273	\$ 312,651	\$ 126,704	\$ -
Economic Development	1,512,403	-	-	-
Community Development	1,157,032	946,848	-	-
Police	10,352,011	899,889	219,960	-
Public Works	7,431,154	296,443	1,478,738	1,199,498
Parks and Recreation	8,630,099	2,863,317	4,000	1,658,709
Interest on Long-Term Debt	45,175	-	-	-
Total Primary Government	\$ <u>38,650,147</u>	\$ <u>5,319,148</u>	\$ <u>1,829,402</u>	\$ <u>2,858,207</u>
COMPONENT UNIT				
Urban Renewal Authority	\$ <u>154,717</u>	\$ <u>-</u>	\$ <u>855,853</u>	\$ <u>-</u>

GENERAL REVENUES

Property Taxes
 Sales Taxes
 Use Taxes
 Franchise Taxes
 Lodgers Taxes
 Other Taxes
 Investment Income
 Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES		COMPONENT UNIT URBAN RENEWAL AUTHORITY
\$	(9,082,918)	\$	-
	(1,512,403)		-
	(210,184)		-
	(9,232,162)		-
	(4,456,475)		-
	(4,104,073)		-
	(45,175)		-
	(28,643,390)		-
	-		701,136
	848,612		89,645
	19,302,347		-
	3,263,930		-
	1,587,707		-
	1,455,456		-
	605,265		-
	138,379		635
	476,943		-
	27,678,639		90,280
	(964,751)		791,416
	75,342,037		(1,436,343)
\$	74,377,286	\$	(644,927)

CITY OF WHEAT RIDGE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016

	GENERAL	OPEN SPACE	CAPITAL PROJECTS
ASSETS			
Cash and Investments	\$ 5,653,117	\$ 1,563,248	\$ 1,728,346
Accounts Receivable	2,678,358	-	92,095
Property Taxes Receivable	853,230	-	-
Intergovernmental Receivables	327,752	304,371	-
Accrued Interest Receivable	2,984	3,318	4,585
Loan Receivable	517,000	-	-
Prepaid Expenditures	10,094	-	-
Due from Component Unit	20,000	-	-
	<u>\$ 10,062,535</u>	<u>\$ 1,870,937</u>	<u>\$ 1,825,026</u>
LIABILITIES			
Accounts Payable	\$ 313,988	\$ 60,766	\$ 577,643
Accrued Liabilities	359,259	9,525	-
Retainage Payable	-	18,261	98,829
Refundable Deposits	163,245	-	-
Unearned Revenues	102,075	-	-
Due to Component Unit	159,127	-	-
	<u>1,097,694</u>	<u>88,552</u>	<u>676,472</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	853,230	-	-
FUND BALANCES			
Nonspendable Loan Receivable	517,000	-	-
Nonspendable Due from Component Unit	20,000	-	-
Nonspendable Prepaid Expenditures	10,094	-	-
Restricted for Open Space and Parks	-	1,782,385	-
Restricted for Police Investigations	-	-	-
Restricted for Crime Prevention Activities	-	-	-
Restricted for Government Access Channel	206,783	-	-
Restricted for Emergencies	1,082,000	-	-
Committed to Municipal Court	-	-	-
Committed to Recreation Center	-	-	-
Committed to Public Art	-	-	-
Assigned to Capital Projects	-	-	1,148,554
Assigned to Equipment Replacement	-	-	-
Unrestricted, Unassigned	6,275,734	-	-
	<u>8,111,611</u>	<u>1,782,385</u>	<u>1,148,554</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 10,062,535</u>	<u>\$ 1,870,937</u>	<u>\$ 1,825,026</u>

The accompanying notes are an integral part of the financial statements.

OTHER GOVERNMENTAL FUNDS		TOTALS
\$ 2,307,538	\$ 11,252,249	
24,342	2,794,795	
-	853,230	
-	632,123	
659	11,546	
-	517,000	
-	10,094	
-	20,000	
<u>2,332,539</u>	<u>16,091,037</u>	
\$ 32,100	\$ 984,497	
42,928	411,712	
-	117,090	
-	163,245	
-	102,075	
-	159,127	
<u>75,028</u>	<u>1,937,746</u>	
-	853,230	
-	517,000	
-	20,000	
-	10,094	
444,563	2,226,948	
68,969	68,969	
470,065	470,065	
-	206,783	
-	1,082,000	
89,737	89,737	
745,207	745,207	
83,611	83,611	
-	1,148,554	
355,359	355,359	
-	6,275,734	
<u>2,257,511</u>	<u>13,300,061</u>	
<u>\$ 2,332,539</u>	<u>\$ 16,091,037</u>	

CITY OF WHEAT RIDGE, COLORADO

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2016

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances of Governmental Funds	\$ 13,300,061
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	63,566,729
Long-term liabilities, including capital lease (\$745,567), compensated absences (\$1,143,126), and claims payable (\$600,811), are not due and payable in the current year and, therefore, are not reported in governmental funds.	<u>(2,489,504)</u>
Total Net Position of Governmental Activities	\$ <u><u>74,377,286</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 Year Ended December 31, 2016

	<u>GENERAL</u>	<u>OPEN SPACE</u>	<u>CAPITAL PROJECTS</u>
REVENUES			
Taxes	\$ 26,328,763	\$ -	\$ 291,672
Licenses and Permits	1,059,237	-	-
Intergovernmental	1,829,402	1,351,845	1,771,974
Charges for Services	1,239,896	53,038	5,000
Fines and Forfeitures	746,746	-	-
Investment Income	51,251	23,430	36,177
Miscellaneous	473,943	3,000	-
	<u>31,729,238</u>	<u>1,431,313</u>	<u>2,104,823</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
General Government	8,743,077	-	-
Economic Development	1,512,403	-	-
Community Development	1,154,565	-	-
Police	9,689,966	-	-
Public Works	4,412,544	-	-
Parks and Recreation	3,869,372	874,256	-
Capital Outlay	-	-	4,704,031
Debt Service			
Principal	34,992	-	-
Interest	45,175	-	-
	<u>29,462,094</u>	<u>874,256</u>	<u>4,704,031</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,267,144</u>	<u>557,057</u>	<u>(2,599,208)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	2,965,785
Transfers Out	<u>(3,065,785)</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCE (USES)	<u>(3,065,785)</u>	<u>-</u>	<u>2,965,785</u>
NET CHANGE IN FUND BALANCES	(798,641)	557,057	366,577
FUND BALANCES, Beginning	<u>8,910,252</u>	<u>1,225,328</u>	<u>781,977</u>
FUND BALANCES, Ending	<u>\$ 8,111,611</u>	<u>\$ 1,782,385</u>	<u>\$ 1,148,554</u>

The accompanying notes are an integral part of the financial statements.

