

City of Westminster COLORADO



Comprehensive Annual Financial Report
For the Year Ended December 31, 2019



WESTMINSTER

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended December 31, 2019

Prepared by:

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

www.cityofwestminster.us

On the cover:

A two-square-mile community in the southern part of the city, Historic Westminster is a vibrant place with history and character that has matured over 130 years. Houses dating back to the early 20th century still stand and some serve as homes for generations of community members, including the Bowles House on the back cover. This home boasts a thriving yellow Hawthorne rose that is over a century old and is now a historical museum. The neighborhood is known for its hometown feel and thriving arts district, represented by many local artists. Pictured on the cover is the Aar River Gallery, a family-owned gallery, featuring fine art, photography, reproductions, and gifts, as well as classes and gallery events.

Also pictured is the Westminster Grange, one of the oldest grange halls in Colorado. It was constructed in 1910 and is the center for one of the longest functioning community groups in Westminster. Also depicted is the Harris Park neighborhood, which forms the very origin of the City of Westminster. Following the construction of the railway in 1881, the Harris Park area soon became covered by apple and cherry orchards, creating a green oasis on the dry plains. New town homes were recently erected in the heart of this area.

Historic Westminster is home to thriving businesses and residents of all ages and ethnic backgrounds. It's here that you'll find authentic cuisine restaurants, specialty grocers and family run businesses that have been around for decades – such as MiVida Strings -- a family-owned and operated shop that sells, rents and repairs string instruments, and offers private instrumental lessons.

Historic Westminster is where you'll find a rebirth leading to a new generation of progress, while preserving the aspects that make it so special.

CITY OF WESTMINSTER, COLORADO

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Introductory Section



May 21, 2020

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

We are pleased to present to you the 2019 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's operations and financial position.

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

The Past Year

The City of Westminster delivers exceptional value and quality of life through SPIRIT. SPIRIT – Service, Pride, Integrity, Responsibility, Innovation and Teamwork. We would like to highlight two significant items that occurred in 2019.

First, under the leadership and direction of the City Manager, the City did an organizational redesign in order to focus on long term sustainability. What was the organizational re-design initiative? Working to position this organization to be as nimble as possible; to maintain and build upon the cultural values of SPIRIT; and to be best positioned to take advantage of opportunities and tackle challenges as they present themselves. The City added horsepower in Financial Strategy, Capital Planning, Communications, and Innovation while improving many of the internal business practices and reducing unnecessary organizational bureaucracy. These concepts were informed and reinforced through a very thorough review of in-house and outside survey data, individual interviews and focus groups with employees, and research on best practices in both government and business. Further, the world around us is changing very rapidly as critical policy decisions are made, which will impact long term sustainability as a high quality of life city. Focusing on the WHY, the City is working to address the following:

- Improving financial sustainability, through revenue diversification, streamlined operations, and better capital planning of all assets
- Infusing the organization with a culture of longer term planning through innovation
- Enhancing both internal and external communication to be more strategic, educational, and tell Westminster's story
- Elevating workforce development and prepare future leadership
- Strengthening business practices and reduce bureaucracy

Specific actions that were taken include:

- A third Deputy City Manager/Chief Financial Officer was added.
- Policy and Budget which had been a Division in the City Manager's Office was transitioned into a Department
- Communication and Outreach Division became the Innovation and Communication Division.

Second, Economic Development, Community Development, and Parks, Recreation and Libraries received national recognition for the Westminster Station Park project during the 2019 American Council of Engineering Companies (ACEC) Engineering Excellence Awards ceremony held in Washington DC in May 2019. The project team won the Honor Award for the innovative design and intergovernmental collaboration for the floodplain and park project at Westminster Station.

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

In August of 2019, the Municipal Court launched Westminster Wellness Court with the objective to increase public safety and reduce recidivism by addressing the underlying issues that drive criminogenic behavior of high risk/high needs individuals. Those underlying issues often are in the area of substance use disorders and/or mental illnesses to a degree that regular probation has been proven insufficient.

Cross-departmental staff coordinated on City-wide plan updates, including the Comprehensive Plan, Unified Development Code (including Design Standards and Sign Code), Harris Park Community Vision Plan, Sustainability Plan, Transportation and Mobility Plan, Comprehensive Water Supply Plan, Water 2025, Parks and Recreation Master Plan, and the Arts and Culture Master Plan.

The Finance Department led the effort to set the strategic plan for issuing \$102 million in debt in order to fund Water and Wastewater infrastructure projects. The debt will be issued in smaller par amounts in order to take advantage of the state revolving loan fund and manage cash flow. The first issue of \$38 million in par, generated roughly \$44 million in proceeds and was issued in December.

The Fire Department converted all Fire Department cellular service to FirstNet. The FirstNet system is a federally supported emergency communication network, managed through AT&T, that provides cellular and data transmission via a dedicated internet band for all public safety responders. The FirstNet system enables public safety officials to communicate during disasters resulting in the interruption of other cellular services.

At the National Emergency Number Association / Association of Public Safety Communications Officials annual conference, City staff was awarded the Radio Frequency Technologist of the Year award. During the same conference, dispatchers were awarded the “gold” for Team of the Year for their work on the Children’s Dentistry Shooting.

The Victim Services Unit received the Adams County District Attorney’s Office Ray MacKinnon Award for outstanding volunteer victim advocates for their response to the Children’s Dentistry Shooting.

The Center for Digital Government evaluated the City of Westminster and other participating cities from across the nation in the areas of Information Technology strategic planning, hardware and software technologies, citizen engagement, green initiatives, city services offered through web sites, use of mobile technology and policies, technology use in public safety, geographic information system capabilities, voice and data networks and more. Westminster was awarded a 2nd place ranking in the population category of 75,000 – 125,000.

According to the Office of Legislative Legal Services, 598 bills were introduced during the 2019 Colorado State Legislative Session. Along with staff, the City’s contract state lobbyists worked on behalf of the City to actively monitor 122 bills. The City took an official position on 14 pieces of legislation.

Partnership for Safe Water Treatment: The City’s Semper Water Treatment Facility (WTF) recently received The Directors Award of Recognition from the Partnership for Clean Water, a program developed by AWWA, EPA, and associated partner organizations. The Semper WTF was presented this prestigious industry award for successfully completing the Self-Assessment and Peer Review Phase III of the Partnership program. This included a comprehensive evaluation of treatment plant operations and performance by utility peers based on an established Partnership protocol.

Drought can impact an entire community in a variety of ways; thus, it was important to ensure that the updated Drought Management Plan included input from a wide range of departments and the community. In addition to a community survey, Public Works and Utilities staff worked interdepartmentally to publish the first-ever City Council-adopted Drought Management Plan.

The City of Westminster was named Large City of the Year in Economic Development by the Economic Development Council of Colorado for work in business development, redevelopment and affordable housing.

The City has four community gardens providing services to a wide range of people with varying abilities. All Westminster community gardens are designed to be affordable, convenient, and safe for all gardeners. Open communication between City staff and gardeners has ensured a receptive and responsive environment.

- Twelve raised plots have recently been added to Allison Garden at Semper Farm to accommodate varying abilities.
- Westminster Garden, which is popular with the city’s Hmong community, has provided an opportunity for open communication and community meetings, helping to develop a more welcoming city to these residents.

Focusing on diversity and inclusivity, the Human Resources Department’s activities included the following:

- Westminster staff helped develop the Jefferson County Diversity and Inclusivity Conference which was held in October 2019.
- Employee Development and Training staff offered trainings with supervisors on recruiting and the effects of unconscious bias. Additionally, in order to receive broad perspectives on candidates during hiring, interview panels were made up of employees from different departments.
- Initial screening of applications for regular benefited positions is done anonymously.
- The City advertises job postings on numerous multilingual sites and in the local Spanish language newspaper. Human Resources also does outreach to diverse populations with employer marketing, social media, job fairs and schools.
- Human Resources is invested heavily in the efforts to lead diversity and inclusion practices across the organization. Among these efforts, staff attended the three day Diversity and Inclusion Conference by the Society of Human Resource Management in October of 2019.
- Offered internships, apprenticeships and trainee programs to encourage diversity and pipeline new talent into the organization.
- Supported supervisors in selecting talent for values and potential in addition to technical skills.
- Coached supervisors to support diverse thinking and innovation.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2020.

The City started off the year on a very strong note with six different Innovation Teams (I Teams) working towards long term sustainable initiatives. The I Teams are as follows:

Business Partnerships
Data Management & Analytics
Citywide Communication
Internal Culture and Education
Continuous Improvement
Smart Cities

However, as of March 12, 2020 the City declared a state of emergency as a result of the COVID 19 crisis. Resources have been redeployed to serve the community in different ways while attempting to control the spread of the virus. The City has been resilient in meeting these challenges and continues to be innovative and dynamic in response to the crisis.

Independent Audit

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

Government Structure and Types of Services

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

With a population of approximately 117,832, the City is approximately 95% built out, with just over 5% of its remaining area to be developed. The City is a full service city, providing police, fire and emergency medical service, municipal court, parks, recreation facilities and programs, libraries, planning and development, economic development and redevelopment, water and wastewater treatment, street construction and maintenance and a variety of related services such as human resources, finance, policy and budget, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA), which is utilized in housing initiatives;
- 401(a) Defined Contribution Retirement plan for General Employees
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, which enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections; and

- Nine General Improvement Districts that were created for infrastructure improvements and maintenance, and are listed below:
 - Amherst General Improvement District
 - Sheridan Crossing General Improvement District
 - 136th Avenue General Improvement District
 - Mandalay Town Center General Improvement District
 - 144th Avenue General Improvement District
 - Orchard Park Place North General Improvement District
 - Park 1200 General Improvement District
 - Westminster Station General Improvement District
 - Downtown General Improvement District ⁽¹⁾

⁽¹⁾ Approved by the voters in the November 2015 elections – no financial activity as of December 31, 2019.

The governing board is the same as the governing body of the City in all cases and the City has the ability to modify or approve the budgets of these entities.

Internal Controls and Limitations

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

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

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

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster, Colorado, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the content of which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

In particular, our sincere appreciation is extended to Cherie Sanchez, Accounting Manager; Vicki Adams, ERP Business Analyst; Karen Creager, Finance Administrator; Accountants Chris Martin, Gary Newcomb, Lore Nusser, Dawn Cartier, and Loni Williams; Kim McDaniel, Retirement Administrator; Financial Analysts Chad Smith and Sherri Young; James MacDonald, Sales Tax Manager; Bob Byerhof, Treasury Manager; and Maggie Hunter, Executive Assistant. Thank you for your dedication, hard work, and another excellent annual report.

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

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

Respectfully submitted,

Donald M. Tripp
City Manager

Tammy Hitchens
Director of Finance

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WESTMINSTER
COLORADO

ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Westminster
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO



Financial Section

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 3W to the financial statements, in 2019, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities* and Governmental Accounting Standards Board Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

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

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

The combining and individual fund financial statements and schedule and other supplementary information, including the local highway finance report information and the schedule of expenditures of federal awards (supplementary information) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated May 21, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
May 21, 2020

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Management's Discussion And Analysis



City of Westminster, Colorado

Management's Discussion and Analysis (Unaudited)

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2019 provides a narrative overview of the City's financial activities. Please consider the information here in conjunction with the transmittal letter at the beginning of this Comprehensive Annual Financial Report and the financial statements and notes to the financial statements, which begin on page 19.

THE CITY

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

Centrally located between Denver and Boulder, Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative and progressive local government services. With a population of approximately 117,832, the City is 95% built out, with just 5% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 64 developed parks and 4 undeveloped parks, over 3,100 acres of natural open space, two libraries, two golf courses, several recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 55.4% of the City's governmental activities revenues. Property taxes comprise approximately 3.0% of the City's governmental activities revenues. Property and sales tax increments contribute an additional 7.0%. The primary sources of revenues for the City's enterprise funds including the Utility Enterprise and Golf Course Enterprise are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was up \$4.8 million, or 4.5% compared to 2018. The increase is attributed to consumer confidence in the economy and historically low unemployment numbers. Westminster also experienced strong investment in housing and commercial development. The City received \$1.7 million in federal award reimbursements from various agencies for housing and urban development, public health and human services and resources, public safety efforts, and emergency and disaster management. \$0.2 million in grant reimbursements was received from State of Colorado agencies for public safety activities and library programming resources. \$2.1 million in reimbursements was received from Adams and Jefferson Counties for open space improvements as well as public health programs. Other grant reimbursements were received for public recreation, libraries, as well as health and safety initiatives and resources.

The City's Utility Enterprise issued \$38.0 million in revenue bonds to fund several large scale repair and replacement capital improvement projects for its \$4.0 billion water and wastewater utility system. Additionally, the City issued a \$1.0 million direct placement loan to finance the purchase of a Pierce Ladder Fire Truck. Over \$2.2 million in debt financing was paid off including Parks and Golf equipment loans, Storm Drainage bonds and the early retirement of the 2012 Section 108 HUD loan.

Capital contributions totaling \$17.0 million primarily from fees for tapping into the water and wastewater utility system and developer lines were received. This is a \$2.5 million, or 17.2% increase in developer contributions compared to 2018.

A total of \$77.8 million was expended in relation to the City's Capital Improvement Program (CIP) in 2019. Governmental activities CIP spending totaled \$31.2 million, down \$1.2 million or 3.7% from the prior year. Business-type activities CIP spending totaled \$46.6 million, down \$4.1 million or 8.1% from 2018.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2019 by \$1,093.7 million (\$521.8 million in governmental activities and \$571.9 million in business-type activities). Of the governmental activities net position total, \$163.5 million, or 31.3%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$113.2 million, or 19.8%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$64.3, or 6.2%, compared to 2018. The net position of the City's governmental activities increased \$32.0 million, which represents an increase of 6.5% compared to 2018. The net position of the City's business-type activities increased \$32.3 million, an increase of 6.0% over 2018.

The total expenses of all the City's programs increased \$18.6 million, or 8.7%, compared to 2018. The cost of governmental activities program expenses increased \$17.5 million, or 11.5%, to \$169.7 million, while business-type activities expenses increased \$1.1 million, or 1.8%, to \$61.0 million from 2018.

Total revenues, excluding transfers, increased \$24.9 million, or 9.2%, compared to 2018. Governmental activities revenues increased \$16.2 million, or 8.7%, to \$201.4 million, while revenues of business-type activities increased \$8.7 million, or 10.2%, to \$93.6 million compared to 2018.

As of December 31, 2019, the City's governmental funds reported a combined ending fund balance of \$175.4 million. Approximately 72.1%, or \$126.4 million, is committed, assigned or unassigned fund balance and, therefore, available for spending at the City's discretion within the purposes specified for the City's funds.

The General Fund reported a fund balance of \$48.3 million as of December 31, 2019, of which \$40.4 million was assigned or unassigned.

The City adopted three Governmental Accounting Standards in 2019:

Governmental Accounting Standards Board Statement No. 83, Certain Asset Retirement Obligations (GASB 83)

GASB 83 requires financial statement reporting of legally enforceable liabilities associated with the retirement of tangible capital assets permanently removed from service. A survey of City management confirmed the absence of any qualifying events or circumstances.

Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities (GASB 84)

GASB 84 changed the definition, criteria and reporting of fiduciary activities as well as redefined various fiduciary fund types and changed fund type terminology. Adoption of GASB 84 required the inclusion of financial statements for the General Employee 401a Defined Contribution Pension Plan as a fiduciary component unit of the City.

Governmental Accounting Standards Board Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements (GASB 88)

GASB 88 clarifies the definition of debt and updates requirements for related notes to the financial statements. The implementation required amendments to the long-term liabilities disclosure including the reclassification of finance purchase agreements of capital equipment from capital leases to notes and loans and the disaggregation of Certificates of Participation as a distinct disclosure category; differentiation of direct borrowings and placements from other debt; and description of debt terms related to significant events of default with finance related consequences.

More information about these accounting standards and their impact to the financial statements can be found on page 82 of the Notes to the Financial Statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

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

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

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

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

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

FUND FINANCIAL STATEMENTS

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

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

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

The City maintains 17 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are reported as major funds for the City. Financial information for the other 14 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements in the supplementary information of this report.

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

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

Fiduciary funds are generally used to account for assets that are being held for the benefit of a third party and cannot be used to address activities or obligations of the government. As such, the financial statements of a fiduciary fund are not incorporated in the government-wide statements, but are included in the basic financial statements. The City maintains the following fiduciary fund type:

- **Pension trust funds** are used to accumulate employer and employee contributions for pension benefits. A trustee administers the funds and distributes the benefits. The City uses a pension trust fund to account for its General Employee Pension Plan (401a plan). The General Employee Pension Plan is presented in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,093.7 million at December 31, 2019. Governmental activities make up \$521.8 million (47.7%) of the net position, with business-type activities making up the remaining \$571.9 million (52.3%). Total net position increased by \$64.3 million (6.2%) in 2019. The increase is comprised of the following:

Total assets increased \$79.6 million, or 6.0%, to \$1,411.6 million. This included an increase in current and other assets of \$50.1 million and an increase in capital assets of \$29.5 million.

The increase in current and other assets is primarily due to increases in cash and investments of \$50.8 million and receivables of \$9.2 million offset by a decrease in net pension assets of \$7.2 million. The increase in cash and investments is due mostly to \$38.0 million in Water and Wastewater Utility Enterprise revenue bonds that were issued in December. The increase in receivables is primarily due to Westminster Economic Development Authority notes receivable related to development agreements and urban renewal area assessed valuations for property tax increment that will be collected in 2020.

The decrease in net pension assets reflects the City's participation in Fire and Police Pension Association of Colorado (FPPA) pension plans. Information about the FPPA retirement plans can be found in the Notes to the Financial Statements beginning on page 67.

\$34.9 million of depreciation expense was recognized, while \$64.7 million in capital assets were added. \$45.5 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes, and \$0.4 million in capital assets net of depreciation was disposed of.

Total liabilities increased \$24.5 million, or 8.5%, to \$314.1 million. This is primarily due to the increase in long term debt by business-type activities totaling \$36.3 million primarily as a result of revenue bonds issued by the Utility Enterprise in 2019. The change in long term debt included ongoing debt service payments on outstanding bonds, certificates of participation, loans, and notes as well as amortization of discounts and premiums. Other long term liabilities included obligations relating to compensated absences, post-employment benefits for the City's retiree health care program and pollution remediation. Decreases in current liabilities totaling \$1.0 million relate primarily to accounts payable for business-type activities.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 256.6	\$ 240.4	\$ 168.4	\$ 134.5	\$ 425.0	\$ 374.9
Capital assets	454.0	455.7	532.6	501.4	986.6	957.1
Total assets	710.6	696.1	701.0	635.9	1,411.6	1,332.0
Deferred outflow of resources	24.9	13.5	0.1	0.1	25.0	13.6
Current and other liabilities	24.0	21.4	6.7	10.3	30.7	31.7
Long-term liabilities	161.0	171.8	122.4	86.1	283.4	257.9
Total liabilities	185.0	193.2	129.1	96.4	314.1	289.6
Deferred inflow of resources	28.7	26.6	0.1	—	28.8	26.6
Net Position:						
Net investment in capital assets	310.8	298.6	455.2	422.8	766.0	721.4
Restricted	47.5	50.1	3.5	3.5	51.0	53.6
Unrestricted	163.5	141.1	113.2	113.3	276.7	254.4
Total net position	\$ 521.8	\$ 489.8	\$ 571.9	\$ 539.6	\$ 1,093.7	\$ 1,029.4

By far the largest portion of the City's net position reflects its investment of \$986.6 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$766.0 million as of December 31, 2019, or 70.0% of total net position.

An additional portion of the City's net position, \$51.0 million, or 4.7% represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$276.7 million, or 25.3% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$113.2 million in unrestricted net position of the City's business-type activities may not be used to fund governmental activities.

Analysis of Changes in Net Position

As can be seen from Table 2, the City's net position increased \$64.3 million during 2019. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$32.0 million during 2019. This was \$1.1 million less than the increase of \$33.1 million in 2018.

Governmental activities revenues increased \$16.2 million from 2018. The change is attributed to increases in revenues from Capital Grants and Contributions (\$0.6 million), Property Taxes (\$0.1 million), Sales Taxes (\$2.1 million), Use Taxes (\$2.7 million), Property tax increment (\$1.8 million), Business fees and other taxes (\$0.1 million), Interest (\$2.8 million) and Other revenue (\$6.4 million). These increases were offset by decreases in Charges for Services (\$0.4 million) and Gain on Sale of Assets (\$0.1 million).

Increases in Sales and Use taxes resulted from a growing economy, low unemployment and consumer confidence. Property Tax Increment increased due to an increase in urban renewal area assessed valuations. The increase in Other revenue was due to the one time sale of property in 2019 that had been previously held for resale in WEDA and developer agreements related to Downtown Westminster.

Governmental expenses increased \$17.5 million (11.5%) from 2018. The change is attributable to increased expenses in General Government (\$9.3 million), Public Safety (\$2.2 million), Public Works (\$1.9 million), Community Development (\$0.6 million), Economic Development (\$2.0 million) and Culture and Recreation (\$1.9 million) offset by a decrease in interest and fiscal charges (\$0.4 million).

The increase in General Government was due primarily to personnel services including salaries, employer paid retirement contributions and medical insurance premiums, and a general leave buy-back program that enabled qualifying employees to receive pay for their excess accrued leave hours. In 2019, an organizational redesign added a new Policy and Budget Department, increased capacity of the executive leadership team with the addition of a third Deputy City Manager/Chief Financial Officer, and expanded the role of the communications and outreach team to include an innovation component. This expanded bandwidth is designed to provide greater capacity for strategic planning, innovation, and communications throughout the organization.

Public Safety increased due to personnel services, primarily salaries, contract services, commodities and capital outlay. Public Works and Utilities increased due to maintenance and repair of infrastructure, procurement of snow removal materials and capital project expense. Community Development increased in personnel and contractual services and Economic Development increased because of the sale of certain land held for resale. Culture and Recreation increased primarily due to capital project expense.

As can be seen in Table 2, General Government, which includes all benefits, insurances and lease payments as well as the City Council and six departments (City Manager's Office, City Attorney's Office, General Services, Human Resources, Policy & Budget and Finance) accounted for 35.7% of governmental expenses, Public Safety accounted for 25.3%, Public Works accounted for 10.2%, Community Development accounted for 8.4%, Economic Development accounted for 2.2%, Culture and Recreation accounted for 16.2%, Interest and Fiscal Charges accounted for 1.9% and unallocated depreciation accounted for 0.1%.

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$ 20.0	\$ 20.4	\$ 71.8	\$ 67.4	\$ 91.8	\$ 87.8
Operating grants and contributions	10.9	10.9	—	—	10.9	10.9
Capital grants and contributions	14.6	14.0	17.0	14.5	31.6	28.5
General revenues						
Property taxes	6.0	5.9	—	—	6.0	5.9
Sales taxes	90.3	88.2	—	—	90.3	88.2
Use taxes	21.3	18.6	—	—	21.3	18.6
Property tax increment	13.6	11.8	—	—	13.6	11.8
Sales tax increment	0.5	0.5	—	—	0.5	0.5
Business fees and other taxes	5.6	5.5	—	—	5.6	5.5
Accommodations tax	4.8	4.8	—	—	4.8	4.8
Intergovernmental	0.3	0.3	—	—	0.3	0.3
Interest	5.2	2.4	3.7	2.1	8.9	4.5
Rentals	0.4	0.3	—	—	0.4	0.3
Other	7.9	1.5	1.0	0.9	8.9	2.4
Gain on sale of assets	—	0.1	0.1	—	0.1	0.1
Total revenues	201.4	185.2	93.6	84.9	295.0	270.1
Program expenses						
General government	60.5	51.2	—	—	60.5	51.2
Public safety	42.9	40.7	—	—	42.9	40.7
Public works	17.3	15.4	—	—	17.3	15.4
Community development	14.3	13.7	—	—	14.3	13.7
Economic development	3.8	1.8	—	—	3.8	1.8
Culture and recreation	27.5	25.6	—	—	27.5	25.6
Utility	—	—	56.8	55.5	56.8	55.5
Golf	—	—	4.2	4.4	4.2	4.4
Interest and fiscal charges	3.2	3.6	—	—	3.2	3.6
Unallocated depreciation	0.2	0.2	—	—	0.2	0.2
Total expenses	169.7	152.2	61.0	59.9	230.7	212.1
Excess before transfers	31.7	33.0	32.6	25.0	64.3	58.0
Transfers	0.3	0.1	(0.3)	(0.1)	—	—
Change in net position	32.0	33.1	32.3	24.9	64.3	58.0
Net position - beginning	489.8	456.7	539.6	514.7	1,029.4	971.4
Net position - ending	\$ 521.8	\$ 489.8	\$ 571.9	\$ 539.6	\$ 1,093.7	\$ 1,029.4

Charts 1 and 2 illustrate the City's governmental expenses and revenues by function and its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, Sales and Use Taxes are the largest single source (55.4%), followed by Charges for Services (9.9%), Capital Grants and Contributions (7.3%), Property Tax Increment (6.8%) and Operating Grants and Contributions (5.4%).

CHART 1: EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES

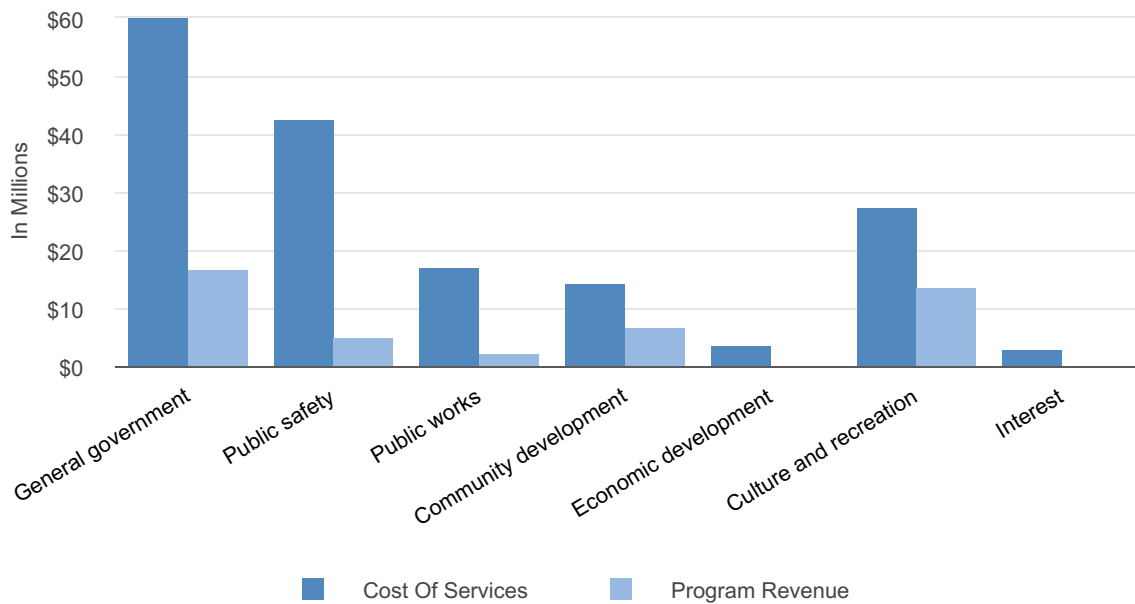
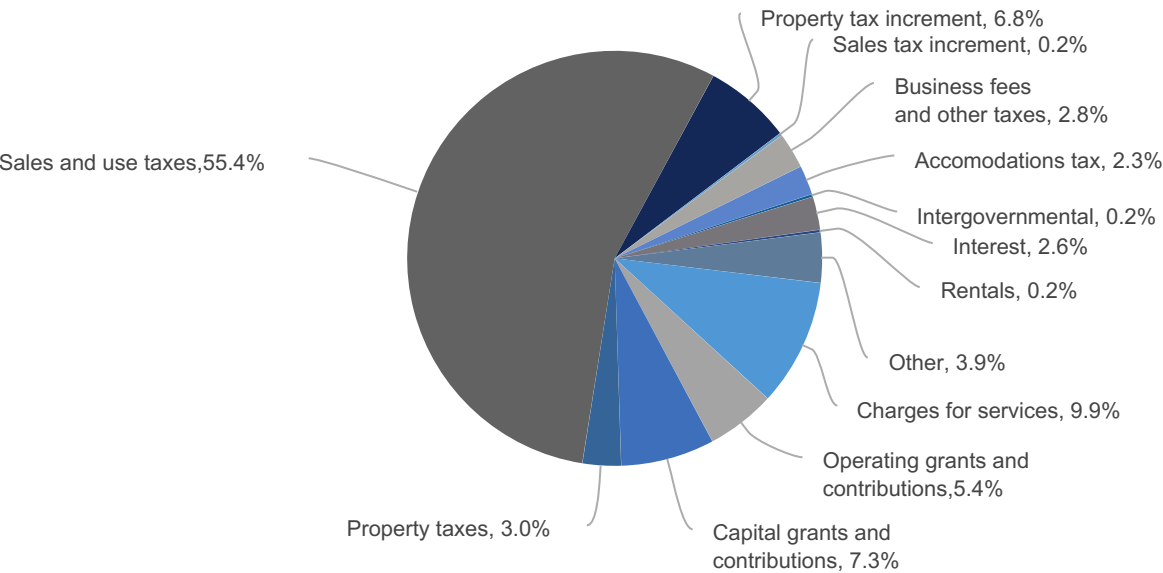


CHART 2: REVENUES BY SOURCE
GOVERNMENTAL ACTIVITIES



Business-type Activities

Net position in business-type activities increased \$32.3 million in 2019. This is \$7.4 million, or 29.7%, more than the \$24.9 million increase in 2018.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 93.1% of total business-type expenses. Charges for Services provides the largest share of revenues (76.7%), followed by Capital Grants and Contributions (18.2%).

Total business-type revenues increased \$8.7 million, or 10.2%, compared to 2018. This increase was due primarily to increases of \$4.4 million, or 6.5% in Charges for Services and \$2.5 million, or 17.2% in Capital Grants and Contributions.

The increase in Charges for Services revenue is attributable to the effect of climatic variations on water consumption and increased billing rates in the Utility Fund. Increases in Capital Grants and Contributions is due to increases in developer tap fees and water lines for connecting to the utility system.

Expenses of business-type activities increased \$1.1 million, or 1.8%, compared to 2018. The increase was due primarily to an increase in costs associated with providing utility services.

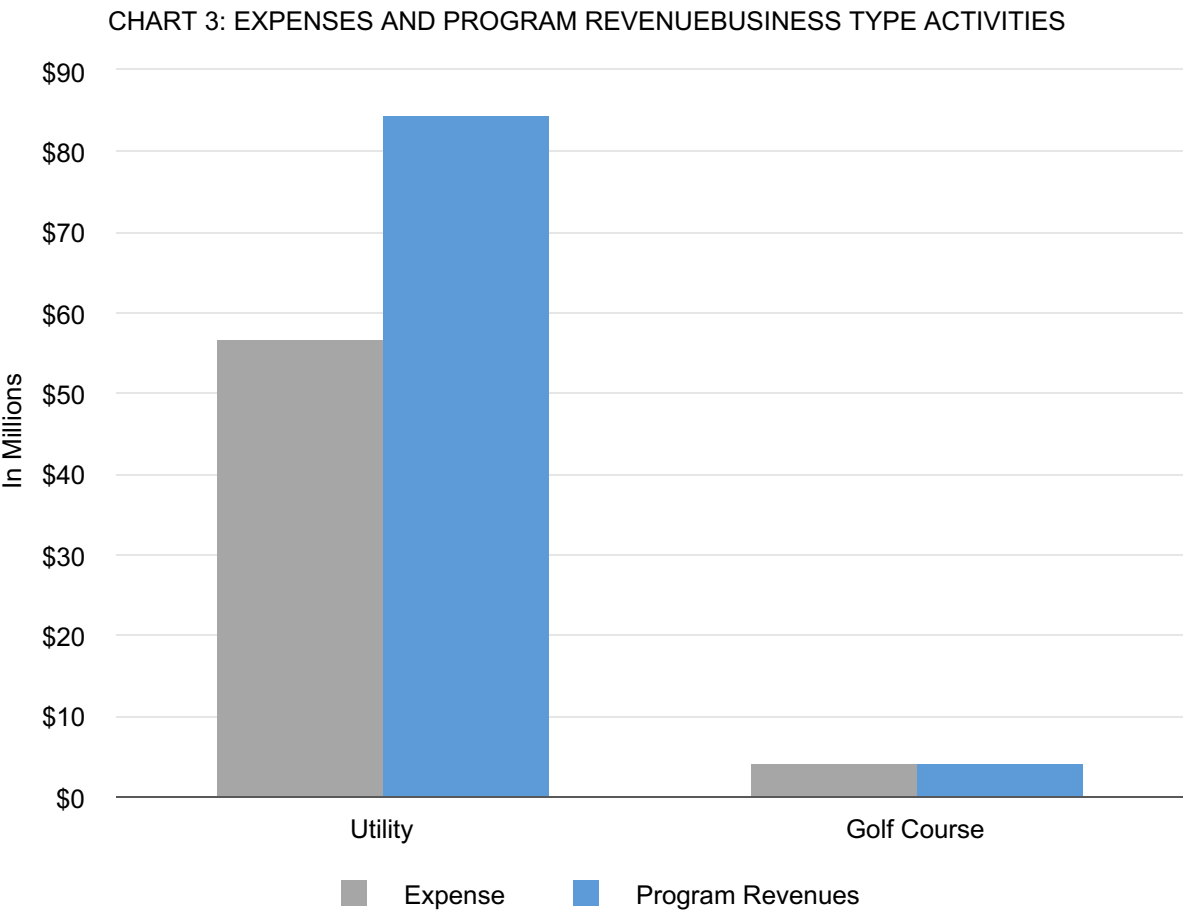
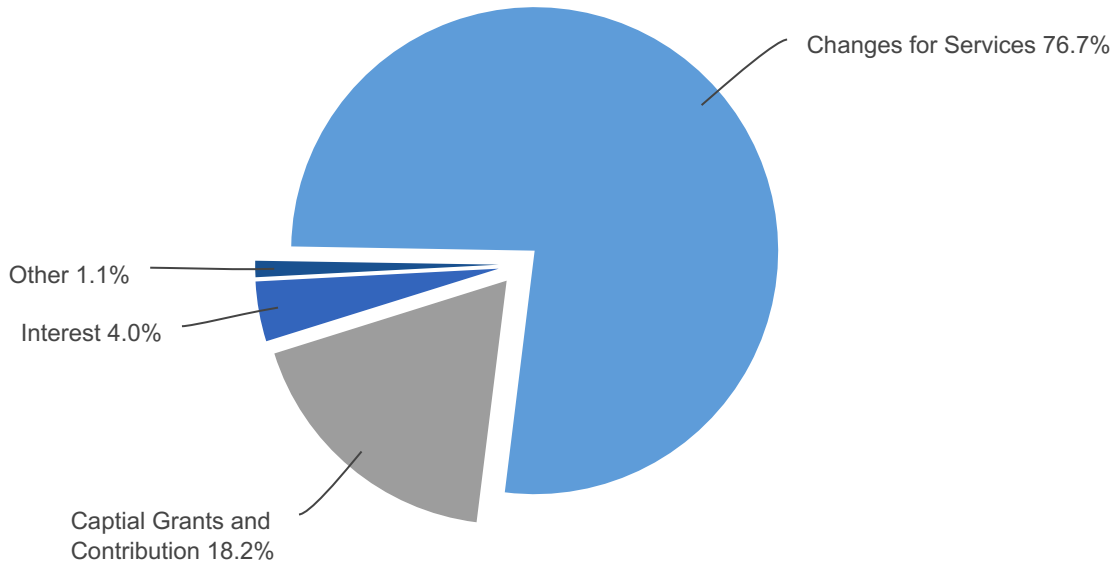


CHART 4: REVENUES BY SOURCE
BUSINESS-TYPE ACTIVITIES



THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

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

At December 31, 2019, the City's governmental funds reported a combined ending fund balance of \$175.4 million, an increase of \$12.0 million, or 7.3%, compared to 2018. Based on the level of constraint imposed on the use of financial resources, fund balance is reported as either nonspendable; restricted; or as committed, assigned or unassigned.

- Nonspendable fund balance remained unchanged at \$1.1 million.
- Fund balance restricted for capital additions and improvements increased \$0.1 million.
- Fund balance restricted for debt service increased \$3.8 million, or 17.9%, to \$25.0 million due to tax increment collected by WEDA.
- Fund balance restricted for emergencies as required by TABOR increased \$0.5 million, or 10.5% to \$5.7 million.
- Fund balance restricted for open space conservation and improvements decreased \$0.9 million or 48.4% due to park services operations and transfers to the General Capital Improvement Fund.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$60.6 million from \$46.0 million, or 31.8% due to additional funding for capital construction.
- Unrestricted but committed fund balance decreased for urban renewal \$2.1 million from \$12.0 million, or 17.4%, due to expenditures for development agreements in Downtown Westminster.
- Assigned fund balance decreased for urban renewal by \$1.4 million to \$13.7 million due to the reclassification of property held for resale related to development activities in Downtown Westminster and expenditures for intergovernmental cooperation agreements.
- Assigned fund balance increased for emergencies by \$0.3 million to \$8.3 million due to transfers into the General Fund reserve as well as interest earnings.
- Unassigned fund balance decreased \$2.9 million, or 8.2%, to \$32.1 million compared to 2018. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. At the end of 2019, the unassigned fund balance of the General Fund was \$32.1 million, while total fund balance was \$48.3 million. Total fund balance decreased in the General Fund by \$2.1 million, or 4.2%, compared to 2018. The unassigned fund balance represents 20.9% of General Fund expenditures and transfers out. The City's goal is to maintain a 10% fund balance.

The original budget in the General Fund was \$134.9 million and final budget was \$157.3 million due to supplemental appropriations, primarily of transfers to other funds and economic development rebates. Actual General Fund expenditures and transfers out totaled \$153.3 million.

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

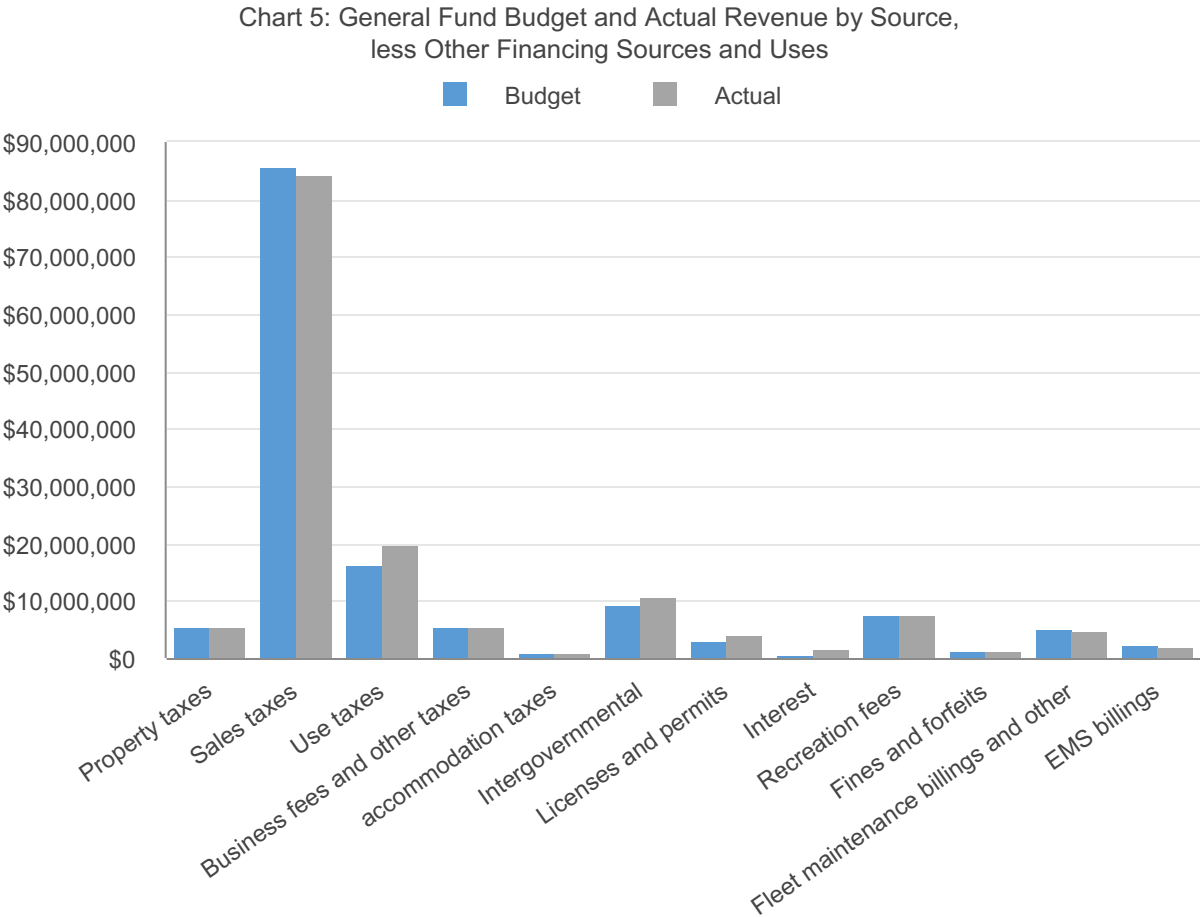
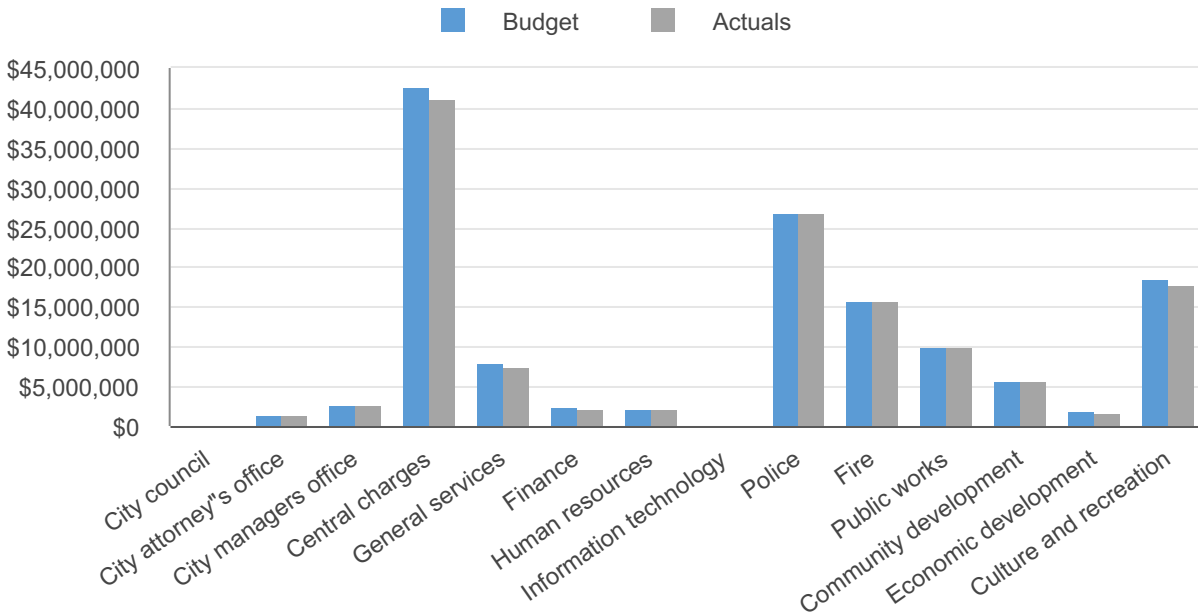


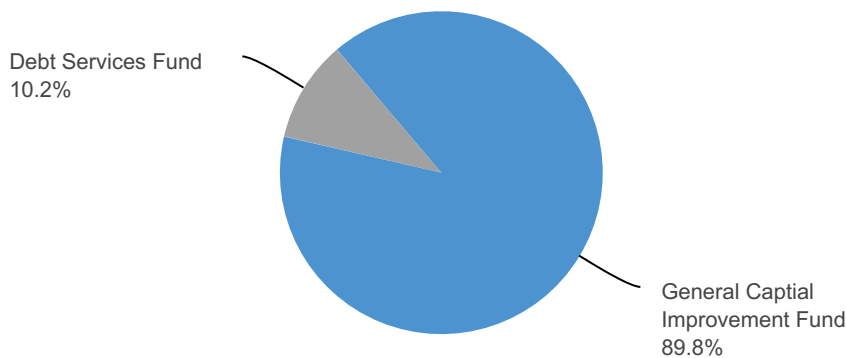
Chart 6: General Fund Budget and Actual Expenditures by Department, less Debt Service and Other Financing Sources and Uses



Sales and use taxes are the primary funding source for the City's governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 7 illustrates, 89.8% of the sales and use tax transfers was to the General Capital Improvement Fund for capital construction projects and 10.2% of transfers was to the Debt Service Fund for debt service. \$88.6 million was budgeted in the General Fund for operating purposes.

Sales and use taxes budgeted for General Fund operations increased 9.4%, or \$7.6 million, compared to 2018.

Chart 7: GENERAL FUND TRANSFERS OF SALES AND USE TAX



The General Capital Improvement Fund is used to account for financial resources used for the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2019, the fund had a fund balance of \$70.2 million.

The General Capital Improvement Fund revenues include accommodations taxes, revenues from other governments, contributions, interest, other miscellaneous revenue and transfers from other funds. The fund's operating revenues increased by \$10.0 million due to increases in Intergovernmental of \$2.8 million, Contributions of \$6.1 million, Interest of \$1.1 million and Accommodations Tax of just under \$0.1 million. These increases were offset by a decrease in Other revenue of \$0.1 million.

Net transfer funding totaled \$21.5 million, an increase of \$7.1 million compared to 2018 due to a reduction of transfers to WEDA for developer agreements.

The increase in Intergovernmental revenue was due to an open space and trails development grant. The increase in Contributions was the result of land and park development fees for new developments.

Expenditures totaling \$25.7 million were \$0.5 million less than 2018 due to an increase of \$1.1 million in economic assistance provided to developers offset by an decrease in capital project spending of \$1.7 million.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance increased \$0.3 million from 2018 primarily due to Property Tax increment. As of December 31, 2019, Fund Balance was \$47.5 million.

Revenue for the Westminster Economic Development Authority increased by \$3.3 million, or 22.4%, compared to 2018. The increase was due primarily to an increase in property tax increment from urban renewal areas and the sale of property held for resale totaling \$2.7 million as part of the continued redevelopment efforts in 2019.

Expenditures for the Westminster Economic Development Authority increased by \$0.6 million, or 4.0% compared to 2018. General Government increased \$0.5 million (64.7%) and Economic Development increased \$1.7 million (578.6%) due to expenditures for intergovernmental cooperation agreements and the reclassification of property held for resale. These increases were offset by a decrease in capital project spending of \$1.6 million (23.9%) as WEDA fulfilled certain development agreement obligations in 2019.

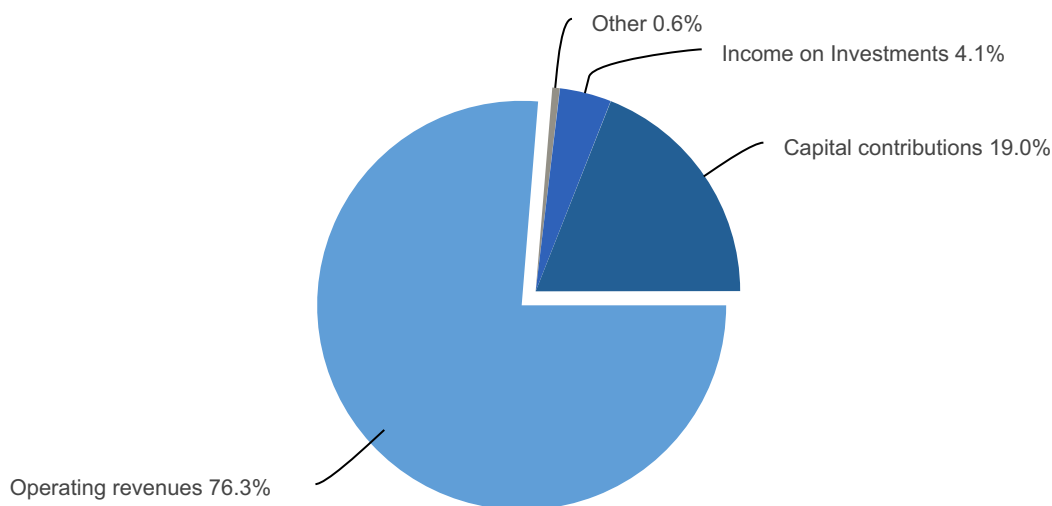
Proprietary Funds- As already discussed, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2019 with net position equal to \$554.5 million. Of that amount, \$109.7 million is unrestricted. Net position increased \$31.7 million, or 6.1%, compared to 2018.

Operating revenues increased \$3.9 million, or 6.1% compared to 2018. Chart 8 illustrates both operating and non-operating revenues by source. The primary reason for the increase in operating revenues was due to increased demand and billing rates.

Utility Fund operating expenses increased \$0.9 million, or 1.7%, compared to 2018. The primary reason is due to increases in personnel and contractual services, as well as commodity purchases, and depreciation of capital assets that make up the utility system.

Chart 8: UTILITY FUND REVENUES BY SOURCE



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2019, amounts to \$986.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and utility plants, improvements, parks, infrastructure, water rights, machinery and equipment, joint venture assets and construction work in progress. The total increase in the City's investment in capital assets was \$29.5 million, or 3.1%. Net capital assets of governmental activities decreased \$1.7 million, or 0.4%, and business-type activities increased \$31.2 million, or 6.2%.

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

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land and property rights	\$ 159.0	\$ 157.3	\$ 122.9	\$ 120.7	\$ 281.9	\$ 278.0
Construction in progress	3.9	3.5	45.7	31.8	49.6	35.3
Buildings and plants	31.8	30.0	121.4	127.4	153.2	157.4
Improvements other than buildings	18.9	19.6	235.3	214.7	254.2	234.3
Parks	19.8	21.0	—	0.1	19.8	21.1
Ice Center	3.9	4.1	—	—	3.9	4.1
Infrastructure	201.9	206.5	—	—	201.9	206.5
Machinery and equipment	14.8	13.7	7.3	6.7	22.1	20.4
Totals	\$ 454.0	\$ 455.7	\$ 532.6	\$ 501.4	\$ 986.6	\$ 957.1

Major capital asset activity during 2019 included the following:

Governmental activities

- \$8.6 million in culture and recreation projects, including \$2.2 million for trails development; \$1.1 million for Downtown Westminster parks and streetscapes; and \$0.8 million for open space land acquisitions
- \$5.4 million in public works and utilities projects, including \$3.3 million for arterial roadway improvements; \$0.8 million on the North Huron Interceptor; and \$0.7 million for bridge and pedestrian railing repairs
- \$5.0 million in general government projects, including \$1.5 million for facility improvements; \$0.8 million for Downtown Westminster roadway improvements; and \$0.7 million for Historic Westminster improvements
- \$3.3 million in community development projects, including \$1.2 million for traffic signal system improvements and \$1.1 million for streets improvements
- \$1.1 million for public safety projects, including \$0.8 million for new CAD/RMS software
- \$5.0 million in financial assistance for the development of mixed-use residential and retail projects that includes both workforce and market-rate housing.

Business-type activities

- \$12.2 million for Big Dry Creek Wastewater Treatment Facility biosolids project
- \$7.9 million in Sewer Main capacity increase and repairs
- \$6.7 million in Pressure Zone 3 expansion and improvements
- \$5.5 million in Water Meter replacements
- \$5.0 million for Wattenberg water storage facility
- \$2.2 million for Strasburg biosolids farm acquisition
- \$1.5 million in Storm Water drainage related projects

Additional information on the City's capital assets can be found in Note 2E on page 53.

Debt Administration

At December 31, 2019 the City's bond ratings carry investment grade ratings as follows:

Bond Issue	Standard & Poors	Fitch Ratings
Sales Tax Revenue	AA+	AA+
Sales Tax Revenue - POST	AA-/AA Insured	Not rated
Utility Enterprise	AAA	AA+
COPs-Ice Centre	AA	Not rated
COPs-All Others	AA-/AA Insured	Not rated

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

The State of Colorado limits the amount of general obligation debt that cities can issue to 3% of the actual value of all taxable property within the City's corporate limits (CRS 31-15-302). The City's outstanding general obligation debt is significantly below this \$548.2 million state-imposed limit. See page 153 for the City's legal debt margin information.

Table 4 illustrates the City's total indebtedness:

Table 4: Outstanding Debt, at Year-end (in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenue Bonds (backed by specific tax and fee revenues)	\$ 20.5	\$ 22.9	\$ 99.5	\$ 65.8	\$ 120.0	\$ 88.7
Tax Increment Revenue Bonds	17.3	18.9	—	—	17.3	18.9
Tax Increment Loans from Direct Placements	41.6	45.5	—	—	41.6	45.5
Notes from Direct Borrowings and Direct Placements	2.2	2.5	6.0	8.2	8.2	10.7
Certificates of Participation	58.4	65.4	1.8	2.2	60.2	67.6
Total	\$ 140.0	\$ 155.2	\$ 107.3	\$ 76.2	\$ 247.3	\$ 231.4

Further information on the City's debt can be found in Note 2H on pages 56-59.

PLANS AND BUDGET FOR 2020

In its 2019 strategic planning retreat the City Council affirmed the City's Strategic Goals that reinforce long-term planning of City operations and capital programs:

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

City Council adopted the 2019/2020 budget on October 22, 2018, and the amended 2020 budget on October 28, 2019. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separated for budgeting, legal and administrative purposes. Highlights of the 2020 budget include the following:

- The 2020 General Fund operating expenditures are budgeted at \$142.6 million (including contingencies).
- The 2020 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$93.8 million, which is a 5.8% increase over the 2019 transfer payment of \$88.6 million.
- In 2020, the contingency amount is \$1.0 million in the General Fund. The 2020 General Reserve Fund is projected to be \$14.3 million, the General Fund Stabilization Reserve is projected to be \$9.1 million, the Utility Capital Project Reserve Fund is projected to be \$31.6 million and the Utility Rate Stabilization Reserve is projected to be \$17.8 million.
- The total number of full-time equivalent (FTE) staffing in 2020 is 1061.966 FTE, a net increase of 26.925 FTE.

In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2020 budget. For 2020, new appropriations total \$21.9 million for general capital improvements and \$25.4 million for utility capital improvements. The 2020 CIP will be funded by Governmental and Business-type Activities with “pay-as-you-go” funding, revenue bonds and loans.

It is important to note that as a result of the 2020 COVID-19 health emergency, management anticipates that revenues of the City will be critically affected due to the impact on sales and use taxes that the economic shutdown will have. With healthy reserves and fund balances available to deploy as well as capital improvement program funding that can be accessed, the City is well positioned to work through the fiscal outcomes of the pandemic.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

City of Westminster
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Westminster, CO 80031
303-658-2036
thitchens@cityofwestminster.us



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Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 22,639,166	\$ 15,352,663	\$ 37,991,829
Cash and cash equivalents with fiscal agent	355,217	—	355,217
Investments	132,357,205	89,749,918	222,107,123
Receivables:			
Taxes	35,297,798	—	35,297,798
Accounts	5,897,215	7,410,273	13,307,488
Notes and leases	10,289,878	—	10,289,878
Grants	930,455	585,000	1,515,455
Interest	631,830	432,216	1,064,046
Internal balances	(1,281,199)	1,281,199	—
Inventories	1,005,187	1,826,714	2,831,901
Property held for resale	14,367,730	—	14,367,730
Bond insurance and other prepaid items	134,686	107,499	242,185
Restricted assets:			
Cash and cash equivalents	492,932	441,357	934,289
Cash and cash equivalents with fiscal agent	21,922,813	46,563,461	68,486,274
Investments	2,883,316	3,045,675	5,928,991
Investments with fiscal agent	5,424,310	—	5,424,310
Notes receivable	—	21,720	21,720
Other assets	—	1,576,780	1,576,780
Investment in joint venture	799,453	—	799,453
Net pension asset	2,530,372	—	2,530,372
Capital assets:			
Non-depreciable assets	162,911,120	168,643,240	331,554,360
Depreciable assets, net	291,079,750	363,924,276	655,004,026
Total assets	<u>710,669,234</u>	<u>700,961,991</u>	<u>1,411,631,225</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>24,878,202</u>	<u>147,382</u>	<u>25,025,584</u>
LIABILITIES			
Accounts payable and other	16,944,168	5,937,761	22,881,929
Accrued liabilities	1,829,571	379,898	2,209,469
Unearned revenue	97,350	46,015	143,365
Accrued interest	1,907,770	378,773	2,286,543
Estimated claims	3,269,333	—	3,269,333
Noncurrent liabilities:			
Due within one year	14,706,214	5,390,793	20,097,007
Due in more than one year	146,267,853	117,008,368	263,276,221
Total liabilities	<u>185,022,259</u>	<u>129,141,608</u>	<u>314,163,867</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>28,736,183</u>	<u>106,458</u>	<u>28,842,641</u>
NET POSITION			
Net investment in capital assets	310,753,100	455,230,597	765,983,697
Restricted for:			
Emergencies	5,666,312	—	5,666,312
Capital projects	7,636,901	—	7,636,901
Community development	1,210,223	—	1,210,223
Improvements and open space conservation	6,509,436	—	6,509,436
Debt service	23,890,514	3,487,032	27,377,546
Pension	2,530,372	—	2,530,372
Other purposes	96,148	—	96,148
Unrestricted	163,495,988	113,143,678	276,639,666
Total net position	<u>\$ 521,788,994</u>	<u>\$ 571,861,307</u>	<u>\$ 1,093,650,301</u>

**CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Function/Program Activities	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 60,497,064	\$ 5,761,167	\$ 9,100,556	\$ 2,027,853
Public safety	42,902,368	3,995,334	1,296,142	—
Public works	17,283,356	2,523,557	1,309	—
Community development	14,327,393	287,453	65,340	6,626,649
Economic development	3,764,393	—	—	—
Culture and recreation	27,485,527	7,479,551	464,899	5,976,519
Interest and fiscal charges	3,264,280	—	—	—
Unallocated depreciation (excludes direct depreciation of various	227,411	—	—	—
Total governmental activities	<u>169,751,792</u>	<u>20,047,062</u>	<u>10,928,246</u>	<u>14,631,021</u>
Business-type activities:				
Utility	56,778,210	67,548,532	—	16,960,139
Golf	4,226,369	4,194,475	1,500	—
Total business-type activities	<u>61,004,579</u>	<u>71,743,007</u>	<u>1,500</u>	<u>16,960,139</u>
Total	<u>\$ 230,756,371</u>	<u>\$ 91,790,069</u>	<u>\$ 10,929,746</u>	<u>\$ 31,591,160</u>

GENERAL REVENUES

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

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (43,607,488)	\$ —	\$ (43,607,488)
(37,610,892)	—	(37,610,892)
(14,758,490)	—	(14,758,490)
(7,347,951)	—	(7,347,951)
(3,764,393)	—	(3,764,393)
(13,564,558)	—	(13,564,558)
(3,264,280)	—	(3,264,280)
(227,411)	—	(227,411)
(124,145,463)	—	(124,145,463)
—	27,730,461	27,730,461
—	(30,394)	(30,394)
—	27,700,067	27,700,067
(124,145,463)	27,700,067	(96,445,396)
5,956,506	—	5,956,506
90,325,088	—	90,325,088
21,312,747	—	21,312,747
13,630,741	—	13,630,741
485,297	—	485,297
5,575,081	—	5,575,081
4,818,563	—	4,818,563
303,244	—	303,244
5,231,237	3,683,434	8,914,671
376,318	—	376,318
7,897,485	1,003,119	8,900,604
—	86,305	86,305
255,707	(255,707)	—
156,168,014	4,517,151	160,685,165
32,022,551	32,217,218	64,239,769
489,766,443	539,644,089	1,029,410,532
\$ 521,788,994	\$ 571,861,307	\$ 1,093,650,301

CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 6,818,544	\$ 9,784,182	\$ 1,733,950	\$ 658,305	\$ 18,994,981
Cash and cash equivalents with fiscal agent	15,678	—	—	—	15,678
Investments	39,817,392	57,230,762	10,142,419	3,850,640	111,041,213
Receivables:					
Taxes	17,733,322	—	16,392,213	1,172,263	35,297,798
Accounts	2,681,465	2,703,236	217	13,594	5,398,512
Notes and leases	2,249,822	963,169	6,680,010	396,877	10,289,878
Grants	180,752	737,095	—	12,608	930,455
Interest	185,038	268,246	47,776	30,963	532,023
Inventories	1,005,187	—	—	—	1,005,187
Property held for resale	31,474	271,529	12,854,504	1,210,223	14,367,730
Prepaid items	29,151	57,114	—	—	86,265
Restricted assets:					
Cash and cash equivalents	—	—	10,858	482,074	492,932
Cash and cash equivalents with fiscal agent	7,935	2,174,752	19,740,126	—	21,922,813
Investments	—	—	63,513	2,819,803	2,883,316
Investments with fiscal agent	1,226,444	1,169	4,196,697	—	5,424,310
Loans to other funds	—	619,500	—	—	619,500
Total assets	<u>\$ 71,982,204</u>	<u>\$ 74,810,754</u>	<u>\$ 71,862,283</u>	<u>\$ 10,647,350</u>	<u>\$ 229,302,591</u>
LIABILITIES					
Accounts payable and other	\$12,363,726	\$2,839,786	\$684,347	\$436,091	\$16,323,950
Accrued liabilities	1,694,280	31,660	—	37,100	1,763,040
Unearned revenue	32,558	—	14,792	50,000	97,350
Loans from other funds	—	—	619,500	—	619,500
Total liabilities	<u>14,090,564</u>	<u>2,871,446</u>	<u>1,318,639</u>	<u>523,191</u>	<u>18,803,840</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>9,560,745</u>	<u>1,702,264</u>	<u>23,072,223</u>	<u>795,095</u>	<u>35,130,327</u>
FUND BALANCES					
Nonspendable:					
Prepays and inventories	1,034,337	—	—	—	1,034,337
Property held for resale	31,474	—	—	—	31,474
Restricted for:					
Capital additions and improvements	—	9,329,451	—	5,532,604	14,862,055
Contractual obligations	161,332	—	—	13,824	175,156
Debt service	1,073,047	21,951	23,863,462	—	24,958,460
Community development	—	—	—	1,216,440	1,216,440
Emergencies - TABOR	5,638,178	—	—	28,134	5,666,312
Open space conservation and improvements	—	—	—	977,416	977,416
Public safety	—	—	—	81,740	81,740
Committed for:					
Capital additions and improvements	—	60,614,113	—	—	60,614,113
Urban renewal	—	—	9,913,221	—	9,913,221
Assigned to:					
Community development	—	271,529	—	1,240,794	1,512,323
Debt service	—	—	—	238,112	238,112
Other	8,308,210	—	—	—	8,308,210
Urban renewal	—	—	13,694,738	—	13,694,738
Unassigned	32,084,317	—	—	—	32,084,317
Total fund balances	<u>48,330,895</u>	<u>70,237,044</u>	<u>47,471,421</u>	<u>9,329,064</u>	<u>175,368,424</u>
Total liabilities, deferred inflows of resources,	<u>\$ 71,982,204</u>	<u>\$ 74,810,754</u>	<u>\$ 71,862,283</u>	<u>\$ 10,647,350</u>	<u>\$ 229,302,591</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

Fund balances - total government funds		\$ 175,368,424
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities excluding internal service fund capital assets of \$7,679,819 are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	846,438,301	
Less accumulated depreciation	<u>(400,127,250)</u>	
		446,311,051
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Prepaid bond insurance costs	45,721	
Investment in joint venture	799,453	
Net pension asset	<u>2,530,372</u>	
		3,375,546
Deferred outflows of resources reflecting the future consumption of net position are not financial resources and therefore are not reported in the governmental funds.		
Deferred loss on refunding of long-term debt	2,820,498	
Deferred outflows of resources related to pension plans	21,428,671	
Deferred outflows of resources related to other post employment benefits	<u>629,033</u>	
		24,878,202
Long-term liabilities, excluding internal service funds, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental long-term debt payable	(138,300,791)	
(Premiums)/discounts on long-term debt payable	(6,739,384)	
Compensated absences	(6,368,243)	
Net pension obligation	(5,290,108)	
Postemployment benefits	<u>(2,504,650)</u>	
		(159,203,176)
Short-term liabilities that are not payable with current financial resources in the current period are not reported in the governmental funds.		
Comp time	(51,078)	
Accrued interest	<u>(1,873,616)</u>	
		(1,924,694)
Deferred inflows of resources reflecting the future acquisition of net position are not financial resources and therefore are not reported in the governmental funds.		
Revenues earned, but not available during the reporting year	11,313,327	
Deferred inflows of resources related to pension plans	(4,411,539)	
Deferred inflows of resources related to other post employment benefits	<u>(507,644)</u>	
		6,394,144
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		
Internal Service Funds, net position	27,870,696	
Internal Service Funds, activity related to enterprise funds	<u>(1,281,199)</u>	
		26,589,497
Net position of governmental activities		<u><u>\$ 521,788,994</u></u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General	General Capital Improvement	Westminster Economic Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 5,652,398	\$ —	\$ —	\$ 304,108	\$ 5,956,506
Sales taxes	84,431,611	—	—	5,893,477	90,325,088
Use taxes	19,929,549	—	—	1,383,198	21,312,747
Property tax increment	—	—	13,630,741	—	13,630,741
Sales tax increment	—	—	485,297	—	485,297
Business fees and other taxes	5,575,081	—	—	—	5,575,081
Accommodations taxes	1,081,323	3,737,240	—	—	4,818,563
Intergovernmental	10,988,132	6,945,044	—	2,406,127	20,339,303
Licenses and permits	4,192,596	—	—	—	4,192,596
Interest	1,687,707	1,991,304	614,367	292,143	4,585,521
Rentals	—	—	376,318	—	376,318
Contributions	—	6,606,716	—	—	6,606,716
Recreation fees	7,726,601	—	—	—	7,726,601
Fines and forfeitures	1,522,819	—	—	78,371	1,601,190
Fleet maintenance billings and other	4,910,359	—	—	—	4,910,359
EMS billings	2,050,593	—	—	—	2,050,593
Other	—	501	2,823,896	10,437	2,834,834
Total revenues	149,748,769	19,280,805	17,930,619	10,367,861	197,328,054
EXPENDITURES					
General government	57,661,831	2,278,533	1,147,215	168,949	61,256,528
Public safety	42,677,842	—	—	45,500	42,723,342
Public works	9,941,029	—	—	—	9,941,029
Community development	5,734,168	—	—	2,568,477	8,302,645
Economic development	1,753,200	—	2,014,884	—	3,768,084
Culture and recreation	17,899,750	—	—	—	17,899,750
Capital projects	—	23,407,792	4,966,063	2,004,506	30,378,361
Debt service:					
Principal	—	—	5,473,000	3,207,000	8,680,000
Interest and fiscal charges	—	—	2,307,425	970,083	3,277,508
Total expenditures	135,667,820	25,686,325	15,908,587	8,964,515	186,227,247
Excess of revenues over (under) expenditures	14,080,949	(6,405,520)	2,022,032	1,403,346	11,100,807
OTHER FINANCING SOURCES (USES)					
Sale of capital asset	35,066	23,479	—	—	58,545
Insurance recoveries	424,313	—	—	36,988	461,301
Transfers in	1,001,092	21,723,358	67,800	3,477,594	26,269,844
Transfers (out)	(17,636,063)	(250,000)	(1,799,612)	(6,249,169)	(25,934,844)
Total other financing sources (uses)	(16,175,592)	21,496,837	(1,731,812)	(2,734,587)	854,846
Net change in fund balance	(2,094,643)	15,091,317	290,220	(1,331,241)	11,955,653
Fund balance, beginning	50,425,538	55,145,727	47,181,201	10,660,305	163,412,771
Fund balance, ending	\$ 48,330,895	\$ 70,237,044	\$ 47,471,421	\$ 9,329,064	\$ 175,368,424

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net changes in fund balances - total government funds \$ 11,955,653

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

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

Expenditures for capital assets	15,284,088	
Current year depreciation	<u>(17,124,728)</u>	(1,840,640)

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

Proceeds from sale of capital assets	(58,545)	
Loss on sale of capital assets	<u>(263,566)</u>	(322,111)

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

Principal payments	16,030,311
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of bond discount/premium, deferred loss on refunding and prepaid bond insurance	289,417	
Accrual of interest expense	(232,773)	
Adjustment to long-term compensated absences liability	(162,414)	
Adjustment to net postemployment benefit other than pension expense	(120,425)	
Adjustment to net pension expense	<u>2,250,648</u>	2,024,453

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

Capital contributions	772,157
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements until they become available. As a result, some revenues recognized in governmental funds may have been recognized in the statement of activities in prior years. These amounts are the difference in the treatment of revenue recognition.