OTHER GOVERNMENTAL FUNDS	TOTALS
\$ 442,882	\$ 27,063,317
-	1,059,237
346,839	5,300,060
2,161,894	3,459,828
53,337	800,083
27,521	138,379
-	476,943
<u>3,032,473</u>	<u>38,297,847</u>
16,876	8,759,953
-	1,512,403
-	1,154,565
428,564	10,118,530
-	4,412,544
2,653,015	7,396,643
218,734	4,922,765
-	34,992
-	45,175
<u>3,317,189</u>	<u>38,357,570</u>
<u>(284,716)</u>	<u>(59,723)</u>
100,000	3,065,785
-	(3,065,785)
<u>100,000</u>	<u>-</u>
(184,716)	(59,723)
<u>2,442,227</u>	<u>13,359,784</u>
\$ <u><u>2,257,511</u></u>	\$ <u><u>13,300,061</u></u>

CITY OF WHEAT RIDGE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances of Governmental Funds	\$ (59,723)
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlay \$4,026,452 and contributed assets \$62,220 exceeded depreciation expense (\$3,945,181) in the current year.	143,491
Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. This amount represents capital lease payments.	34,992
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. This includes the changes in compensated absences \$45,354 and in claims payable (\$454,194).	(408,840)
Revenues in the statement of activities that do not provide current financial resources are deferred in the governmental funds.	<u>(674,671)</u>
Change in Net Position of Governmental Activities	\$ <u><u>(964,751)</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wheat Ridge, Colorado (the “City”) was incorporated in August, 1969, and became a home rule city in 1976, as defined by State statutes. The City is governed by a Mayor and eight-member Council elected by the residents.

The accounting policies of the City conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the City. Based on the application of these criteria, the City includes the following organization in its reporting entity.

The *Wheat Ridge Urban Renewal Authority* (the “Authority”) was created to redevelop or rehabilitate certain blighted areas within the City. The Authority board members are appointed by the Mayor and City Council. Although the Authority is legally separate from the City, the Authority’s primary revenue source, tax increment financing, can only be established by the City. The Authority is discretely presented in the financial statements, and does not issue separate financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City and its component unit. 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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported in a single column. The *primary government* is reported separately from the legally separate *component unit* for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

Separate financial statements are provided for the governmental funds. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for a specific 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:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

The *Open Space Fund* accounts for County shared revenues, grants, and development fees restricted for the acquisition, construction and maintenance of open space and parks.

The *Capital Projects Fund* accounts for the accumulation of resources from a lodgers tax, intergovernmental revenues and General Fund transfers for the acquisition or construction of major capital assets.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances

Receivables - Accounts receivable include sales, use and lodgers taxes. Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses - Payments to vendors for services that will benefit subsequent years are reported as prepaid expenses.

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any balances outstanding between the primary government and the discretely presented component unit are reported on the statement of activities as *due from* and *due to*.

Property Held for Resale - Property that is held with the intent to sell is reported at the lower of cost or fair value.

Capital Assets - Capital assets, which include property, equipment, and infrastructure acquired or constructed since 1980, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. Intangible assets are reported at cost if they are identifiable.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives.

Land Improvements	10 - 40 years
Buildings	10 - 40 years
Vehicles, Machinery and Equipment	3 - 40 years
Infrastructure	20 - 50 years
Software	5 years
Solar Power Capacity	20 years

Unearned Revenues - Unearned revenues include business license fees collected in advance.

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year. In addition, revenues not available as current financial resources are deferred in the governmental fund financial statements.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Compensated Absences - Employees of the City are allowed to accumulate unused vacation and sick time up to a maximum based on years of service. Upon termination of employment from the City, an employee will be compensated for all accrued vacation time at their current pay rate.

A long-term liability has been reported in the government-wide financial statements for the accrued vacation time.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Governmental funds recognize long-term liabilities only when payment is due. Payments of long-term debt are reported as current expenditures.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. As reported in the fund financial statements, the City Council establishes a fund balance commitment through passage of a resolution. In addition, by resolution the City Council has delegated to the City Manager or his designee the authority to assign fund balances for specific purposes.

As adopted by City Council policy, the City will maintain a minimum unrestricted fund balance of at least two months, or approximately 17%, of its General Fund operating expenditures.

When expenditures are incurred for a specific purpose for which both restricted and unrestricted fund balances are available, the City's policy is to use restricted amounts first, followed by committed, assigned and unassigned amounts.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

Contraband Forfeitures

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. These transactions are reported in the Police Investigation Special Revenue Fund.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2016, follows:

Petty Cash	\$ 3,150
Cash Deposits	8,286,487
Investments	<u>3,928,259</u>
Total	<u>\$ 12,217,896</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments - Primary Government	\$ 11,252,249
Cash and Investments - Component Unit	<u>965,647</u>
Total	<u>\$ 12,217,896</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2016, the City and the Authority had bank deposits of \$7,476,179 and \$469,395, respectively, collateralized with securities held by the financial institutions' agents but not in their name.

Investments

The City and the Authority are required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk. Through its investment policy, the City has further restricted allowable investments to the following.

- Obligations of the United States and U.S. Agency securities
- Corporate debt
- Commercial paper
- Bankers' acceptances
- Repurchase agreements collateralized by authorized securities
- General obligations of U.S. local government entities
- Guaranteed investment contracts
- Money market funds
- Local government investment pools

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

The City and the Authority had the following investments at December 31, 2016:

<u>Investment Type</u>	<u>S&P Rating</u>	<u>Investment Maturities (in years)</u>		<u>Total</u>
		<u>Less Than 1</u>	<u>1 - 5</u>	
Brokered Certificates of Deposit	NA	\$ 490,501	\$ 2,436,458	\$ 2,926,959
U.S. Agency Securities	NA	500,200	-	500,200
Municipal Securities	AAA	501,100	-	501,100
Total		<u>\$ 1,491,801</u>	<u>\$ 2,436,458</u>	<u>\$ 3,928,259</u>

Fair Value Measurements - The City reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2016, the City's investments in U.S. Agency and Municipal securities were measured utilizing quoted prices in active markets for similar investments (Level 2 inputs).

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit investments in municipal securities to those rated A or its equivalent by at least two nationally recognized statistical rating organizations. If the investment is issued by a Colorado municipality, the ratings must be at or above AA or its equivalent.

Concentration of Credit Risk - State statutes do not limit the amount the City may invest in one issuer, except for corporate securities. At December 31, 2016, the City's investments in the Federal National Mortgage Association and the Nassau County New York Revenue Bonds were 13% and 13%, respectively, of total investments.

Legal Compliance

At December 31, 2016, the City owned certificates of deposits with balances totaling \$2,926,959 issued by banks not registered under the PDPA and/or not in the City's name. This may be a violation of State statutes and the City's investment policy.

NOTE 3: LOANS RECEIVABLE

The City entered into two loan agreements with the developer of the Fruitdale Lofts project. Under the agreements, the City committed to loan the developer \$470,000 and \$2,115,000. The first loan is due 35 years following substantial completion of the project, with interest accruing at 5% per annum beginning 20 years after substantial completion of the project.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 3: LOANS RECEIVABLE (Continued)

Repayment terms for the second loan are dependent upon certain financing and equity contributions of the developer. The loan is due in 20 years, with interest accruing at 5% per annum commencing after completion of the project. At December 31, 2016, the project was under construction and the City had advanced \$517,000 under these agreements.

During 2013, the City loaned \$330,299 to the Authority to acquire a property for redevelopment. The loan is non-interest bearing. The loan balance is due upon sale of the redevelopment property. During the year ended December 31, 2016, the Authority paid \$310,299 to the City, resulting in an outstanding balance of \$20,000.

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, is summarized below.

	<u>Balances</u> 12/31/15	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> 12/31/16
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 15,816,713	\$ -	\$ -	\$ 15,816,713
Artwork	113,295	-	-	113,295
Construction in Progress	<u>4,213,932</u>	<u>2,646,459</u>	<u>4,200,284</u>	<u>2,660,107</u>
Total Capital Assets, Not Being Depreciated	<u>20,143,940</u>	<u>2,646,459</u>	<u>4,200,284</u>	<u>18,590,115</u>
Capital Assets, Being Depreciated				
Land Improvements	11,712,846	4,158,568	-	15,871,414
Buildings	22,997,978	160,764	-	23,158,742
Vehicles	4,801,233	787,274	-	5,588,507
Machinery and Equipment	6,922,723	535,891	-	7,458,614
Infrastructure	71,096,763	-	-	71,096,763
Software	224,120	-	-	224,120
Solar Power Capacity	<u>776,628</u>	<u>-</u>	<u>-</u>	<u>776,628</u>
Total Capital Assets, Being Depreciated	<u>118,532,291</u>	<u>5,642,497</u>	<u>-</u>	<u>124,174,788</u>
Less Accumulated Depreciation/Amortization				
Land Improvements	5,281,912	616,189	-	5,898,101
Buildings	10,805,191	666,505	-	11,471,696
Vehicles	3,393,612	317,586	-	3,711,198
Machinery and Equipment	4,059,326	450,399	-	4,509,725
Infrastructure	51,474,919	1,849,839	-	53,324,758
Software	208,909	5,832	-	214,741
Solar Power Capacity	<u>29,124</u>	<u>38,831</u>	<u>-</u>	<u>67,955</u>
Total Accumulated Depreciation/Amortization	<u>75,252,993</u>	<u>3,945,181</u>	<u>-</u>	<u>79,198,174</u>
Total Capital Assets, Being Depreciated, Net	<u>43,279,298</u>	<u>1,697,316</u>	<u>-</u>	<u>44,976,614</u>
Governmental Activities Capital Assets, Net	<u>\$ 63,423,238</u>	<u>\$ 4,343,775</u>	<u>\$ 4,200,284</u>	<u>\$ 63,566,729</u>

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 4: CAPITAL ASSETS (Continued)

Depreciation expense was charged to programs of the City as follows:

General Government	\$ 353,480
Community Development	2,467
Police	233,481
Public Works	2,122,297
Parks and Recreation	<u>1,233,456</u>
 Total	 <u>\$ 3,945,181</u>

NOTE 5: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the year ended December 31, 2016.