Investment in Joint Venture	(4,819)	
Intergovernmental revenue	(2,154,512)	
Fines and forfeitures	42,837	
Other	<u>4,300,309</u>	2,183,815

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

Change in net position, Internal Service Funds	1,111,047
Internal allocation to Business-type activities	107,866

Change in net position of governmental activities	<u><u>\$ 32,022,551</u></u>
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CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

		Enterprise Funds		
	Utility	Nonmajor Fund Golf Course	Total	Governmental Activities Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 15,030,547	\$ 322,116	\$ 15,352,663	\$ 3,644,185
Cash and cash equivalents with fiscal agent	—	—	—	339,539
Investments	87,918,404	1,831,514	89,749,918	21,315,992
Receivables:				
Accounts	7,366,932	43,341	7,410,273	498,703
Grants	585,000	—	585,000	—
Interest	423,491	8,725	432,216	99,807
Inventories	1,581,027	245,687	1,826,714	—
Bond insurance and other prepaid items	97,346	10,153	107,499	2,700
Total current assets	113,002,747	2,461,536	115,464,283	25,900,926
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	441,357	—	441,357	—
Cash and cash equivalents with fiscal agent	46,563,461	—	46,563,461	—
Investments	3,045,675	—	3,045,675	—
Notes receivable	21,720	—	21,720	—
Other assets	1,576,780	—	1,576,780	—
Capital assets:				
Non-depreciable assets	155,123,416	13,519,824	168,643,240	—
Depreciable assets, net	361,395,914	2,528,362	363,924,276	7,679,819
Total noncurrent assets	568,168,323	16,048,186	584,216,509	7,679,819
Total assets	681,171,070	18,509,722	699,680,792	33,580,745
DEFERRED OUTFLOWS OF RESOURCES	117,440	29,942	147,382	—
LIABILITIES				
Current liabilities:				
Accounts payable and other	5,871,815	65,946	5,937,761	620,218
Accrued liabilities	343,618	36,280	379,898	15,453
Unearned revenue	—	46,015	46,015	—
Bonds payable, current portion	3,345,000	—	3,345,000	—
Notes payable and certificates of participation, current portion	1,411,556	563,225	1,974,781	350,402
Other liabilities, current portion	67,587	3,425	71,012	9,131
Accrued interest	372,264	6,509	378,773	34,154
Estimated claims	—	—	—	3,269,333
Total current liabilities	11,411,840	721,400	12,133,240	4,298,691
Noncurrent liabilities:				
Bonds payable	108,942,446	—	108,942,446	—
Notes payable and certificates of participation	4,583,275	1,524,713	6,107,988	1,369,834
Other liabilities payable	1,772,481	185,453	1,957,934	41,524
Total noncurrent liabilities	115,298,202	1,710,166	117,008,368	1,411,358
Total liabilities	126,710,042	2,431,566	129,141,608	5,710,049
DEFERRED INFLOWS OF RESOURCES	94,773	11,685	106,458	—
NET POSITION				
Net investment in capital assets	441,279,850	13,950,747	455,230,597	5,870,870
Restricted for:				
Debt service	3,487,032	—	3,487,032	—
Unrestricted	109,716,813	2,145,666	111,862,479	21,999,826
Total net position	\$ 554,483,695	\$ 16,096,413	570,580,108	\$ 27,870,696
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,281,199	
Net position of business-type activities			\$ 571,861,307	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund Golf Course	Total	
Operating revenues				
Charges for services	\$ 67,548,532	\$ 4,194,475	\$ 71,743,007	\$ 23,574,301
Other	559,769	3,925	563,694	1,956
Total operating revenues	<u>68,108,301</u>	<u>4,198,400</u>	<u>72,306,701</u>	<u>23,576,257</u>
Operating expenses				
Personnel services	20,014,177	1,872,664	21,886,841	508,836
Contractual services	15,403,372	774,618	16,177,990	3,453,078
Commodities	2,052,898	662,779	2,715,677	74,296
Capital expense	1,328,359	138,245	1,466,604	411,254
Insurance and other expenses	—	—	—	16,494,494
Depreciation expense	14,643,983	691,614	15,335,597	2,470,675
Total operating expenses	<u>53,442,789</u>	<u>4,139,920</u>	<u>57,582,709</u>	<u>23,412,633</u>
Operating income	<u>14,665,512</u>	<u>58,480</u>	<u>14,723,992</u>	<u>163,624</u>
Nonoperating revenues (expenses)				
Income on investments	3,613,657	69,777	3,683,434	765,959
Interest expense	(3,231,836)	(82,168)	(3,314,004)	(43,416)
Grants	—	1,500	1,500	—
Gain on disposition of capital assets	86,305	—	86,305	171,969
Other	409,360	—	409,360	—
Insurance recoveries	28,046	2,019	30,065	52,458
Total nonoperating revenues (expenses)	<u>905,532</u>	<u>(8,872)</u>	<u>896,660</u>	<u>946,970</u>
Income before contributions and transfers	<u>15,571,044</u>	<u>49,608</u>	<u>15,620,652</u>	<u>1,110,594</u>
Capital contributions	16,965,001	74,431	17,039,432	453
Transfers in	—	450,000	450,000	—
Transfers (out)	<u>(785,000)</u>	<u>—</u>	<u>(785,000)</u>	<u>—</u>
Change in net position	<u>31,751,045</u>	<u>574,039</u>	<u>32,325,084</u>	<u>1,111,047</u>
Net position - beginning	<u>522,732,650</u>	<u>15,522,374</u>		<u>26,759,649</u>
Net position - ending	<u>\$ 554,483,695</u>	<u>\$ 16,096,413</u>		<u>\$ 27,870,696</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(107,866)	
Change in net position of business-type activities			<u>\$ 32,217,218</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund Golf Course	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 66,235,555	\$ 3,962,536	\$ 70,198,091	\$ —
Receipts from interfund charges for risk management services	—	—	—	17,531,933
Receipts from interfund charges for capital outlay replacement	—	—	—	3,949,110
Cash payments to employees for services	(12,616,394)	(1,622,940)	(14,239,334)	(498,988)
Cash payments for benefits on behalf of employees	(4,302,617)	(271,774)	(4,574,391)	—
Cash payments to suppliers for goods and services	(17,921,145)	(1,553,793)	(19,474,938)	(19,826,903)
Payments (to) from other funds	(3,554,681)	—	(3,554,681)	2,177,958
Other operating revenues	559,769	—	559,769	1,956
Net cash provided by operating activities	<u>28,400,487</u>	<u>514,029</u>	<u>28,914,516</u>	<u>3,335,066</u>
Cash flows from noncapital financing activities:				
Transfer in	—	450,000	450,000	—
Transfer out	(785,000)	—	(785,000)	—
Grant proceeds not restricted to capital purposes	—	1,500	1,500	—
Net cash provided by (used in) noncapital financing activities	<u>(785,000)</u>	<u>451,500</u>	<u>(333,500)</u>	<u>—</u>
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(6,165,018)	(738,973)	(6,903,991)	(208,742)
Interest paid on long-term debt	(3,308,139)	(90,002)	(3,398,141)	(20,480)
Acquisition and construction of capital assets	(49,060,692)	(61,027)	(49,121,719)	(2,045,691)
Proceeds from sale of capital assets	—	—	—	146,715
Payments for the disposition of capital assets	40,261	—	40,261	—
Contributions	15,754,585	—	15,754,585	—
Insurance recoveries	28,046	2,019	30,065	64,756
Proceeds from bonds	43,901,146	—	43,901,146	—
Proceeds from grant/notes	—	—	—	1,039,835
Payments of bond issuance costs	(312,920)	—	(312,920)	—
Interest subsidy on capital debt	409,360	—	409,360	—
Net cash provided by (used in) capital and related financing activities	<u>1,286,629</u>	<u>(887,983)</u>	<u>398,646</u>	<u>(1,023,607)</u>
Cash flow from investing activities:				
Proceeds from sale of investments	84,461,357	1,592,513	86,053,870	17,448,782
Purchases of investments	(79,668,059)	(1,702,729)	(81,370,788)	(19,716,768)
Interest received on investments	2,047,865	96,203	2,144,068	889,779
Net cash provided by (used in) investing activities	<u>6,841,163</u>	<u>(14,013)</u>	<u>6,827,150</u>	<u>(1,378,207)</u>
Net increase in cash and cash equivalents	35,743,279	63,533	35,806,812	933,252
Cash and cash equivalents - beginning of year	26,292,086	258,583	26,550,669	3,050,472
Cash and cash equivalents - end of year	<u>\$ 62,035,365</u>	<u>\$ 322,116</u>	<u>\$ 62,357,481</u>	<u>\$ 3,983,724</u>
Reconciliation of cash and cash equivalents to Statement of Net Position				
Unrestricted cash and cash equivalents	\$ 15,030,547	\$ 322,116	\$ 15,352,663	\$ 3,644,185
Unrestricted cash and cash equivalents with fiscal agent	—	—	—	339,539
Restricted cash and cash equivalents	441,357	—	441,357	—
Restricted cash and cash equivalents with fiscal agent	46,563,461	—	46,563,461	—
Total Cash and Cash Equivalents	<u>\$ 62,035,365</u>	<u>\$ 322,116</u>	<u>\$ 62,357,481</u>	<u>\$ 3,983,724</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Continued)

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Golf Course	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 14,665,512	\$ 58,480	\$ 14,723,992	\$ 163,624
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	14,643,983	691,614	15,335,597	2,470,675
(Increase) decrease in accounts receivable	(1,312,977)	(43,341)	(1,356,318)	84,700
(Increase) decrease in inventories	51,368	21,695	73,063	—
(Increase) decrease in prepaid items	(2,073)	—	(2,073)	15,636
Increase(decrease) in deferred outflow of resources	2,910	358	3,268	—
Increase(decrease) in unearned revenue	—	(192,523)	(192,523)	—
Increase (decrease) in accounts payable and other	212,992	(31,527)	181,465	147,555
Increase (decrease) in accrued liabilities	68,504	610	69,114	5,761
Increase (decrease) in estimated claims	—	—	—	447,115
Increase (decrease) in deferred inflow of resources	70,268	8,663	78,931	—
Total adjustments	13,734,975	455,549	14,190,524	3,171,442
Net cash provided by (used in) operating activities	\$ 28,400,487	\$ 514,029	\$ 28,914,516	\$ 3,335,066

Noncash investing, capital, and financing activities Enterprise Funds:

- * Capital assets were disposed of at a gain by the Utility Fund in the amount of \$46,044.
- * A contribution of \$125,816 was recorded in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority.
- * Capital contributions were received by the Utility Fund from developers totaling \$1,084,600 and by the Golf Course Fund from the General Capital Improvement Fund totaling \$74,431.
- * The amount of accounts payable and retainage used to acquire capital assets at December 31, 2019 for the Utility Fund is \$3,494,746, a decrease of \$3,875,402 compared to 2018, and for the Golf Course Fund is \$24,964, an increase of \$24,964 compared to 2018.
- * The change in unrecognized gain recorded to value the non-cash investments for both Enterprise Funds to fair market value was an increase of \$1,515,796.
- * Net amortization totaling \$480,885 was recognized by the Enterprise Funds through the amortization of bond premiums, discounts, deferred loss on refunding, and bond insurance costs.

Noncash investing, capital and financing activities Internal Service Funds:

- * The change in unrecognized loss recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$321,310.
- * Accounts payable used to acquire capital assets at December 31 for the General Capital Outlay Replacement Fund is \$88,713, an increase of \$86,153 compared to 2018.
- * The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$12,956.
- * Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$453.

CITY OF WESTMINSTER, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Pension Trust Fund</u>
ASSETS	
Current assets:	
Investments	\$ 228,936,889
Receivables:	
Accounts	<u>54,956</u>
Total assets	<u>228,991,845</u>
LIABILITIES	
Current liabilities:	
Accounts payable and other	<u>54,316</u>
Total liabilities	<u>54,316</u>
Net Position	
Restricted for pensions	<u>228,937,529</u>
Total net position	<u><u>\$ 228,937,529</u></u>

CITY OF WESTMINSTER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions	
City	\$ 4,193,503
Employee	<u>5,212,899</u>
Total contributions	9,406,402
Net investment income	38,027,780
Miscellaneous	<u>93,293</u>
Total additions	<u>47,527,475</u>
 DEDUCTIONS	
Benefits	14,803,061
Administrative expense	<u>312,688</u>
Total deductions	<u>15,115,749</u>
Net increase in fiduciary net position	32,411,726
 Net position, beginning, as previously reported	—
Adjustment for change in accounting principle	<u>196,525,803</u>
Net position - beginning, as restated	196,525,803
 Net position - ending	<u><u>\$ 228,937,529</u></u>

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CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2019

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CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component Units

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

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

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

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

General Improvement Districts (GID)

- *Sheridan Crossing GID* was established on September 9, 1996 with the primary purpose of operating and maintaining storm drainage improvements and maintenance of all necessary incidental and appurtenant properties and facilities within the GID.
- *Amherst GID* was established on September 26, 1988 with the primary purpose of maintaining landscaped right-of-way, open space and drainage areas within the GID.
- *136th Avenue GID* was established on August 14, 2000 with the primary purpose of financing a new interchange at 136th Avenue and Interstate 25 benefiting the GID.
- *Orchard Park Place North GID* was established on September 14, 2009 with the primary purpose of financing the repayment of cost recoveries associated with the Orchard View Development within the GID.
- *Mandalay Town Center GID* was established on September 8, 2003 with the primary purpose of financing a portion of the costs of street improvements and other necessary and related appurtenance facilities in the GID.
- *144th Avenue GID* was established on August 30, 2004 with the primary purpose of paying debt associated with public improvements both within or without the boundaries of the GID.
- *Park 1200 GID* was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.
- *Downtown GID* was established on August 24, 2015 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District. Currently, there is no financial activity of the District.
- *Westminster Station GID* was established on August 28, 2017 with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements and/or providing services within and for the District.

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

Westminster Building Authority (WBA)

The City created the Westminster Building Authority as a non-profit corporation under State law (Articles 20 through 29, inclusive of Title 7 of the Colorado Revised Statutes). The Building Authority is intended to be the City's financing arm and, as such, allows the

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

City to avoid paying fees to an outside third-party financing corporation. WBA is not presented in the financial statements as it assigned its right to receive and enforce payments relating to debt service of these financial benefits to a trustee and it has no assets or liabilities of its own.

City of Westminster Employee 401(a) Defined Contribution Plan (Plan)

The Plan is a defined contribution retirement plan that provides benefits for qualifying general employees of the City. The Plan is administered through a trust and is considered a legally separate entity for purposes of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The governing body of the Plan is the same as the City's governing body. The primary government is legally obligated to make contributions to the Plan and the Plan provides services entirely for the benefit of the primary government. Separate financial statements can be obtained by calling Retirement Administration at 303-658-2046.

B. Basic Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Reporting of Internal Service and Fiduciary Funds

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

Separate financial statements are provided for fiduciary funds, however the fiduciary funds are excluded from the government-wide statements as the assets are not available to finance city operations.

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, deferred outflows of resources, revenues, expenses, and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The generally accepted accounting principles followed are generally those applicable to similar businesses in the private sector; the measurement focus is based upon determination of *net income, financial position, and cash flows*. Revenues earned and expenses incurred are recognized and classified in a government's proprietary funds in essentially the same manner as in business-type accounting and financial reporting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal ongoing

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operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary fund:

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

The City additionally reports the following Fund types:

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

Pension Trust Funds account for the accumulation of resources and the payment of retirement benefits to qualified employees administered through a trust. The City has one pension trust fund: The City of Westminster Employee 401(a) Defined Contribution Plan. Pension trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

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

Deposits and Investments

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

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

The city pools its cash and investments. All temporary cash surpluses are invested. Earning on pooled investments are allocated among the funds based on their proportionate share in the pool. Cash and investments under the pension plans and City of Westminster Employee 401(a) Defined Contribution Plan are held separately.

Receivables

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

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

Inventories and Prepaid Items

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

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

Property Held for Resale

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

Restricted Assets

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

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the legal requirements of the program.

Capital Assets

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

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

Long-Term Debt Insurance Costs

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

Deferred Outflows of Resources

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

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

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

Long-Term Debt Premiums and Discounts

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

Other Long-Term Liabilities

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

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

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

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

Deferred Inflows of Resources

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

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

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

Use of Estimates

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

E. FPPA Pensions

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

F. Other Postemployment Benefits

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

G. Net Position/Fund Balances

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

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

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

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

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

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

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

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

In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2019, the General Fund Stabilization Reserve balance was \$9,098,687. This amount is included in the unassigned fund balance on the balance sheet.

H. Interfund Transactions

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

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

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

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

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NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

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

The total bank balance of the City's cash deposits as of December 31, 2019 was \$38,179,601, of which \$750,000 was covered by Federal Deposit Insurance. An additional \$500,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The carrying amount of deposits and cash on hand at December 31, 2019 was \$34,738,550.

Investments

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

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

The City's principal investment objectives are:

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

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

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

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

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

The City's securities at December 31, 2019, were in compliance with the City's Investment Policy. The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes.

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

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Cash, cash equivalents and investments as reported on the financial statements at December 31, 2019

Cash and cash equivalents	\$ 37,991,829
Cash and cash equivalents with fiscal agent	355,217
Investments	222,107,123
Restricted cash and cash equivalents	934,289
Restricted cash and cash equivalents with fiscal agent	68,486,274
Restricted investments	5,928,991
Restricted investments with fiscal agent	5,424,310
Total per Statement of Net Position:	<u><u>\$ 341,228,033</u></u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

Investment Type	S & P Rating	% of Total Investments
Local Government Investment Pool CSAFE	AAAm	16.82%
Local Government Investment Pool COLOTRUST	AAAm	5.07%
Local Government Investment Pool CSIP	AAAm	2.15%
Corporate Toyota Motor Credit	AA-	2.13%
Corporate Microsoft	AAA	1.48%
Corporate Berkshire Hathaway	AA	1.99%
Corporate Apple Inc	AA+	1.97%
Corporate Wal-Mart Stores	AA	1.50%
Corporate Exxon Mobil Corp	AA+	1.64%
US Treasury Securities	Exempt	24.68%
Federal Farm Credit Banks	AA+	12.65%
Federal Home Loan Bank System	AA+	15.58%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	2.94%
Fannie Mae (Federal National Mortgage Association)	AA+	7.63%
Money Market First American Government Obligations Fund	AAAm	1.37%
Money Market First American Treasury Obligations Fund	AAAm	0.40%

Investment Type	Fair Value	Weighted Average Maturity (years)
Local Government Investment Pool	\$ 73,699,254	0.02
US Treasuries	75,643,660	0.54
US Instrumentalities	118,910,827	0.68
Domestic Corporate Securities	32,811,432	0.12
Money Market Funds	5,424,310	—
Total Investments controlled by City	<u><u>\$ 306,489,483</u></u>	
Total Portfolio Weighted Average Maturity		1.36

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Fair Value of Assets and Liabilities

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

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

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019:

Investments by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 5,424,310	\$ 5,424,310	\$ —	\$ —
US Treasuries	75,643,660	—	75,643,660	—
US Instrumentalities	118,910,827	—	118,910,827	—
Domestic Corporate Securities	32,811,432	—	32,811,432	—
Total investments by fair value level	<u>232,790,229</u>	<u>5,424,310</u>	<u>227,365,919</u>	<u>—</u>
Investments measured at net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	51,587,172			
ColoTrust (external investment pool)	15,525,322			
Colorado Statewide Investment Program (CSIP) (external investment pool)	<u>6,586,760</u>			
Total investments measured at the NAV	<u>73,699,254</u>			
Total investments	<u>\$ 306,489,483</u>			

Investment Valuation Techniques. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The City does not have any level 3 securities as of December 31, 2019.

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

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Fiduciary Fund Investments

The City of Westminster Employee 401(a) Defined Contribution Plan Board has the following responsibilities:

- Operate the Plan in compliance with legal requirements and Plan documents for the exclusive benefit of the participants.
- Adopt an Investment Policy Statement (IPS) that provides the appropriate investment options.
- Identify appropriate investment options allowing for adequate levels of asset allocation.
- Delegate and select certain responsibilities to professional experts in various fields. These may include, but not limited to: investment consultants, Third Party Administrator (TPA)/recordkeeper, custodian bank, and attorneys.
- Monitor investment results.
- Monitor compliance with the IPS and the fees charged for services.
- Take appropriate action if objectives are not being met or guidelines are not being followed.

The investment objective of the Plan is to provide a manageable group of mutual funds that offers the participants a quality product with the ability to properly diversify their investment holdings.

The fund manager and investment consultant are expected to manage the Plans' assets in a manner consistent with the investment objectives, guidelines and constraints outlined in the Plan's investment policy and in accordance with state and federal requirements. This includes discharging responsibilities with respect to the Plan consistent with the prudent expert-standard as described above and all other fiduciary responsibility provisions and regulations. The fund manager and investment consultant shall at all times be registered in good standing as an investment adviser under the Investment Advisers Act of 1940, and shall acknowledge in writing that it is a fiduciary of the Plan.

The TPA/recordkeeper will track individual participant balances and process participant contributions, disbursements, and transfers. The recordkeeper will reconcile participant balances with trust account balances to maintain alignment. The recordkeeper will also perform testing and produce management reports that ensure Plan compliance with all laws and regulations.

Each participant has the responsibility to allocate their account contributions and balances in a manner consistent with their individual time horizons, risk tolerance, return expectations and asset class preferences. Participants are responsible for attending city provided investment education and retirement classes and other education as needed to select a portfolio mix consistent with their individual goals.

The investment consultant monitors, evaluates the investments and reports to the Board on a quarterly basis. When evaluating the investments the Board will consider the following:

- Manager's consistency with his style mandate as expressed in the IPS;
- Material changes in the manager's organization, investment philosophy and/or personnel;
- Comparisons of the manager's results to appropriate indices;
- The risk associated with each manager's portfolio, as measured by the variability of quarterly returns (standard deviation), compared with the benchmark index; and,
- The manager's performance relative to his/her peers (managers of like investment style or strategy.)

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The following table lists the investment options available to participants in the 401(a) and the value of each option at December 31, 2019:

	2019
Emerald Growth Inst'l	\$ 3,205,757
ICM Small Company	2,783,821
Northern Small Cap Index	1,786,935
Artisan Mid Cap Inv	6,802,873
J Hancock Disciplined Value Mid Cap R6	4,778,660
Northern Mid Cap Index	1,640,710
American Funds EuroPacific Growth R6	3,310,202
Invesco Oppenheimer Global Y	6,121,028
American Beacon Int'l Equity R6	1,738,524
Vanguard Total Int'l Stock Index Admiral	204,368
Virtus Duff & Phelps Real Estate Securities I	2,226,332
Harbor Capital Appreciation Inst'l	17,451,696
Dodge & Cox Stock Fund	11,393,577
Vanguard Institutional Index I	10,728,202
Galliard Retirement Income Fund CI35	19,514,961
Metropolitan West Total Return Bond Plan	12,277,763
Vanguard Retirement Income	2,473,081
Vanguard Target Retirement 2015 I	1,694,384
Vanguard Target Retirement 2020 I	6,929,288
Vanguard Target Retirement 2025 I	8,540,877
Vanguard Target Retirement 2030 I	7,305,443
Vanguard Target Retirement 2035 I	5,386,087
Vanguard Target Retirement 2040 I	7,133,562
Vanguard Target Retirement 2045 I	2,152,860
Vanguard Target Retirement 2050 I	2,419,966
Vanguard Target Retirement 2055 I	177,769
Vanguard Target Retirement 2060 I	106,250
Conservative Model Portfolio	17,729,730
Moderate Model Portfolio	30,310,157
Aggressive Model Portfolio	30,612,027
Total Investments	<u><u>\$ 228,936,889</u></u>

The model portfolios consist of the following investments and allocations:

	Aggressive Model Portfolio	Moderate Model Portfolio	Conservative Model Portfolio
ICM Small Company	6%	3%	1%
Artisan Mid Cap Inv	7%	4%	3%
American Funds EuroPacific Growth R6	12%	7%	4%
American Beacon Int'l Equity R6	12%	7%	4%
Harbor Capital Appreciation Inst'l	10%	6%	3%
Dodge & Cox Stock Fund	9%	5%	3%
Vanguard Institutional Index I	10%	6%	3%
Metropolitan West Total Return Bond Plan	2%	18%	35%
Galliard Retirement Income Fund CI35	0%	7%	11%
DFA Emerging Markets Core Equity	8%	5%	3%
BlackRock Strategic Income Opps Inv A	0%	5%	5%
JPMorgan Strategic Income Opportunity R5	0%	5%	5%
Eaton Vance Floating Rate I	7%	7%	7%
Litman Gregory Masters Alt Strat Fund; Instl	5%	5%	5%
Blackstone Alternative Multi-Strategy Fund; I	5%	5%	5%
Tortoise MLP & Pipeline Fund; Instl	7%	5%	3%
	<u><u>100%</u></u>	<u><u>100%</u></u>	<u><u>100%</u></u>

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Fiduciary Funds Fair Value Measurement

The Plan uses various methods to measure the fair value of investment on a recurring basis. Statement No. 72 establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities that the Plan has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Plan's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the security. To the extent valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments measured at net asset value do not have significant terms or conditions for redemption or commitment for additional funding. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as unrealized gains and losses on investments still held at year-end.

Investments measured at fair value hierarchy levels as of December 31, 2019:

		Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Unobservable Inputs
Investments by fair value level	December 31, 2019	(Level 1)	(Level 2)	(Level 3)
Mutual Funds	\$ 209,421,928	\$ 209,421,928	\$ —	\$ —
Commingled Fund	19,514,961	—	19,514,961	—
Total investments by fair value level	<u>\$ 228,936,889</u>	<u>\$ 209,421,928</u>	<u>\$ 19,514,961</u>	<u>\$ —</u>

Fiduciary Funds Risks and Uncertainties

(a) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan will not be able to recover its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either the counterparty or the counterparty's trust department or agent, but not in the Plan's name.

The Plan investments are evidenced by mutual fund shares and commingled fund units. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures*, investments in these funds should be disclosed but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The Plan's investment is the mutual fund share or the commingled fund unit, not the underlying security. Additionally, investments in open-end mutual or commingled funds are not subject to custodial credit risk disclosures.

(b) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. If 5% or more of the total assets of the Plan are invested with one issuer then the investment is considered to have concentration risk. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from concentration of credit risk requirements. The Plan investment options consist of diversified mutual funds and one commingled fund and therefore do not have concentration risk.

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(c) Credit Risk

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The Plan investment policy does not specifically address the quality rating of the investments. Each participant is responsible for determining the risks and commensurate returns of their portfolio. The Plan investment options consist of diversified mutual funds and one commingled fund, therefore do not have credit risk. The mutual funds and the commingled fund have not been rated by any nationally recognized rating agency (Moody's, Fitch and Standard & Poor's rating agencies).