	Balances <u>12/31/15</u>	Additions	Payments	Balances <u>12/31/16</u>	Due Within <u>One Year</u>
Governmental Activities					
Solar Power Capacity Lease	\$ 780,559	\$ -	\$ 34,992	\$ 745,567	\$ 37,738
Compensated Absences	1,188,480	84,981	130,335	1,143,126	80,020
Claims Payable	<u>146,617</u>	<u>454,194</u>	<u>-</u>	<u>600,811</u>	<u>600,811</u>
 Total	 <u>\$ 2,115,656</u>	 <u>\$ 539,175</u>	 <u>\$ 165,327</u>	 <u>\$ 2,489,504</u>	 <u>\$ 718,569</u>
 Urban Renewal Authority					
Loan Payable	<u>\$ 2,345,000</u>	<u>\$ -</u>	<u>\$ 265,000</u>	<u>\$ 2,080,000</u>	<u>\$ 275,000</u>

Solar Power Capacity Lease

On March 23, 2015, the City entered into an agreement to purchase solar power capacity in a community solar garden. The purchase was financed in April, 2015, with a lease agreement in the amount of \$800,000. Monthly payments of \$6,681, including principal and interest accruing at 5.75% per annum, are due under the agreement, beginning June 1, 2015, through May 1, 2030. At December 31, 2016, capital assets of \$708,673, net of accumulated depreciation, were reported under this lease.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT (Continued)

Solar Power Capacity Lease (Continued)

Following is a schedule of the future minimum lease payments at December 31, 2016.

Year Ended December 31,

2017	\$ 80,167
2018	80,167
2019	80,167
2020	80,167
2021	80,167
2022 - 2026	400,835
2027 - 2030	<u>274,630</u>
Total Minimum Lease Payments	1,076,300
Less: Interest Portion	<u>(330,733)</u>
Present Value of Minimum Lease Payments	<u>\$ 745,567</u>

Compensated Absences

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

Urban Renewal Authority Loan

On May 14, 2014, the Authority approved a loan agreement with Colorado State Bank and Trust for \$2,455,000 to finance infrastructure improvements associated with redevelopment property. The loan accrues interest at 3.16% per annum. Interest payments are due semi-annually beginning December 1, 2014. Principal payments are due annually beginning December 1, 2015, through 2023.

Future debt service to maturity is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 275,000	\$ 65,728	\$ 340,728
2018	280,000	57,038	337,038
2019	285,000	48,190	333,190
2020	295,000	39,184	334,184
2021	305,000	29,862	334,862
2022 - 2023	<u>640,000</u>	<u>30,494</u>	<u>670,494</u>
Total	<u>\$ 2,080,000</u>	<u>\$ 270,496</u>	<u>\$ 2,350,496</u>

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: INTERFUND TRANSACTIONS

During the year ended December 31, 2016, the General Fund transferred \$2,965,785 and \$100,000 to the Capital Projects and Equipment Replacement Funds, respectively, to finance capital projects and to purchase additional equipment.

NOTE 7: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Accountability

At December 31, 2016, the Authority had a negative net position of \$644,927. Management expects this deficit to be eliminated with future tax increment revenues.

NOTE 8: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has agreed to self-insure for general liability claims to a maximum of \$150,000; automobile, property and physical damage claims to a maximum of \$10,000; and workers compensation claims to a maximum of \$5,000 per occurrence. The City accounts for its risk management activities in the General Fund.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims payable for the years ended December 31, 2016 and 2015, were as follows:

	<u>2016</u>	<u>2015</u>
Claims Payable, January 1	\$ 146,617	\$ 145,559
Incurred Claims	487,833	50,876
Claims Paid	<u>(33,639)</u>	<u>(49,818)</u>
Claims Payable, December 31	<u>\$ 600,811</u>	<u>\$ 146,617</u>

For excess liability, property and workers compensation claims, the City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 8: RISK MANAGEMENT (Continued)

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 defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of 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 coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

NOTE 9: RETIREMENT COMMITMENTS

Police Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of sworn police officers. The Plan is administered by the International City/County Management Association (ICMA). Employees are required to contribute 10% of their compensation to the Plan, and the City contributes 10%. Employees become vested in City contributions to the Plan at 20% annually, beginning in the third year of employment. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2016, the City and employee contributions to the Plan were \$563,402 each, equal to the required contributions.

Department Head Pension Plan

City department heads participate in a multiple-employer defined contribution pension plan upon employment with the City. The Plan is administered by ICMA. Department heads are required to contribute 4% of their compensation to the Plan and the City contributes 5%, except for the City Manager for which the City contributes 10%. Employees become vested in all contributions to the Plan immediately. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2016, the City and employee contributions to the Plan were \$52,797 and \$35,472, respectively, equal to the required contributions.

Employee Pension Plan

The City contributes to a multiple-employer defined contribution pension plan on behalf of all employees, except sworn police officers and department heads. The Plan is administered by ICMA. Employees are required to contribute 4% of their compensation to the Plan, and the City contributes 4%. Employees become vested in City contributions to the Plan at 20% annually after one year of employment. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2016, the City and employee contributions to the Plan were \$326,559 each, equal to the required contributions.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 10: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

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 requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the City. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

The City's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

In November, 2006, voters agreed to allow the City to spend all revenues generated during 2006 and each subsequent year for police protection, street construction - repair and maintenance, parks and recreation - trails and open space, capital projects, and other basic municipal services, without limitation. The Authority is not subject to the Tabor Amendment. See: Marian L. Olson v. City of Golden, et. al., 53 P.3d 747 (Co. App.), certiorari denied.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2016, the emergency reserve of \$1,082,000 was reported as restricted fund balance in the General Fund.

Economic Development Incentive Agreements

The City may enter into economic development incentive agreements up to the State statutory limits without an election. The purposes of the agreements include providing tax rebate incentives to entice new retail business development within the City. The agreements require the City to reimburse certain businesses for 25% to 50% of the sales taxes generated by the businesses. During the year ended December 31, 2016, the City paid \$15,011 under these agreements.

Grant Programs

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2016, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the City.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 10: COMMITMENTS AND CONTINGENCIES (Continued)

Conduit Debt

On August 7, 2015, the City issued a \$1,000,000 Development Revenue Note (Seniors' Resource Center, Inc. Project) Series 2015, to provide financing for facility improvements. The Note matures on August 1, 2030, and is payable solely from revenues of the Seniors' Resource Center, Inc. The City is not obligated in any manner for repayment of the Note. Accordingly, the Note is not reported as a liability in the accompanying financial statements. The outstanding balance of the Note at December 31, 2016, was \$968,118.

Litigation

The City is involved in various threatened and pending litigation. The outcome of this litigation cannot be determined at this time.

NOTE 11: SUBSEQUENT EVENT

On May 2, 2017, the City issued \$30,595,000 Sales and Use Tax Revenue Bonds, Series 2017A. Bond proceeds will be used to finance several capital infrastructure projects. Interest accrues on the bonds at rates ranging from 3% to 5% per annum and will be payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual principal payments will be due on December 1, from 2017 through 2027. The bonds will be repaid using a 0.5% sales and use tax authorized by election in November, 2016, with collections to begin on January 1, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 26,310,500	\$ 26,310,500	\$ 26,328,763	\$ 18,263
Licenses and Permits	1,234,300	1,234,300	1,059,237	(175,063)
Intergovernmental	1,951,500	1,977,430	1,829,402	(148,028)
Charges for Services	1,175,240	1,208,400	1,239,896	31,496
Fines and Forfeitures	685,750	685,750	746,746	60,996
Investment Income	50,000	50,000	51,251	1,251
Miscellaneous	<u>573,000</u>	<u>573,000</u>	<u>473,943</u>	<u>(99,057)</u>
TOTAL REVENUES	<u>31,980,290</u>	<u>32,039,380</u>	<u>31,729,238</u>	<u>(310,142)</u>
EXPENDITURES				
Current				
General Government	8,812,859	9,127,348	8,743,077	384,271
Economic Development	1,760,378	1,760,178	1,512,403	247,775
Community Development	1,149,582	1,233,661	1,154,565	79,096
Police	9,909,251	10,122,745	9,689,966	432,779
Public Works	4,613,713	4,889,312	4,412,544	476,768
Parks and Recreation	4,663,694	4,284,149	3,869,372	414,777
Debt Service				
Principal	35,606	35,606	34,992	614
Interest	<u>44,561</u>	<u>44,561</u>	<u>45,175</u>	<u>(614)</u>
TOTAL EXPENDITURES	<u>30,989,644</u>	<u>31,497,560</u>	<u>29,462,094</u>	<u>2,035,466</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	990,646	541,820	2,267,144	1,725,324
OTHER FINANCING (USES)				
Transfers Out	<u>(2,900,000)</u>	<u>(3,065,785)</u>	<u>(3,065,785)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,909,354)	(2,523,965)	(798,641)	1,725,324
FUND BALANCE, Beginning	<u>8,271,981</u>	<u>8,951,966</u>	<u>8,910,252</u>	<u>(41,714)</u>
FUND BALANCE, Ending	<u>\$ 6,362,627</u>	<u>\$ 6,428,001</u>	<u>\$ 8,111,611</u>	<u>\$ 1,683,610</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

OPEN SPACE FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,050,000	\$ 1,050,000	\$ 1,351,845	\$ 301,845
Charges for Services	-	-	53,038	53,038
Investment Income	8,000	8,000	23,430	15,430
Miscellaneous	-	-	3,000	3,000
	<u>1,058,000</u>	<u>1,058,000</u>	<u>1,431,313</u>	<u>373,313</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Parks and Recreation	1,629,337	1,717,239	874,256	842,983
	<u>1,629,337</u>	<u>1,717,239</u>	<u>874,256</u>	<u>842,983</u>
NET CHANGE IN FUND BALANCE	(571,337)	(659,239)	557,057	1,216,296
FUND BALANCE, Beginning	659,239	1,225,328	1,225,328	-
	<u>659,239</u>	<u>1,225,328</u>	<u>1,225,328</u>	<u>-</u>
FUND BALANCE, Ending	\$ 87,902	\$ 566,089	\$ 1,782,385	\$ 1,216,296
	<u>\$ 87,902</u>	<u>\$ 566,089</u>	<u>\$ 1,782,385</u>	<u>\$ 1,216,296</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2016

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

State statutes require that all funds have legally adopted budgets and appropriations. Total expenditures may not exceed the amount appropriated at the fund level. Budgets are adopted for all funds of the City on a basis consistent with generally accepted accounting principles (GAAP).

The City follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Revisions that alter the total expenditures of any fund must be approved by the City Council.
- All appropriations lapse at year end.

Budgetary information presented in the financial statements for the Wheat Ridge Urban Renewal Authority was approved by the governing board of the Wheat Ridge Urban Renewal Authority.

SUPPLEMENTARY INFORMATION

CITY OF WHEAT RIDGE, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2016

	<u>POLICE INVESTIGATION</u>	<u>MUNICIPAL COURT</u>	<u>CONSERVATION TRUST</u>	<u>RECREATION CENTER OPERATING</u>
ASSETS				
Cash and Investments	\$ 68,969	\$ 97,204	\$ 444,563	\$ 804,822
Accounts Receivable	-	-	-	-
Accrued Interest Receivable	-	-	-	25
TOTAL ASSETS	<u>\$ 68,969</u>	<u>\$ 97,204</u>	<u>\$ 444,563</u>	<u>\$ 804,847</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 7,467	\$ -	\$ 24,260
Accrued Liabilities	-	-	-	35,380
TOTAL LIABILITIES	<u>-</u>	<u>7,467</u>	<u>-</u>	<u>59,640</u>
FUND BALANCES				
Restricted for Open Space and Parks	-	-	444,563	-
Restricted for Police Investigations	68,969	-	-	-
Restricted for Crime Prevention Activities	-	-	-	-
Committed to Municipal Court	-	89,737	-	-
Committed to Recreation Center	-	-	-	745,207
Committed to Public Art	-	-	-	-
Assigned to Equipment Replacement	-	-	-	-
TOTAL FUND BALANCES	<u>68,969</u>	<u>89,737</u>	<u>444,563</u>	<u>745,207</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 68,969</u>	<u>\$ 97,204</u>	<u>\$ 444,563</u>	<u>\$ 804,847</u>

See the accompanying Independent Auditors' Report.