(d) Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. Some of the mutual funds held by the Plan invest in debt instruments that are subject to interest rate risk. The schedule presented below provides an indication of the interest rate risk associated with the funds holding debt obligations as of the most recent information available:

Schedule of maturity, duration and credit quality

	Average effective maturity (years)	Average effective duration (years)	Average credit quality
Target date funds:			
Vanguard Retirement Income	7.28	5.81	AA
Vanguard Target Retirement 2015 I	7.43	5.92	AA
Vanguard Target Retirement 2020 I	7.84	6.21	A
Vanguard Target Retirement 2025 I	8.77	6.85	A
Vanguard Target Retirement 2030 I	8.77	6.85	A
Vanguard Target Retirement 2035 I	8.77	6.84	A
Vanguard Target Retirement 2040 I	8.78	6.86	A
Vanguard Target Retirement 2045 I	8.78	6.86	A
Vanguard Target Retirement 2050 I	8.78	6.86	A
Vanguard Target Retirement 2055 I	8.78	6.86	A
Vanguard Target Retirement 2060 I	8.77	6.85	A
Fixed income mutual funds:			
Metropolitan West Total Return Bond Plan	7.46	5.92	BBB
*BlackRock Strategic Income Opps Inv A	8.21	3	BB
*JPMorgan Strategic Income Opportunity R5	1.33	0.37	BB
*Eaton Vance Floating Rate I	4.95	0.26	B
Commingled fund:			
Galliard Retirement Income Fund CI35	3.42	2.82	A

*Underlying investments within the model portfolios only

(e) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Plan's diversified selection of funds encourages the participants to employ diversification, asset allocation, and quality strategies to minimize risks. Each participant is responsible for determining the risks and commensurate returns of their portfolio. The Plan exposure to foreign currency risk is measured by fund allocation to foreign securities as of the most recent information available is summarized in the table below:

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Schedule of assets invested in foreign securities

	Dollar allocation invested in foreign securities				Percentage of fund invested in foreign securities
	Individual Mutual Funds	Model Portfolios			
		Aggressive	Moderate	Conservative	
Emerald Growth Inst'l	\$ 36,225	\$ —	\$ —	\$ —	1.13%
ICM Small Company	36,468	24,061	11,912	2,323	1.31%
Northern Small Cap Index	19,835	—	—	—	1.11%
Artisan Mid Cap Inv	624,504	196,713	111,299	48,828	9.18%
J Hancock Disciplined Value Mid Cap R6	202,137	—	—	—	4.23%
Northern Mid Cap Index	984	—	—	—	0.06%
American Funds EuroPacific Growth R6	3,011,290	3,341,731	1,930,120	645,149	90.97%
Invesco Oppenheimer Global Y	2,993,183	—	—	—	48.90%
American Beacon Int'l Equity R6	1,648,990	3,484,261	2,012,443	672,666	94.85%
Vanguard Total Int'l Stock Index Admiral	198,768	—	—	—	97.26%
Harbor Capital Appreciation Inst'l	2,467,670	432,854	257,151	75,210	14.14%
Dodge & Cox Stock Fund	1,312,540	317,385	174,586	61,274	11.52%
Vanguard Institutional Index I	101,918	29,081	17,277	5,053	0.95%
Vanguard Retirement Income	301,221	—	—	—	12.18%
Vanguard Target Retirement 2015 I	249,752	—	—	—	14.74%
Vanguard Target Retirement 2020 I	1,404,567	—	—	—	20.27%
Vanguard Target Retirement 2025 I	2,061,768	—	—	—	24.14%
Vanguard Target Retirement 2030 I	1,980,506	—	—	—	27.11%
Vanguard Target Retirement 2035 I	1,619,596	—	—	—	30.07%
Vanguard Target Retirement 2040 I	2,341,948	—	—	—	32.83%
Vanguard Target Retirement 2045 I	763,404	—	—	—	35.46%
Vanguard Target Retirement 2050 I	858,120	—	—	—	36.46%
Vanguard Target Retirement 2055 I	63,037	—	—	—	35.46%
Vanguard Target Retirement 2060 I	37,655	—	—	—	35.44%
Metropolitan West Total Return Bond Plan	1,228	61	546	621	0.01%
Galliard Retirement Income Fund CI35	—	—	—	—	0.00%
*DFA Emerging Markets Core Equity	—	2,417,371	1,495,958	525,030	98.71%
*BlackRock Strategic Income Opps Inv A	—	—	18,641	10,904	1.23%
*JPMorgan Strategic Income Opportunity R5	—	—	758	443	0.05%
*Eaton Vance Floating Rate I	—	2,571	2,546	1,489	0.12%
*Litman Gregory Masters Alt Strat Fund; Instl	—	68,724	68,046	39,803	4.49%
*Blackstone Alternative Multi-Strategy Fund; I	—	54,642	54,104	31,648	3.57%
*Tortoise MLP & Pipeline Fund; Instl	—	481,925	340,838	119,622	22.49%
	\$ 24,337,314	\$ 10,851,381	\$ 6,496,224	\$ 2,240,063	

*Underlying investments within the model portfolios only

CITY OF WESTMINSTER, COLORADO
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B. Disaggregation of Receivables

Receivables at December 31, 2019, were as follows:

	Taxes	Accounts	Notes and Leases	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 17,733,322	\$ 4,514,459	\$ 2,249,822	\$ 180,752	\$ 185,038	\$ 24,863,393
GCIF	—	2,703,236	963,169	737,095	268,246	4,671,746
WEDA	16,392,213	217	6,680,010	—	47,776	23,120,216
Nonmajor governmental	1,172,263	13,594	2,250,000	12,608	30,963	3,479,428
Less: Allowance for Doubtful Accounts	—	(1,832,994)	(1,853,123)	—	—	(3,686,117)
Subtotal	35,297,798	5,398,512	10,289,878	930,455	532,023	52,448,666
Reconciliation of balances to government-wide financial statements:						
Internal service funds	—	498,703	—	—	99,807	598,510
Total - Governmental Activities	\$ 35,297,798	\$ 5,897,215	\$ 10,289,878	\$ 930,455	\$ 631,830	\$ 53,047,176
Business-type Activities:						
Utilities	\$ —	\$ 7,428,369	\$ 21,720	\$ 585,000	\$ 423,491	\$ 8,458,580
Nonmajor proprietary	—	43,341	—	—	8,725	52,066
Less: Allowance for Doubtful Accounts	—	(61,437)	—	—	—	(61,437)
Total - Business-type Activities:	\$ —	\$ 7,410,273	\$ 21,720	\$ 585,000	\$ 432,216	\$ 8,449,209

C. Notes Receivable

Governmental Activities

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

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

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

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

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

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

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repayment of the note is required within 30 years following the issuance of the certificate of occupancy for the project. Payments will be made from housing cash flows for the project in accordance with a specific priority of repayment schedule.

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

The Westminster Housing Authority entered into a note with Westminster Commons VOA, LP as part of the sale of the Westminster Commons senior housing complex. Repayment will be made from projected cash flows generated by the project beginning in 2015 with a balloon payment of any unpaid principal and accrued interest in 2052. Interest is compounded annually at the rate of 3.6%. Due to the limited projected cash flows and unsecured subordinate note, an allowance for doubtful accounts has been established in the amount of \$1,853,123 at December 31, 2019. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

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

Description of notes and leases receivable

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time payment	*
Hyland Hills Park and Recreation District	Ice Centre	4,975,000	1,782,500	semi-annually	2022
Eaton Street Affordable Housing LLC	Sale of Land and Building Permit Fee and Taxes	2,028,144	2,028,144	**	2036
Eaton Street Affordable Housing LLC	Affordable Housing Loan	1,650,000	1,678,615	**	2049
Eaton Street Affordable Housing LLC	Parking Space Lease Note	2,124,000	2,125,059	**	2036
Aspire Westminster LLC	Development Assistance Note	2,000,000	2,083,836	***	2029
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 ****	396,877	annually	2052
Total Governmental Activities		<u>\$ 15,221,991</u>	<u>\$ 10,289,878</u>		

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

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

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

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

Business Type Activities

The Utility Fund entered into notes receivable with two Utility customers. These notes allow the water system user to pay for the cost of connecting to the water system over a period of time. The note requires monthly payments of principal and interest at a rate of 3.5% per annum. An allowance for doubtful accounts is not established as the City can lien the associated property.

Description of notes and leases receivable

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Utility Customers	Water System Connection	\$ 85,663	\$ 21,720	monthly	2021
Total Business-Type Activities		<u>\$ 85,663</u>	<u>\$ 21,720</u>		

CITY OF WESTMINSTER, COLORADO
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Notes and Leases Receivable Maturities

Year Ending	Governmental activities						Business-type activities
	Catellus	Hyland Hills	Eaton Street Affordable Housing LLC	Aspire Westminister LLC	Westminister Commons VOA, LP	Total	Utility Customers
2020	\$ 194,847	\$ 415,000	\$ —	\$ —	\$ 16,162	\$ 626,009	\$ 11,793
2021	—	427,500	—	—	16,767	444,267	9,927
2022	—	940,000	—	—	17,364	957,364	—
2023	—	—	—	—	17,953	17,953	—
2024	—	—	—	—	18,533	18,533	—
2025-2029	—	—	—	2,083,836	101,169	2,185,005	—
2030-2034	—	—	—	—	115,890	115,890	—
2035-2039	—	—	4,153,203	—	130,740	4,283,943	—
2040-2044	—	—	—	—	145,590	145,590	—
2045-2049	—	—	1,678,615	—	160,440	1,839,055	—
2050-2054	—	—	—	—	103,392	103,392	—
	194,847	1,782,500	5,831,818	2,083,836	844,000	10,737,001	21,720
Net present value/ principal adjustment	—	—	—	—	(447,123)	(447,123)	—
Total	\$ 194,847	\$ 1,782,500	\$ 5,831,818	\$ 2,083,836	\$ 396,877	\$ 10,289,878	\$ 21,720

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2019, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Loans from/to other funds:</i>		
General Capital Improvement	Westminister Economic Development Authority	\$ 619,500
Total interfund receivables and payables		<u>\$ 619,500</u>

The loan of \$619,500 to the WEDA Fund was used to pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. This interfund loan is expected to be repaid in the near term.

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

CITY OF WESTMINSTER, COLORADO
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E. Capital Assets

Capital Assets at December 31, 2019 were as follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities					
Land & Land Rights	\$ 150,956,006	\$ 772,157	\$ 1,019,587	\$ (135,536)	\$ 152,612,214
Water Rights	1,000,000	—	—	—	1,000,000
Joint Venture	5,361,000	—	—	—	5,361,000
Construction in progress	3,540,716	14,628,376	(14,231,186)	—	3,937,906
Total nondepreciable assets	160,857,722	15,400,533	(13,211,599)	(135,536)	162,911,120
Buildings	91,945,767	—	4,016,790	(248,813)	95,713,744
Improvements other than buildings	51,855,367	—	1,544,775	—	53,400,142
Parks	65,677,045	—	1,330,526	—	67,007,571
Ice Center	6,972,384	—	—	—	6,972,384
Infrastructure	429,077,252	—	3,868,089	—	432,945,341
Machinery and equipment	46,773,004	2,916,802	2,372,126	(1,132,368)	50,929,564
Total depreciable assets	692,300,819	2,916,802	13,132,306	(1,381,181)	706,968,746
Less accumulated depreciation for:					
Buildings	(61,942,188)	(2,051,488)	—	62,237	(63,931,439)
Improvements other than buildings	(32,295,072)	(2,209,524)	—	—	(34,504,596)
Parks	(44,690,634)	(2,511,669)	—	—	(47,202,303)
Ice Center	(2,905,160)	(145,258)	—	—	(3,050,418)
Infrastructure	(222,570,942)	(8,520,144)	—	—	(231,091,086)
Machinery and equipment	(33,047,659)	(4,157,319)	—	1,095,824	(36,109,154)
Total accumulated depreciation	(397,451,655)	(19,595,402)	—	1,158,061	(415,888,996)
Net total depreciable assets	294,849,164	(16,678,600)	13,132,306	(223,120)	291,079,750
Governmental activities capital assets, net	\$ 455,706,886	\$ (1,278,067)	\$ (79,293)	\$ (358,656)	\$ 453,990,870

Depreciation expense was charged to governmental

General government	\$ 2,806,777
Public safety	1,614,406
Public works	2,877,861
Community development	5,212,025
Culture and Recreation	6,856,922
Unallocated depreciation-governmental funds	227,411
Total depreciation expense	\$ 19,595,402

Primary Government (continued)

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 25,090,609	\$ —	\$ 2,202,553	\$ —	\$ 27,293,162
Water rights	95,621,571	—	22,160	—	95,643,731
Construction in progress	31,848,025	45,143,915	(31,285,593)	—	45,706,347
Total nondepreciable assets	152,560,205	45,143,915	(29,060,880)	—	168,643,240
Buildings and plants	253,041,267	—	—	—	253,041,267
Improvements other than buildings	311,870,535	1,079,739	26,662,037	—	339,612,311
Parks	1,515,487	—	—	—	1,515,487
Machinery and equipment	25,373,229	173,409	2,478,136	(432,053)	27,592,721
Total depreciable assets	591,800,518	1,253,148	29,140,173	(432,053)	621,761,786
Less accumulated depreciation for:					
Buildings and plants	(125,599,891)	(6,103,474)	—	—	(131,703,365)
Improvements other than buildings	(97,183,017)	(7,150,052)	—	—	(104,333,069)
Parks	(1,428,740)	(75,774)	—	—	(1,504,514)
Machinery and equipment	(18,722,318)	(2,006,297)	—	432,053	(20,296,562)
Total accumulated depreciation	(242,933,966)	(15,335,597)	—	432,053	(257,837,510)
Net total depreciable assets	348,866,552	(14,082,449)	29,140,173	—	363,924,276
Business-type activities capital assets, net	\$ 501,426,757	\$ 31,061,466	\$ 79,293	\$ —	\$ 532,567,516

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

Utility	\$ 14,643,983
Golf	691,614
Total depreciation expense	\$ 15,335,597

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F. Disaggregation of Payables

Payables at December 31, 2019, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 2,498,782	\$ 9,864,944	\$ 1,694,280	\$ —	\$ 14,058,006
GCIF	1,577,853	1,261,933	31,660	—	2,871,446
WEDA	536,244	148,103	—	—	684,347
Nonmajor governmental	230,108	205,983	37,100	—	473,191
Subtotal - Governmental Funds	4,842,987	11,480,963	1,763,040	—	18,086,990
Reconciliation of balances to government-wide financial statements:					
Long-term liabilities susceptible to full accrual reporting	—	—	51,078	1,873,616	1,924,694
Internal service funds	620,218	—	15,453	34,154	669,825
Total - Governmental Activities	\$ 5,463,205	\$ 11,480,963	\$ 1,829,571	\$ 1,907,770	\$ 20,681,509
Business-type Activities:					
Utilities	\$ 5,280,390	\$ 591,425	\$ 343,618	\$ 372,264	\$ 6,587,697
Nonmajor proprietary	57,695	8,251	36,280	6,509	108,735
Total - Business-type Activities	\$ 5,338,085	\$ 599,676	\$ 379,898	\$ 378,773	\$ 6,696,432

CITY OF WESTMINSTER, COLORADO
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G. Interfund Transfers

Transfer activity for the year ended December 31, 2019 was as follows:

TRANSFERS OUT	TRANSFERS IN					Grand Total
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	
General Fund	\$ —	\$ 16,277,513	\$ —	\$ 1,358,550	\$ —	\$ 17,636,063
General Capital Improvement Fund	—	—	—	50,000	200,000	250,000
WEDA	182,700	1,616,912	—	—	—	1,799,612
Nonmajor Governmental Funds	84,417	3,828,933	67,800	2,018,019	250,000	6,249,169
Utility Fund	733,975	—	—	51,025	—	785,000
Grand Totals	\$ 1,001,092	\$ 21,723,358	\$ 67,800	\$ 3,477,594	\$ 450,000	\$ 26,719,844

The matrix summarizes the City's interfund transfer activity. Most transfers between the General, General Capital Improvement, WEDA, and Nonmajor Governmental Funds are routinely used to reallocate resources to fund City operations, capital construction, land purchases, debt service and governmental subsidies. In 2019, a transfer of \$666,912 from WEDA to the General Capital Improvement Fund transpired to provide funding for an interceptor sewer project. Transfer activity between governmental and business-type funds is detailed below:

Reconciliation of Transfers between Governmental and Proprietary Funds:

From the Utility Fund to the General Fund in lieu of taxes	\$ 733,975
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	51,025
From the General Capital Improvement Fund to the Golf Course Fund for operating subsidies	(200,000)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(250,000)
Total transfers between Governmental and Business Type Activities Funds	<u>\$ 335,000</u>

Reconciliation of Transfers between Governmental and Business-type Activities:

Transfers between Governmental and Proprietary Funds	\$ 335,000
Reassignment of capital assets between governmental and business-type activities	(79,293)
	<u>\$ 255,707</u>

CITY OF WESTMINSTER, COLORADO
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H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, loans, notes and other long-term debt issues:					
Revenue bonds	\$ 22,885,000	\$ —	\$ (2,390,000)	\$ 20,495,000	\$ 2,495,000
Tax increment bonds	18,940,000	—	(1,625,000)	17,315,000	1,665,000
Tax increment loans from direct placements	45,487,000	—	(3,848,000)	41,639,000	3,984,000
Notes from direct borrowings and direct placements	2,548,246	1,039,835	(1,421,054)	2,167,027	644,627
Certificates of participation	65,360,000	—	(6,955,000)	58,405,000	5,655,000
	155,220,246	1,039,835	(16,239,054)	140,021,027	14,443,627
Add:					
Bond/Notes premium	7,709,743	—	(785,934)	6,923,809	—
Bond discount	(205,707)	—	21,282	(184,425)	—
Total bonds, notes and loans payable	162,724,282	1,039,835	(17,003,706)	146,760,411	14,443,627
Other liabilities:					
Compensated absences	6,260,307	11,017,170	(10,858,579)	6,418,898	262,587
OPEB	2,776,188	104,844	(376,382)	2,504,650	—
Net Pension Liability	—	11,313,422	(6,023,314)	5,290,108	—
Total other liabilities	9,036,495	22,435,436	(17,258,275)	14,213,656	262,587
Governmental activities long-term liabilities	<u>\$ 171,760,777</u>	<u>\$ 23,475,271</u>	<u>\$ (34,261,981)</u>	<u>\$ 160,974,067</u>	<u>\$ 14,706,214</u>
Business-Type Activities:					
Bonds, notes, loans and other long-term debt issues:					
Revenue bonds	\$ 65,735,000	\$ 38,025,000	\$ (4,290,000)	\$ 99,470,000	\$ 3,345,000
Notes from direct borrowings and direct placements	8,206,056	—	(2,193,988)	6,012,068	1,544,781
Certificates of participation	2,235,000	—	(420,000)	1,815,000	430,000
	76,176,056	38,025,000	(6,903,988)	107,297,068	5,319,781
Add:					
Bond/Notes premium	7,709,632	5,876,146	(502,054)	13,083,724	—
Bond discount	(15,927)	—	5,350	(10,577)	—
Total bonds, notes and loans payable	83,869,761	43,901,146	(7,400,692)	120,370,215	5,319,781
Other liabilities:					
Compensated absences	1,242,467	2,041,967	(2,097,405)	1,187,029	41,012
OPEB	582,218	21,984	(78,931)	525,271	—
Pollution Remediation	383,416	—	(66,770)	316,646	30,000
Total other liabilities	2,208,101	2,063,951	(2,243,106)	2,028,946	71,012
Business-type activities long-term liabilities	<u>\$ 86,077,862</u>	<u>\$ 45,965,097</u>	<u>\$ (9,643,798)</u>	<u>\$ 122,399,161</u>	<u>\$ 5,390,793</u>

*Implementation of GASB 88, "Certain Debt Disclosures", required items previously reported as capital leases to be reclassified to financed purchase agreements which are reported under the category Notes from Direct Borrowings and Direct Placements. Additionally, Certificates of Participation are now reported as a separate line item. As such, the beginning balances of Governmental Activities in the amount of \$67,091,246 and Business-Type Activities in the amount of \$2,794,556 were reclassified from 2018 ending capital lease balances to notes from direct borrowings and direct placements and certificates of participation.

Additionally, GASB 88 requires distinguishing direct placements and borrowings in the debt disclosure. As such, the beginning balance of Governmental Activities tax increment bonds and loans of \$64,427,000 has been disaggregated to reflect tax increment bonds in the amount of \$18,940,000 and tax increment direct placement loans in the amount of \$45,487,000. This designation has been added where appropriate to the disclosure of bonds, loans, notes and other long-term debt issues.

CITY OF WESTMINSTER, COLORADO
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Long-term liability outstanding at December 31, 2019 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 420,000	5%	12/01/21
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	10,545,000	3,660,000	5%	12/01/22
Sales and Use Tax POST Refunding Series 2015	Refunding/POST 2007D	18,500,000	16,415,000	2.0% - 5.0%	12/01/31
Total Governmental Activities			20,495,000		
Water/Wastewater Revenue Series 2010	Build America Bonds	29,505,000	21,780,000	3.695% - 5.818%	12/01/30
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	39,665,000	1.5-5.0%	12/01/36
Water/Wastewater Revenue Series 2019	Water and Wastewater Bonds	38,025,000	38,025,000	3.0-5.0%	12/01/39
Total Business-type Activities			99,470,000		
Total Revenue bonds			<u>\$ 119,965,000</u>		

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2020	\$ 2,495,000	\$ 849,569	\$ 3,344,569	2020	\$ 3,345,000	\$ 4,291,936	\$ 7,636,936
2021	2,595,000	757,819	3,352,819	2021	3,460,000	4,221,456	7,681,456
2022	2,370,000	650,569	3,020,569	2022	3,540,000	4,112,390	7,652,390
2023	1,190,000	555,169	1,745,169	2023	3,685,000	3,937,810	7,622,810
2024	1,250,000	495,669	1,745,669	2024	3,790,000	3,800,471	7,590,471
2025-2029	7,255,000	1,475,344	8,730,344	2025-2029	21,270,000	16,127,352	37,397,352
2030-2031	3,340,000	155,288	3,495,288	2030-2034	26,915,000	10,025,432	36,940,432
Total	<u>\$ 20,495,000</u>	<u>\$ 4,939,427</u>	<u>\$ 25,434,427</u>	2035-2039	33,465,000	3,478,250	36,943,250
				Total	<u>\$ 99,470,000</u>	<u>\$ 49,995,097</u>	<u>\$ 149,465,097</u>

Tax Increment Bonds and Loans

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Tax Increment Bonds					
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	\$ 28,900,000	\$ 17,315,000	4%	12/01/28
Total Tax Increment Bonds			17,315,000		
Tax Increment Loans - Direct Placement					
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	37,124,000	3.51%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	4,515,000	(1)	12/01/28
Total Increment Loans - Direct Placement			41,639,000		
Total Governmental Activities			<u>\$ 58,954,000</u>		

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

Bonds			Direct Placement Loans		Total
Year	Principal	Interest	Principal	Interest	
2020	\$ 1,665,000	\$ 664,825	\$ 3,984,000	\$ 1,462,729	\$ 7,776,554
2021	1,715,000	614,875	4,125,000	1,322,784	7,777,659
2022	1,765,000	563,425	4,270,000	1,175,058	7,773,483
2023	1,840,000	492,825	4,419,000	1,025,399	7,777,224
2024	1,910,000	419,225	4,574,000	870,517	7,773,742
2025-2029	8,420,000	898,800	20,267,000	1,822,272	31,408,072
Total	<u>\$ 17,315,000</u>	<u>\$ 3,653,975</u>	<u>\$ 41,639,000</u>	<u>\$ 7,678,759</u>	<u>\$ 70,286,734</u>

(1) The 2012 WEDA South Sheridan Loan was converted to a fixed interest rate for the first 5 years on 9/13/2012. Subsequent years' interest is variable based on 70% of applicable LIBOR rate based on period selected plus 2.25%. On 10/1/2017 the City chose to fix the rate for a 5 year period at 3.54%.

CITY OF WESTMINSTER, COLORADO
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Certificates of Participation (2)

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	\$ 12,825,000	\$ 4,125,000	3.25% - 4.25%	12/01/22
Certificates of Participation 10	Ice Centre Refunding	9,950,000	3,565,000	3.0% - 4.5%	12/01/22
Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	6,910,000	2.0% - 4.0%	12/01/25
Certificates of Participation 15 A	Westminster Downtown Nontaxable	30,000,000	30,000,000	4.0% - 5.0%	12/01/38
Certificates of Participation 15 B	Westminster Downtown Taxable	10,000,000	6,305,000	1.54% - 3.72%	12/01/24
Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	7,500,000	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>58,405,000</u>		
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	1,815,000	3.25% - 4.25%	12/01/23
Total Business-type Activities			<u>1,815,000</u>		
Total Certificate of Participation			<u>\$ 60,220,000</u>		

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

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

Governmental Activities				Business-type Activities			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2020	\$ 5,655,000	\$ 2,448,541	\$ 8,103,541	2020	\$ 430,000	\$ 65,450	\$ 495,450
2021	5,825,000	2,266,410	8,091,410	2021	445,000	52,013	497,013
2022	7,005,000	2,091,830	9,096,830	2022	460,000	37,500	497,500
2023	3,835,000	1,815,385	5,650,385	2023	480,000	18,000	498,000
2024	3,980,000	1,668,701	5,648,701	Total	<u>\$ 1,815,000</u>	<u>\$ 172,963</u>	<u>\$ 1,987,963</u>
2025-2029	10,960,000	6,293,400	17,253,400				
2030-2034	10,635,000	3,872,000	14,507,000				
2035-2038	10,510,000	1,097,750	11,607,750				
Total	<u>\$ 58,405,000</u>	<u>\$ 21,554,017</u>	<u>\$ 79,959,017</u>				

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Notes from Direct Borrowings and Placements

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	10 Energy Saving Equipment	\$ 2,517,094	\$ 446,791	4.10%	04/01/21
Note	13 Fire Pumper	435,393	64,880	1.95%	01/15/20
Note	16 Fire Pumper	1,040,859	615,521	2.36%	06/28/23
Note	19 Fire Ladder	1,039,835	1,039,835	2.95%	01/15/26
Total Notes from Direct Borrowings - Governmental Activities			<u>2,167,027</u>		
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	530,218	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	5,182,500	3.32%	06/01/25
Rehfeld Note	Purchase of water shares	180,000	58,767	4.00%	03/31/23
Golf Course Note	17 Golf Cart Joint Lease	492,064	240,583	2.33%	02/25/21
Total Notes from Direct Borrowings and Placements - Business-type Activities			<u>6,012,068</u>		
Total Notes from Direct Borrowings and Placements			<u><u>\$ 8,179,095</u></u>		

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

Governmental Activities				Business-type Activities			
Notes from Direct Borrowings				Notes from Direct Borrowings and Placements			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2020	\$ 644,627	\$ 57,799	\$ 702,426	2020	\$ 1,544,781	\$ 194,920	\$ 1,739,701
2021	444,360	40,076	484,436	2021	1,014,251	153,239	1,167,490
2022	299,511	29,953	329,464	2022	929,969	119,796	1,049,765
2023	307,433	22,031	329,464	2023	975,567	82,003	1,057,570
2024	152,489	13,897	166,386	2024	1,022,500	10,055	1,032,555
2025-2026	318,607	14,167	332,774	2025	525,000	—	525,000
Total	<u>\$ 2,167,027</u>	<u>\$ 177,923</u>	<u>\$ 2,344,950</u>	Total	<u>\$ 6,012,068</u>	<u>\$ 560,013</u>	<u>\$ 6,572,081</u>

Summary of Significant Terms with Finance-Related Consequences.

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

Government Activities

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

WEDA's outstanding note from a direct borrowing related to the South Sheridan loan contains a provision that in an event of default, interest on the outstanding principal of the loan shall accrue at a rate per annum equal to the greater of (i) the interest rate then borne by the Loan or (ii) the sum of the Prime Rate plus four percent (4.00%), until the default is cured. This note includes a prepayment penalty of 1% if the loan is in a Five Year Interest Period and is prior to the second anniversary of the Five Year Interest Period.

Business Activities

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

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

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

The government-wide and business-type financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted Net Position is liquid assets which have third-party limitations on their use. Restricted net position is reported by major category, which includes emergencies; capital projects; open space conservation and improvements; and debt service. Nonmajor categories have been aggregated as restricted for other purposes. Unrestricted Net Position represents assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions. Net Investment in Capital Assets at December 31, 2019 was as follows:

Governmental activities:

Capital Assets, net of accumulated depreciation: \$ 453,990,870

Related Debt:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2001	\$ 420,000	\$ (754)	\$ 419,246	\$ —	\$ 419,246
Sales and Use Tax Refunding Series 2010	3,660,000	53,693	3,713,693	—	3,713,693
Sales and Use Tax Refunding Series 2010 "B interest coupons"	—	(1,205)	(1,205)	—	(1,205)
Sales and Use Tax Refunding Series 2015	16,415,000	670,348	17,085,348	—	17,085,348
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	17,315,000	454,889	17,769,889	—	17,769,889
WEDA Revenue Loan Series 2012 (North Huron)	37,124,000	—	37,124,000	—	37,124,000
WEDA Revenue Loan Series 2012 (South Sheridan)	4,515,000	(128,484)	4,386,516	—	4,386,516
Notes payable	2,167,027	—	2,167,027	—	2,167,027
Certificates of Participation	58,405,000	2,870,399	61,275,399	2,940,653	58,334,746
Accounts payable incurred for capital asset purchases	2,238,510	—	2,238,510	—	2,238,510
Total Governmental Activities	\$ 142,259,537	\$ 3,918,886	\$ 146,178,423	\$ 2,940,653	143,237,770

Net investment in capital assets, governmental activities

310,753,100

Business-type activities:

Capital Assets, net of accumulated depreciation:

Related Debt: 532,567,516

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2010	\$ 21,780,000	\$ —	\$ 21,780,000	\$ 1,476,442	\$ 20,303,558
Water/Wastewater Revenue Series 2016	39,665,000	6,965,784	46,630,784	1,438,114	45,192,670
Water/Wastewater Revenue Series 2019	38,025,000	5,851,662	43,876,662	43,622,987	253,675
Certificates of Participation 10 (Golf Course Portion)	1,815,000	16,894	1,831,894	—	1,831,894
Water Notes	5,771,485	223,348	5,994,833	—	5,994,833
Notes payable	240,583	—	240,583	—	240,583
Accounts payable incurred for capital asset purchases	3,519,706	—	3,519,706	—	3,519,706
Total Business Type Activities	\$ 110,816,774	\$ 13,057,688	\$ 123,874,462	\$ 46,537,543	77,336,919

Net investment in capital assets, business-type activities

455,230,597

Total net investment in capital assets

\$ 765,983,697

**CITY OF WESTMINSTER, COLORADO
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J. Pledged Revenues

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

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

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$1,600,500 for the general sales and use tax revenue bonds and \$1,747,969 for the Parks Open Space Tax (POST) revenue bonds. They were paid using 2.0% of the general sales tax net pledged revenues totaling \$80,192,885 and 24.1% of the POST net pledged revenues totaling \$7,266,454 respectively. Total principal and interest payments remaining on the general sales and use tax bonds is \$4,479,000 payable through December 2022 and \$20,955,427 for the POST bonds payable through December 2031.

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

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

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Principal, interest and fees of \$7,780,425 reported in the WEDA statements were paid using 62.3% of incremental net pledged revenues for a total of \$12,488,581. Total principal and interest remaining on the bonds and loans is \$70,286,734, payable through December 2028.

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

Colorado Water Resource and Power Development Authority Notes:

- \$14,998,357 issued in April 2000 to construct the Northwest Water Treatment Facility
- \$15,440,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

Revenue Bonds:

- \$29,505,000 issued in May 2010 to acquire and develop improvements to the System throughout the City.
- \$42,830,000 issued in May 2016 to acquire, develop, enhance and maintain system improvements throughout the City.
- \$38,025,000 issued in December 2019 to acquire, develop, enhance and maintain system improvements throughout the City.

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$9,473,157 reported in the Utility statements were paid using 19.5% of pledged net revenues totaling \$48,630,486. Total principal and interest remaining on the revenue bonds and loans is \$155,726,527, payable through December 2039.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Loan Series 2012 (North Huron), and Revenue Loan Series 2012 (South Sheridan) with an aggregate balance of \$58,954,000 outstanding as of December 31, 2019. A moral obligation is a pledge by the City Manager to request of Council that the City replenish the Reserve Fund associated with this debt to the minimum required per the bond indenture or loan document should it become necessary. Council will consider, but is not obligated to fulfill this request.

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

L. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Loss on refunding debt	Pension	OPEB	Total
Governmental Fund Activities:	\$ —	\$ —	\$ —	\$ —
Reconciliation of balances in fund financial statements to government-wide financial statements	2,820,498	21,428,671	629,033	24,878,202
Total - Governmental Activities	2,820,498	21,428,671	629,033	24,878,202
Business-type Activities:				
Utility Fund	—	—	117,440	117,440
Non-major proprietary funds	15,462	—	14,480	29,942
Total - Business-type Activities:	15,462	—	131,920	147,382
Total Government-wide Activities	\$ 2,835,960	\$ 21,428,671	\$ 760,953	\$ 25,025,584

Deferred Inflows of Resources	Property taxes	Pensions	OPEB	Grants	Assessments, Notes and Leases	Other	Total
Governmental Fund Activities:							
General	\$ 6,844,330	\$ —	\$ —	\$ 11,250	\$ 2,249,823	\$ 455,342	\$ 9,560,745
GCIF	—	—	—	737,095	963,169	2,000	1,702,264
WEDA	16,392,213	—	—	—	6,680,010	—	23,072,223
Other Governmental	385,610	—	—	12,608	396,877	—	795,095
Subtotal	23,622,153	—	—	760,953	10,289,879	457,342	35,130,327
Reconciliation of balances in fund financial statements to government-wide financial statements	—	4,411,539	507,644	(760,953)	(10,095,032)	(457,342)	(6,394,144)
Total - Governmental Activities	\$ 23,622,153	\$ 4,411,539	\$ 507,644	\$ —	\$ 194,847	\$ —	\$ 28,736,183
Business-type Activities:							
Utility Fund	\$ —	\$ —	\$ 94,773	\$ —	\$ —	\$ —	\$ 94,773
Non-major proprietary funds	—	—	11,685	—	—	—	11,685
Total - Business-type Activities:	—	—	106,458	—	—	—	106,458
Total Government-wide Activities	\$ 23,622,153	\$ 4,411,539	\$ 614,102	\$ —	\$ 194,847	\$ —	\$ 28,842,641

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NOTE 3 - OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; employee injury on the job; theft of, damage to and destruction of assets; errors and omissions; and natural disaster for which the City carries excess insurance. The City self-funds the deductible portion of all claims. There were no reductions in insurance coverage from 2018 to 2019. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

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

The City has an Administrative Service Only plan with Aetna, whereby the City pays Aetna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$150,000 per individual per year. Both Aetna plans have an unlimited lifetime benefit. The City has recorded a liability in this fund totaling \$1,877,819 for open and estimated claims not yet reported at December 31, 2019 and a receivable of \$498,703 for claims in excess of the stop loss.

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

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2017, the program covers individual losses up to \$550,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$269,091 for open claims and estimated claims not yet reported at December 31, 2019.

Property and Liability Self-Insurance Internal Service Fund

The City established a program for property and liability claims effective January 1, 1988. The purpose of this program is to pay property and liability claims against the City and to reduce total annual insurance coverage cost to the City. The program covers individual losses up to \$250,000 per claim. Greater individual losses are covered through a risk sharing pool for Colorado municipalities. Property losses are insured through the pool for the total insured value of all property owned by the city up to a maximum shared pool total of \$500,000,000. State liability losses are limited as set forth by statutory liability limits for Colorado public jurisdictions up to \$150,000 per person and \$600,000 per occurrence for claims occurring prior to June 30, 2013. Effective July 1, 2013, the Colorado state legislature increased the limits to \$350,000 per person and \$990,000 per occurrence. The legislature increased the limits to \$387,000 per person and \$1,093,000 per occurrence effective January 1, 2018 to January 1, 2022. Through the pool, the City also carries excess liability coverage that covers the City for federal acts and out-of-state claims in excess of the self-insured deductible limits. In addition to property insurance including boiler and machinery, the program covers automobile liability, general liability, police professional, errors and omissions, crime and fiduciary liability.

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$1,122,423 for open claims at December 31, 2019.

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

Year	Beginning Balance Unpaid Claims	Incurring Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2018	\$ 1,396,488	\$ 14,504,415	\$ 13,078,685	\$ 2,822,218
2019	\$ 2,822,218	\$ 14,950,339	\$ 14,503,224	\$ 3,269,333

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B. Public Entity Risk Pools

The Colorado Intergovernmental Risk Sharing Agency ("CIRSA") was formed by an intergovernmental agreement by member municipalities pursuant to the provisions of regulation 24-10-115.5, C.R.S. (1982 Repl. Vol.), as amended, 29-1-201 et seq., C.R.S. (1977 Repl. Vol.), as amended, 29-13-102, C.R.S. (1977 Repl. Vol.), as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is restricted to Colorado municipalities, which are members of the Colorado Municipal League. The City only participates in the property and liability coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2019, there were 270 member municipalities and 42 Affiliated Public Entities, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property that might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2019 was \$250,000 for property and \$250,000 for liability. Coverages are as follows:

- 1) Property/excess property: total replacement value for City property up to the \$500,000,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence prior to June 30, 2013, then \$387,000 per person and \$1,930,000 per occurrence January 1, 2018 to January 1, 2022. (Claims not subject to Governmental Immunity Act up to \$10,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$5,000,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage to \$10,000,000, per claim/aggregate.
- 5) Crime: to \$150,000 any one claim and annual aggregate.
- 6) Supplemental defense costs (claims subject to the Governmental Immunity Act): to \$50,000 per claim/occurrence.
- 7) Excess crime to \$2,000,000 any one claim and annual aggregate.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available from insurance providers and under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs although it is not legally required to do so.

It is the intent of the members of CIRSA to create an entity in perpetuity, which will administer and use funds contributed by the members to indemnify, in accordance with the Bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA are dedicated to the exclusive benefit of its members. The Bylaws constitute the substance of the intergovernmental contract among the members. Continued membership in CIRSA must be periodically approved by the City Council. The Board of Directors, which is elected by the membership for four-year terms, governs CIRSA. All actions of the membership require a two-thirds vote of the members present at a meeting.

C. Contingent Liabilities

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

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

Various suits and claims are pending against the City as of December 31, 2019. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

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D. Construction and Other Significant Commitments

At December 31, 2019, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

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

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

	Appropriation 12/31/2019	Cumulative Expenditures 12/31/2019	Authorized Available 12/31/2019
Governmental activities:			
General Capital Improvement Fund	\$ 26,119,194	\$ 3,734,636	\$ 22,384,558
Westminster Economic Development Authority	11,746,853	19,296	11,727,557
Nonmajor Governmental activities	4,161,467	183,974	3,977,493
General Capital Outlay Replacement Fund	7,201,669	—	7,201,669
Total Governmental activities	<u>\$ 49,229,183</u>	<u>\$ 3,937,906</u>	<u>\$ 45,291,277</u>
Business-type activities			
Utility Fund	\$ 164,181,655	\$ 45,642,197	\$ 118,539,458
Nonmajor Business-type activities	1,429,834	64,150	1,365,684
Total Business-type activities	<u>\$ 165,611,489</u>	<u>\$ 45,706,347</u>	<u>\$ 119,905,142</u>

E. Denver Water Raw Water Contract

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from Denver Water. Permitted deliveries vary from month-to-month and peak during the summer months. By contract the City is obligated to take or pay for 1,750 acre-feet of water during the contract period, which runs from July 1 to June 30. The 2019 rate charged by Denver Water was \$1.02 per thousand gallons, or \$332.37 per acre-foot (there are 325,851 gallons in one acre-foot). For the fiscal period of July 1, 2018 through June 30, 2019 the City did not take any water from January, 2019 through June 30, 2019. For the fiscal period of July 1, 2018 through June 30, 2019, the City paid Denver Water \$581,642 for approximately 1,750 acre-feet of water delivered between September, 2019 and November, 2019. Thus, the 2019 calendar year total cost for the contract was \$581,642.

F. Perpetual Agreement

In December 2003, the City amended its perpetual water rights lease exchange contract dated January 7, 1982 with the City of Thornton. The amended contract provides that Westminster could perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. The rate from January 1, 2019 through December 31, 2019 was \$5.38 per thousand gallons, for a total lease cost of \$3,577,337. In 2009, the City of Westminster signed an agreement with the City of Brighton that states Brighton will take the full amount of water, up to 2.2 million gallons, and reimburse the City of Westminster its payment to Thornton. All future rate increases will be passed through in a similar fashion, and Brighton will have all responsibility for the lease.

G. Employee Defined Contribution Retirement Plans

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

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

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

The Plan's provisions and requirements are established by Municipal Ordinance and determined to be a qualified 401(a) Plan by

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the Internal Revenue Service. The Plan's Ordinance grants the 401(a) Plan Board members and Trustee the authority to administer, interpret, and apply the requirements of the Plan's document. Any changes to the Plan's Document is subject to City Council approval and requires Internal Revenue Service determination of qualification. Eligible employees must participate from the date of employment.

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

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

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

No plan administration is performed by the City of Westminster other than transmitting contributions to the identified employee accounts. The Charles Schwab Corporation provided administration for the plan and assisted employees with their self-directed investments through August 18, 2019. On August 19, 2019 Empower Retirement began providing administrative services for the 401(a) plan.

Summary of Contributions For the year ended December 31, 2019, contributions made to the plan equaled required contributions and were as follows:

	2019
401(a) Defined Contribution Plan	
City Contributions	\$ 4,193,503
Mandatory employee contributions	5,015,813
Voluntary employee contributions	42,790
Rollover contribution	154,296
Total	<u>\$ 9,406,402</u>

General Information about the Statewide Money Purchase Plan

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

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

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

Total contributions to the Statewide Money Purchase Plan from the City were \$43,033 and \$41,554 for the Fire and Police Plans respectively for the year ended December 31, 2019.

General Information about the Deferred Compensation Plans

Plan Description Employees may voluntarily participate in the 457(b) Deferred Compensation Plan. The Plan permits participants to defer a portion of their salary until future years or contribute on an after-tax basis. A wide array of investment options are available through the Plan. The Plan uses a third-party administrator, Empower Retirement, and all costs of administration are borne by the Plan participants. The Deferred Compensation Committee is responsible for the formation, adoption, and enforcement of the rules

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and regulations pertinent to the operation of the Plan. Amounts deferred under the Plan are not available to employees until termination, retirement, death or unforeseeable emergency.

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

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

Contributions into the 457(b) plans are funded by participant contributions of up to a maximum limit set by the IRS of \$19,000 for the calendar year 2019. Catch-up contributions up to \$6,000 for calendar year 2019 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$4,422,199 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$285,902. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$9,969.

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

H. Employee Defined Benefit Retirement Plans

Fire and Police Pension Plans (FPPA)

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

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

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

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

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

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

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

Plan	Net Pension Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Fire Plan	\$ (2,190,251)	\$ 7,988,232	\$ 23,398	\$ 296,310
FPPA SWDB - Police Plan	(3,099,857)	10,798,840	2,966,385	(41,208)
FPPA SWH - Fire Plan	561,326	1,004,359	74,105	68,554
FPPA SWH - Police Plan	1,197,714	1,543,040	1,347,651	(202,465)
Volunteer Firefighter	771,332	94,200	—	74,446
Totals	<u>\$ (2,759,736)</u>	<u>\$ 21,428,671</u>	<u>\$ 4,411,539</u>	<u>\$ 195,637</u>

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

General Information about the Statewide Defined Benefit Pension Plan

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

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

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

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

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

Members of the SWDB plan and the City are contributing at the rate of 10.5 and 8 percent, respectively, of base salary for a total contribution rate of 18.5 percent for 2019. Member contribution rates are scheduled to increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions are scheduled to remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 22.5 percent of base salary for 2019. The members pay the additional 4 percent contribution. The re-entry group is scheduled to have their required member contribution rate

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increase 0.5 percent annually through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

Total contributions to the SWDB Fire Plan and SWDB Police Plan from the City were \$920,829 and \$1,335,409 respectively for the year ended December 31, 2019.

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

At December 31, 2019, the City reported liabilities for the SWDB Fire Plan and SWDB Police Plan of \$2,190,251 and \$3,099,857 respectively for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019, which was unchanged from December 31, 2018. The City's proportion of the net pension liability was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2018, the City's proportion for the SWDB Fire Plan and SWDB Police Plan was 1.732 percent and 2.452 percent respectively, which was a decrease of 0.005 percent for the SWDB Fire Plan and an increase of 0.002 percent for the SWDB Police Plan from the proportions measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$296,310 for the SWDB Fire Plan and a reduction of pension expense of \$41,208 for the SWDB Police Plan. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,814,284	\$ 23,398	\$ 3,983,053	\$ 33,115
Changes of assumptions	2,121,186	—	3,002,112	—
Net difference between projected and actual earnings on pension plan investments	1,722,968	—	2,438,515	—
Changes in proportion	408,965	—	39,751	2,933,270
City contributions subsequent to the measurement date	920,829	—	1,335,409	—
Total	<u>\$ 7,988,232</u>	<u>\$ 23,398</u>	<u>\$ 10,798,840</u>	<u>\$ 2,966,385</u>

The SWDB Fire Plan and SWDB Police Plan respectively reported \$920,829 and \$1,335,409 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020.

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2020	\$ 1,315,036	\$ 1,400,594
2021	955,356	891,539
2022	821,966	702,753
2023	1,323,043	1,411,926
2024	673,109	492,074
Thereafter	1,955,495	1,598,160
Total	<u>\$ 7,044,005</u>	<u>\$ 6,497,046</u>

Actuarial assumptions. The January 1, 2019 actuarial valuation used the following actuarial assumption and other inputs:

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

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

Changes in Assumptions. Following a regularly scheduled experience study in 2018, the FPPA Board adopted a new assumption set for first use in the January 1, 2019 valuations. The primary changes, which can be observed in the January 1, 2019 valuation, as compared to the prior assumptions are as follows:

- Investment rate of return decreased to 7.0% from 7.5%
- Projected salary increases were modified to a range of 4.25%-11.25% from 4.0% to 14.0%
- Mortality tables were updated as follows:
 - Pre-retirement. Off-duty mortality tables adjusted to 50% of the RP-2014 mortality tables.
 - Post-retirement. 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Markets	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability (asset) - Fire Plan	\$ 8,493,523	\$ 2,190,249	\$ (3,038,202)
City's proportionate share of the net pension liability (asset) - Police Plan	12,020,874	3,099,857	(4,299,965)

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

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

General Information about the Statewide Hybrid Plan

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

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

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

Contributions. The Plan sets minimum contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based upon current actuarial assumptions. The members of the SWH and the City are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2018 through June 30, 2019 is 13.4 percent. The Defined Benefit Component contribution rate from July 1, 2017 through June 30, 2018 was 14.80 percent.

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

Total contributions to the SWH Fire Plan and Police Plan from the City were \$59,295 and \$130,750 respectively for the year ended December 31, 2019.

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

At December 31, 2019, the City reported assets for the SWH Fire Plan and SWH Police Plan of \$561,326 and \$1,197,714 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019, which was unchanged from December 31, 2018. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2018, the City's proportion for the SWH Fire Plan and SWH Police Plan was 4.067 percent and 8.677 percent respectively, which was a decrease of 0.830 percent and a decrease of 0.564 percent for the SWH Fire Plan and SWH Police Plan respectively from the proportions measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$68,554 for the SWH Fire Plan and a reduction of pension expense of \$202,465 for the SWH Police Plan. At December 31, 2019, the City reported deferred outflows of resources

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and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 394,863	\$ —	\$ 842,530	\$ —
Changes of assumptions	81,721	—	174,370	—
Net difference between projected and actual earnings on pension plan investments	119,856	—	255,740	—
Changes in proportion	348,624	74,105	139,650	1,347,651
City contributions subsequent to the measurement date	59,295	—	130,750	—
Total	<u>\$ 1,004,359</u>	<u>\$ 74,105</u>	<u>\$ 1,543,040</u>	<u>\$ 1,347,651</u>

The SWH Fire Plan and SWH Police Plan respectively reported \$59,295 and \$130,750 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2020.

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2020	\$ 183,593	\$ 42,997
2021	162,636	(1,720)
2022	154,741	(18,566)
2023	185,781	47,664
2024	130,593	(73,260)
Thereafter	53,615	67,524
Total	<u>\$ 870,959</u>	<u>\$ 64,639</u>

Actuarial assumptions. The January 1, 2019 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2019
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

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

Changes in Assumptions. Following a regularly scheduled experience study in 2018, the FPPA Board adopted a new assumption set for first use in the January 1, 2019 valuations. The primary changes, which can be observed in the January 1, 2019 valuation, as compared to the prior assumptions are as follows:

- Investment rate of return decreased to 7.0% from 7.5%
- Projected salary increases were modified to a range of 4.25%-11.25% from 4.0% to 14.0%
- Mortality tables were updated as follows:
 - Pre-retirement. Off-duty mortality tables adjusted to 50% of the RP-2014 mortality tables.
 - Post-retirement. 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Markets	24%	10%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension asset - Fire Plan	\$ (275,241)	\$ (561,325)	\$ (801,160)
City's proportionate share of the net pension asset - Police Plan	(587,288)	(1,197,714)	(1,709,455)

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

Westminster Volunteer Firefighter Pension Plan

General Information about the Volunteer Firefighter Pension Plan

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

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

Benefits provided. The plan provides retirement and death benefits. Participants become fully vested after 20 years of active service. Retirement benefits are payable upon vesting for any volunteer who terminates after 10 years but prior to 20 years of active service allowed by State Statutes. The benefit is equal to the full retirement benefit at the date of termination prorated by the

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number of years of service accrued. Surviving spouses of deceased retirees may receive up to 50% of the retirement benefit until remarriage and a one-time funeral benefit. Benefits do not provide for annual cost-of-living adjustments.

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

Volunteers covered by benefit terms. At December 31, 2019, membership in the plan consisted of:

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

Contributions. Contributions are determined on an actuarial basis. An actuarial study performed as of January 1, 2017, states that the current level of assets in the fund are in excess of the amount needed to pay the capped maximum of \$700 per month and all prorated amounts by \$771,332. Therefore, no additional contributions are required at this time by the City and none were required in 2019. State statutes govern contribution requirements. The required contribution for 2019 was determined as part of the 2017 actuarial valuation using the entry age actuarial cost method.

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

Net Pension Asset

The plan's net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that same date. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019. The actuarial valuation as of January 1, 2019 determines the contribution amounts for 2020 and 2021.

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Withdrawal Rate	20% of members age 50 and eligible for a terminated vested benefit to withdraw each year.
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality Tables	See below

Changes of assumptions. Following a regularly scheduled experience study in 2018, the FPPA Board adopted a new assumption set for first use in the January 1, 2019 valuations. The primary changes, which can be observed in the January 1, 2019 valuation, as compared to the prior assumptions are as follows:

Investment rate of return decreased to 7.0% from 7.5%

Withdrawal rate increased by 10%

Mortality tables were updated as follows:

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

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

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

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan

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investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return, for each major asset class included in the plan's target asset allocation as of December 31, 2018, is summarized in the table below.

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Markets	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

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

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 1/1/19	\$ 1,541,147	\$ 2,522,866	\$ (981,719)
Changes for the year:			
Interest on the total pension liability	109,431	—	109,431
Difference between expected and actual experience of the total pension liability	49,185	—	49,185
Changes of assumptions	47,889	—	47,889
Net investment income	—	2,356	(2,356)
Benefit payments	(167,160)	(167,160)	—
Pension plan administrative expense	—	(6,238)	6,238
Net Changes	39,345	(171,042)	210,387
Balances at 12/31/2019	\$ 1,580,492	\$ 2,351,824	\$ (771,332)

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

	1% Decrease (6.00%)	Current Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
Plan's net pension asset	(\$648,442)	(\$771,332)	(\$878,690)

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

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

For the year ended December 31, 2019, the plan recognized pension expense of \$74,446. At December 31, 2019, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	94,200	—
Total	<u>\$ 94,200</u>	<u>\$ —</u>

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

Year Ended December 31	Net Deferred Outflows (Inflows) of Resources
2020	\$ 41,298
2021	13,472
2022	3,336
2023	36,094
Total	<u>\$ 94,200</u>

I. Retiree Health Program

The City offers other postemployment benefits (OPEB) through its Retiree Health Care Program. The following provides a summary of the total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense by governmental activities and business-type activities as of December 31, 2019. The liability is allocated based upon the number of employees paid by the respective fund.

	Total OPEB Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Reduction)
Governmental activities	\$(2,504,650)	\$ 629,033	\$ 507,644	\$ 120,425
Business-type activities	(525,271)	131,920	106,458	25,252
Totals	<u>\$(3,029,921)</u>	<u>\$ 760,953</u>	<u>\$ 614,102</u>	<u>\$ 145,677</u>

Program Description. The Retiree Health Care Program (Program) is a single employer defined benefit healthcare plan administered by the City of Westminster. The Program provisions and requirements are established and may be amended by Council policy. The number of active and retired employees covered by the program as the last actuarial valuation date of December 31, 2018, was 946 and 42, respectively, for a total of 988.

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

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

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

Total OPEB Liability. The City's total OPEB liability of \$3,029,921 as of December 31, 2019 was determined by actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified or updated in the roll forward procedures:

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Actuarial cost method	Entry age normal
Inflation	3% per year
Payroll growth	3.50%
Discount rate	3.26% (3.64% in prior year)

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

Year	2019	2020	2021	2022	2023	2024	2025	2026+
Trend Rate	6.1%	5.9%	5.8%	5.6%	5.4%	5.2%	5.0%	5.0%

The discount rate reflects a 20 year tax exempt municipal bond yield or index rate. (S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2019)

For active employees, mortality rates were based on the RP2014 White Collar Employee Mortality Table, adjusted for improved mortality with a 70% factor applied to male rates and a 55% factor applied to female rates. For retirees, the rates were based on the RP2014 Healthy Annuitant Mortality projected to 2018 using the MP2015 projection scale, with a 73% factor applied to male rates and a 78% factor applied to female rates.

Changes in Assumptions

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

Assumption	Description	Source/Reason	Impact on Liability
Discount Rate	Reduced from 3.64% to 3.26%	S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2019	\$ 139,413
Excise Tax	Impact removed	Law was repealed	(679,582)
Total Impact			\$ (540,169)

Changes in Total OPEB Liability

	OPEB Liability
Total OPEB Liability – January 1, 2019	\$ 3,358,406
Changes for the year	
Service cost	181,349
Interest	109,484
Differences between expected and actual experience	98,817
Changes of assumptions or other inputs	(540,169)
Employer benefit payments	(177,966)
Net changes for the year	(328,485)
Total OPEB Liability – December 31, 2019	<u>\$ 3,029,921</u>

Sensitivity Analysis

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

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

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate			
	1% Decrease 2.26%	Discount Rate 3.26%	1% Increase 4.26%
Total OPEB Liability	\$ 3,330,395	\$ 3,029,921	\$ 2,755,182

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

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

	1% Decrease	Discount Rate	1% Increase
	(5.1% decreasing to 4.0%)	(6.1% decreasing to 5.0%)	(7.1% decreasing to 6.0%)
Total OPEB Liability	\$ 2,653,904	\$ 3,029,921	\$ 3,477,796

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2019, the City recognized OPEB expense of \$145,677. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 673,707	\$ 137,185
Changes of assumptions and inputs	87,246	476,917
	<u>\$ 760,953</u>	<u>\$ 614,102</u>

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

Year	Net Deferred Outflows (Inflows) of Resources
2019	32,810
2020	32,810
2021	32,810
2022	32,810
2023	32,810
Thereafter	(17,199)
	<u>\$ 146,851</u>

J. Tax Spending and Debt Limitations

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

In November 2002, Westminster voters approved a ballot measure that exempts the City from the spending and revenue limits of the amendment.

The Amendment requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

At December 31, 2019, amounts required as Emergency Reserves in compliance with the Amendment total \$5,638,178 for the general government and an aggregate of \$28,134 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

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

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

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L. Joint Ventures

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

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

The City receives one-half of the net revenues from operations of the Ice Centre and the Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2019 was \$567,978. At December 31, 2019, the net book value of the Ice Centre joint venture was \$3,921,966 and Carroll Butts Park was \$441,000, which are included in the City's capital assets. There are not separate financial statements for the joint venture.

Broomfield-Westminster Open Space Foundation. The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The City's annual lease rental payment obligation as set forth in the financing documents was fulfilled in 2016, thereby satisfying the requirement of one-half ownership interest in the property. The City records its investment in the Metzger Farm as Joint Venture Land valued at \$4,920,000. At December 31, 2019, the City's fifty percent equity interest in the Foundation is \$799,453.

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

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors consisting of two directors appointed by the City of Northglenn, and one director appointed by the City of Westminster. The City owns one-third of the Church Ditch while Northglenn owns the other two-thirds. The City of Northglenn reports the Church Ditch Authority as a discretely presented component unit; the City of Westminster, as the minority participant in the Authority, reports an equity interest of one-third of the Authority's net position as "Other Assets" in the Utility Fund. At December 31, 2019, the City's equity interest in the Church Ditch Authority was \$1,576,780.

N. Intergovernmental Agreement

In September 1995, the City entered into an intergovernmental agreement with the State of Colorado, Department of Higher Education for the construction and operation of the College Hill Library at Front Range Community College. This agreement called for the City and Front Range College to jointly build, furnish, equip, staff, operate and maintain the College Hill Library. The library has been fully operational since April 7, 1998. The intergovernmental agreement calls for the City to pay Front Range Community College its proportionate share of operating expenses, which totaled \$214,320 in 2019. This agreement allows the City to occupy space in the facility for up to 50 years. After 33 years, either party may terminate this agreement by giving two years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

The City initially entered into an intergovernmental agreement (IGA) with the City of Thornton, the Thornton Development Authority and the Westminster Economic Development Authority on January 13, 1986 to set forth the sharing of revenues in the Interstate 25 Corridor area. This IGA was subsequently amended several times with the final amendment dated November 10, 2004. Each City has committed to planned and orderly growth in the area along Interstate 25 between 150th Avenue on the north, Washington Street on the east, 132nd Avenue on the south and Huron Street on the West ("Corridor Area"). Increased coordination and cooperation

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between the Cities in planning for and regulating growth and development of land in the Corridor area will enhance the ability of the Cities to achieve their respective and common goals. Therefore, the Cities have agreed to share in the revenues received in the Corridor Area with annual payments on April 30th of the following year. The IGA is set to expire on February 1, 2026. For the year ended December 31, 2019, the City incurred a liability to the City of Thornton in the amount of \$3,974,688 and anticipates receiving \$2,003,860 from the City of Thornton in 2020.

O. Arbitrage Compliance

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

P. Tax Abatements

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

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

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

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

Tax abatements granted for the year ended December 31, 2019 were as follows:

Tax Abatement Program	Amount of Taxes Abated
Development and Redevelopment	
Sales and Use Tax	\$ 1,340,337
Building Use Tax	1,283,482
Accommodations Tax	734,277
Admissions Tax	174,049
Total	<u>\$ 3,532,145</u>

Q. Property Held for Resale

The City purchased a 40,000 square foot/.9183 acre parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2019, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474. The City is holding an approximate 96,163 square foot parcel of land in the South Westminster Transportation Oriented District which is intended to be sold at a later date for development purposes. At December 31, 2019, the property held for resale was reported in the General Capital Improvement Fund at a cost of \$271,529.

WEDA has also acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. This site is at the center of the City's ambitious journey to become the next urban center on the Colorado Front Range. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Construction of the first phase (and majority) of planned utilities, roads and Central Plaza have been completed. The first three private development projects have opened for business which include the 9-screen Alamo Drafthouse Cinema, 8877 Eaton Street affordable housing

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and the Ascent at Downtown Westminister, a mixed use residential and retail project. Two other projects are under construction which include the 125 room Origin Hotel and the 255 mixed use development called Aspire at Downtown Westminister. At December 31, 2019, the properties still held by WEDA were reported as property held for resale in the financial statements at value of \$12,854,504, which is cost.

The City acquired five properties located in the 7200 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds. The City plans on selling these properties to a developer. As of December 31, 2019, the properties held for resale were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a cost of \$1,210,223.

R. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2019, Industrial Revenue Bonds outstanding aggregated \$30,610,000.

S. Debt Issues

On February 15, 2019 the City of Westminister entered into a lease purchase agreement with Zions Bancorporation, N.A., in the amount of \$1,039,835 at a rate of 2.95% for the acquisition of a Fire Ladder Truck.

On December 19, 2019 the City Water and Wastewater Utility Enterprise issued \$38,025,000 of non-taxable revenue bonds with an arbitrage yield of 2.18%. The net proceeds were \$43,901,146.

T. Pollution Remediation

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

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 30 year period. At December 31, 2019, the pollution remediation liability was \$316,646, which is recorded in the Utility fund. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

U. Subsequent Event

Management has formalized a plan for the City to enter into a loan agreement with the Colorado Water Resources & Power Development Authority (CWRPDA) for an amount not to exceed \$30 million in May of 2020 to acquire and develop improvements to the City-wide utility system.

Management has formalized a plan to refund the City's Water and Wastewater Utility Enterprise, Taxable Water and Wastewater Revenue Bonds, Series 2010 (Build America Bonds) at approximately \$21.78 million in June of 2020.

On February 27, 2020, WEDA and the City executed the Purchase and Sale Agreement with GPAI Westminister, LLC for Block B-4 in Downtown Westminister. The Purchase and Sale Agreement approved by the WEDA Board on December 17, 2018, agenda item 3B provided for a land sale price of \$3,160,000. Additionally, City Council approved a Development Assistance Agreement on March 25, 2019 Item 8C that provided for a rebate of fees and taxes in an amount not to exceed \$2,100,000. The GPAI Westminister project is located along Westminister Boulevard and is a proposed five-story mixed-use building with approximately 274 residential rental units and approximately 16,000 square feet of ground floor retail.

On May 11, 2020, City Council authorized a lease purchase agreement with JP Morgan Chase for \$613,388 at a rate of 1.299% in order to acquire a new Fire Engine from Front Range Fire Apparatus. The term of the lease is for seven years with the final payment being made on January 15, 2027.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the

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financial position, results of operations and cash flows of the City of Westminster. The City will be unable to earn revenue generated in Parks, Recreation and Libraries for as long as City facilities are closed to the public. Sales Tax collections are estimated to decline substantially for 2020. Other revenues are expected to cash flow at a slower rate as the community struggles due to lost income. The City established an Emergency Mitigation Small Business Assistance Program, which awards grants to small business for up to \$7,500. The total appropriated for this program is \$1,500,000. With a few other exceptions, all other City business is continuing. New development is still continuing. The City will continue to manage the crisis by strong management, utilizing reserves and expense mitigation, such as a selective hiring freeze and evaluating capital projects that have not yet started. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

The City was awarded federal funding of approximately \$9 million as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act to help mitigate the impact of the COVID-19 pandemic.

V. Operating Leases

The City operates as lessor on several short-term lease agreements for the lease of buildings, tenant space, land and site agreements. For the year ended December 31, 2019 revenues of \$262,745, \$103,525, \$114,041, \$256,717, are recorded in the financial statements of the General Fund, Utility Fund, WEDA Fund and Golf Fund, respectively.

W. Implementation of New Accounting Standards

During 2019, the City adopted three Governmental Accounting Standards Board Statements: No. 83, *Certain Asset Retirement Obligations* (GASB 83), No. 84, *Fiduciary Activities* (GASB 84), and No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88).

GASB 83 addresses accounting and financial reporting for certain asset retirement obligations. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset that results from an obligation to perform future asset retirement activities. As of December 31, the City had no asset retirement obligations as defined by GASB 83, and consequently, no financial statement liability to report.

GASB 84 changed the definition, criteria and reporting of fiduciary activities as well as redefined various fiduciary fund types and changed fund type terminology. Adoption of GASB 84 requires the City to report its General Employee 401a Pension Plan as a fiduciary component unit. The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position can be found in the basic financial statements section of this report on pages 30 and 31. The beginning Fiduciary Fund Net Position was restated in accordance with GASB 84 in the amount of \$196,525,803.

GASB 88 clarifies the definition of debt and updates related financial statement note disclosure requirements, including separate reporting of direct borrowing and direct placement debt, unused lines of credit, assets pledged as collateral for the debt, and any terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences and significant subjective acceleration clauses. The changes effected with implementation of this standard can be found in Note 2.H. on page 56 of the Notes to Financial Statements.