<u>CRIME PREVENTION</u>	<u>PUBLIC ART</u>	<u>EQUIPMENT REPLACEMENT</u>	<u>TOTALS</u>
\$ 453,783	\$ 83,611	\$ 354,586	\$ 2,307,538
23,569	-	773	24,342
<u>634</u>	<u>-</u>	<u>-</u>	<u>659</u>
<u>\$ 477,986</u>	<u>\$ 83,611</u>	<u>\$ 355,359</u>	<u>\$ 2,332,539</u>
\$ 373	\$ -	\$ -	\$ 32,100
<u>7,548</u>	<u>-</u>	<u>-</u>	<u>42,928</u>
<u>7,921</u>	<u>-</u>	<u>-</u>	<u>75,028</u>
-	-	-	444,563
-	-	-	68,969
470,065	-	-	470,065
-	-	-	89,737
-	-	-	745,207
-	83,611	-	83,611
<u>-</u>	<u>-</u>	<u>355,359</u>	<u>355,359</u>
<u>470,065</u>	<u>83,611</u>	<u>355,359</u>	<u>2,257,511</u>
<u>\$ 477,986</u>	<u>\$ 83,611</u>	<u>\$ 355,359</u>	<u>\$ 2,332,539</u>

CITY OF WHEAT RIDGE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2016

	<u>POLICE INVESTIGATION</u>	<u>MUNICIPAL COURT</u>	<u>CONSERVATION TRUST</u>	<u>RECREATION CENTER OPERATING</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	346,839	-
Charges for Services	-	-	-	2,149,550
Fines and Forfeitures	-	22,795	-	-
Investment Income	72	87	545	16,294
TOTAL REVENUES	<u>72</u>	<u>22,882</u>	<u>347,384</u>	<u>2,165,844</u>
EXPENDITURES				
Current				
General Government	-	16,876	-	-
Police	23,945	-	-	-
Parks and Recreation	-	-	354,902	2,298,113
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>23,945</u>	<u>16,876</u>	<u>354,902</u>	<u>2,298,113</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(23,873)</u>	<u>6,006</u>	<u>(7,518)</u>	<u>(132,269)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>(23,873)</u>	<u>6,006</u>	<u>(7,518)</u>	<u>(132,269)</u>
FUND BALANCES, Beginning	<u>92,842</u>	<u>83,731</u>	<u>452,081</u>	<u>877,476</u>
FUND BALANCES, Ending	<u>\$ 68,969</u>	<u>\$ 89,737</u>	<u>\$ 444,563</u>	<u>\$ 745,207</u>

See the accompanying Independent Auditors' Report.

<u>CRIME PREVENTION</u>	<u>PUBLIC ART</u>	<u>EQUIPMENT REPLACEMENT</u>	<u>TOTALS</u>
\$ 437,509	\$ 5,373	\$ -	\$ 442,882
-	-	-	346,839
-	12,344	-	2,161,894
30,542	-	-	53,337
<u>4,882</u>	<u>75</u>	<u>5,566</u>	<u>27,521</u>
<u>472,933</u>	<u>17,792</u>	<u>5,566</u>	<u>3,032,473</u>
-	-	-	16,876
404,619	-	-	428,564
-	-	-	2,653,015
<u>-</u>	<u>-</u>	<u>218,734</u>	<u>218,734</u>
<u>404,619</u>	<u>-</u>	<u>218,734</u>	<u>3,317,189</u>
68,314	17,792	(213,168)	(284,716)
<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
68,314	17,792	(113,168)	(184,716)
<u>401,751</u>	<u>65,819</u>	<u>468,527</u>	<u>2,442,227</u>
<u>\$ 470,065</u>	<u>\$ 83,611</u>	<u>\$ 355,359</u>	<u>\$ 2,257,511</u>

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

POLICE INVESTIGATION FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Positive (Negative)</u>
REVENUES				
Investment Income	\$ 350	\$ 350	\$ 72	\$ (278)
EXPENDITURES				
Current				
Police	<u>25,000</u>	<u>48,536</u>	<u>23,945</u>	<u>24,591</u>
NET CHANGE IN FUND BALANCE	(24,650)	(48,186)	(23,873)	24,313
FUND BALANCE, Beginning	<u>67,866</u>	<u>92,842</u>	<u>92,842</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 43,216</u>	<u>\$ 44,656</u>	<u>\$ 68,969</u>	<u>\$ 24,313</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