Required Supplemental Information

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 5,592,000	\$ 5,592,000	\$ 5,652,398	\$ 60,398
Sales taxes	80,207,500	85,699,275	84,431,611	(1,267,664)
Use taxes	15,179,500	16,563,230	19,929,549	3,366,319
Business fees and other taxes	5,341,550	5,515,599	5,575,081	59,482
Accommodations taxes	1,210,000	1,210,000	1,081,323	(128,677)
Intergovernmental	8,134,138	9,582,421	10,988,132	1,405,711
Licenses and permits	2,689,500	3,299,985	4,192,596	892,611
Interest	779,423	779,423	1,687,707	908,284
Recreation fees	7,636,314	7,646,064	7,726,601	80,537
Fines and forfeits	1,334,000	1,334,000	1,522,819	188,819
Fleet maintenance billings and other	4,587,891	5,076,789	4,910,359	(166,430)
EMS billings	2,600,000	2,600,000	2,050,593	(549,407)
Total revenues	<u>135,291,816</u>	<u>144,898,786</u>	<u>149,748,769</u>	<u>4,849,983</u>
EXPENDITURES				
General government				
City council	240,239	240,239	178,578	61,661
City attorney's office	1,511,194	1,512,953	1,471,630	41,323
City manager's office	2,655,649	2,811,714	2,664,434	147,280
Central charges	35,148,940	42,706,372	41,240,163	1,466,209
General services	7,665,554	8,145,923	7,493,824	652,099
Finance	2,474,224	2,494,724	2,350,392	144,332
Human resources	2,367,937	2,368,542	2,222,810	145,732
Information technology	—	40,000	40,000	145,732
Public safety				
Police	25,260,606	26,871,096	26,849,497	21,599
Fire	15,404,664	15,830,417	15,828,345	2,072
Public works	10,066,050	10,080,726	9,941,029	139,697
Community development	5,683,494	5,903,205	5,734,168	169,037
Economic development	1,994,063	2,094,320	1,753,200	341,120
Culture and recreation	18,244,656	18,566,991	17,899,750	667,241
Total expenditures	<u>128,717,270</u>	<u>139,667,222</u>	<u>135,667,820</u>	<u>4,145,134</u>
Excess of revenues over (under) expenditures	<u>6,574,546</u>	<u>5,231,564</u>	<u>14,080,949</u>	<u>8,995,117</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital asset	30,000	30,000	35,066	5,066
Insurance recoveries	—	424,317	424,313	(4)
Transfers in	584,206	733,975	1,001,092	267,117
Transfers (out)	(6,155,645)	(17,636,063)	(17,636,063)	—
Total other financing sources (uses):	<u>(5,541,439)</u>	<u>(16,447,771)</u>	<u>(16,175,592)</u>	<u>272,179</u>
Net change in fund balance	<u>\$ 1,033,107</u>	<u>\$ (11,216,207)</u>	<u>(2,094,643)</u>	<u>\$ 9,267,296</u>
Fund balance, beginning			50,425,538	
Fund balance, ending			<u>\$ 48,330,895</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 12,554,489	\$ 12,757,818	\$ 13,630,741	\$ 872,923
Sales tax increment	455,199	455,199	485,297	30,098
Interest	—	3,643	614,367	610,724
Rentals	—	376,318	376,318	—
Other	2,500	309,739	2,823,896	2,514,157
Total revenues	<u>13,012,188</u>	<u>13,902,717</u>	<u>17,930,619</u>	<u>4,027,902</u>
EXPENDITURES				
General government	799,422	1,204,947	1,147,215	57,732
Economic development	—	2,014,884	2,014,884	—
Capital projects	16,156,816	16,693,620	4,966,063	11,727,557
Debt service:				
Principal	5,473,000	5,473,000	5,473,000	—
Interest and fiscal charges	2,311,348	2,313,848	2,307,425	6,423
Total expenditures	<u>24,740,586</u>	<u>27,700,299</u>	<u>15,908,587</u>	<u>11,791,712</u>
Excess of revenues (under) expenditures	<u>(11,728,398)</u>	<u>(13,797,582)</u>	<u>2,022,032</u>	<u>15,819,614</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	67,800	67,800	67,800	—
Transfers (out)	(402,500)	(1,799,613)	(1,799,612)	1
Total other financing sources (uses):	<u>(334,700)</u>	<u>(1,731,813)</u>	<u>(1,731,812)</u>	<u>1</u>
Net change in fund balance	<u>\$ (12,063,098)</u>	<u>\$ (15,529,395)</u>	<u>290,220</u>	<u>\$ 15,819,615</u>
Fund balance, beginning			47,181,201	
Fund balance, ending			<u>\$ 47,471,421</u>	

Budgetary Information

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

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

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

Appropriations lapse at year end for legally adopted operating budgets.

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

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

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

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

See the disclosure in Note 3.D, Construction and Other Significant Commitments, on page 65.

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

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

	2019	2018
Total OPEB Liability		
Service cost	\$ 181,349	\$ 213,072
Interest	109,484	94,506
Differences between expected and actual experience	98,817	(180,393)
Changes of assumptions or other inputs	(540,169)	885,897
Employer benefit payments	(177,966)	(250,994)
Net change in total OPEB liability	(328,485)	762,088
Total OPEB liability - beginning	3,358,406	2,596,318
Total OPEB liability - ending	\$ 3,029,921	\$ 3,358,406
 Covered-employee payroll	 \$ 77,907,783	 \$ 75,273,220
Total OPEB liability as a percentage of covered-employee payroll	3.89%	4.50%

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

Notes:

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

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

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

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

Measurement period ending December 31,	2018	2017	2016	2015	2014
Total Pension Liability					
Service Cost	\$ —	\$ —	\$ —	\$ —	—
Interest on the Total Pension Liability	109,431	113,458	116,377	121,049	125,396
Benefit Changes	—	—	—	—	—
Difference between Expected and Actual Experience	49,185	—	(52,369)	—	6,313
Assumption Changes	47,889	—	70,113	—	—
Benefit Payments	(167,160)	(167,160)	(178,710)	(187,810)	(191,450)
Net Change in Total Pension Liability	39,345	(53,702)	(44,589)	(66,761)	(59,741)
Total Pension Liability - Beginning	1,541,147	1,594,849	1,639,438	1,706,199	1,765,940
Total Pension Liability - Ending (a)	\$ 1,580,492	\$ 1,541,147	\$ 1,594,849	\$ 1,639,438	\$ 1,706,199
Plan Fiduciary Net Position					
Employer Contributions	\$ —	\$ —	\$ —	\$ —	—
Pension Plan Net Investment Income	2,356	334,534	124,098	46,269	170,962
Benefit Payments	(167,160)	(167,160)	(178,710)	(187,810)	(191,450)
Pension Plan Administrative Expense	(6,238)	(6,088)	(3,989)	(4,705)	(4,277)
State of Colorado Supplemental Discretionary Payment	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	(171,042)	161,286	(58,601)	(146,246)	(24,765)
Plan Fiduciary Net Position - Beginning	2,522,866	2,361,580	2,420,181	2,566,427	2,591,192
Plan Fiduciary Net Position - Ending (b)	\$ 2,351,824	\$ 2,522,866	\$ 2,361,580	\$ 2,420,181	\$ 2,566,427
Net Pension Liability(Asset) - Ending (a) - (b)	\$ (771,332)	\$ (981,719)	\$ (766,731)	\$ (780,743)	\$ (860,228)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	148.80 %	163.70 %	148.08 %	147.62 %	150.42 %
*Covered Payroll	N/A	N/A	N/A	N/A	N/A
*Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

*Covered payroll is not applicable for volunteer pension plans.

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

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

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

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Actual Contribution as a % of Covered Payroll
2014	\$ —	\$ —	\$ —	N/A	N/A
2015	—	—	—	N/A	N/A
2016	—	—	—	N/A	N/A
2017	—	—	—	N/A	N/A
2018	—	—	—	N/A	N/A
2019	—	—	—	N/A	N/A

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

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

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

Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019. The actuarial valuation as of January 1, 2019 determines the contribution amounts for 2020 and 2021.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.5%
Salary Increases	N/A
Investment Rate of Return	7.5%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2014 Mortality Tables with Blue Collar, Employees, projected with Scale BB, 55% multiplier for off-duty mortality, Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees, For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

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

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

Pre-retirement. RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience.

Post-retirement. For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

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

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

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

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

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

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

	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability	1.732%	1.737%	1.931%	2.063%	2.095%	2.123%
City's proportionate share of the net pension liability (asset)	\$ 2,190,251	\$ (2,499,316)	\$ 697,573	\$ (36,368)	\$ (2,364,925)	\$ (1,898,788)
City's covered payroll	\$ 10,539,531	\$ 9,165,122	\$ 8,856,168	\$ 8,889,916	\$ 8,366,305	\$ 8,149,551
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	20.78 %	(27.27)%	7.88 %	(0.41)%	(28.27)%	(23.30)%
Plan fiduciary net position as a percentage of the total pension liability(asset)	95.23%	106.34%	98.21%	100.10%	106.80%	105.80%

Information above is presented as of the measurement date.

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

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

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

	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 544,013	\$ 502,313	\$ 408,032	\$ 380,840	\$ 363,791	\$ 331,008
Contributions in relation to the statutorily required contribution	544,013	502,313	408,032	380,840	363,791	331,008
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 6,800,163	\$ 6,278,920	\$ 5,100,367	\$ 4,760,395	\$ 4,547,383	\$ 4,137,588
Contributions as a percentage of covered payroll	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018.

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

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

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

	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 376,816	\$ 426,064	\$ 405,605	\$ 409,577	\$ 434,257	\$ 422,872
Contributions in relation to the statutorily required contribution	376,816	426,064	405,605	409,577	434,257	422,872
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 3,768,144	\$ 4,260,611	\$ 4,064,755	\$ 4,095,773	\$ 4,342,533	\$ 4,228,717
Contributions as a percentage of covered payroll	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018.

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

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

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

	2019	2018
City's proportion of the net pension liability (asset)	2.452 %	2.450 %
City's proportionate share of the net pension liability (asset)	\$ 3,099,857	\$ (3,523,998)
City's covered payroll	\$ 13,591,774	\$ 2,415,071
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	22.81 %	(145.92)%
Plan fiduciary net position as a percentage of the total pension	95.23 %	106.34 %

Information above is presented as of the measurement date.

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

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

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

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

	2019	2018	2017
Statutorily required contribution	\$ 247,716	\$ 180,972	\$ 19,929
Contributions in relation to the statutorily required contribution	247,716	180,972	19,929
Contribution deficiency (excess)	\$ —	\$ —	\$ —
City's covered payroll	\$ 3,096,440	\$ 2,262,170	\$ 249,108
Contributions as a percentage of covered payroll	8.00 %	8.00 %	8.00 %

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018.

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

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

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

	2019	2018	2017
Statutorily required contribution	\$ 1,087,692	\$ 1,132,959	\$ 216,596
Contributions in relation to the statutorily required contribution	1,087,692	1,132,959	216,596
Contribution deficiency (excess)	\$ —	\$ —	\$ —
City's covered payroll	\$ 10,876,967	\$ 11,329,604	\$ 2,165,962
Contributions as a percentage of covered payroll	10.00 %	10.00 %	10.00 %

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018, which represents contributions required in 2019.

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

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

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

	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	4.067 %	4.897 %	5.641 %	5.178 %	4.769 %	5.576 %
City's proportionate share of the net pension liability (asset)	\$ (561,326)	\$ (957,427)	\$ (614,060)	\$ (545,354)	\$ (565,544)	\$ (568,776)
City's covered payroll	\$ 648,118	\$ 748,707	\$ 729,525	\$ 681,843	\$ 590,284	\$ 721,382
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(86.61)%	(127.88)%	(84.17)%	(79.98)%	(95.81)%	(78.85)%
Plan fiduciary net position as a percentage of the total pension liability	123.46 %	138.86 %	127.50 %	129.44 %	140.60 %	139.00 %

Information above is presented as of the measurement date.

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

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

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

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

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018.

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

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

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

	2019	2018
City's proportion of the net pension liability (asset)	8.677 %	9.241 %
City's proportionate share of the net pension liability (asset)	\$ (1,197,714)	\$ (1,806,823)
City's covered payroll	\$ 1,382,914	\$ 271,719
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(86.61)%	(664.96)%
Plan fiduciary net position as a percentage of the total pension liability	123.46 %	138.86 %

Information above is presented as of the measurement date.

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

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

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

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

	2019	2018	2017
Statutorily required contribution	\$ 130,750	\$ 138,291	\$ 27,172
Contributions in relation to the statutorily required contribution	130,750	138,291	27,172
Contribution deficiency (excess)	\$ —	\$ —	\$ —
City's covered payroll	\$ 1,307,508	\$ 1,382,914	\$ 271,719
Contributions as a percentage of covered payroll	10.00 %	10.00 %	10.00 %

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018.

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



Combining Statements

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Investigation Recovery Fund - accounts for proceeds from police seizures, forfeitures and restitutions. Spending is restricted by both Federal and State law to Police Department equipment, commodities, and/or training needs above budgeted amounts.

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

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

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

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

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

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

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

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

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

Debt Service Fund

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

- a) 2001 Sales and Use Tax Revenue Refunding Bonds of \$13,275,000 originally issued; \$420,000 remaining after 2010 refunding, due in annual installments through December 1, 2021; interest at 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- b) 2010 Sales and Use Tax Revenue Refunding Bonds of \$10,545,000 in annual installments through December 1, 2022; interest at 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.
- c) 2015 Sales and Use Tax Revenue Refunding Bonds of \$18,500,000 in annual installments through December 1, 2031; interest at 2.0 to 5.0 percent. Financing is provided by the City's 3.0 percent sales and use tax.

Capital Projects Fund

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

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**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Sheridan Crossing GID
ASSETS					
Cash and cash equivalents	\$ 115,965	—	\$ 11,887	\$ 120,449	\$ 268,960
Investments	678,313	—	69,534	704,545	1,573,233
Receivables:					
Taxes	786,653	—	—	—	131,151
Accounts	—	—	—	—	768
Note and leases	—	—	—	396,877	—
Grants	—	—	—	—	—
Interest	3,299	13,194	319	3,298	7,341
Property held for resale	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	—	482,074	—	—	—
Investments	—	2,819,803	—	—	—
Total assets	<u>\$ 1,584,230</u>	<u>\$ 3,315,071</u>	<u>\$ 81,740</u>	<u>\$ 1,225,169</u>	<u>\$ 1,981,453</u>
LIABILITIES					
Accounts payable and other	\$ 144,847	\$ 272,296	\$ —	\$ 12,798	\$ —
Accrued liabilities	35,648	—	—	—	—
Unearned revenue	—	—	—	—	—
Total liabilities	<u>180,495</u>	<u>272,296</u>	<u>—</u>	<u>12,798</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>—</u>	<u>—</u>	<u>—</u>	<u>396,877</u>	<u>131,151</u>
FUND BALANCES					
Restricted for:					
Capital additions and improvements	—	3,042,775	—	—	1,844,558
Contractual obligations	—	—	—	—	—
Community development	—	—	—	—	—
Emergencies	—	—	—	1,019	5,744
Open space conservation and improvements	977,416	—	—	—	—
Public safety	—	—	81,740	—	—
Assigned to:					
Community development	426,319	—	—	814,475	—
Debt service	—	—	—	—	—
Total fund balances	<u>1,403,735</u>	<u>3,042,775</u>	<u>81,740</u>	<u>815,494</u>	<u>1,850,302</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,584,230</u>	<u>\$ 3,315,071</u>	<u>\$ 81,740</u>	<u>\$ 1,225,169</u>	<u>\$ 1,981,453</u>

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

Special Revenue Funds (Continued)							
Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Avenue GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds
\$ 92,794	\$ 1,145	\$ 1,743	\$ 502	\$ 627	\$ 162	\$ 129	\$ 614,363
542,780	6,700	10,194	2,937	3,669	951	753	3,593,609
94,133	11,718	5,706	30,442	37,709	60,970	13,781	1,172,263
503	1,480	797	4,737	5,152	88	69	13,594
—	—	—	—	—	—	—	396,877
—	—	—	—	—	—	—	—
2,554	—	—	—	—	—	—	30,005
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	482,074
—	—	—	—	—	—	—	2,819,803
<u>\$ 732,764</u>	<u>\$ 21,043</u>	<u>\$ 18,440</u>	<u>\$ 38,618</u>	<u>\$ 47,157</u>	<u>\$ 62,171</u>	<u>\$ 14,732</u>	<u>\$ 9,122,588</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 429,941
—	—	—	—	—	—	—	35,648
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	465,589
94,133	11,718	5,706	30,442	37,709	60,970	13,781	782,487
635,408	—	8,536	—	—	743	584	5,532,604
—	1,597	71	5,729	6,427	—	—	13,824
—	—	—	—	—	—	—	—
3,223	7,728	4,127	2,447	3,021	458	367	28,134
—	—	—	—	—	—	—	977,416
—	—	—	—	—	—	—	81,740
—	—	—	—	—	—	—	1,240,794
—	—	—	—	—	—	—	—
<u>638,631</u>	<u>9,325</u>	<u>12,734</u>	<u>8,176</u>	<u>9,448</u>	<u>1,201</u>	<u>951</u>	<u>7,874,512</u>
<u>\$ 732,764</u>	<u>\$ 21,043</u>	<u>\$ 18,440</u>	<u>\$ 38,618</u>	<u>\$ 47,157</u>	<u>\$ 62,171</u>	<u>\$ 14,732</u>	<u>\$ 9,122,588</u>

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

(Continued)

	Debt Service Fund	Capital Project Fund	Total Other Governmental Funds
	Debt Service	Community Development Block Grant	
ASSETS			
Cash and cash equivalents	\$ 34,646	\$ 9,296	\$ 658,305
Investments	202,658	54,373	3,850,640
Receivables:			
Taxes	—	—	1,172,263
Accounts	—	—	13,594
Note and leases	—	—	396,877
Grants	—	12,608	12,608
Interest	958	—	30,963
Property held for resale	—	1,210,223	1,210,223
Restricted assets:			
Cash and cash equivalents	—	—	482,074
Investments	—	—	2,819,803
Total assets	<u>\$ 238,262</u>	<u>\$ 1,286,500</u>	<u>\$ 10,647,350</u>
LIABILITIES			
Accounts payable and other	\$ 150	\$ 6,000	\$ 436,091
Accrued liabilities	—	1,452	37,100
Unearned revenue	—	50,000	50,000
Total liabilities	<u>150</u>	<u>57,452</u>	<u>523,191</u>
DEFERRED INFLOWS OF RESOURCES	<u>—</u>	<u>12,608</u>	<u>795,095</u>
FUND BALANCES			
Restricted for:			
Capital additions and improvements	—	—	5,532,604
Contractual obligations	—	—	13,824
Community development	—	1,216,440	1,216,440
Emergencies	—	—	28,134
Open space conservation and improvements	—	—	977,416
Public safety	—	—	81,740
Assigned to:			
Community development	—	—	1,240,794
Debt service	238,112	—	238,112
Total fund balances	<u>238,112</u>	<u>1,216,440</u>	<u>9,329,064</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 238,262</u>	<u>\$ 1,286,500</u>	<u>\$ 10,647,350</u>

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Sheridan Crossing GID
REVENUES					
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ 123,393
Sales taxes	5,893,477	—	—	—	—
Use taxes	1,383,198	—	—	—	—
Intergovernmental	—	943,905	—	—	10,021
Interest	36,400	118,234	2,009	30,165	58,052
Fines and forfeitures	—	—	78,371	—	—
Other	6,616	—	—	3,821	—
Total revenues	<u>7,319,691</u>	<u>1,062,139</u>	<u>80,380</u>	<u>33,986</u>	<u>191,466</u>
EXPENDITURES					
General government	—	—	—	—	32,402
Public safety	—	—	45,500	—	—
Community development	2,568,477	—	—	—	—
Capital projects	—	1,696,643	—	180,089	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—
Total expenditures	<u>2,568,477</u>	<u>1,696,643</u>	<u>45,500</u>	<u>180,089</u>	<u>32,402</u>
Excess of revenues over (under) expenditures	<u>4,751,214</u>	<u>(634,504)</u>	<u>34,880</u>	<u>(146,103)</u>	<u>159,064</u>
OTHER FINANCING SOURCES (USES)					
Insurance recoveries	36,988	—	—	—	—
Transfers in	59,575	—	—	—	—
Transfers (out)	(5,729,524)	—	—	(24,000)	—
Total other financing sources (uses):	<u>(5,632,961)</u>	<u>—</u>	<u>—</u>	<u>(24,000)</u>	<u>—</u>
Net change in fund balance	<u>(881,747)</u>	<u>(634,504)</u>	<u>34,880</u>	<u>(170,103)</u>	<u>159,064</u>
Fund balance, beginning	<u>2,285,482</u>	<u>3,677,279</u>	<u>46,860</u>	<u>985,597</u>	<u>1,691,238</u>
Fund balance, ending	<u>\$ 1,403,735</u>	<u>\$ 3,042,775</u>	<u>\$ 81,740</u>	<u>\$ 815,494</u>	<u>\$ 1,850,302</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Special Revenue Funds (Continued)							
Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Ave GID	Park 1200 GID	Westminster Station GID	Total Special Revenue Funds
\$ 80,854	\$ 9,537	\$ 5,072	\$ 26,277	\$ 33,417	\$ 14,155	\$ 11,403	\$ 304,108
—	—	—	—	—	—	—	5,893,477
—	—	—	—	—	—	—	1,383,198
6,565	247,739	132,296	54,784	67,014	1,083	819	1,464,226
20,017	311	202	511	275	45	—	266,221
—	—	—	—	—	—	—	78,371
—	—	—	—	—	—	—	10,437
107,436	257,587	137,570	81,572	100,706	15,283	12,222	9,400,038
37,130	10,143	31,582	15,994	16,101	14,326	11,271	168,949
—	—	—	—	—	—	—	45,500
—	—	—	—	—	—	—	2,568,477
—	—	—	—	—	—	—	1,876,732
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
37,130	10,143	31,582	15,994	16,101	14,326	11,271	4,659,658
70,306	247,444	105,988	65,578	84,605	957	951	4,740,380
—	—	—	—	—	—	—	36,988
—	—	—	—	—	—	—	59,575
—	(245,700)	(97,728)	(67,800)	(84,417)	—	—	(6,249,169)
—	(245,700)	(97,728)	(67,800)	(84,417)	—	—	(6,152,606)
70,306	1,744	8,260	(2,222)	188	957	951	(1,412,226)
568,325	7,581	4,474	10,398	9,260	244	—	9,286,738
<u>\$ 638,631</u>	<u>\$ 9,325</u>	<u>\$ 12,734</u>	<u>\$ 8,176</u>	<u>\$ 9,448</u>	<u>\$ 1,201</u>	<u>\$ 951</u>	<u>\$ 7,874,512</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Continued)

	Debt Service Fund	Capital Project Fund	Total Other Governmental Funds
	Debt Service	Community Development Block Grant	
REVENUES			
Property taxes	\$ —	\$ —	\$ 304,108
Sales taxes	—	—	5,893,477
Use taxes	—	—	1,383,198
Intergovernmental	—	941,901	2,406,127
Interest	25,922	—	292,143
Fines and forfeits	—	—	78,371
Other	—	—	10,437
Total revenues	25,922	941,901	10,367,861
EXPENDITURES			
General government	—	—	168,949
Public safety	—	—	45,500
Community development	—	—	2,568,477
Capital projects	—	127,774	2,004,506
Debt service:			
Principal	2,390,000	817,000	3,207,000
Interest and fiscal charges	959,119	10,964	970,083
Total expenditures	3,349,119	955,738	8,964,515
Excess of revenues over (under) expenditures	(3,323,197)	(13,837)	1,403,346
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	—	—	36,988
Transfers in	3,344,019	74,000	3,477,594
Transfers (out)	—	—	(6,249,169)
Total other financing sources (uses)	3,344,019	74,000	(2,734,587)
Net change in fund balance	20,822	60,163	(1,331,241)
Fund balance, beginning	217,290	1,156,277	10,660,305
Fund balance, ending	\$ 238,112	\$ 1,216,440	\$ 9,329,064

BUDGETARY COMPARISON SCHEDULES

GOVERNMENTAL FUNDS

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Accommodations taxes	\$ 3,447,277	\$ 3,737,240	\$ 289,963
Intergovernmental	5,211,500	6,945,044	1,733,544
Interest	669,339	1,991,304	1,321,965
Contributions	1,935,374	6,606,716	4,671,342
Other	273,979	501	(273,478)
Total revenues	<u>11,537,469</u>	<u>19,280,805</u>	<u>7,743,336</u>
EXPENDITURES			
General government	2,278,533	2,278,533	—
Capital projects	45,792,350	23,407,792	22,384,558
Total expenditures	<u>48,070,883</u>	<u>25,686,325</u>	<u>22,384,558</u>
Excess of revenues under expenditures	<u>(36,533,414)</u>	<u>(6,405,520)</u>	<u>(14,641,222)</u>
OTHER FINANCING SOURCES AND (USES)			
Sale of asset	—	23,479	23,479
Insurance recoveries	—	—	—
Transfers in	15,586,374	21,723,358	6,136,984
Transfers out	(250,000)	(250,000)	—
Total other financing sources (uses):	<u>15,336,374</u>	<u>21,496,837</u>	<u>6,160,463</u>
Net change in fund balance	<u>\$ (21,197,040)</u>	<u>15,091,317</u>	<u>\$ (8,480,759)</u>
Fund balance, beginning		55,145,727	
Fund balance, ending		<u>\$ 70,237,044</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 5,919,500	\$ 5,893,477	\$ (26,023)
Use taxes	1,102,450	1,383,198	280,748
Interest	25,000	36,400	11,400
Other	19,800	6,616	(13,184)
Total revenues	<u>7,066,750</u>	<u>7,319,691</u>	<u>252,941</u>
EXPENDITURES			
Community development	2,681,860	2,568,477	113,383
Total expenditures	<u>2,681,860</u>	<u>2,568,477</u>	<u>113,383</u>
Excess of revenues over expenditures	<u>4,384,890</u>	<u>4,751,214</u>	<u>366,324</u>
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	36,988	36,988	—
Transfers in	59,575	59,575	—
Transfers (out)	(5,729,524)	(5,729,524)	—
Total other financing sources (uses):	<u>(5,632,961)</u>	<u>(5,632,961)</u>	<u>—</u>
Net change in fund balance	<u>\$ (1,248,071)</u>	<u>(881,747)</u>	<u>\$ 366,324</u>
Fund balance, beginning		2,285,482	
Fund balance, ending		<u>\$ 1,403,735</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 858,000	\$ 943,905	\$ 85,905
Interest	39,000	118,234	79,234
Total revenues	<u>897,000</u>	<u>1,062,139</u>	<u>165,139</u>
EXPENDITURES			
Capital projects	4,584,631	1,696,643	2,887,988
Total expenditures	<u>4,584,631</u>	<u>1,696,643</u>	<u>2,887,988</u>
Net change in fund balance	<u>\$ (3,687,631)</u>	<u>(634,504)</u>	<u>\$ 3,053,127</u>
Fund balance, beginning		<u>3,677,279</u>	
Fund balance, ending		<u><u>\$ 3,042,775</u></u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
INVESTIGATION RECOVERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ —	\$ 2,009	\$ 2,009
Fines and forfeitures	—	78,371	78,371
Total revenues	<u>—</u>	<u>80,380</u>	<u>80,380</u>
EXPENDITURES			
Public safety	45,500	45,500	—
Total expenditures	<u>45,500</u>	<u>45,500</u>	<u>—</u>
Net change in fund balance	<u>\$ (45,500)</u>	34,880	<u>\$ 80,380</u>
Fund balance, beginning		46,860	
Fund balance, ending		<u>\$ 81,740</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 2,000	\$ 30,165	\$ 28,165
Other	—	3,821	3,821
Total revenues	<u>2,000</u>	<u>33,986</u>	<u>31,986</u>
EXPENDITURES			
Capital projects	345,117	180,089	165,028
Total expenditures	<u>345,117</u>	<u>180,089</u>	<u>165,028</u>
Excess of revenues under expenditures	<u>(343,117)</u>	<u>(146,103)</u>	<u>(133,042)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(24,000)	(24,000)	—
Net change in fund balance	<u>\$ (367,117)</u>	<u>(170,103)</u>	<u>\$ (133,042)</u>
Fund balance, beginning		985,597	
Fund balance, ending		<u>\$ 815,494</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 123,419	\$ 123,393	\$ (26)
Intergovernmental	9,000	10,021	1,021
Interest	27,500	58,052	30,552
Total revenues	<u>159,919</u>	<u>191,466</u>	<u>31,547</u>
EXPENDITURES			
General government	102,251	32,402	69,849
Total expenditures	<u>102,251</u>	<u>32,402</u>	<u>69,849</u>
Net change in fund balance	<u>\$ 57,668</u>	159,064	<u>\$ 101,396</u>
Fund balance, beginning		1,691,238	
Fund balance, ending		<u>\$ 1,850,302</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
AMHERST GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 80,822	\$ 80,854	\$ 32
Intergovernmental	5,000	6,565	1,565
Interest	9,100	20,017	10,917
Total revenues	<u>94,922</u>	<u>107,436</u>	<u>12,514</u>
EXPENDITURES			
General government	72,012	37,130	34,882
Total expenditures	<u>72,012</u>	<u>37,130</u>	<u>34,882</u>
Net change in fund balance	<u>\$ 22,910</u>	70,306	<u>\$ 47,396</u>
Fund balance, beginning		568,325	
Fund balance, ending		<u>\$ 638,631</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 9,813	\$ 9,537	\$ (276)
Intergovernmental	251,618	247,739	(3,879)
Interest	150	311	161
Total revenues	<u>261,581</u>	<u>257,587</u>	<u>(3,994)</u>
EXPENDITURES			
General government	10,247	10,143	104
Total expenditures	<u>10,247</u>	<u>10,143</u>	<u>104</u>
Excess of revenues over (under) expenditures	<u>251,334</u>	<u>247,444</u>	<u>(3,890)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(251,145)	(245,700)	5,445
Net change in fund balance	<u>\$ 189</u>	<u>1,744</u>	<u>\$ 1,555</u>
Fund balance, beginning		7,581	
Fund balance, ending		<u>\$ 9,325</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 5,193	\$ 5,072	\$ (121)
Intergovernmental	132,716	132,296	(420)
Interest	150	202	52
Total revenues	<u>138,059</u>	<u>137,570</u>	<u>(489)</u>
EXPENDITURES			
General government	31,633	31,582	51
Total expenditures	<u>31,633</u>	<u>31,582</u>	<u>51</u>
Excess of revenues over (under) expenditures	<u>106,426</u>	<u>105,988</u>	<u>(438)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(106,539)	(97,728)	8,811
Net change in fund balance	<u>\$ (113)</u>	8,260	<u>\$ 8,373</u>
Fund balance, beginning		4,474	
Fund balance, ending		<u>\$ 12,734</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 31,717	\$ 26,277	\$ (5,440)
Intergovernmental	45,000	54,784	9,784
Interest	170	511	341
Total revenues	<u>76,887</u>	<u>81,572</u>	<u>4,685</u>
EXPENDITURES			
General government	16,176	15,994	182
Total expenditures	<u>16,176</u>	<u>15,994</u>	<u>182</u>
Excess of revenues over expenditures	<u>60,711</u>	<u>65,578</u>	<u>4,867</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(67,800)	(67,800)	—
Net change in fund balance	<u>\$ (7,089)</u>	<u>(2,222)</u>	<u>\$ 4,867</u>
Fund balance, beginning		10,398	
Fund balance, ending		<u>\$ 8,176</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 33,392	\$ 33,417	\$ 25
Intergovernmental	67,000	67,014	14
Interest	150	275	125
Total revenues	<u>100,542</u>	<u>100,706</u>	<u>164</u>
EXPENDITURES			
General government	<u>16,201</u>	<u>16,101</u>	<u>100</u>
Total expenditures	<u>16,201</u>	<u>16,101</u>	<u>100</u>
Excess of revenues over expenditures	<u>84,341</u>	<u>84,605</u>	<u>264</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(84,417)</u>	<u>(84,417)</u>	<u>—</u>
Net change in fund balance	<u>\$ (76)</u>	<u>188</u>	<u>\$ 264</u>
Fund balance, beginning		<u>9,260</u>	
Fund balance, ending		<u>\$ 9,448</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARK 1200 GENERAL IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 14,155	\$ 14,155	\$ —
Intergovernmental	408	1,083	675
Interest	—	45	45
Total revenues	<u>14,563</u>	<u>15,283</u>	<u>720</u>
EXPENDITURES			
General government	14,351	14,326	25
Total expenditures	<u>14,351</u>	<u>14,326</u>	<u>25</u>
Net change in fund balance	<u>\$ 212</u>	957	<u>\$ 745</u>
Fund balance, beginning		244	
Fund balance, ending		<u>\$ 1,201</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER STATION GENERAL IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 11,071	\$ 11,403	\$ 332
Intergovernmental	550	819	269
Interest	44	—	(44)
Total revenues	<u>11,665</u>	<u>12,222</u>	<u>557</u>
EXPENDITURES			
General government	11,315	11,271	44
Total expenditures	<u>11,315</u>	<u>11,271</u>	<u>44</u>
Net change in fund balance	<u>\$ 350</u>	951	<u>\$ 601</u>
Fund balance, beginning		—	
Fund balance, ending		<u>\$ 951</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 14,000	\$ 25,922	\$ 11,922
Total revenues	<u>14,000</u>	<u>25,922</u>	<u>11,922</u>
EXPENDITURES			
Debt service:			
Principal	2,390,000	2,390,000	—
Interest and fiscal charges	<u>960,419</u>	<u>959,119</u>	<u>1,300</u>
Total expenditures	<u>3,350,419</u>	<u>3,349,119</u>	<u>1,300</u>
Excess of revenues over (under) expenditures	<u>(3,336,419)</u>	<u>(3,323,197)</u>	<u>13,222</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>3,330,319</u>	<u>3,344,019</u>	<u>13,700</u>
Net change in fund balance	<u><u>\$ (6,100)</u></u>	<u>20,822</u>	<u><u>\$ 26,922</u></u>
Fund balance, beginning		<u>217,290</u>	
Fund balance, ending		<u><u>\$ 238,112</u></u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 667,365	\$ 941,901	\$ 274,536
Total revenues	<u>667,365</u>	<u>941,901</u>	<u>274,536</u>
EXPENDITURES			
Capital projects	1,052,251	127,774	924,477
Debt service:			
Principal	824,429	817,000	7,429
Interest and fiscal charges	26,807	10,964	15,843
Total expenditures	<u>1,903,487</u>	<u>955,738</u>	<u>947,749</u>
Excess of revenues over (under) expenditures	<u>(1,236,122)</u>	<u>(13,837)</u>	<u>1,222,285</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	74,000	74,000	—
Net change in fund balance	<u>\$ (1,162,122)</u>	60,163	<u>\$ 1,222,285</u>
Fund balance, beginning		1,156,277	
Fund balance, ending		<u>\$ 1,216,440</u>	

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BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 71,947,727	\$ 67,548,532	\$ (4,399,195)
Other	517,751	559,769	42,018
Total operating revenues	<u>72,465,478</u>	<u>68,108,301</u>	<u>(4,357,177)</u>
Operating expenses			
Personnel services	21,473,710	20,200,203	1,273,507
Contractual services	18,907,445	15,403,372	3,504,073
Commodities	2,492,079	2,001,530	490,549
Capital expense	165,703,837	46,513,649	119,190,188
Total operating expenses	<u>208,577,071</u>	<u>84,118,754</u>	<u>124,458,317</u>
Operating income (loss)	<u>(136,111,593)</u>	<u>(16,010,453)</u>	<u>120,101,140</u>
Nonoperating revenues (expenses)			
Income on investments	1,718,922	3,613,657	1,894,735
Debt service	(15,178,270)	(9,786,079)	5,392,191
Disposition of assets	—	92,008	92,008
Contributions	6,917,611	16,965,001	10,047,390
Other	—	409,360	409,360
Insurance recoveries	28,046	28,046	—
Issuance of debt	67,954,147	43,901,146	(24,053,001)
Total nonoperating revenues (expenses)	<u>61,440,456</u>	<u>55,223,139</u>	<u>(6,217,317)</u>
Income before transfers	<u>(74,671,137)</u>	<u>39,212,686</u>	<u>113,883,823</u>
Transfers in	—	7,431,420	7,431,420
Transfers (out)	—	(8,216,420)	(8,216,420)
Total other financing	<u>—</u>	<u>(785,000)</u>	<u>(785,000)</u>
Change in net position	<u>\$ (74,671,137)</u>	<u>38,427,686</u>	<u>\$ 113,098,823</u>
Adjustments to GAAP basis			
Debt			
Principal payments		6,165,018	
Issuance of bonds		(43,901,146)	
Amortization of prepaid bond sale expense		(8,500)	
Amortization of premiums and discounts		487,459	
Accrued interest adjustment		(89,734)	
Capital assets			
Acquisitions		45,185,290	
Net book value of disposals		(5,703)	
Depreciation		(14,643,983)	
Inventories		(51,368)	
Personnel services accruals		186,026	
Change in net position, GAAP basis		<u>\$ 31,751,045</u>	

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,732,731	\$ 4,194,475	\$ 461,744
Other	—	3,925	3,925
Total operating revenues	<u>3,732,731</u>	<u>4,198,400</u>	<u>465,669</u>
Operating Expenses			
Personnel services	1,914,844	1,895,323	19,521
Contractual services	1,629,044	1,603,593	25,451
Commodities	699,235	641,083	58,152
Capital expense	1,592,455	224,236	1,368,219
Total operating expenses	<u>5,835,578</u>	<u>4,364,235</u>	<u>1,471,343</u>
Operating loss	<u>(2,102,847)</u>	<u>(165,835)</u>	<u>1,937,012</u>
Nonoperating revenues (expenses)			
Income on investments	26,449	69,777	43,328
Grants	1,500	1,500	—
Insurance recoveries	2,020	2,019	(1)
Total nonoperating revenues (expenses)	<u>29,969</u>	<u>73,296</u>	<u>43,327</u>
Income before transfers	<u>(2,072,878)</u>	<u>(92,539)</u>	<u>1,980,339</u>
Transfers in	450,000	450,000	—
Change in net position	<u><u>\$ (1,622,878)</u></u>	<u>357,461</u>	<u><u>\$ 1,980,339</u></u>
Adjustments to GAAP basis			
Debt			
Principal payments		738,973	
Amortization of prepaid bond sale expense		(2,901)	
Amortization of premiums and discounts		9,244	
Amortization of loss on refunding		(4,418)	
Accrued interest adjustment		5,908	
Capital assets			
Acquisitions		85,992	
Capital contributions		74,431	
Depreciation		(691,614)	
Inventories		(21,695)	
Personnel services accruals		22,658	
Change in net position, GAAP basis		<u><u>\$ 574,039</u></u>	

Internal Service Funds

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

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

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2019

	Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 890,448	\$ 1,106,945	\$ 533,302	\$ 1,113,490	\$ 3,644,185
Cash and cash equivalents with fiscal agent	339,539	—	—	—	339,539
Investments	5,208,514	6,474,872	3,119,454	6,513,152	21,315,992
Receivables:					
Accounts	498,703	—	—	—	498,703
Interest	24,367	30,325	14,577	30,538	99,807
Prepaid items	—	2,700	—	—	2,700
Total current assets	<u>6,961,571</u>	<u>7,614,842</u>	<u>3,667,333</u>	<u>7,657,180</u>	<u>25,900,926</u>
Noncurrent assets:					
Capital assets:					
Depreciable assets, net	—	—	—	7,679,819	7,679,819
Total noncurrent assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,679,819</u>	<u>7,679,819</u>
Total assets	<u>\$ 6,961,571</u>	<u>\$ 7,614,842</u>	<u>\$ 3,667,333</u>	<u>\$ 15,336,999</u>	<u>\$ 33,580,745</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other	\$ 403,506	\$ 51,756	\$ 76,243	\$ 88,713	\$ 620,218
Accrued liabilities	9,097	—	6,356	—	15,453
Notes payable, current portion	—	—	—	350,402	350,402
Other liabilities, current portion	1,302	—	7,829	—	9,131
Accrued interest	—	—	—	34,154	34,154
Estimated claims	1,877,819	269,091	1,122,423	—	3,269,333
Total current liabilities	<u>2,291,724</u>	<u>320,847</u>	<u>1,212,851</u>	<u>473,269</u>	<u>4,298,691</u>
Noncurrent liabilities:					
Notes payable	—	—	—	1,369,834	1,369,834
Other liabilities payable	21,843	—	19,681	—	41,524
Total noncurrent liabilities	<u>21,843</u>	<u>—</u>	<u>19,681</u>	<u>1,369,834</u>	<u>1,411,358</u>
Total liabilities	<u>2,313,567</u>	<u>320,847</u>	<u>1,232,532</u>	<u>1,843,103</u>	<u>5,710,049</u>
NET POSITION					
Net investment in capital assets	—	—	—	5,870,870	5,870,870
Unrestricted	4,648,004	7,293,995	2,434,801	7,623,026	21,999,826
Total net position	<u>\$ 4,648,004</u>	<u>\$ 7,293,995</u>	<u>\$ 2,434,801</u>	<u>\$ 13,493,896</u>	<u>\$ 27,870,696</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
Operating revenues					
Charges for services	\$ 16,966,682	\$ 747,344	\$ 1,911,165	\$ 3,949,110	\$ 23,574,301
Other	1,811	145	—	—	1,956
Total operating revenues	<u>16,968,493</u>	<u>747,489</u>	<u>1,911,165</u>	<u>3,949,110</u>	<u>23,576,257</u>
Operating expenses					
Personnel services	236,396	3,451	268,989	—	508,836
Contractual services	2,682,232	165,825	605,021	—	3,453,078
Commodities	27,522	44,919	1,855	—	74,296
Capital expense	—	—	314	410,940	411,254
Insurance and other expenses	14,497,626	798,297	1,198,571	—	16,494,494
Depreciation	—	—	—	2,470,675	2,470,675
Total operating expenses	<u>17,443,776</u>	<u>1,012,492</u>	<u>2,074,750</u>	<u>2,881,615</u>	<u>23,412,633</u>
Operating income (loss)	<u>(475,283)</u>	<u>(265,003)</u>	<u>(163,585)</u>	<u>1,067,495</u>	<u>163,624</u>
Nonoperating revenues (expenses)					
Income on investments	193,007	246,049	122,367	204,536	765,959
Interest expense	—	—	—	(43,416)	(43,416)
Gain on disposition of capital assets	—	—	—	171,969	171,969
Insurance recoveries	—	—	—	52,458	52,458
Total nonoperating revenues	<u>193,007</u>	<u>246,049</u>	<u>122,367</u>	<u>385,547</u>	<u>946,970</u>
Capital contributions	—	—	—	453	453
Change in net position	<u>(282,276)</u>	<u>(18,954)</u>	<u>(41,218)</u>	<u>1,453,495</u>	<u>1,111,047</u>
Net position - beginning	<u>4,930,280</u>	<u>7,312,949</u>	<u>2,476,019</u>	<u>12,040,401</u>	<u>26,759,649</u>
Net position - ending	<u>\$ 4,648,004</u>	<u>\$ 7,293,995</u>	<u>\$ 2,434,801</u>	<u>\$ 13,493,896</u>	<u>\$ 27,870,696</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Governmental Activities Internal Service Funds				
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
Cash flows from operating activities:					
Receipts from interfund charges for risk management services	\$ 17,051,382	\$ 87,176	\$ 393,375	\$ —	\$ 17,531,933
Receipts from interfund charges for capital outlay replacement	—	—	—	3,949,110	3,949,110
Cash payments to employees for services	(232,699)	(3,451)	(262,838)	—	(498,988)
Cash payments to suppliers for goods and services	(16,677,758)	(853,834)	(1,884,371)	(410,940)	(19,826,903)
Payments from other funds	—	660,168	1,517,790	—	2,177,958
Other operating revenues	1,811	145	—	—	1,956
Net cash provided by (used in) operating activities	142,736	(109,796)	(236,044)	3,538,170	3,335,066
Cash flows from capital and related financing activities:					
Principal paid on long term debt	—	—	—	(208,742)	(208,742)
Interest paid on long term debt	—	—	—	(20,480)	(20,480)
Acquisition and construction of capital assets	—	—	—	(2,045,691)	(2,045,691)
Proceeds from sale of capital assets	—	—	—	146,715	146,715
Insurance recoveries	—	—	—	64,756	64,756
Proceeds from notes	—	—	—	1,039,835	1,039,835
Net cash used in capital and related financing activities	—	—	—	(1,023,607)	(1,023,607)
Cash flow from investing activities:					
Proceeds from sale of investments	4,314,257	5,546,760	2,770,151	4,817,614	17,448,782
Purchases of investments	(4,499,761)	(5,617,109)	(2,651,952)	(6,947,946)	(19,716,768)
Interest received on investments	272,499	340,690	172,493	104,097	889,779
Net cash provided by (used in) investing activities	86,995	270,341	290,692	(2,026,235)	(1,378,207)
Net increase in cash and cash equivalents	229,731	160,545	54,648	488,328	933,252
Cash and cash equivalents - beginning of year	1,000,256	946,400	478,654	625,162	3,050,472
Cash and cash equivalents - end of year	<u>\$ 1,229,987</u>	<u>\$ 1,106,945</u>	<u>\$ 533,302</u>	<u>\$ 1,113,490</u>	<u>\$ 3,983,724</u>
Reconciliation of cash and cash equivalents to Statement of Net Position					
Unrestricted cash and cash equivalents	890,448	1,106,945	533,302	1,113,490	3,644,185
Unrestricted cash and cash equivalents with fiscal agent	339,539	—	—	—	339,539
Total Cash and Cash Equivalents	<u>\$ 1,229,987</u>	<u>\$ 1,106,945</u>	<u>\$ 533,302</u>	<u>\$ 1,113,490</u>	<u>\$ 3,983,724</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (475,283)	\$ (265,003)	\$ (163,585)	\$ 1,067,495	\$ 163,624
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	—	—	2,470,675	2,470,675
(Increase) decrease in accounts receivable	84,700	—	—	—	84,700
(Increase) decrease in prepaid items	—	—	15,636	—	15,636
Increase (decrease) in accounts payable and other	86,358	15,071	46,126	—	147,555
Increase (decrease) in accrued liabilities	4,801	—	960	—	5,761
Increase (decrease) in estimated claims	442,160	140,136	(135,181)	—	447,115
Total adjustments	618,019	155,207	(72,459)	2,470,675	3,171,442
Net cash provided by (used in) operating activities	<u>\$ 142,736</u>	<u>\$ (109,796)</u>	<u>\$ (236,044)</u>	<u>\$ 3,538,170</u>	<u>\$ 3,335,066</u>

Noncash investing, capital and financing activities Internal Service Funds:

* The change in unrecognized loss recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$321,310.

* Accounts payable used to acquire capital assets at December 31 for the General Capital Outlay Replacement Fund was \$88,713, an increase of \$86,153 compared to 2018.

* The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$12,956.

* Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$453.

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*BUDGETARY COMPARISON SCHEDULES
INTERNAL SERVICE FUNDS*

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 3,949,110	\$ 3,949,110	\$ —
Total operating revenues	<u>3,949,110</u>	<u>3,949,110</u>	<u>—</u>
Operating expenses			
Capital expense	9,744,453	2,542,784	7,201,669
Total operating expenses	<u>9,744,453</u>	<u>2,542,784</u>	<u>7,201,669</u>
Operating income	<u>(5,795,343)</u>	<u>1,406,326</u>	<u>7,201,669</u>
Nonoperating revenues (expenses)			
Income on investments	—	204,536	204,536
Debt service	(229,223)	(229,222)	1
Disposition of assets	—	208,513	208,513
Insurance recoveries	64,756	64,756	—
Issuance of debt	1,039,835	1,039,835	—
Total nonoperating revenues (expenses)	<u>875,368</u>	<u>1,288,418</u>	<u>413,050</u>
Change in net position	<u>\$ (4,919,975)</u>	<u>2,694,744</u>	<u>\$ 7,614,719</u>
Adjustments to GAAP basis			
Debt			
Principal payments		208,742	
Issuance of notes		(1,039,835)	
Accrued interest adjustment		(22,936)	
Capital assets			
Acquisitions		2,131,844	
Net book value of disposals		(36,544)	
Insurance recoveries		(12,298)	
Capital contributions		453	
Depreciation		(2,470,675)	
Change in Net Position, GAAP Basis		<u>\$ 1,453,495</u>	

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Statistical Section

STATISTICAL SECTION (Unaudited)

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<i>These schedules contain trend information to help the reader understand how the city's financial performance and wellbeing are changed over time.</i>	
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Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within the city's financial activity take place.</i>	
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<i>These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.</i>	
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Table 1
City of Westminster

Net Position by Component
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net Investment in capital assets	\$ 310,753,100	\$ 298,581,511	\$284,051,559	\$262,972,719	\$233,726,088	\$203,103,757	\$181,518,179	\$176,064,347	\$167,459,905	\$166,119,255
Restricted	47,539,906	50,047,232	44,958,563	35,829,766	31,977,574	27,825,584	34,508,098	32,889,201	35,378,439	32,828,397
Unrestricted	163,495,988	141,137,700	129,559,139	125,748,290	118,916,142	118,324,325	107,275,937	96,304,116	91,201,675	78,848,530
Total governmental activities net position	\$ 521,788,994	\$ 489,766,443	\$458,569,261	\$424,550,775	\$384,619,804	\$349,253,666	\$323,302,214	\$305,257,664	\$294,040,019	\$277,796,182
Business-type activities										
Net Investment in capital assets	\$ 455,230,597	\$ 422,842,682	\$397,726,132	\$385,909,492	\$375,115,816	\$353,498,654	\$343,060,522	\$336,924,153	\$337,605,101	\$336,344,413
Restricted	3,487,032	3,476,326	3,427,214	5,135,850	5,133,269	5,132,572	5,207,324	5,206,778	5,484,664	5,483,098
Unrestricted	113,143,678	113,325,081	113,763,592	106,406,204	87,632,673	89,037,701	86,956,838	81,540,256	64,814,804	55,893,678
Total business-type activities net position	\$ 571,861,307	\$ 539,644,089	\$514,916,938	\$497,451,546	\$467,881,758	\$447,668,927	\$435,224,684	\$423,671,187	\$407,904,569	\$397,721,189
Total										
Net Investment in capital assets	\$ 765,983,697	\$ 721,424,193	\$681,777,691	\$648,882,211	\$608,841,904	\$556,602,411	\$524,578,701	\$512,988,500	\$505,065,006	\$502,463,668
Restricted	51,026,938	53,523,558	48,385,777	40,965,616	37,110,843	32,958,156	39,715,422	38,095,979	40,863,103	38,311,495
Unrestricted	276,639,666	254,462,781	243,322,731	232,154,494	206,548,815	207,362,026	194,232,775	177,844,372	156,016,479	134,742,208
Total net position	\$1,093,650,301	\$1,029,410,532	\$973,486,199	\$922,002,321	\$852,501,562	\$796,922,593	\$758,526,898	\$728,928,851	\$701,944,588	\$675,517,371

Table 2
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities:										
General government	\$ 60,497,064	\$ 51,245,789	\$ 50,382,503	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	\$ 35,878,873	\$ 35,365,276	\$ 37,650,090
Public safety	42,902,368	40,662,978	39,908,597	36,274,992	34,620,914	33,917,996	34,701,963	32,690,106	31,572,328	31,705,261
Public works	17,283,356	15,393,799	13,475,717	13,459,466	13,490,199	14,967,446	14,526,130	14,484,672	10,278,949	14,468,243
Community development	14,327,393	13,734,388	15,565,417	14,174,997	13,136,180	9,253,118	10,053,995	10,294,204	14,367,026	12,014,109
Economic development	3,764,393	1,752,565	—	—	—	—	—	—	—	—
Culture and recreation	27,485,527	25,638,240	24,625,914	24,576,687	21,506,116	23,345,230	20,547,209	21,450,331	17,403,563	17,608,348
Interest and fiscal charges	3,264,280	3,569,427	3,838,725	6,637,408	7,326,033	6,586,443	7,012,596	6,697,736	6,952,116	7,803,642
Refunding issuance costs	—	—	—	191,082	—	—	157,626	—	—	—
Unallocated depreciation	227,411	230,339	230,867	232,974	271,497	304,769	308,894	309,553	347,847	443,359
Total governmental activities expenses	169,751,792	152,227,525	148,027,740	145,112,517	131,616,187	125,600,376	125,404,425	121,805,475	116,287,105	121,693,052
Business-type activities:										
Utility	56,778,210	55,545,014	53,216,225	50,691,118	48,485,130	44,811,783	43,302,750	44,861,022	42,845,082	44,664,016
Golf	4,226,369	4,384,036	4,054,852	3,579,035	3,530,467	3,528,224	3,809,085	3,354,014	3,389,873	3,526,264
Westminster Housing Authority	—	—	—	70,770	125,491	84,666	106,956	696,930	792,691	1,243,300
Total business-type activities expenses	61,004,579	59,929,050	57,271,077	54,340,923	52,141,088	48,424,673	47,218,791	48,911,966	47,027,646	49,433,580
Total primary government expenses	230,756,371	212,156,575	205,298,817	199,453,440	183,757,275	174,025,049	172,623,216	170,717,441	163,314,751	171,126,632
Program Revenues										
Governmental activities:										
Charges for services:										
General government	5,761,167	4,797,788	5,237,623	6,105,832	4,856,467	4,150,020	4,883,189	4,055,921	3,737,240	6,116,547
Public safety	3,995,334	4,605,643	3,709,546	3,972,310	4,138,624	4,031,642	4,204,733	4,507,902	4,550,427	4,160,047
Public works	2,523,557	2,756,068	2,824,964	2,548,173	2,439,228	2,026,345	1,630,161	1,810,028	1,744,118	1,419,414
Community development	287,453	243,737	228,383	801,191	206,671	358,835	190,322	(12,469)	186,524	297,219
Culture and recreation	7,479,551	7,948,709	7,506,249	7,746,111	7,476,626	7,368,157	6,765,100	6,747,706	6,550,418	7,139,822
Operating grants and contributions	10,928,246	10,932,984	9,484,810	9,273,135	8,279,617	7,792,918	6,266,173	6,669,118	6,550,602	4,496,790
Capital grants and contributions	14,631,021	14,039,483	10,959,356	26,547,690	15,799,445	14,107,955	15,133,416	9,309,177	9,094,638	11,701,408
Total program revenues	45,606,329	45,324,412	39,950,931	56,994,442	43,196,678	39,835,872	39,073,094	33,087,383	32,413,967	35,331,247
Business-type activities:										
Charges for services:										
Utility	67,548,532	63,758,787	57,918,080	55,326,918	50,580,355	47,890,317	45,097,929	49,243,639	44,227,706	43,638,168
Golf	4,194,475	3,655,051	3,748,446	3,529,970	3,483,098	3,427,107	3,090,119	3,141,318	2,679,816	2,682,977
Westminster Housing Authority	—	—	—	—	—	—	—	723,307	944,917	942,564
Operating grants and contributions	1,500	1,400	1,500	700	—	—	1,695	36,435	—	1,972
Capital grants and contributions	16,960,139	14,474,171	12,800,673	24,125,580	16,731,575	7,060,781	9,313,996	5,460,466	7,589,453	4,221,676
Total business-type activities program revenues	88,704,646	81,889,409	74,468,699	82,983,168	70,795,028	58,378,205	57,503,739	58,605,165	55,441,892	51,487,357
Total revenues	134,310,975	127,213,821	114,419,630	139,977,610	113,991,706	98,214,077	96,576,833	91,692,548	87,855,859	86,818,604
Net (expense)/revenue										
Governmental activities	(124,145,463)	(106,903,113)	(108,076,809)	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	(88,718,092)	(83,873,138)	(86,361,805)
Business-type activities	27,700,067	21,960,359	17,197,622	28,642,245	18,653,940	9,953,532	10,284,948	9,693,199	8,414,246	2,053,777
Total primary government net expense	(96,445,396)	(84,942,754)	(90,879,187)	(59,475,830)	(69,765,569)	(75,810,972)	(76,046,383)	(79,024,893)	(75,458,892)	(84,308,028)

Table 2 (continued)
City of Westminster

	Fiscal year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	19,587,247	17,691,457	15,799,702	15,090,147	13,461,402	13,535,334	12,947,197	12,891,503	13,334,499	13,326,123
Sales taxes	90,810,385	88,708,382	84,790,732	80,283,226	76,576,042	72,699,403	68,712,125	65,544,298	64,746,106	66,078,878
Use taxes	21,312,747	18,590,498	19,861,540	19,824,648	17,498,401	14,797,452	14,110,138	11,946,218	11,614,468	11,432,450
Business fees and other taxes	5,575,081	5,480,552	5,381,255	5,373,974	5,636,924	5,745,800	5,587,433	5,275,222	5,342,892	5,092,047
Accommodations taxes	4,818,563	4,782,173	4,463,046	4,258,630	4,005,426	3,478,033	2,905,893	2,427,226	2,365,444	2,231,693
Intergovernmental not restricted to a specific purpose	303,244	285,165	249,184	241,386	393,033	224,580	672,693	672,172	673,423	1,612,345
Assessments	—	—	—	—	—	—	2,000	6,000	2,000	—
Interest	5,231,237	2,423,030	1,018,194	1,298,621	739,407	996,457	139,218	811,117	913,339	1,261,427
Rentals	376,318	334,627	443,624	443,074	419,137	409,143	409,789	470,674	569,867	—
Other	7,897,485	1,508,051	8,288,774	30,561	6,862	257,781	1,084,214	35,000	273,002	—
Gain on Sale of Assets	—	87,142	227,523	156,319	1,651,759	71,130	—	21,879	632,142	809,511
Transfers	255,707	71,000	(356,098)	1,028,460	(757)	(499,157)	(774,544)	(165,572)	(350,207)	(856,339)
Total governmental activities	156,168,014	139,962,077	140,167,476	128,029,046	120,387,636	111,715,956	105,796,156	99,935,737	100,116,975	100,988,135
Business-type activities:										
Interest	3,683,434	2,135,610	1,045,374	958,005	634,166	860,924	32,742	840,406	901,668	670,337
Rentals	—	—	—	10	10	20	587	839	—	—
Other	1,003,119	892,376	845,666	931,015	911,961	948,874	883,951	1,190,155	517,259	267,252
Gain on Sale of Assets	86,305	—	345,328	66,973	11,997	181,736	98,245	—	—	—
Special Item	—	—	—	—	—	—	—	3,876,447	—	—
Transfers	(255,707)	(71,000)	356,098	(1,028,460)	757	499,157	774,544	165,572	350,207	856,339
Total business-type activities	4,517,151	2,956,986	2,592,466	927,543	1,558,891	2,490,711	1,790,069	6,073,419	1,769,134	1,793,928
Total	160,685,165	142,919,063	142,759,942	128,956,589	121,946,527	114,206,667	107,586,225	106,009,156	101,886,109	102,782,063
Change in net position										
Governmental activities										
Adjustment for accounting change	—	(1,861,782)	—	—	3,418,011	—	(1,420,275)	—	—	—
Business-type activities										
Adjustment for accounting change	—	(190,194)	—	—	—	—	(521,520)	—	—	—
Total	\$64,239,769	\$55,924,333	\$51,880,755	\$69,480,759	\$55,598,969	\$38,395,695	\$29,598,047	\$26,984,263	\$26,427,217	\$18,474,035

Note: 2013: Adjustment for accounting change due to implementation of GASB 65.
2015: Adjustment for accounting change due to implementation of GASB 68.
2017: Westminster Housing Authority change from a proprietary to a governmental fund.
2018: Adjustment for accounting change due to implementation of GASB 75.

Table 3
City of Westminster

Fund Balances, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 7,220,548
Unreserved	—	—	—	—	—	—	—	—	—	11,628,557
Nonspendable	1,065,811	1,062,036	1,149,356	1,115,952	1,000,834	934,588	887,569	943,056	1,060,299	—
Restricted	6,872,557	6,306,526	6,205,516	6,227,738	5,699,348	5,145,534	5,177,644	4,849,535	4,822,404	—
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	8,308,210	8,052,727	6,836,562	6,492,595	5,915,385	6,118,523	5,732,552	5,843,851	5,802,983	—
Unassigned	32,084,317	35,004,249	33,655,936	29,970,602	31,869,732	25,115,741	18,960,092	17,795,609	15,243,510	—
Total General Fund	\$ 48,330,895	\$ 50,425,538	\$ 47,847,370	\$ 43,806,887	\$ 44,485,299	\$ 37,314,386	\$ 30,757,857	\$ 29,432,051	\$ 26,929,196	\$ 18,849,105
All other governmental funds										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 53,287,957
Unreserved, reported in:										
Special revenue funds	—	—	—	—	—	—	—	—	—	11,702,434
Capital project funds	—	—	—	—	—	—	—	—	—	17,652,289
Nonspendable	—	—	16,648,057	20,776,055	20,776,315	31,630,640	31,226,133	32,351,416	27,391,523	—
Restricted	41,065,022	38,148,501	37,372,256	38,803,425	60,767,096	22,539,782	29,425,771	30,475,367	32,119,519	—
Committed	70,527,334	57,985,681	52,930,080	41,415,625	37,721,829	36,473,901	34,204,717	29,391,324	24,387,010	—
Assigned	15,445,173	16,909,975	3,467,415	551,520	398,546	279,822	306,482	460,677	338,688	—
Unassigned	—	(56,924)	(196,189)	1,605,617	(581,144)	(455,532)	(621,910)	(382,694)	(754,471)	—
Total all other governmental funds	\$ 127,037,529	\$ 112,987,233	\$ 110,221,619	\$ 103,152,242	\$ 119,082,642	\$ 90,468,613	\$ 94,541,193	\$ 92,296,090	\$ 83,482,269	\$ 82,642,680

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

Table 4
City of Westminster

Change in Fund Balance, governmental Funds
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Taxes and business fees	\$ 142,104,023	\$ 135,253,062	\$ 130,296,275	\$ 124,830,625	\$ 117,178,195	\$ 110,256,022	\$ 104,262,786	\$ 98,084,467	\$ 97,403,409	\$ 98,161,191
Intergovernmental	20,339,303	16,710,544	17,197,954	18,835,428	14,621,889	14,666,756	13,444,290	13,363,386	14,690,316	14,485,838
Assessments	—	—	—	—	41,662	39,444	41,199	45,935	43,361	41,905
Licenses and permits	4,192,596	3,280,098	3,563,800	4,278,584	2,923,276	2,459,437	2,653,281	2,006,610	1,824,264	1,708,941
Interest	4,585,521	2,147,241	906,697	1,135,671	755,385	830,006	139,740	828,450	937,931	1,265,429
Rentals	376,318	334,627	443,624	443,074	419,137	409,143	425,569	476,399	569,867	—
Contributions	6,606,716	1,036,410	3,759,405	14,996,774	6,584,703	2,561,733	3,389,088	2,846,572	2,893,030	2,444,022
Recreation fees	7,726,601	7,704,447	7,583,862	7,605,943	7,569,719	7,379,510	6,788,407	6,751,616	6,443,748	6,372,404
Fines and forfeits	1,601,190	1,685,247	1,239,978	1,377,401	1,657,240	1,587,334	1,868,695	2,010,118	2,251,882	2,077,598
Fleet maintenance billings and other	4,910,359	4,945,591	5,151,565	5,326,371	4,920,307	4,374,067	4,508,886	4,529,238	4,442,594	5,427,769
EMS billings	2,050,593	3,179,449	2,410,270	2,503,787	2,362,530	2,178,911	2,173,899	2,357,911	2,016,677	2,031,040
Miscellaneous and other	2,834,834	1,284,054	4,931,886	589,913	65,761	358,555	810,454	127,277	317,947	128,456
Total revenues	197,328,054	177,560,770	177,485,316	181,923,571	159,099,804	147,100,918	140,506,294	133,427,979	133,835,026	134,144,593
Expenditures										
Current:										
General government	61,256,528	54,222,455	54,426,899	49,618,140	45,752,230	42,189,889	42,191,325	41,025,193	40,160,148	39,544,389
Public safety	42,723,342	39,791,231	38,084,423	34,987,444	33,409,984	32,882,207	33,173,549	31,434,925	30,521,418	30,409,003
Public works	9,941,029	8,711,852	8,646,817	8,488,590	7,812,814	7,589,559	7,398,650	7,210,468	3,280,134	7,391,466
Community development	8,302,645	7,036,989	10,241,109	6,077,910	6,007,219	5,442,684	5,746,886	5,416,821	8,948,499	7,090,959
Economic development	3,768,084	1,754,838	—	—	—	—	—	—	—	—
Culture and recreation	17,899,750	17,314,204	16,374,128	15,930,277	15,741,361	14,964,860	14,186,013	13,674,664	13,047,644	13,771,317
Capital projects	30,378,361	32,357,524	27,422,712	63,965,424	45,074,138	25,199,894	17,487,657	11,361,038	13,070,798	19,731,978
Debt service:	—	—	—	—	—	—	—	—	—	—
Principal	8,680,000	7,585,000	8,042,000	12,018,000	11,775,000	10,790,000	14,651,000	11,635,000	12,585,000	8,720,000
Interest and fiscal charges	3,277,508	3,567,493	3,818,063	5,914,294	5,483,247	5,313,893	5,769,157	9,816,176	6,584,681	6,973,932
Issuance costs	—	—	—	191,082	532,288	—	157,626	383,516	—	483,318
Total expenditures	186,227,247	172,341,586	167,056,151	197,191,161	171,588,281	144,372,986	140,761,863	131,957,801	128,198,322	134,116,362
Excess of revenues over (under) expenditures	11,100,807	5,219,184	10,429,165	(15,267,590)	(12,488,477)	2,727,932	(255,569)	1,470,178	5,636,704	28,231
Other financing Sources (Uses)										
Issuance of bonds	—	—	—	—	—	—	11,095,000	5,812,724	—	1,134,410
Issuance of notes	—	—	—	—	—	—	—	—	3,500,000	—
Issuance of leases	—	—	—	—	40,577,946	—	—	—	—	2,575,190
Issuance of refunding debt	—	—	—	14,995,000	18,500,000	—	—	96,366,606	—	—
Premium on debt	—	—	—	1,550,018	5,074,187	—	1,167,165	1,756,197	—	—
Discount on debt	—	—	—	—	(137,068)	—	—	(67,028)	—	—
Payment to refunded bond escrow agent	—	—	—	(18,978,975)	(20,451,328)	—	(12,065,594)	(94,287,102)	—	—
Sale of capital asset	58,545	53,598	34,901	32,952	4,678,053	57,990	848,454	43,519	50,770	1,121,572
Insurance Recoveries	461,301	—	—	—	—	—	—	—	—	—
Transfers in	26,269,844	31,657,554	31,101,861	35,831,912	23,439,943	19,439,703	23,123,984	15,240,547	21,348,099	92,160,117
Transfers (out)	(25,934,844)	(31,586,554)	(31,445,264)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)	(15,018,965)	(21,615,893)	(93,016,456)
Total other financing sources (uses)	854,846	124,598	(308,502)	(1,341,222)	48,273,419	(243,983)	3,826,478	9,846,498	3,282,976	3,974,833
Net change in fund balances	\$ 11,955,653	\$ 5,343,782	\$ 10,120,663	\$ (16,608,812)	\$ 35,784,942	\$ 2,483,949	\$ 3,570,909	\$ 11,316,676	\$ 8,919,680	\$ 4,003,064
Debt Service as a percentage of noncapital expenditures	7.0%	7.2%	10.1%	11.2%	11.3%	12.3%	15.3%	15.9%	14.1%	14.3%

Table 5
City of Westminster

Sales and Use Tax Revenue
Last ten fiscal years

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate
2010	60,677,400	11,832,426	5,001,503	3.85%
2011	59,520,797	11,887,799	4,951,978	3.85%
2012	60,408,927	12,058,508	5,023,081	3.85%
2013	64,567,678	12,886,561	5,368,023	3.85%
2014	68,180,777	13,635,955	5,680,123	3.85%
2015	73,302,649	14,663,545	6,108,251	3.85%
2016	78,019,813	15,590,932	6,497,129	3.85%
2017	81,491,695	16,349,963	6,810,615	3.85%
2018	83,620,682	16,715,283	6,962,914	3.85%
2019	87,377,954	17,468,504	7,276,675	3.85%

Source: City Sales Tax Division

¹ The Public Safety Sales and Use Tax was implemented January 1, 2004.