MUNICIPAL COURT FUND

Year Ended December 31, 2016

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Positive (Negative)</u>
REVENUES			
Fines and Forfeitures	\$ 27,500	\$ 22,795	\$ (4,705)
Investment Income	550	87	(463)
TOTAL REVENUES	<u>28,050</u>	<u>22,882</u>	<u>(5,168)</u>
EXPENDITURES			
Current			
General Government	<u>29,000</u>	<u>16,876</u>	<u>12,124</u>
NET CHANGE IN FUND BALANCE	(950)	6,006	6,956
FUND BALANCE, Beginning	<u>79,572</u>	<u>83,731</u>	<u>4,159</u>
FUND BALANCE, Ending	<u>\$ 78,622</u>	<u>\$ 89,737</u>	<u>\$ 11,115</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CONSERVATION TRUST FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 346,839	\$ 46,839
Investment Income	<u>500</u>	<u>500</u>	<u>545</u>	<u>45</u>
TOTAL REVENUES	<u>300,500</u>	<u>300,500</u>	<u>347,384</u>	<u>46,884</u>
EXPENDITURES				
Current				
Parks and Recreation	<u>493,150</u>	<u>515,878</u>	<u>354,902</u>	<u>160,976</u>
NET CHANGE IN FUND BALANCE	(192,650)	(215,378)	(7,518)	207,860
FUND BALANCE, Beginning	<u>215,378</u>	<u>452,081</u>	<u>452,081</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 22,728</u>	<u>\$ 236,703</u>	<u>\$ 444,563</u>	<u>\$ 207,860</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
RECREATION CENTER OPERATING FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 2,168,828	\$ 2,168,828	\$ 2,149,550	\$ (19,278)
Investment Income	<u>8,000</u>	<u>8,000</u>	<u>16,294</u>	<u>8,294</u>
TOTAL REVENUES	<u>2,176,828</u>	<u>2,176,828</u>	<u>2,165,844</u>	<u>(10,984)</u>
EXPENDITURES				
Current				
Parks and Recreation	<u>2,382,401</u>	<u>2,382,401</u>	<u>2,298,113</u>	<u>84,288</u>
NET CHANGE IN FUND BALANCE	(205,573)	(205,573)	(132,269)	73,304
FUND BALANCE, Beginning	<u>796,583</u>	<u>877,476</u>	<u>877,476</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 591,010</u>	<u>\$ 671,903</u>	<u>\$ 745,207</u>	<u>\$ 73,304</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CRIME PREVENTION FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Lodgers Taxes	\$ 300,000	\$ 300,000	\$ 437,509	\$ 137,509
Fines and Forfeitures	30,000	30,000	30,542	542
Investment Income	<u>1,000</u>	<u>1,000</u>	<u>4,882</u>	<u>3,882</u>
TOTAL REVENUES	<u>331,000</u>	<u>331,000</u>	<u>472,933</u>	<u>141,933</u>
EXPENDITURES				
Current				
Police	<u>408,016</u>	<u>408,016</u>	<u>404,619</u>	<u>3,397</u>
NET CHANGE IN FUND BALANCE	(77,016)	(77,016)	68,314	145,330
FUND BALANCE, Beginning	<u>285,859</u>	<u>401,751</u>	<u>401,751</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 208,843</u>	<u>\$ 324,735</u>	<u>\$ 470,065</u>	<u>\$ 145,330</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

PUBLIC ART FUND

Year Ended December 31, 2016

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Use Taxes	\$ 4,500	\$ 5,373	\$ 873
Charges for Services	28,000	12,344	(15,656)
Investment Income	100	75	(25)
TOTAL REVENUES	32,600	17,792	(14,808)
FUND BALANCE, Beginning	63,740	65,819	2,079
FUND BALANCE, Ending	\$ 96,340	\$ 83,611	\$ (12,729)

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
EQUIPMENT REPLACEMENT FUND
 Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ 53,000	\$ 53,000	\$ -	\$ (53,000)
Investment Income	<u>3,000</u>	<u>3,000</u>	<u>5,566</u>	<u>2,566</u>
TOTAL REVENUES	<u>56,000</u>	<u>56,000</u>	<u>5,566</u>	<u>(50,434)</u>
EXPENDITURES				
Capital Outlay	<u>369,000</u>	<u>432,509</u>	<u>218,734</u>	<u>213,775</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(313,000)	(376,509)	(213,168)	163,341
OTHER FINANCING SOURCES				
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(213,000)	(276,509)	(113,168)	163,341
FUND BALANCE, Beginning	<u>407,121</u>	<u>468,527</u>	<u>468,527</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 194,121</u>	<u>\$ 192,018</u>	<u>\$ 355,359</u>	<u>\$ 163,341</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CAPITAL PROJECTS FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Lodgers Taxes	\$ 275,000	\$ 275,000	\$ 291,672	\$ 16,672
Intergovernmental	2,179,228	2,179,228	1,771,974	(407,254)
Charges for Services	-	-	5,000	5,000
Investment Income	<u>10,000</u>	<u>10,000</u>	<u>36,177</u>	<u>26,177</u>
 TOTAL REVENUES	 <u>2,464,228</u>	 <u>2,464,228</u>	 <u>2,104,823</u>	 <u>(359,405)</u>
EXPENDITURES				
Capital Outlay	<u>5,879,821</u>	<u>5,510,954</u>	<u>4,704,031</u>	<u>806,923</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (3,415,593)	 (3,046,726)	 (2,599,208)	 447,518
OTHER FINANCING SOURCES				
Transfers In	<u>2,800,000</u>	<u>2,965,785</u>	<u>2,965,785</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 (615,593)	 (80,941)	 366,577	 447,518
FUND BALANCE, Beginning	<u>643,332</u>	<u>781,977</u>	<u>781,977</u>	<u>-</u>
FUND BALANCE, Ending	\$ <u><u>27,739</u></u>	\$ <u><u>701,036</u></u>	\$ <u><u>1,148,554</u></u>	\$ <u><u>447,518</u></u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BALANCE SHEET
COMPONENT UNIT
 December 31, 2016

	<u>URBAN RENEWAL AUTHORITY</u>
ASSETS	
Cash and Investments	\$ 965,647
Property Taxes Receivable	91,009
Due From Primary Government	159,127
Property Held for Resale	<u>330,299</u>
TOTAL ASSETS	\$ <u>1,546,082</u>
LIABILITIES	
Due to Primary Government	\$ <u>20,000</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>91,009</u>
FUND BALANCE	
Nonspendable Property Held for Resale	330,299
Unrestricted, Unassigned	<u>1,104,774</u>
TOTAL FUND BALANCE	<u>1,435,073</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ <u>1,546,082</u>

Amounts Reported for the Component Unit in the Statement of Net Position are Different Because:

Total Fund Balance of Component Unit	\$ 1,435,073
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in governmental funds.	<u>(2,080,000)</u>
Total Net Position of Component Unit	\$ <u>(644,927)</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
COMPONENT UNIT