² The Open Space Sales and Use Tax was implemented January 1, 1985.

Table 6
City of Westminster

Direct and Overlapping Sales and Use Tax Rates
Last ten fiscal years

City Direct Rates					Overlapping Rates ³			
Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate	State of Colorado	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
2010	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2011	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2012	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2013	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2014	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2015	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2016	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2017	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2018	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2019	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%

Source: City Sales Tax Division

¹ The Public Safety Sales and Use Tax was implemented January 1, 2004.

² The Open Space Sales and Use Tax was implemented January 1, 1985.

³ Overlapping rates are those of county governments and tax districts within the City of Westminster. Not all overlapping rates apply to all sales transactions

Table 7
City of Westminster

Principal Sales and Use Tax Payers by Category
Current Year and Nine Years Ago

Category	Fiscal Year 2019			Fiscal Year 2010		
	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax
Department and Discount Stores	\$ 21,040,290	1	18.8 %	\$ 19,067,593	1	24.6 %
Restaurants	13,599,856	2	12.1 %	7,899,874	3	10.2 %
Utility/Telecommunications	8,685,275	5	7.7 %	8,785,409	2	11.3 %
Building/Home Improvement	12,404,121	3	11.1 %	2,870,265	6	3.7 %
Automobile	9,942,744	4	8.9 %	4,740,628	4	6.1 %
Grocery	6,523,915	6	5.8 %	4,668,758	5	6.2 %

Source: City Sales Tax Division

Note: Due to requirements under the City Code, the names of the largest revenue payers are held as confidential.

The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Table 8
City of Westminster

Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year	Governmental Activities					Business- Type Activities					
	Revenue Bonds	Tax Increment Bonds and Loans	Notes¹	Certificates of Participation¹	Capital Leases¹	Revenue Bonds	Notes¹	Certificates of Participation¹	Capital Leases¹	Total Primary Government	Per Capita²
2010	61,109,196	104,883,171	—	—	—	37,291,914	31,790,310	—	5,450,956	240,525,547	2,724
2011	56,202,915	100,713,157	—	—	—	35,460,361	29,141,172	—	4,989,583	226,507,188	2,715
2012	51,151,751	97,880,475	1,612,724	—	65,433,763	33,558,808	24,123,395	—	4,427,856	278,188,772	2,577
2013	47,001,480	93,599,570	1,612,724	—	62,880,551	31,577,255	21,077,341	—	4,516,937	262,265,858	2,396
2014	41,214,039	88,185,621	1,612,724	—	56,474,766	29,505,000	18,374,433	—	5,064,654	240,431,237	2,167
2015	36,429,070	82,594,672	1,159,724	—	93,027,440	32,291,867	15,581,464	—	4,304,841	265,389,078	2,368
2016	29,892,252	76,807,723	929,724	—	87,080,858	81,444,004	12,656,181	—	3,631,794	292,442,536	2,585
2017	27,467,417	70,846,774	817,000	—	79,377,924	77,759,407	9,736,204	—	3,556,337	269,561,063	2,329
2018	24,934,193	65,457,826	817,000	—	71,515,263	73,125,093	7,908,512	—	2,836,156	246,594,043	2,106
2019	22,310,968	59,880,877	2,167,027	62,401,539	—	112,287,446	6,235,413	1,847,356	—	246,594,045	—

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

¹In 2019 GASB 88 was implemented with new debt balance classifications.

²Personal income and population data can be found on Table 12.

Table 9
City of Westminster

Direct and Overlapping Governmental Activities Debt
As of December 31, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County	\$ 66,935,000	13.24 %	\$ 8,862,194
Adams County Fire Protection District	1,508,613	0.05 %	754
Adams County School District #12	503,130,000	26.32 %	132,423,816
Apex Park & Rec District	23,125,000	8.38 %	1,937,875
Arvada Fire Protection District	4,105,000	0.06 %	2,463
Bradburn Metro #2	9,790,000	100.00 %	9,790,000
Bradburn Metro #3	8,210,000	100.00 %	8,210,000
Church Ranch Metro District	1,340,000	100.00 %	1,340,000
Country Club Highlands Metro District	2,055,000	100.00 %	2,055,000
Country Club Village Metro District	2,380,000	100.00 %	2,380,000
Countryside Metropolitan District	19,985,000	100.00 %	19,985,000
Huntington Trails Metro District	6,420,000	100.00 %	6,420,000
Hyland Hills Park & Recreation	3,625,000	54.07 %	1,960,038
Hyland Village Metro District	4,770,000	100.00 %	4,770,000
Jefferson County	66,935,000	6.63 %	4,437,791
Jefferson County School District R-1	613,465,000	6.63 %	40,672,730
NBC Metropolitan District	4,525,000	100.00 %	4,525,000
North Metro Fire and Rescue	13,720,000	0.53 %	72,716
Westglenn Metro District	2,398,000	100.00 %	2,398,000
Westminster Public Schools	52,160,000	0.4632	24,160,512
Subtotal, overlapping debt			276,403,889
City Direct debt			146,760,411
Total direct and overlapping debt			\$ 423,164,300

Source: Assessed value data used to estimate applicable percentages provided by Adams County and Jefferson County Governments. Debt outstanding data provided by each governmental unit. City direct debt details can be found on Table 8.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident. And therefore responsible for repaying the debt, of each overlapping government.

Table 10
City of Westminster

Legal Debt Margin Information
Last ten fiscal years

Legal Debt Margin Calculation for Fiscal Year 2018

Actual value of taxable property Source¹

Adams County portion of the City \$ 10,631,134,556

Jefferson County portion of the City 7,640,846,369

Total actual value \$ 18,271,980,925

Debt limit (3% of actual value²) \$ 548,159,428

Debt applicable to limit:

Bonded debt - general obligation only \$ —

Installment of lease/purchase contracts for
purchase of property or equipment 62,627,610

62,627,610

Less deductions allowed bylaw: —

Total net debt applicable to limit 62,627,610

Legal debt margin \$ 485,531,818

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limit	\$ 548,159,428	\$ 452,290,584	\$ 445,262,890	\$344,518,254.4	\$ 344,518,254	\$ 297,497,248	\$ 298,199,061	\$ 294,623,453	\$ 296,197,301	\$ 305,686,451
Total net debt applicable to limit	<u>62,627,610</u>	<u>69,885,802</u>	<u>78,031,919</u>	<u>85,448,873</u>	<u>93,102,037</u>	<u>59,711,741</u>	<u>65,341,824</u>	<u>70,496,233</u>	<u>76,942,093</u>	<u>82,058,107</u>
Legal debt margin	<u>\$ 485,531,818</u>	<u>\$ 382,404,782</u>	<u>\$ 259,069,381</u>	<u>\$ 259,069,381</u>	<u>\$ 251,416,217</u>	<u>\$ 237,785,507</u>	<u>\$ 232,857,237</u>	<u>\$ 224,127,220</u>	<u>\$ 219,255,208</u>	<u>\$ 223,628,344</u>
Total net debt applicable to the limit as a percentage of debt limit	11.43 %	15.45 %	17.52 %	24.80 %	27.02 %	20.07 %	21.91 %	23.93 %	25.98 %	26.84 %

¹Source Adams County and Jefferson County Assessors' Offices

²CRS 31-15-302 (3% limit)

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

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Utilities Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:	Net Pledged Revenue	Debt Service		Coverage
		Operating Expenses		Principal	Interest	
2010	45,945,519	(29,813,687)	16,131,832	4,055,665	2,446,814	2.48
2011	50,529,479	(27,931,057)	22,598,422	4,190,557	3,006,017	3.14
2012	54,605,982	(29,478,283)	25,127,699	4,337,883	2,852,651	3.49
2013	52,903,911	(27,684,633)	25,219,278	4,501,875	2,690,433	3.51
2014	53,326,893	(29,817,470)	23,509,423	4,678,308	2,509,611	3.27
2015	65,683,761	(33,884,996)	31,798,765	4,652,930	2,352,949	4.54
2016	77,302,486	(35,226,787)	42,075,699	4,779,791	3,045,426	5.38
2017	70,329,299	(37,392,699)	32,936,600	6,054,011	3,682,728	3.38
2018	79,123,434	(38,663,747)	40,459,687	5,999,029	3,533,838	4.24
2019	87,429,291	(38,798,805)	48,630,486	6,165,017	3,308,140	5.13

Sales and Use Tax Revenue Bonds						
Fiscal Year	Sales and Use Tax Collections	Less:	Net Pledged Revenue	Debt Service		Coverage
		Operating Expenses		Principal	Interest	
2010	53,964,035	(439,522)	53,524,513	3,220,000	2,347,239.96	9.61
2011	54,419,273	(434,196)	53,985,077	3,345,000	1,348,146.26	11.50
2012	56,057,366	(448,515)	55,608,851	3,435,000	1,211,039	11.97
2013	59,734,283	(454,483)	59,279,800	3,545,000	1,172,826	12.57
2014	63,933,137	(452,233)	63,480,904	3,805,000	904,026	13.48
2015	68,723,743	(448,060)	68,275,683	4,080,000	744,345	14.15
2016	71,194,240	(446,034)	70,748,206	4,255,000	558,845	14.70
2017	74,824,655	(519,697)	74,304,958	1,225,000	374,600	46.45
2018	77,481,002	(549,687)	76,931,315	1,275,000	334,250	47.81
2019	80,622,826	(429,941)	80,192,885	1,330,000	270,500	50.10

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.
In 2018, the 2018 POST Revenue Bonds principal and interest were incorrectly included in the Sales and Use Tax Revenue Bonds Table.

Source: City's Treasury Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Parks Open Space Trails Sales and Use Tax Revenue Bonds						
	Sales and Use Tax Collections	Less:	Net Pledged Revenue	Debt Service		Coverage
		Operating Expenses		Principal	Interest	
2010	4,998,817	(36,603)	4,962,214	1,435,000	1,466,838	1.71
2011	4,930,898	(36,160)	4,894,738	1,490,000	1,389,438	1.70
2012	5,039,265	(37,352)	5,001,913	1,545,000	1,329,837	1.74
2013	5,346,716	(37,849)	5,308,867	1,610,000	1,268,038	1.84
2014	5,625,403	(37,686)	5,587,717	1,675,000	1,203,638	1.94
2015	6,084,365	(37,338)	6,047,027	1,755,000	1,119,888	2.10
2016	6,453,721	(37,169)	6,416,552	1,850,000	817,676	2.41
2017	6,767,505	(43,308)	6,724,197	960,000	757,119	3.92
2018	6,894,935	(45,778)	6,849,157	1,025,000	718,719	3.93
2019	7,302,260	(35,804)	7,266,454	1,060,000	687,969	4.16

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Parks Open Space Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.
In 2018, the principal and interest were incorrectly included in the Sales and Use Tax Revenue Bonds Table.

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009									
	Gross Pledged Revenues	Less:		Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service		Total Debt Service	Coverage
		Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees		
2010	379,965	(5,601)	374,364	373,106	747,470	555,000	192,470	747,470	1.00
2011	408,035	(5,948)	402,087	344,293	746,380	575,000	171,380	746,380	1.00
2012	469,479	(6,081)	463,398	281,132	744,530	595,000	149,530	744,530	1.00
2013	469,946	(6,390)	463,556	283,364	746,920	620,000	126,920	746,920	1.00
2014	286,639	(4,253)	282,386	465,974	748,360	645,000	103,360	748,360	1.00
2015	326,466	(3,594)	322,872	421,813	744,685	665,000	78,850	743,850	1.00
2016	545,321	(4,046)	541,275	202,305	743,580	690,000	53,580	743,580	1.00
2017	716,627	(4,832)	711,795	35,565	747,360	720,000	27,360	747,360	1.00
2018	—	—	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	—	—	-

*Bonds issued in June 2009 to refund the WEDA Series 1997 Revenue Bonds were paid off in December 2017.

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009 (Mandalay Gardens Project)							
	Less:		Debt Service				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	Coverage
2010	2,697,327	(31,954)	2,665,373	1,125,000	614,960	1,739,960	1.53
2011	2,175,755	(31,752)	2,144,003	1,185,000	589,869	1,774,869	1.21
2012	1,830,823	(27,462)	1,803,361	—	392,699	392,699	4.59
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-

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

WEDA Tax Increment Loan Series 2009 (North Huron Project)							
	Less:		Debt Service				
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	Coverage
2010	5,993,927	(81,617)	5,912,310	2,125,000	2,760,466	4,885,466	1.21
2011	5,352,616	(82,240)	5,270,376	2,215,000	2,664,608	4,879,608	1.08
2012	5,326,071	(82,895)	5,243,176	—	1,627,997	1,627,997	3.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-

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

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2009 (South Sheridan Project)							
	Gross Pledged Revenues	Less:	Net Pledged Revenue	Debt Service			Coverage
		Operating Expenses		Principal	Interest and Fees	Total Debt Service	
2010	2,368,657	(1,090,879)	1,277,778	260,000	399,282	659,282	1.94
2011	2,087,819	(1,204,614)	883,205	275,000	386,265	661,265	1.34
2012	1,153,846	(845,516)	308,330	—	252,923	252,923	1.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-

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

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)									
	Gross Pledged Revenues	Less:	Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
		Operating Expenses				Principal	Interest and Fees	Total Debt Service	
2010	—	—	—	—	—	—	—	—	-
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	1,795,005	(26,105)	1,768,900	565,075	2,333,975	1,390,000	943,975	2,333,975	1.00
2014	2,062,679	(27,550)	2,035,129	295,096	2,330,225	1,400,000	930,225	2,330,225	1.00
2015	2,371,195	(27,420)	2,343,775	—	2,343,775	1,445,000	888,225	2,333,225	1.00
2016	2,459,290	(27,441)	2,431,849	—	2,431,849	1,490,000	844,875	2,334,875	1.04
2017	2,449,719	(27,298)	2,422,421	—	2,422,421	1,515,000	815,075	2,330,075	1.04
2018	2,596,428	(30,217)	2,566,211	—	2,566,211	1,570,000	762,050	2,332,050	1.10
2019	2,518,666	(30,038)	2,488,628	—	2,488,628	1,625,000	707,100	2,332,100	1.07

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

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2012 (North Huron Project)									
	Less:				Total Revenues Available for Debt Service	Debt Service			
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees	Total Debt Service	Coverage
2010	—	—	—	—	—	—	—	—	-
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	5,620,846	(301,220)	5,319,626	—	5,319,626	2,811,000	2,071,163	4,882,163	1.09
2014	6,072,318	(425,753)	5,646,565	—	5,646,565	2,910,000	1,972,514	4,882,514	1.16
2015	6,043,551	(388,377)	5,655,174	—	5,655,174	3,012,000	1,870,103	4,882,103	1.16
2016	6,966,179	(291,459)	6,674,720	—	6,674,720	3,118,000	1,764,394	4,882,394	1.37
2017	7,556,140	(484,838)	7,071,302	—	7,071,302	3,227,000	1,654,952	4,881,952	1.45
2018	7,593,615	(528,299)	7,065,316	—	7,065,316	3,340,000	1,541,669	4,881,669	1.45
2019	9,961,451	(814,211)	9,147,240	—	9,147,240	3,458,000	1,424,436	4,882,436	1.87

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

WEDA Tax Increment Loan Series 2012 (South Sheridan Project)									
	Less:				Total Revenues Available for Debt Service	Debt Service			
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Prior Year Revenues		Principal	Interest and Fees	Total Debt Service	Coverage
2010	—	—	—	—	—	—	—	—	-
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	614,018	(90,586)	523,432	29,083	552,515	350,000	202,515	552,515	1.00
2014	510,298	(7,634)	502,664	44,892	547,556	355,000	192,556	547,556	1.00
2015	525,707	(7,868)	517,839	29,651	547,490	365,000	182,490	547,490	1.00
2016	586,198	(8,783)	577,415	—	577,415	385,000	172,612	557,612	1.04
2017	579,970	(8,689)	571,281	—	571,281	395,000	168,307	563,307	1.01
2018	677,673	(10,152)	667,521	—	667,521	375,000	189,404	564,404	1.18
2019	865,670	(12,957)	852,713	—	852,713	390,000	175,889	565,889	1.51

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

Source: City's Administration Division

Table 12
City of Westminster

Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population ¹	Total Personal Income ²	Per Capita Personal Income (Weighted Avg.) ³	Unemployment Rate ⁴
2010	106,114	4,574,427,144	43,109	9.0%
2011	109,652	4,475,336,728	40,814	8.9%
2012	107,967	4,477,067,589	41,467	8.0%
2013	109,456	4,511,010,128	41,213	6.0%
2014	110,946	4,630,553,202	41,737	4.1%
2015	112,090	4,941,599,740	44,086	3.4%
2016	113,130	5,092,094,430	45,011	2.8%
2017	115,732	5,384,894,228	46,529	3.0%
2018	117,094	5,657,045,328	48,312	3.9%
2019	117,832	5,985,394,272	50,796	2.4%

Source:

¹ 2018 Population - ESRI Community Analyst, 2018

² Total Personal Income - Product of Per Capita Personal Income by Population

³ Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Jefferson County figures for 2017.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for December, 2018, and calculated as a weighted average of rates

Table 13
City of Westminster

Fiscal Year Principal Private Sector Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2018			Fiscal Year 2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	1,252	1	2.46 %	896	2	2.37 %
Maxar (formerly DigitalGlobe)	1,071	2	2.18 %	—	—	0.00 %
St. Anthony North Hospital	1,015	3	1.91 %	725	3	1.91 %
Trimble Navigation	733	4	1.69 %	350	8	0.92 %
Alliance Data Systems	677	5	1.25 %	422	6	1.11 %
Tri State Generation	541	6	1.15 %	400	7	1.06 %
Mtech Mechanical Technologies Group	535	7	0.99 %	0	0	0.00 %
Reed Group	496	8		0	0	0.00 %
Epsilon	454	9	0.96 %	0	0	0.00 %
CACI International Research and Technology (formerly LPS Asset Management Solutions)	407	10	0.92 %	500	4	1.32 %
Kaiser Permanente	—	—	0.78 %	340	9	0.90 %
LGS Innovations	—	—		250	10	0.66 %
Avaya	—	—		1,200	1	3.17 %
McKesson Information Systems	—	—		475	5	1.25 %
Kaiser Permanente (Sheridan)	—	—		—	—	0.00 %

Note: Total employment in Westminster businesses was 55,559 in 2019 and 37,855 in 2010.

Source: Westminster Economic Development Department

Table 14
City of Westminster

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

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government										
City attorney's Office	15.700	15.700	15.700	14.700	13.700	13.700	13.700	13.7	13.7	13.95
City Manager's Office	21.550	20.550	29.500	23.000	17.500	15.500	15.500	15.500	14.800	16.900
Finance	30.500	30.000	29.500	28.500	28.500	27.500	27.500	26.750	26.750	29.000
General Services	57.716	56.716	71.466	74.516	71.766	72.766	72.766	71.766	71.766	78.326
Human Resources	19.500	19.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Public Safety										
Fire Department	143.000	143.000	139.500	136.300	135.300	135.300	135.300	135.300	135.300	143.500
Police Department	272.800	265.600	265.600	263.600	263.600	261.600	261.600	262.600	262.600	274.800
Public Works										
Street Maintenance	27.000	26.000	25.000	24.000	24.000	24.000	24.000	24.000	24.000	26.000
Community Development										
Administration	9.850	7.100	7.600	7.600	6.100	6.100	6.100	6.100	6.100	7.600
Planning Division	16.500	17.000	17.000	17.000	14.500	14.200	14.200	14.200	14.200	14.200
Building Division	18.000	18.500	18.500	18.000	16.100	16.100	16.000	16.000	16.000	16.500
Engineering Division	16.250	18.250	17.000	15.750	13.000	13.000	13.000	13.000	13.000	14.500
Open Space	24.000	22.000	16.300	12.500	6.500	2.500	2.500	2.500	2.500	2.500
Economic Development										
Administration	14.500	11.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Culture and Recreation										
Administration	18.500	19.500	19.000	19.000	17.200	17.200	15.200	15.200	15.200	16.200
Parks Services	35.000	35.000	35.000	34.800	33.800	35.800	35.800	35.800	35.800	42.400
Aquatics	15.600	15.600	15.600	16.300	15.800	14.800	0.000	0.000	0.000	0.000
Library Services	42.175	41.975	41.975	41.975	39.275	39.275	40.275	40.275	40.275	42.200
Recreation Programs	10.300	10.300	10.300	14.900	17.300	15.600	15.600	15.000	15.000	16.500
Recreation Facilities	42.300	42.300	42.300	37.000	35.500	35.500	50.300	50.300	50.300	64.048
Utilities										
Administration	55.800	50.500	49.500	45.500	45.300	41.800	41.800	41.800	42.300	44.300
Water Resources & Treatment	57.000	57.500	56.000	56.000	56.000	56.000	54.750	53.750	52.750	53.750
Field Operations	54.500	51.000	50.500	46.500	45.500	42.500	42.500	38.500	38.500	44.500
Golf Courses										
Legacy Ridge	8.500	8.500	8.000	8.000	8.500	9.000	10.000	10.000	9.000	10.500
The Heritage	8.500	8.500	8.000	8.000	8.500	9.000	9.000	9.000	10.000	10.500
Total	1035.041	1012.091	988.841	933.241	933.241	918.741	917.391	911.041	909.841	982.674

Table 15
City of Westminster

Operating Indicators by Function/Program
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public Safety										
Total Fire/EMS Incidents	12,398	11,924	11,559	10,699	10,226	9,968	6,709	9,267	8,834	8,288
EMS Transports by fire department	6,408	6,140	6,019	5,619	5,497	5,314	6,589	5,166	4,804	4,710
Police emergency responses	468	445	635	870	935	965	1,049	874	964	1,142
Traffic Citations (municipal)	7,374	8,281	5,506	5,454	7,117	7,791	8,325	9,190	11,528	11,739
Public Works										
Curb miles swept	2,380	3,711	4,101	3,430	3,051	3,281	3,258	4,426	3,112	4,001
Lane miles rehabilitated	83	67	74	80	88	71	103	101	103	104
Community Development										
Official Development Plans processed	134	153	177	142	136	130	129	120	92	137
Building Permits issued	8,174	7,672	6,937	6,890	4,976	5,999	4,994	5,456	5,079	6,007
Culture and Recreation										
Library circulation	600,924	672,108	964,606	746,113	844,001	941,256	1,015,864	1,102,660	1,183,780	1,403,597
Facility participants	1,156,154	1,112,121	1,092,832	1,079,685	1,025,625	986,153	955,079	943,876	918,842	918,842
Program registrants	192,250	214,321	200,206	178,038	172,257	103,704	97,325	91,397	97,447	97,447
Utilities										
Water gallons treated (in millions)	5,740	6,641	5,795	6,128	5,883	5,827	5,873	6,867	6,244	6,298
Water customers	33,112	33,016	32,825	32,587	32,322	32,227	32,163	32,040	31,938	31,815
Wastewater gallons treated (in millions)	2,390	2,409	2,460	2,586	2,683.52	2,488	2,508	2,603	3,681	2,746
Wastewater customers	32,338	31,465	30,347	30,904	30,586	30,803	30,726	30,626	30,526	30,042
Golf Courses										
Paid golf rounds played	59,384	80,354	70,613	76,684	71,750	67,728	61,899	61,439	58,382	54,792
Golf course acres maintained	414	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Note: Library circulation for prior years updated with revised data

Table 16
City of Westminster

Capital Asset Statistics by Function/Program
Last ten fiscal years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	85	89	79	71	71	71	71	71	71	70
Public Works										
Total Lane Miles	1,132	1,128	1,126	1,116	1,101	1,101	1,100	1,099	1,099	1,106
Community Development										
Traffic Signals	115	115	113	113	113	113	111	111	111	110
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	220	220	219	218	215	212	212	200	196	194
Neighborhood, community & citywide parks	64	64	58	54	53	53	53	53	53	53
Utilities										
Water mains	550	550	550	531	544	516	509	508	509	509
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4	4	4
Golf Courses										
Golf Courses	2	2	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team

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Compliance Section

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 21, 2020, which contained an Emphasis of Matters paragraph regarding a change in accounting principles.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

BKD, LLP

Denver, Colorado
May 21, 2020

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for the Major Federal Program

We have audited the City of Westminster, Colorado's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2019. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

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

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

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

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

BKD, LLP

Denver, Colorado
May 21, 2020

City of Westminster
Schedule of Findings and Questioned Costs
Year Ended December 31, 2019

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP):

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

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

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

Federal Awards

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

Material weakness(es) identified? ☐ Yes ☒ No

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

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

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

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

7. Identification of major program:

CFDA Number	Name of Federal Program or Cluster
95.001	High Intensity Drug Trafficking Areas

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

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

City of Westminster
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2019

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Westminster
Status of Prior Audit Findings
Year Ended December 31, 2019

Reference Number	Summary of Finding	Status
No matters are reportable.		

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CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2019

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Number	Passed-through to Subrecipients	Total Federal Program Expenditures
<u>National Science Foundation</u>					
Education and Human Resources (Research and Development Cluster)	Space Science Institute of Boulder	DRL 1421427	47.072	\$ —	\$ 1,000
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/ Entitlement Grants (CDBG-Entitlement Grants Cluster)			14.218	62,167	897,583
<u>Department of Justice</u>					
Missing Children's Assistance (ICAC)	City of Colorado Springs Police	2015-MC-FX- K030	16.543	—	10,059
Regional Information Sharing Systems			16.610	—	1,200
Edward Byrne Memorial Justice Assistance Grant Program			16.738	—	25,338
Crime Victim Assistance	Colorado Department of Public Safety-Division of Criminal Justice	2015- VA-16-013876-17	16.575	—	98,193
Equitable Sharing Program			16.922	—	45,500
Subtotal				—	180,290
<u>Department of Homeland Security</u>					
Assistance To Firefighters Grant			97.044	—	13,976
Emergency Management Performance Grants	Colorado Division of Homeland Security & Emergency Management	17EM-18-94	97.042	—	45,000
National Urban Search and Rescue (US&R) Response System	West Metro Fire Protection District	None Provided	97.025	—	10,484
Staffing for Adequate Fire and Emergency Response (SAFER)			97.083	—	146,234
Subtotal				—	215,694
<u>Executive Office of the President</u>					
High Intensity Drug Trafficking Areas Program			95.001	449,371	449,371
<u>Department of Health and Human Services</u>					
State Physical Activity and Nutrition Program (SPAN)	Colorado Department of Public Health and Environment	None Provided	93.439	—	5,000
<u>Department of Transportation</u>					
Highway Planning and Construction (Highway Planning and Construction Cluster)	Regional Air Quality Council	None Provided	20.205	—	6,260
TOTAL FEDERAL ASSISTANCE				<u>\$ 511,538</u>	<u>\$ 1,755,198</u>

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2019

NOTE 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position or cash flows of the City.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2: Recognition of Prior Expenditures

The City received a 2018 Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) grant reported under CFDA 95.001 in 2019. This grant was passed through to a sub-recipient who incurred expenditures of \$104,002 in 2018. These expenditures could not be reported until reprogramming was completed by HIDTA and the City received an official notice for the change in the award which occurred in 2019. There are no match requirements.

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

The 2012 Section 108 Housing and Urban Development Loan which was originally issued in October 2012 and had an outstanding balance of \$817,000 as of December 31, 2018 was paid in full in 2019 and has no outstanding balance as of December 31, 2019.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Westminster	
		YEAR ENDING : December 2019	
This Information From The Records Of (example - City of or County of) City of Westminster		Prepared By: Loni Williams Accountant Phone: 303.658.2365	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes
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)	5,641,978
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	7,112,123
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,215,025
2. General fund appropriations	33,336,836	b. Snow and ice removal	950,011
3. Other local imposts (from page 2)	24,992,165	c. Other	2,384,073
4. Miscellaneous local receipts (from page 2)	2,295,071	d. Total (a. through c.)	6,549,109
5. Transfers from toll facilities	—	4. General administration & miscellaneous	—
6. Proceeds of sale of bonds and notes		5. Highway law enforcement and safety	—
a. Bonds - Original Issues	—	6. Total (1 through 5)	19,303,210
b. Bonds - Refunding Issues	—	B. Debt service on local obligations:	
c. Notes	—	1. Bonds:	
d. Total (a. + b. + c.)	—	a. Interest	1,404,931
7. Total (1 through 6)	60,624,072	b. Redemption	3,694,310
B. Private Contributions		c. Total (a. + b.)	5,099,241
C. Receipts from State government (from page 2)	4,835,045	2. Notes:	
D. Receipts from Federal Government (from page 2)	1,810	a. Interest	1,203,661
E. Total receipts (A.7 + B + C + D)	65,460,927	b. Redemption	1,020,000
		c. Total (a. + b.)	2,223,661
		3. Total (1.c + 2.c)	7,322,902
		C. Payments to State for highways	—
		D. Payments to toll facilities	—
		E. Total disbursements (A.6 + B.3 + C + D)	26,626,112
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)	8,316,000	—	6,742,250
1. Bonds (Refunding Portion)		—	—
B. Notes (Total)	52,255,350	—	3,140,560
V. LOCAL ROAD AND STREET FUND BALANCE			
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
	145,716,366	65,460,927	26,626,112
		D. Ending Balance	184,551,181
			E. Reconciliation
			—
Notes and Comments:			

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM AMOUNT	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	19,587,246	a. Interest on investments	136,427
b. Other local imposts:		b. Traffic Fines & Penalties	1,461,481
1. Sales Taxes	3,915,853	c. Parking Garage Fees	—
2. Infrastructure & Impact Fees	—	d. Parking Meter Fees	—
3. Liens	—	e. Sale of Surplus Property	—
4. Licenses	—	f. Charges for Services	—
5. Specific Ownership &/or Other	1,489,066	g. Other Misc. Receipts	697,163
6. Total (1. through 5.)	5,404,919	h. Other	—
c. Total (a. + b.)	24,992,165	i. Total (a. through h.)	2,295,071
(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	4,371,184	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	1,810
c. Motor Vehicle Registrations	398,521	d. Federal Transit Admin	—
d. Other (Specify) - DOLA Grant	—	e. U.S. Corps of Engineers	—
e. Other (Specify)	65,340	f. Other Federal	—
f. Total (a. through e.)	463,861	g. Total (a. through f.)	1,810
4. Total (1. + 2. + 3.f)	4,835,045	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	—	—	—
b. Engineering Costs	101,556	465,996	567,552
c. Construction:			
(1). New Facilities	—	778,643	778,643
(2). Capacity Improvements	2,520	3,945,536	3,948,056
(3). System Preservation	—	—	—
(4). System Enhancement & Operation	867	346,860	347,727
(5). Total Construction (1) + (2) + (3) + (4)	3,387	5,071,039	5,074,426
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	104,943	5,537,035	5,641,978
		(Carry forward to page 1)	
Notes and Comments:			

*S*PIRIT OF FULL DISCLOSURE

*R*ESULTS THAT COUNT

Service Pride Integrity Responsibility
Innovation Teamwork



WESTMINSTER

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