Year Ended December 31, 2016

	<u>URBAN RENEWAL AUTHORITY</u>
REVENUES	
Property Tax Increment	\$ 89,645
Sales Tax Increment	555,853
Intergovernmental	300,000
Investment Income	<u>635</u>
TOTAL REVENUES	<u>946,133</u>
EXPENDITURES	
Current	
Community Development	36,451
Capital Outlay	44,164
Debt Service	
Principal	265,000
Interest	<u>74,102</u>
TOTAL EXPENDITURES	<u>419,717</u>
NET CHANGE IN FUND BALANCE	526,416
FUND BALANCE, Beginning	<u>908,657</u>
FUND BALANCE, Ending	<u>\$ 1,435,073</u>
Amounts Reported for the Component Unit in the Statement of Activities are Different Because:	
Net Change in Fund Balance of Component Unit	\$ 526,416
Repayments of long-term debt are expenditures in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. This amount represents loan payments in the current year.	<u>265,000</u>
Change in Net Position of Component Unit	<u>\$ 791,416</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
WHEAT RIDGE URBAN RENEWAL AUTHORITY
 Year Ended December 31, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Property Tax Increment	\$ 159,500	\$ 159,500	\$ 89,645	\$ (69,855)
Sales Tax Increment	560,000	560,000	555,853	(4,147)
Intergovernmental	300,000	300,000	300,000	-
Investment Income	20,250	20,250	635	(19,615)
TOTAL REVENUES	1,039,750	1,039,750	946,133	(93,617)
EXPENDITURES				
Current				
Community Development	111,200	151,200	36,451	114,749
Capital Outlay	70,000	530,500	44,164	486,336
Debt Service				
Principal	265,000	265,000	265,000	-
Interest	74,102	74,102	74,102	-
TOTAL EXPENDITURES	520,302	1,020,802	419,717	601,085
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	519,448	18,948	526,416	507,468
OTHER FINANCING SOURCES				
Proceeds from Sale of Property	400,000	400,000	-	(400,000)
TOTAL OTHER FINANCING SOURCES	400,000	400,000	-	(400,000)
NET CHANGE IN FUND BALANCE	919,448	418,948	526,416	107,468
FUND BALANCE, Beginning	983,476	983,476	908,657	(74,819)
FUND BALANCE, Ending	\$ 1,902,924	\$ 1,402,424	\$ 1,435,073	\$ 32,649

See the accompanying Independent Auditors' Report.

COMPLIANCE SECTION



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

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

We have audited, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge, and have issued our report thereon dated July 14, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Wheat Ridge's internal control over financial reporting 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 of Wheat Ridge's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Wheat Ridge's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City of Wheat Ridge's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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 the City of Wheat Ridge's internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wheat Ridge's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 of Wheat Ridge'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 of Wheat Ridge's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



July 14, 2017



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE,
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Report on Compliance for Each Major Federal Program

We have audited the City of Wheat Ridge's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Wheat Ridge's major federal programs for the year ended December 31, 2016. The City of Wheat Ridge's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wheat Ridge's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of OMB's *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 of Wheat Ridge's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the City of Wheat Ridge 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 of Wheat Ridge's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 of Wheat Ridge'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 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 the City of Wheat Ridge's internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge. We issued our report thereon dated July 14, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wheat Ridge's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



July 14, 2017

CITY OF WHEAT RIDGE, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2016

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

• Material weaknesses identified? _____ yes no

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

Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major federal programs:

• Material weaknesses identified? _____ yes no

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

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

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of OMB's Uniform Guidance? _____ yes no

Identification of major federal program:

20.507 Federal Transit

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

Auditee qualified as low-risk auditee? yes _____ no

Financial Statement Findings

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, noncompliance, or abuse that were material to those financial statements.

Federal Awards Findings and Questioned Costs

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

CITY OF WHEAT RIDGE, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Disbursements
U.S. Environmental Protection Agency		
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	\$ <u>37,511</u>
Executive Office of the President		
Passed through City of Lakewood		
High Intensity Drug Trafficking Areas Program	95.001	<u>22,033</u>
U.S. Department of Justice		
Edward Byrne Memorial Justice Assistance Grant	16.738	11,454
Bulletproof Vest Partnership Program	16.607	<u>3,837</u>
TOTAL U.S. DEPARTMENT OF JUSTICE		<u>15,291</u>
U.S. Department of Transportation		
Passed through Colorado Department of Transportation		
Federal Transit Cluster		
Federal Transit	20.507	499,660
Highway Planning and Construction Cluster		
Highway Planning and Construction	20.205	572,537
Highway Safety Cluster		
National Priority Safety Programs	20.616	<u>1,500</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>1,073,697</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$ <u>1,148,532</u></u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2016

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements. The City does not charge a de minimus indirect cost rate.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: WHEAT RIDGE
		YEAR ENDING : December 2016
This Information From The Records Of The City of Wheat Ridge	Prepared By: Phone:	Tim Dronkers, Accounting Manager 303-235-2817

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,386,934
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,984,606
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	41,812
2. General fund appropriations		b. Snow and ice removal	83,944
3. Other local imposts (from page 2)	5,275,574	c. Other	
4. Miscellaneous local receipts (from page 2)	786,514	d. Total (a. through c.)	125,756
5. Transfers from toll facilities		4. General administration & miscellaneous	918,994
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,323,571
a. Bonds - Original Issues		6. Total (1 through 5)	8,739,861
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	6,062,088	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,470,540	2. Notes:	
D. Receipts from Federal Government (from page 2)	1,207,233	a. Interest	
E. Total receipts (A.7 + B + C + D)	8,739,861	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	8,739,861

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		8,739,861	8,739,861		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
WHEAT RIDGE

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	840,417	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	533,928
1. Sales Taxes	4,435,157	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	252,586
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	4,435,157	h. Other	
c. Total (a. + b.)	5,275,574	i. Total (a. through h.)	786,514
	(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	970,880	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	
c. Motor Vehicle Registrations		d. Federal Transit Admin	1,207,233
d. Other (Specify) - RTD GRANT	499,660	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	499,660	g. Total (a. through f.)	1,207,233
4. Total (1. + 2. + 3.f)	1,470,540	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			0
b. Engineering Costs	1,937,563		1,937,563
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation	449,371		449,371
(5). Total Construction (1) + (2) + (3) + (4)	449,371	0	449,371
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	2,386,934	0	2,386,934
			(Carry forward to page 1)

Notes and Comments: