

City of Westminster

COLORADO



WESTMINSTER
COLORADO

Annual Comprehensive Financial Report
For the Year Ended December 31, 2021



WESTMINSTER

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended December 31, 2021

Prepared by:

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

www.cityofwestminster.us

On the Cover – ***Westminster Station Park Nature Playground***

Westminster Station Park Nature Playground is one of the largest nature-style playgrounds in the Metro Denver area, located on 40 acres in Historic Westminster between Lowell Boulevard and Federal Boulevard.

The park opened in November 2021 on the west side of Westminster Station Park along Lowell Boulevard.

Park amenities include:

- access to the Westminster Station B Line- RTD commuter rail service to Denver's Union Station
- access to Little Dry Creek, Westminster Station Pond, Little Dry Creek Trail/Rocky Mountain Greenway
- an outdoor performance stage
- a water play feature
- a nature playground
- a shaded pavilion, restroom facilities, picnic tables, BBQ grill, and drinking fountain

The playground has unique features covering nearly 5 acres of space dedicated to equity, accessibility and environmental stewardship. This ensures all children of all ages and backgrounds can come together in one place to access the great outdoors.

The goal to connect children with nature and engage all five senses during outdoor play was incorporated into the thoughtful design. The innovative playground is made with all-natural materials and elements such as trees, rocks, sand and water. In one visit, families can walk across bridges connecting tree houses, scale a mini mountain, navigate a switchback trail and dig for replica dinosaur fossils.

The Nature Playground is where memories are made, family traditions created, where kids can tap into their imagination, explore, create, and connect with nature for years to come.

CITY OF WESTMINSTER, COLORADO

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The background of the page is an aerial photograph of a coastal area, possibly a bay or estuary, with various landmasses and water bodies. The image is overlaid with a color gradient that transitions from a light teal at the top to a dark, almost black color at the bottom. A light blue, horizontally-oriented oval is positioned in the upper right quadrant, containing the text 'INTRODUCTORY SECTION' in white, bold, uppercase letters.

**INTRODUCTORY
SECTION**



June 13, 2022

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

We are pleased to present to you the 2021 Annual Comprehensive Financial Report for the City of Westminster. The report presents the City's operations and financial position.

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

Highlights

During 2021, we experienced a change in the leadership of our City. The November 2021 election brought two returning members to the Westminster City Council. Ms. Nancy McNally was elected Mayor and was originally elected in 2001 to City Council and previously served two terms as Westminster's Mayor from 2004-2013. Mr. Bruce Baker was elected Councillor and previously served on the City Council from 2013-2017. Additionally, Westminster voters elected two first time City Councillors, Mr. Obi Ezeadi and Ms. Sarah Nurmela, who are serving four-year terms through 2025.

City Council develops and regularly reviews its vision for the City's future through a Strategic Plan. The plan formally defines the vision, mission, guiding principles, and strategic priorities for the organization. Each strategic priority is further characterized by specific initiatives that support City Council's overarching principles and objectives.

During the first quarter of 2022, the City Council worked with Consultant Berry, Dunn, McNeil & Parker, LLC, to revise the City's Mission Statement, Vision Statement, Guiding Principles and related Strategic Priorities, Objectives, and Performance Measures. The Strategic priorities were developed to reinforce long-term planning for both operating (day-to-day operations and services) and capital (long-term investment projects such as road construction, water distribution and sewer maintenance) programs.

City Council enlisted staff's assistance, via the City department heads, in updating the Strategic Plan. This team approach is critical to success, as it allows staff to better understand City Council's priorities and objectives, and in turn, staff can more successfully plan City projects and resources to achieve the shared vision.

The strategic plan framework as adopted by City Council on April 25, 2022 is summarized below. The plan is relevant for the City's future in these times that call for resilience and forward thinking as we continue to strive for exceptional value and quality of life for the Westminster community.

Mission

Westminster's purpose is to provide core services and foster economic resilience to give our community the opportunity to thrive.

Vision Statement

Westminster is a city of beautiful, safe, well-maintained neighborhoods and destinations with a vibrant, diverse economy, rich and resilient environment and a strong sense of community and belonging.

Guiding Principles

- **Collaboration and Partnership:** Enhance and sustain our relationships with neighboring governments and community-based partners, leveraging our collective resources for maximum impact and benefit to Westminster.
- **Stewardship and Thrift:** Responsibly manage all of the resources entrusted to our care to meet the needs of today without sacrificing the ability to meet the needs of the future.

- **Transparency and Accountability:** Engage in two-way dialogue with the people of Westminster, clearly communicate our intentions and decisions, and take responsibility for all that we do, thereby earning the trust and confidence of the community.
- **Diversity, Equity, and Inclusion:** Achieve equitable processes for the people of Westminster by providing opportunity for all voices to be heard and drawing upon community diversity in decision making.
- **Innovate and Initiate:** Foster a culture of continuous improvement and approach opportunities and challenges with drive, inventive thinking, and resourcefulness, resulting in a resilient and sustainable future for our city.
- **Prevention and Proactivity:** Solve problems at their source and focus the City's policies, practices, and investments on prevention and community education and addressing root causes, leading to a better quality of life and greater prosperity for all in our community.

Strategic Priorities

- **Strategic Priority 1: *Preparedness and Resilience***
Build a system of intentional support for residents, businesses and the environment that mitigates risks and proactively seeks out ways to ensure the community not only endures, but thrives.
- **Strategic Priority 2: *Proactive Public Safety***
Enhance public safety to emphasize both prevention and enforcement, engage the community through education and outreach and provide the resources necessary to ensure safety and well-being throughout Westminster.
- **Strategic Priority 3: *Shared Sense of Community***
Foster equitable opportunities that help residents feel at home and connected in their community and empowered to live their best lives.
- **Strategic Priority 4: *Quality of Life***
Ensure that Westminster offers a diverse range of amenities and activities for residents, businesses and visitors that honor the city's history and support the arts, parks, recreation, open spaces, and libraries.
- **Strategic Priority 5: *Robust Infrastructure***
Provide safe and equitable access to core services and amenities by safeguarding, maintaining and improving the city's water, wastewater, stormwater, mobility and roadway systems.

Increasing and preserving open space is a high priority of the residents in the City of Westminster. As build-out approaches, the City is committed to achieving its goal of maintaining 15% of the City's land area as open space. Open space, along with trails, contribute greatly to the quality of life in the City of Westminster. I'm pleased to share that with the November election, the Westminster voters approved an extension of the City's parks, open space and trails 0.25% sales tax through 2041. The voters also authorized borrowing against these future revenues, giving the City Council the authority to issue bonds up to \$15 million for the purposes of:

1. Protecting water quality by conserving natural areas along creeks,
2. Protecting, acquiring, improving, repairing and maintaining City parks, trails, wildlife habitat, open space, parkland and recreational and other facilities, and
3. Providing more opportunities for active recreation for children, youth, adults and seniors.

The City Council will be undertaking a process to identify and prioritize conservation, improvement and programming projects along with potential land acquisitions, and the associated costs of each. City Council's direction will enable our Finance team to begin the work of issuing bonds, taking possession of the borrowed funds and along with teams from Parks, Recreation Libraries, the City Attorney's Office, and the City Manager's Office, employing the funding towards these targeted efforts that are so important and desirable to Westminster residents.

Since the 1950's, the City of Westminster has invested substantial public funds into the creation and protection of an independent water supply. Westminster has an obligation to provide the highest quality water and wastewater services in a safe, financially sound, reliable, and environmentally respectful manner.

In November, City Council members shared what they had heard from the community during the period leading up to the election, as well as their thoughts for the City moving forward, with a top theme being water in Westminster. Based on rising water rates and the need to fund the construction of a new water treatment plant, the City Council has initiated a review of water treatment options and the water utility revenue necessary to fund those options. Water 2025 has been a long-term planning project to replace the City's aging Semper Water Treatment Facility to ensure high-quality drinking water for the Westminster community into the future, and remains a possible option for the City.

City Staff has presented options for City Council's consideration to address the community's concerns related to the replacement water treatment facility, water rates and tiers, and billing and customer service improvements. This resulted in a pause on the new water treatment facility design work to allow time for an independent review of the costs, risks, and opportunities of various alternatives including the possible rehabilitation of the City's existing facility and to identify the potential use of properties adjacent to the aging plant.

To provide immediate relief to the community, City Council adopted a modified rate structure that eliminated the top tier single-family residential water rate and have since enacted standardized water billing cycles, extended the grace period from 45 to 60 days before shutoff, further reduced rates across all billing tiers and expanded the consumption thresholds of each.

The evaluation will continue through 2022 with a focus on policy decision points related to treatment capacity and reliability, risk and resiliency through construction and for the long-term, adaptability for future regulations, redundancy for failures, ability to treat challenging water and water quality goals. Cost assessments will clearly be an important component of these discussions as the pros and cons of each alternative are weighed.

Independent Audit

Pursuant to Section 9.10 of the City Charter, an audit of the accounts and financial statements has been completed by the City's Independent Certified Public Accountants, FORVIS, 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 118,929, 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;
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, which enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections; and
- Nine General Improvement Districts that were created for infrastructure improvements and maintenance, and are listed below:
 - Amherst General Improvement District
 - Sheridan Crossing General Improvement District
 - 136th Avenue General Improvement District
 - Mandalay Town Center General Improvement District
 - 144th Avenue General Improvement District
 - Orchard Park Place General Improvement District
 - Park 1200 General Improvement District
 - Westminster Station General Improvement District
 - Downtown General Improvement District

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

Internal Controls and Limitations

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

- The control environment includes a philosophy and organizational structure that allows for the fiduciary practice of oversight, control systems development, and management control of the financial functions of the City.
- The accounting system includes built-in checks and balances for purchasing, contracting and contract approval, timely recording of all transactions, audit trails for all transactions, and routine reporting and reconciliation procedures across funds and accounts.
- The control procedures established by the City include the following:
 - Budgetary oversight by the 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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the content of which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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

In addition, the City's auditors, FORVIS, 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.

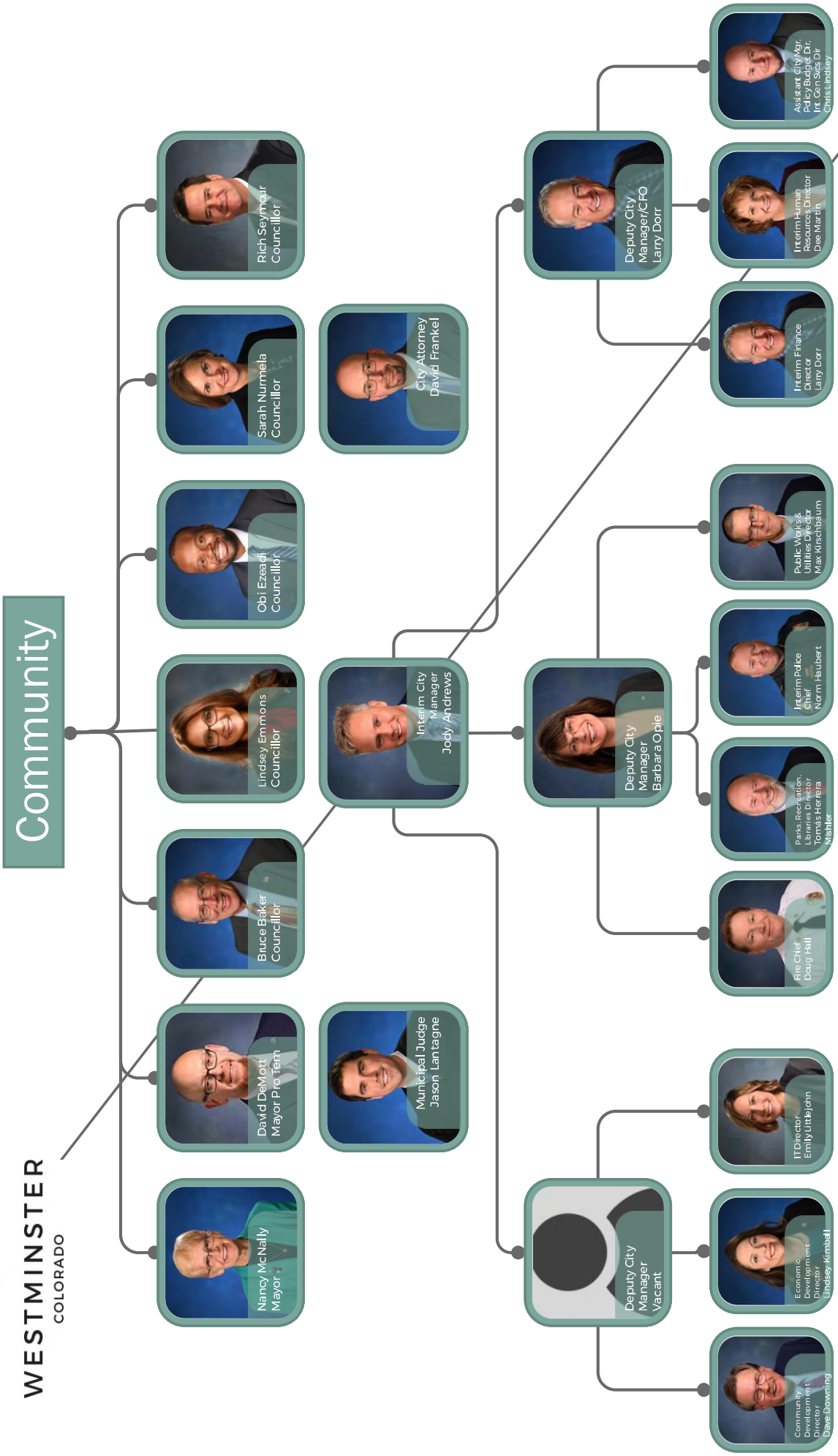
Respectfully submitted,

Larry Dorr, CPA
Deputy City Manager, Chief Financial Officer



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COLORADO

CITY ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Westminster
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO



**FINANCIAL
SECTION**

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparisons, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and other supplementary information, including the local highway finance report and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2022, 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.

FORVIS,LLP

Denver, Colorado
June 13, 2022

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An aerial photograph of a coastal region, likely a bay or estuary, showing intricate water channels and landmasses. The water is a deep teal color, while the land is a mix of dark and light green. A semi-transparent, light blue oval is positioned in the upper right quadrant, containing the text 'Management's Discussion & Analysis'.

**Management's
Discussion &
Analysis**



WESTMINSTER COLORADO

City of Westminster, Colorado

Management's Discussion and Analysis (Not subjected to auditing procedures)

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2021 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 Annual Comprehensive 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 promotes the City's SPIRIT values of 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 118,929, 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, 63 developed parks and 4 undeveloped parks, over 3,600 acres of natural open space, two libraries, two golf courses, seven recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 61.2% of the City's governmental activities revenues. Property taxes comprise approximately 3.7% of the City's governmental activities revenues. Property tax increment contributes an additional 8.9%. The primary sources of revenues for the City's business-type activities are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was up \$11.4 million, or 11.4% compared to 2020. The increase is attributed to economic recovery following the COVID-19 pandemic and lifting of state-wide emergency health orders that had previously limited business activity. Other governmental revenues streams critically impacted by the pandemic have shown strong improvement including accommodations and admissions taxes and recreation service fees.

In May, the City was allocated \$14.5 million from the American Rescue Plan State and Local Fiscal Recovery Fund. The City will utilize the funding in future periods to address the economic impacts of COVID-19, reimburse for revenue losses incurred during the pandemic, invest in utility and broadband infrastructure, and provide for essential worker premium/hazard pay. The first half of the allocation was received in May 2021 and the second half will be received in May 2022. The 2021 allocation is reported as unearned revenue in the General Capital Improvement Fund and will be recognized as revenue in tandem with the incurrence of eligible expenditures.

The City reported \$4.2 million in revenue from various federal, state and local granting agencies for an array of funding purposes including housing and urban development, public health and human services, public safety, emergency and disaster management, transportation, water conservation, literacy, golf programming, and community support.

The City issued \$6.6 million in tax-exempt Certificates of Participation to fund irrigation replacement at its Legacy Ridge and Walnut Creek Golf Preserve golf courses. Additionally, direct placement borrowings were entered into for the acquisition of a fire pumper truck (\$0.6 million) and parks and golf course maintenance equipment (\$2.2 million). Debt financing of \$0.5 million was paid off including the 2001 Sales & Use Tax refunding revenue bonds, 2010 energy saving equipment note and 2017 golf cart equipment note.

Capital contributions totaling \$8.6 million primarily from fees for tapping into the water and wastewater utility system and developer lines were received. This is a \$5.0 million, or a 36.4% decrease in developer contributions compared to 2020.

A total of \$59.1 million was expended in relation to the City's Capital Improvement Program (CIP) in 2021. Governmental activities CIP spending totaled \$26.8 million, up \$16.6 million or 163.2% from the prior year. Business-type activities CIP spending totaled \$32.3 million, down \$12.3 million or 27.6% from 2020.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2021 by \$1,202.6 million (\$544.8 million in governmental activities and \$657.8 million in business-type activities). Of the governmental activities net position total, \$156.9 million, or 28.8%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$155.1 million, or 23.6%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$51.0, or 4.4%, compared to 2020. The net position of the City's governmental activities increased \$27.3 million, which represents an increase of 5.3% compared to 2020. The net position of the City's business-type activities increased \$23.7 million, an increase of 3.7% over 2020.

The total expenses of all the City's programs decreased \$8.3 million, or 3.5%, compared to 2020. The cost of governmental activities program expenses decreased \$7.9 million, or 4.5%, to \$167.7 million, while business-type activities expenses decreased \$0.4 million, or 0.6%, to \$64.3 million from 2020.

Total revenues, excluding transfers, decreased \$15.2 million, or 5.1%, compared to 2020. Governmental activities revenues decreased \$3.4 million, or 1.7%, to \$195.6 million, while revenues of business-type activities decreased \$11.8 million, or 11.9%, to \$87.4 million compared to 2020.

As of December 31, 2021, the City's governmental funds reported a combined ending fund balance of \$189.4 million. Approximately 67.0%, or \$126.8 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 \$65.4 million as of December 31, 2021, of which \$57.2 million was assigned or unassigned.

In 2021, the Parks Open Space and Trails Fund (POST) was reclassified from a special revenue fund to a capital projects fund. POST is the repository for the restricted 0.25% POST sales and use tax and beginning in 2021, shared open space taxes restricted for purposes of preserving open space and the creation and maintenance of parks and recreation facilities. A number of capital projects were migrated from the General Capital Improvement Fund to the POST Fund to accomplish the goal of enhancing transparency, reducing complexity with the financial management and reporting of restricted open space funding and unifying open space activities into a single reporting unit.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

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

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

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

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

- **Governmental activities** - Most of the City's basic services are reported here - police, fire, public works, parks, recreation and libraries and general administration. Funding for most of these activities comes from sales and use taxes, property taxes, charges for municipal court and parks, recreation and libraries services, franchise and emergency medical service fees, license and permitting activities, as well as state and federal grant and contributions.
- **Business-type activities** - The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's water and sewer system, golf courses and parking management operation are reported here.

FUND FINANCIAL STATEMENTS

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

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

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

The City maintains 18 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are reported as major funds for the City. Financial information for the other 15 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements in the supplementary information of this report.

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,202.6 million at December 31, 2021. Governmental activities make up \$544.8 million (45.3%) of the net position, with business-type activities making up the remaining \$657.8 million (54.7%). Total net position increased by \$51.0 million (4.4%) in 2021. The increase is comprised of the following:

Total assets increased \$58.0 million, or 3.9%, to \$1,535.1 million. This included an increase in current and other assets of \$28.3 million and an increase in capital assets of \$29.7 million.

The increase in current and other assets is primarily due to increases in cash and investments of \$18.2 million, receivables of \$4.9 million and net pension assets of \$6.8 million. The increase in cash and investments is due in part to the \$7.7 million American Rescue Plan State and Local Fiscal Recovery Fund allocation. The increase in receivables is due to governmental activities taxes and grants receivables that will be collected in 2021. The increase in net pension assets reflects actuarial adjustments to the City's Fire and Police Pension Association of Colorado (FPPA) pension plans including actuarial differences between expected and actual experience, changes in assumptions, and updates to the City's proportionate share of the collective plan balances.

The increase in capital assets reflects \$67.5 million in capital asset additions offset by \$37.3 million of depreciation expense and \$0.5 million in capital asset disposals net of depreciation. \$37.4 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes.

Deferred outflows of resources decreased \$1.4 million due to amortization of loss on refunding debt and FPPA defined benefit pensions. Deferred inflows of resources increased \$7.4 million due to property taxes and FPPA defined benefit pensions. Fluctuations due to FPPA defined benefit pensions result from changes in actuarial plan assumptions, difference between expected and actual plan experience, differences between projected and actual investment earnings on pension plan investments, changes in the City's proportion in the plan and employer contributions made subsequent to the actuarial measurement date of December 31, 2020. Information about the FPPA retirement plans can be found in the Notes to the Financial Statements beginning on page 60.

Total liabilities decreased \$1.8 million to \$312.2 million. This is primarily due to a decrease of \$9.7 million in long-term liabilities offset by an increase of \$7.9 million in current and other liabilities. Current and other liabilities increased \$10.9 million for governmental activities and decreased \$3.0 million for business-type activities due to accounts and other payables as well as unearned revenue from the American Rescue Plan State and Local Fiscal Recovery Fund allocation. The decrease in long term liabilities is due to ongoing debt service payments on outstanding bonds, certificates of participation, loans, and notes as well as amortization of discounts and premiums. The overall decrease is offset by new financing for parks and golf course maintenance equipment and golf course irrigation replacement capital improvement projects. Other long term liabilities include obligations relating to compensated absences, other post-employment benefits for the City's retiree health care program and pollution remediation.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 292.7	\$ 271.3	\$ 202.0	\$ 195.1	\$ 494.7	\$ 466.4
Capital assets	435.3	422.5	605.1	588.2	1,040.4	1,010.7
Total assets	728.0	693.8	807.1	783.3	1,535.1	1,477.1
Deferred outflow of resources	18.8	20.1	0.6	0.7	19.4	20.8
Current and other liabilities	32.1	21.2	6.3	9.3	38.4	30.5
Long-term liabilities	130.3	143.0	143.5	140.5	273.8	283.5
Total liabilities	162.4	164.2	149.8	149.8	312.2	314.0
Deferred inflow of resources	39.6	32.2	0.1	0.1	39.7	32.3
Net Position:						
Net investment in capital assets	315.5	293.0	500.7	491.8	816.2	784.8
Restricted	72.4	55.8	2.0	2.0	74.4	57.8
Unrestricted	156.9	168.7	155.1	140.3	312.0	309.0
Total net position	\$ 544.8	\$ 517.5	\$ 657.8	\$ 634.1	\$ 1,202.6	\$ 1,151.6

By far the largest portion of the City's net position reflects its investment of \$1,040.4 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$816.2 million as of December 31, 2021, or 67.9% of total net position.

An additional portion of the City's net position, \$74.4 million, or 6.2% represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$312.0 million, or 25.8% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$155.1 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 \$51.0 million during 2021. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$27.3 million during 2021. This was \$31.6 million more than the decrease of \$4.3 million in 2020.

Governmental activities revenues decreased \$3.4 million from 2020. The change is attributed to decreases in revenues from Operating grants and contributions (\$7.9 million), capital grants and contributions (\$7.0 million), interest (\$5.1 million), other revenue (\$3.6 million) and Sales Tax Increment (\$0.1 million). These decreases were offset by increases in sales taxes (\$12.1 million), charges for services (\$3.6 million), accommodations tax (\$2.0 million), property tax increment (\$1.5 million), property taxes (\$0.3 million), intergovernmental revenue (\$0.2 million), use taxes (\$0.1 million), and gain on the sale of assets (\$0.5 million).

Decreases in operating and capital grants and contributions are the result of federal Coronavirus Aid, Relief, and Economic Security Act stimulus funding and public improvement contributions in 2020. The decrease in interest earnings is due to the unrealized loss on investments and in Other revenue is due to the sale of land held for resale in the prior year. The increase in charges for services, sales and use taxes, and accommodations tax reflects economic recovery after the downturn that resulted from the COVID-19 pandemic.

Governmental activities expense decreased \$7.9 million (4.5%) from 2020. The change is attributable to decreased expenses in General Government (\$8.4 million), Public Safety (\$0.3 million), Community Development (\$0.4 million), Economic Development (\$0.9 million) and interest and fiscal charges (\$2.2 million) offset by increases in Public Works (\$2.8 million) and Culture and Recreation (\$1.5 million).

The decrease in General Government was due primarily to the small business assistance emergency mitigation grant programs administered by the City as well as other COVID-19 related local government and social recovery efforts in 2020. The decrease in Public Safety and Community Development relates mostly to capital asset acquisitions. Economic Development expense decreased due to land inventory sales in 2020. The decrease in interest and fiscal charges was due to accrued interest.

Public works expense increased due primarily to capital asset acquisition, construction and improvements. Similarly, Culture and Recreation expense increased due to capital improvement project activity as well as operational activity with the return to pre-pandemic levels of service.

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 36.1% of governmental expenses, Public Safety accounted for 28.2%, Public Works accounted for 7.6%, Community Development accounted for 10.5%, Economic Development accounted for 1.0%, Culture and Recreation accounted for 16.0%, Interest and Fiscal Charges accounted for 0.5% and unallocated depreciation accounted for 0.1%.

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 21.3	\$ 17.7	\$ 78.6	\$ 81.0	\$ 99.9	\$ 98.7
Operating grants and contributions	14.5	22.4	—	—	14.5	22.4
Capital grants and contributions	9.6	16.6	8.7	13.7	18.3	30.3
General revenues						
Property taxes	7.3	7.0	—	—	7.3	7.0
Sales taxes	99.3	87.2	—	—	99.3	87.2
Use taxes	20.3	20.2	—	—	20.3	20.2
Property tax increment	17.5	16.0	—	—	17.5	16.0
Sales tax increment	—	0.1	—	—	—	0.1
Other taxes	0.6	0.6	—	—	0.6	0.6
Accommodations tax	3.9	1.9	—	—	3.9	1.9
Intergovernmental	0.5	0.3	—	—	0.5	0.3
Interest	(0.8)	4.3	(0.7)	3.5	(1.5)	7.8
Other	1.0	4.6	0.7	1.0	1.7	5.6
Gain on sale of assets	0.6	0.1	0.1	—	0.7	0.1
Total revenues	195.6	199.0	87.4	99.2	283.0	298.2
Program expenses						
General government	60.5	68.9	—	—	60.5	68.9
Public safety	47.3	47.6	—	—	47.3	47.6
Public works	12.8	10.0	—	—	12.8	10.0
Community development	17.5	17.9	—	—	17.5	17.9
Economic development	1.7	2.6	—	—	1.7	2.6
Culture and recreation	26.9	25.4	—	—	26.9	25.4
Utility	—	—	58.6	59.7	58.6	59.7
Golf	—	—	4.4	3.8	4.4	3.8
Parking Management	—	—	1.3	1.2	1.3	1.2
Interest and fiscal charges	0.8	3.0	—	—	0.8	3.0
Unallocated depreciation	0.2	0.2	—	—	0.2	0.2
Total expenses	167.7	175.6	64.3	64.7	232.0	240.3
Excess before transfers	27.9	23.4	23.1	34.5	51.0	57.9
Transfers	(0.6)	(27.7)	0.6	27.7	—	—
Change in net position	27.3	(4.3)	23.7	62.2	51.0	57.9
Net position - beginning	517.5	521.8	634.1	571.9	1,151.6	1,093.7
Net position - ending	\$ 544.8	\$ 517.5	\$ 657.8	\$ 634.1	\$ 1,202.6	\$ 1,151.6

Charts 1 illustrates the City's governmental expenses and revenues by function and Chart 2 illustrates its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, Sales and Use Taxes are the largest single source (61.2%), followed by Charges for Services (10.9%), Property Tax Increment (8.9%), Operating Grants and Contributions (7.4%), Capital Grants and Contributions (4.9%), and Property Tax (3.7%).

CHART 1: EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES

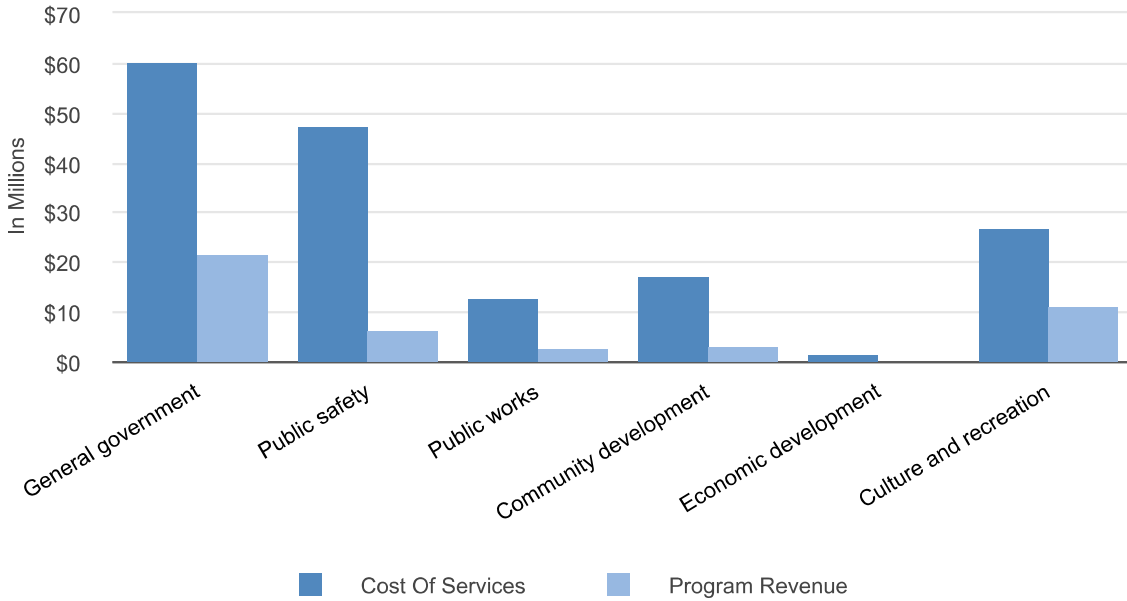
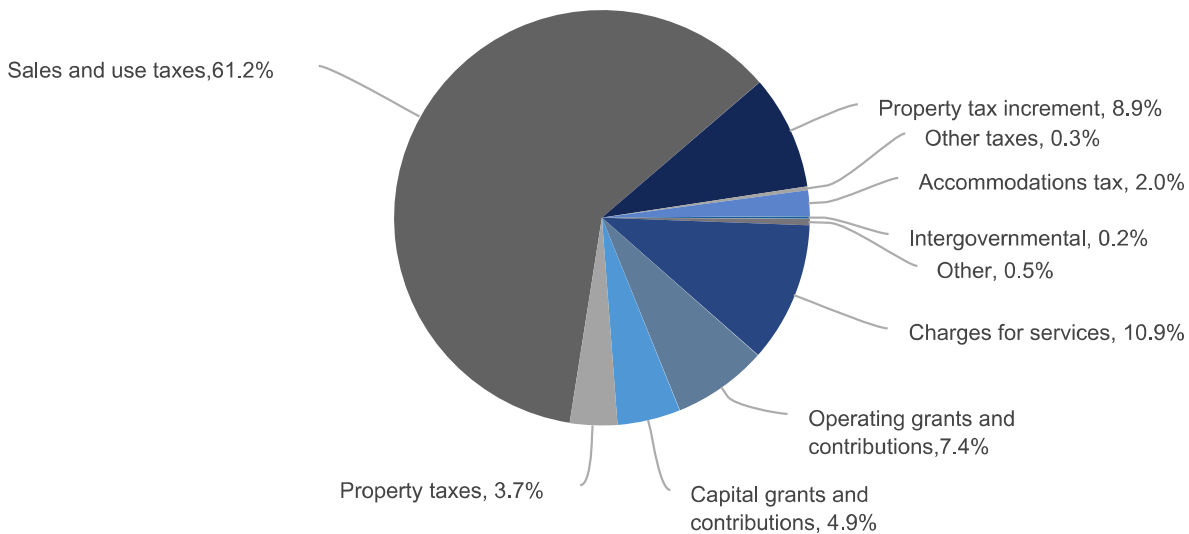


CHART 2: REVENUES BY SOURCE
GOVERNMENTAL ACTIVITIES



Business-type Activities

Net position in business-type activities increased \$23.7 million in 2021. This is \$38.5 million, or 61.9%, less than the \$62.2 million increase in 2020.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 91.1% of total business-type expenses. Charges for Services provides the largest share of revenues (89.9%), followed by Capital Grants and Contributions (10.0%).

Total business-type revenues decreased \$11.8 million, or 11.9%, compared to 2020. This decrease was due primarily to decreases of \$2.4 million, or 3.0% in Charges for Services, \$5.0 million, or 36.5% in Capital Grants and Contributions, \$4.2 million, or 120.0% in Interest earnings and \$0.3 million, or 30.0% in Other revenue.

The decrease in Charges for Services revenue is generally attributable to the effect of climatic variations on water consumption and billing rates in the Utility Fund. Capital Grants and Contributions fluctuate from year to year based on developer tap fees and water lines for connecting to the utility system.

Expenses of business-type activities decreased \$0.4 million, or 0.6%, compared to 2020. The decrease was due primarily to decreases in costs associated with providing utility services.

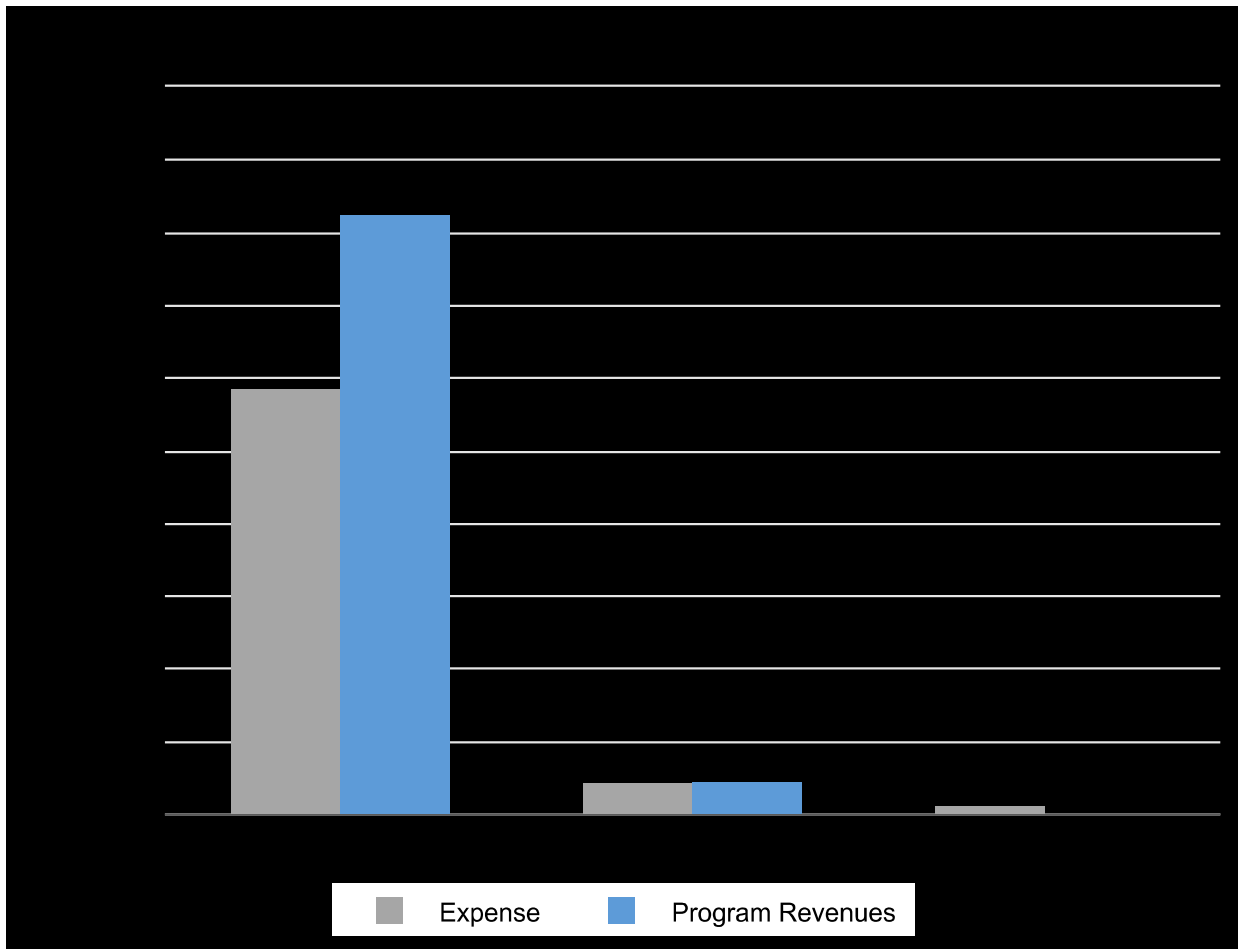
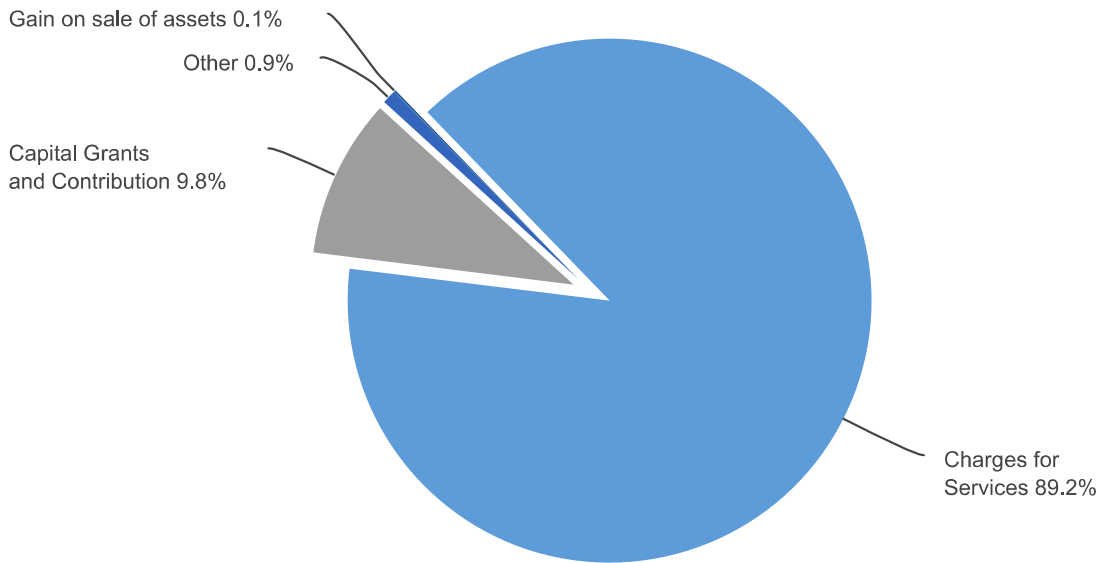


CHART 4: REVENUES BY SOURCE
BUSINESS-TYPE ACTIVITIES



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 Fund and Capital Projects Funds.

At December 31, 2021, the City's governmental funds reported a combined ending fund balance of \$189.4 million, an increase of \$2.1 million, or 1.1%, compared to 2020. 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 remains at \$1.1 million due to prepaids and inventories.
- Fund balance restricted for capital additions and improvements increased \$10.9 million for parks, open space and trails construction projects.
- Fund balance restricted for debt service decreased \$3.8 million, or 12.8%, to \$25.3 million due to paying down the bonds and notes of the Westminster Economic Development Authority.
- Fund balance restricted for emergencies as required by TABOR decreased \$0.4 million, or 5.9% to \$5.9 million.
- Fund balance restricted for open space conservation and improvements increased \$3.1 million or 496.7% due to open space tax.
- Fund balance restricted for Public Safety increased \$0.1 million due to activities in the Investigations Recoveries Fund.
- Fund balance restricted for Community Development decreased \$0.8 million due to a write down of the value of land held for resale in the Community Development Block Grant Fund.
- Unrestricted but committed fund balance decreased for capital additions and improvements to \$50.1 million from \$70.8 million, or 29.3% due to capital construction.
- Unrestricted but committed fund balance decreased for urban renewal \$3.0 million from \$8.0 million, or 37.6%, due to expenditures for consulting, professional services and development agreements in Downtown Westminster.
- Assigned fund balance decreased for urban renewal by \$0.3 million to \$13.7 million due to adjustments in the value of land held for resale in Downtown Westminster.
- Assigned fund balance increased for emergencies by \$0.3 million to \$8.7 million due to interest earnings.
- Unassigned fund balance increased \$16.9 million, or 55.0%, to \$47.7 million compared to 2020. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. At the end of 2021, the unassigned fund balance of the General Fund was \$48.4 million, while total fund balance was \$65.4 million. Total fund balance increased in the General Fund by \$17.5 million, or 36.5%, compared to 2020. The unassigned fund balance represents 33.7% 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 \$136.7 million and final budget was \$155.9 million due to supplemental appropriations, including reinstatement of budget reductions implemented in response to the COVID-19 pandemic. Actual General Fund expenditures and transfers out totaled \$143.9 million.

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

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

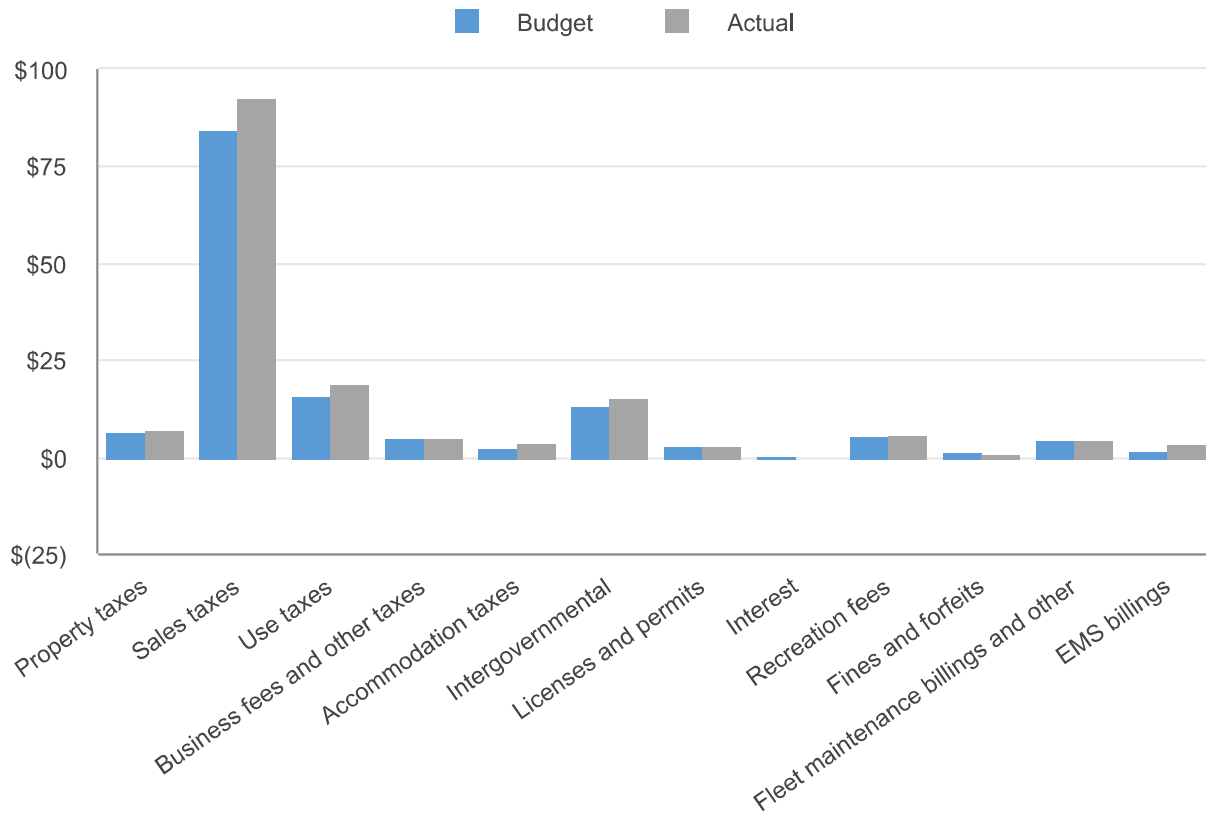
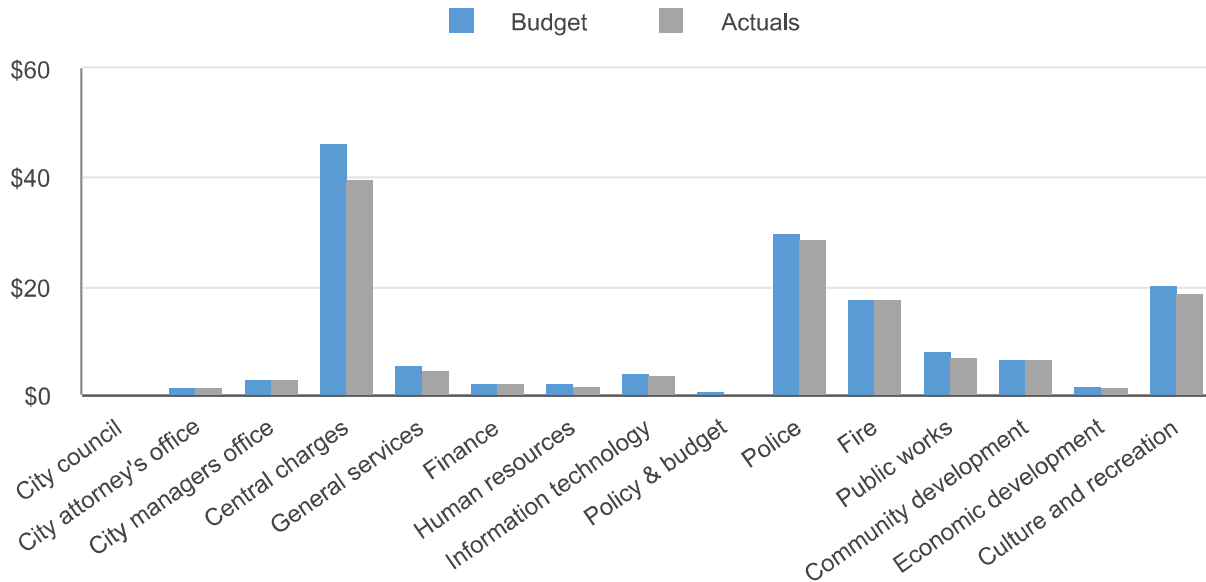


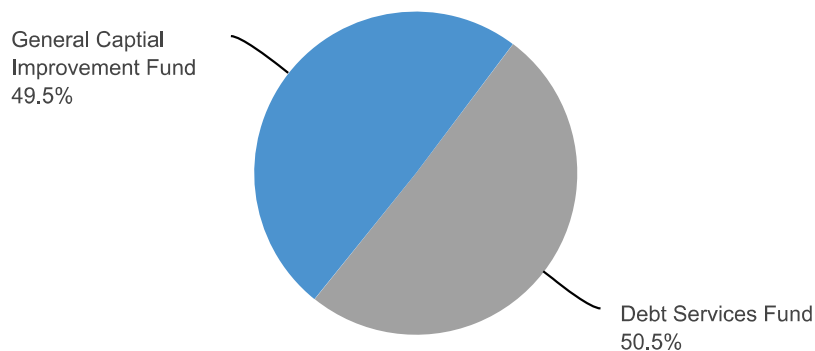
Chart 6: General Fund Budget and Actual Expenditures by Department, less Debt Service and Other Financing Sources and Uses (in millions)



Sales and use 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, 49.5% of the sales and use tax transfers was to the General Capital Improvement Fund for capital construction projects and 50.5% of transfers was to the Debt Service Fund for debt service. \$97.1 million was budgeted in the General Fund for operating purposes.

Sales and use taxes budgeted for General Fund operations increased 10.6%, or \$9.3 million, compared to 2020.

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, 2021, the fund had a fund balance of \$58.6 million.

The General Capital Improvement Fund revenues include revenues from other governments, contributions, interest, other miscellaneous revenue and transfers from other funds. The fund's operating revenues decreased by \$15.0 million due to decreases in accommodations tax of \$1.4 million, intergovernmental of \$4.4 million, interest of \$2.4 million and contributions of \$6.8 million.

Net transfer funding totaled \$2.9 million, a decrease of \$9.8 million compared to 2020 due mostly to a transfer of \$12.3 million from the Westminster Economic Development Authority to provide funding for an interceptor sewer project offset by a transfer of \$13.7 million to the Parks, Open Space and Trails Fund due to a reallocation of capital projects.

The decrease in Accommodations Tax reflects a reporting change. Starting in 2021, all Accommodations Tax is reported in the General Fund; previously it had been shared between the General and General Capital Improvement Funds. The decrease in Intergovernmental is also due to a reporting change. Beginning in 2021, shared open space tax revenues previously reported in the General Capital Improvement Fund are now reported in the Parks, Open Space and Trails Fund. The decrease in contributions is due to cash-in-lieu for future capital project as well as park development fees.

Expenditures totaling \$28.2 million were \$8.5 million more than 2020 due to an increase in capital project spending of \$11.3 million offset by a \$2.8 million decrease in economic assistance provided to developers.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance decreased \$7.0 million from 2020 primarily due to transfers to reimburse the City for North Huron Interceptor capital project expenses. As of December 31, 2021, fund balance was \$42.9 million.

Revenue for the Westminster Economic Development Authority decreased by \$1.9 million, or 9.5%, compared to 2020 due to property sales that year totaling \$3.2 million as part of continued redevelopment efforts.

Expenditures for the Westminster Economic Development Authority decreased by \$2.1 million, or 14.1% compared to 2020. Economic Development decreased \$0.5 million (63.1%) due to inventory adjustments for the sale of land held for resale and capital project spending decreased \$1.6 million (30.4%) as well.

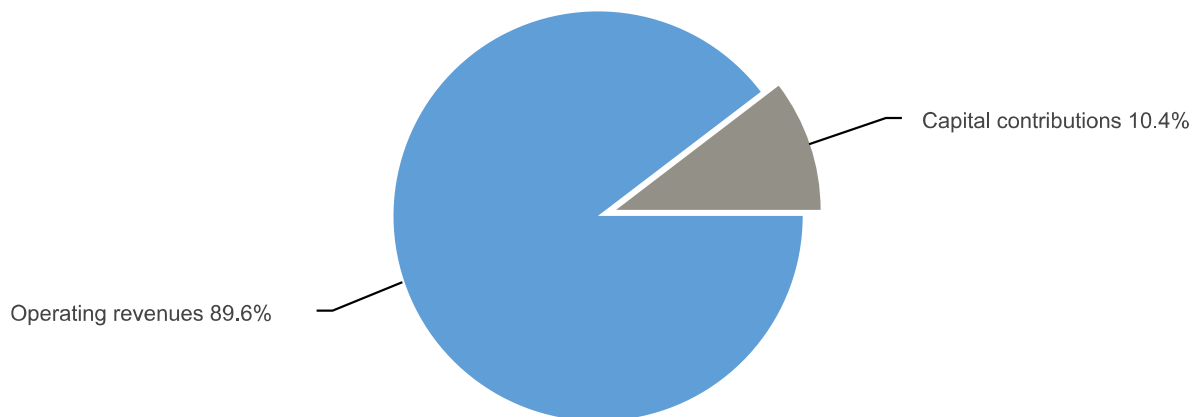
Proprietary Funds- As already discussed, the City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2021 with net position equal to \$614.5 million. Of that amount, \$152.3 million is unrestricted. Net position increased \$23.8 million, or 4.0%, compared to 2020.

Operating revenues decreased \$3.7 million, or 4.7% compared to 2020. Chart 8 illustrates both operating and non-operating revenues by source. Fluctuations in operating revenue are mostly due to the effect of climatic variations on water consumption.

Utility Fund operating expenses decreased \$0.3 million, or 0.6%, compared to 2020. The primary reason is due to decreases in personnel services, contractual services, and capital outlay.

Chart 8: UTILITY FUND REVENUES BY SOURCE



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Asset Administration

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$1,040.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and utility plants, improvements, parks, infrastructure, water rights, machinery and equipment, joint venture assets and construction work in progress. The total increase in the City's investment in capital assets was \$29.7 million, or 2.9%. Net capital assets of governmental activities increased \$12.8 million, or 3.0%, and business-type activities increased \$16.9 million, or 2.9%.

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

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land and property rights	\$ 160.3	\$ 160.3	\$ 133.2	\$ 131.9	\$ 293.5	\$ 292.2
Construction in progress	21.0	7.9	37.3	28.7	58.3	36.5
Buildings and plants	27.8	29.9	133.7	136.4	161.5	166.3
Improvements other than buildings	15.9	17.0	293.8	284.3	309.7	301.4
Parks	21.6	17.3	—	—	21.6	17.3
Ice Center	3.6	3.8	—	—	3.6	3.8
Infrastructure	164.5	170.3	—	—	164.5	170.3
Machinery and equipment	20.6	16.0	7.1	6.9	27.7	22.8
Totals	\$ 435.3	\$ 422.5	\$ 605.1	\$ 588.2	\$ 1,040.4	\$ 1,010.7

Major capital asset activity during 2021 included the following:

Governmental activities

- \$10.9 million for the North Huron interceptor sewer
- \$3.6 million for Westminster Urban Reinvestment Project
- \$1.4 million for CAD/RMS software replacement
- \$1.3 million for Sheridan Underpass
- \$3.6 million for the Westminster Station Projects
- \$0.9 million for arterial roadway improvements
- \$0.6 million for body worn cameras
- \$0.7 million Golf Course irrigation system replacement

Business-type activities

- \$11.1 million for Big Dry Creek wastewater treatment facility biosolids project
- \$4.6 million for Water 2025 water treatment facility
- \$4.4 million for improvements to the high service pump station
- \$2.2 million in Storm Water drainage related projects
- \$1.5 million for Big Dry Creek interceptor sewer improvements
- \$1.2 million for citywide sewer improvements
- \$1.3 million for replacement of water treatment facility chemical storage
- \$0.7 million for improvements to the reclaimed water distribution system
- \$0.5 million for replacement of residential water meters
- \$3.2 million for the Golf Course irrigation replacement

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

Debt Administration

At December 31, 2021 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 \$635.4 million state-imposed limit. See page 155 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	
	2021	2020	2021	2020	2021	2020
Revenue Bonds (backed by specific tax and fee revenues)	\$ 15.4	\$ 18.0	\$ 91.7	\$ 93.4	\$ 107.1	\$ 111.4
Tax Increment Revenue Bonds	14.0	15.6	—	—	14.0	15.6
Tax Increment Loans from Direct Placements	33.5	37.7	—	—	33.5	37.7
Notes from Direct Borrowings and Direct Placements	3.1	2.1	26.6	27.3	29.7	29.4
Certificates of Participation	46.9	52.8	7.6	1.4	54.5	54.1
Total	\$ 112.9	\$ 126.2	\$ 125.9	\$ 122.1	\$ 238.8	\$ 248.2

Further information on the City's debt can be found in Note 2H on pages [49-52](#).

PLANS AND BUDGET FOR 2022

In a Spring 2022 strategic planning retreat, the City Council affirmed the City's Strategic Plan Priorities that reinforce long-term planning of City operations and capital programs:

Strategic Priority 1: Preparedness and Resilience

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

Strategic Priority 2: Proactive Public Safety

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

Strategic Priority 3: Shared Sense of Community

Foster equitable opportunities that help residents feel at home and connected in their community and empowered to live their best lives.

Strategic Priority 4: Quality of Life

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

Strategic Priority 5: Robust Infrastructure

Provide safe and equitable access to core services and amenities by safeguarding, maintaining and improving the city's water, wastewater, stormwater, mobility and roadway systems.

City Council adopted the 2022 budget on October 25, 2021. While the City typically adopts a two-year budget, City Council approved a one-year budget to provide the financial flexibility needed to respond to the economic challenges presented by the pandemic. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separate for budgeting, legal and administrative purposes. Highlights of the 2022 budget include the following:

- The 2022 General Fund operating expenditures are budgeted at \$165.8 million (including contingencies).
- The 2022 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$105.3 million, which is a 8.4% increase over the 2021 transfer payment of \$97.1 million.
- In 2022, the contingency amount is \$1.0 million in the General Fund. The 2022 General Reserve Fund is projected to be \$16.1 million and the General Fund Stabilization Reserve is projected to be \$9.3 million by the end of the year.
- The Utility Capital Project Reserve Fund is projected to be \$72.0 million and the Utility Rate Stabilization Reserve is projected to be \$15.6 million.
- The total number of full-time equivalent (FTE) staffing in 2022 is 1092.15 FTE, a net increase of 17.384 FTE, or 1.6%.

In order to ensure reliable infrastructure and equipment throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is included as a key component of the 2022 budget. The 2022 CIP will be funded by Governmental and Business-type Activities with "pay-as-you-go" funding, revenue bonds and loans. For 2022, new capital project appropriations total \$61.5 million, \$28.4 million for Governmental Activities and \$33.1 million for Business-type Activities.

2021 Adopted Capital Improvement Program Budget (in millions)			
Fund	Governmental-type Activities	Business-type Activities	Total
General Capital Improvement	\$ 16.9	\$ —	\$ 16.9
Parks, Open Space and Trails	5.9	—	5.9
General Capital Outlay Replacement	4.2	—	4.2
Conservation Trust	1.4	—	1.4
Utility	—	32.6	32.6
Golf	—	0.5	0.5
TOTAL	\$ 28.4	\$ 33.1	\$ 61.5

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Larry Dorr, Deputy City Manager and Chief Financial Officer as follows:

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

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The background of the slide is an abstract, organic pattern. It features a dark teal base color with intricate, vein-like structures in shades of yellow and light green. These structures resemble natural patterns like marbled paper or biological tissue, with some areas appearing more saturated and others more translucent. The overall effect is a complex, textured visual field.

Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 19,315,684	\$ 16,105,544	\$ 35,421,228
Cash and cash equivalents with fiscal agent	391,263	—	391,263
Investments	157,936,985	131,619,905	289,556,890
Receivables, net:			
Taxes	40,751,424	—	40,751,424
Accounts	6,148,130	7,243,442	13,391,572
Notes and leases	9,698,219	—	9,698,219
Grants	2,747,521	—	2,747,521
Interest	458,541	383,718	842,259
Internal balances	(1,052,763)	1,052,763	—
Inventories	1,021,319	2,368,359	3,389,678
Property held for resale	12,107,545	—	12,107,545
Bond insurance and other prepaid items	154,175	24,135	178,310
Restricted assets:			
Cash and cash equivalents	211,584	168,296	379,880
Cash and cash equivalents with fiscal agent	22,639,727	39,394,088	62,033,815
Investments	1,729,558	1,843,359	3,572,917
Investments with fiscal agent	5,339,713	159,714	5,499,427
Other assets	—	1,591,789	1,591,789
Investment in joint venture	837,196	—	837,196
Net pension asset	12,312,458	—	12,312,458
Capital assets:			
Non-depreciable assets	181,276,886	170,480,881	351,757,767
Depreciable assets, net	253,983,375	434,657,847	688,641,222
Total assets	<u>728,008,540</u>	<u>807,093,840</u>	<u>1,535,102,380</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>18,766,540</u>	<u>617,183</u>	<u>19,383,723</u>
LIABILITIES			
Accounts payable and other	18,096,813	5,366,139	23,462,952
Accrued liabilities	3,130,684	430,800	3,561,484
Unearned revenue	8,199,090	70,058	8,269,148
Accrued interest	511,091	394,841	905,932
Estimated claims	2,169,227	—	2,169,227
Noncurrent liabilities:			
Due within one year	16,436,721	6,110,432	22,547,153
Due in more than one year	113,836,121	137,388,846	251,224,967
Total liabilities	<u>162,379,747</u>	<u>149,761,116</u>	<u>312,140,863</u>
DEFERRED INFLOWS OF RESOURCES	<u>39,645,047</u>	<u>91,417</u>	<u>39,736,464</u>
NET POSITION			
Net investment in capital assets	315,511,637	500,726,173	816,237,810
Restricted for:			
Emergencies	5,879,912	—	5,879,912
Capital projects	20,886,991	—	20,886,991
Community development	227,579	—	227,579
Improvements and open space conservation	8,592,493	—	8,592,493
Debt service	24,301,087	2,011,655	26,312,742
Pension	12,312,458	—	12,312,458
Other purposes	174,053	—	174,053
Unrestricted	156,864,076	155,120,662	311,984,738
Total net position	<u>\$ 544,750,286</u>	<u>\$ 657,858,490</u>	<u>\$ 1,202,608,776</u>

**CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

Function/Program Activities	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 60,456,852	\$ 8,751,424	\$ 11,953,768	\$ 960,048
Public safety	47,320,297	4,386,099	2,127,138	—
Public works	12,790,144	2,703,468	(12,764)	—
Community development	17,552,829	183,511	43,560	3,080,686
Economic development	1,690,566	—	—	—
Culture and recreation	26,859,916	5,263,157	387,093	5,521,628
Interest and fiscal charges	825,268	—	—	—
Unallocated depreciation (excludes direct depreciation of various programs)	193,922	—	—	—
Total governmental activities	<u>167,689,794</u>	<u>21,287,659</u>	<u>14,498,795</u>	<u>9,562,362</u>
Business-type activities:				
Utility	58,633,574	73,855,471	—	8,651,859
Golf	4,368,984	4,637,641	1,500	—
Parking Management	1,330,621	151,951	—	—
Total business-type activities	<u>64,333,179</u>	<u>78,645,063</u>	<u>1,500</u>	<u>8,651,859</u>
Total	<u>\$ 232,022,973</u>	<u>\$ 99,932,722</u>	<u>\$ 14,500,295</u>	<u>\$ 18,214,221</u>

GENERAL REVENUES

- Property taxes
- Sales taxes
- Use taxes
- Property tax increment
- Other taxes
- Accommodations taxes
- Intergovernmental not restricted to a specific purpose
- Interest
- Other
- Gain on sale of assets

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (38,791,612)	\$ —	\$ (38,791,612)
(40,807,060)	—	(40,807,060)
(10,099,440)	—	(10,099,440)
(14,245,072)	—	(14,245,072)
(1,690,566)	—	(1,690,566)
(15,688,038)	—	(15,688,038)
(825,268)	—	(825,268)
(193,922)	—	(193,922)
<u>(122,340,978)</u>	<u>—</u>	<u>(122,340,978)</u>
—	23,873,756	23,873,756
—	270,157	270,157
—	(1,178,670)	(1,178,670)
<u>—</u>	<u>22,965,243</u>	<u>22,965,243</u>
<u>(122,340,978)</u>	<u>22,965,243</u>	<u>(99,375,735)</u>
7,288,658	—	7,288,658
99,303,980	—	99,303,980
20,345,972	—	20,345,972
17,490,623	—	17,490,623
570,756	—	570,756
3,869,743	—	3,869,743
565,450	—	565,450
(845,347)	(730,053)	(1,575,400)
1,095,020	772,182	1,867,202
594,614	101,945	696,559
(642,147)	642,147	—
<u>149,637,322</u>	<u>786,221</u>	<u>150,423,543</u>
27,296,344	23,751,464	51,047,808
517,453,942	634,107,026	1,151,560,968
<u>\$ 544,750,286</u>	<u>\$ 657,858,490</u>	<u>\$ 1,202,608,776</u>

CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 6,395,883	\$ 7,350,164	\$ 819,854	\$ 2,310,028	\$ 16,875,929
Cash and cash equivalents with fiscal agent	24,812	—	—	25,000	49,812
Investments	52,281,940	60,082,536	6,701,746	18,927,444	137,993,666
Receivables, net:					
Taxes	19,996,401	—	18,944,611	1,810,412	40,751,424
Accounts	3,891,902	2,011,471	5,959	13,919	5,923,251
Notes and leases	1,407,322	963,169	6,930,851	396,877	9,698,219
Grants	157,721	1,870,892	—	718,908	2,747,521
Interest	151,517	172,151	19,741	57,441	400,850
Inventories	897,455	—	—	—	897,455
Property held for resale	31,474	—	11,848,492	227,579	12,107,545
Prepaid items	126,790	—	—	—	126,790
Restricted assets:					
Cash and cash equivalents	—	—	2,923	208,661	211,584
Cash and cash equivalents with fiscal agent	8,175	607,114	22,024,438	—	22,639,727
Investments	—	—	23,897	1,705,661	1,729,558
Investments with fiscal agent	1,357,654	1	3,982,058	—	5,339,713
Loans to other funds	—	585,500	—	—	585,500
Total assets	<u>\$ 86,729,046</u>	<u>\$ 73,642,998</u>	<u>\$ 71,304,570</u>	<u>\$ 26,401,930</u>	<u>\$ 258,078,544</u>
LIABILITIES					
Accounts payable and other	\$ 9,311,661	\$ 4,572,932	\$ 1,869,789	\$ 1,694,533	\$ 17,448,915
Accrued liabilities	2,976,481	—	—	67,622	3,044,103
Unearned revenue	9,954	7,659,877	31,204	498,055	8,199,090
Loans from other funds	—	—	585,500	—	585,500
Total liabilities	<u>12,298,096</u>	<u>12,232,809</u>	<u>2,486,493</u>	<u>2,260,210</u>	<u>29,277,608</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>9,015,544</u>	<u>2,836,061</u>	<u>25,875,462</u>	<u>1,665,622</u>	<u>39,392,689</u>
FUND BALANCES					
Nonspendable:					
Prepays and inventories	1,024,245	—	—	—	1,024,245
Property held for resale	31,474	—	—	—	31,474
Restricted for:					
Capital additions and improvements	17,750	8,443,158	—	17,474,667	25,935,575
Contractual obligations	299,184	—	—	44,820	344,004
Debt service	1,048,895	39,822	24,261,265	—	25,349,982
Community development	—	—	—	227,579	227,579
Emergencies - TABOR	5,839,949	—	—	39,963	5,879,912
Open space conservation and improvements	—	—	—	3,668,524	3,668,524
Public safety	—	—	—	128,779	128,779
Committed for:					
Capital additions and improvements	—	50,091,148	—	—	50,091,148
Urban renewal	—	—	4,963,130	—	4,963,130
Assigned to:					
Community development	—	—	—	1,397,109	1,397,109
Debt service	—	—	—	213,562	213,562
Other	8,728,098	—	—	—	8,728,098
Urban renewal	—	—	13,718,220	—	13,718,220
Unassigned	48,425,811	—	—	(718,905)	47,706,906
Total fund balances	<u>65,415,406</u>	<u>58,574,128</u>	<u>42,942,615</u>	<u>22,476,098</u>	<u>189,408,247</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 86,729,046</u>	<u>\$ 73,642,998</u>	<u>\$ 71,304,570</u>	<u>\$ 26,401,930</u>	<u>\$ 258,078,544</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Fund balances - total government funds		\$ 189,408,247
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities excluding internal service fund capital assets of \$10,004,120 are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	855,875,230	
Less accumulated depreciation	<u>(430,619,089)</u>	425,256,141
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Prepaid bond insurance costs	27,385	
Investment in joint venture	837,196	
Net pension asset	<u>12,312,458</u>	13,177,039
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	1,891,730	
Deferred outflows of resources related to pension plans	16,205,509	
Deferred outflows of resources related to other post employment benefits	<u>669,301</u>	18,766,540
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	(110,695,070)	
(Premiums)/discounts on long-term debt payable	(5,210,079)	
Compensated absences	(7,374,628)	
Postemployment benefits	<u>(4,665,380)</u>	(127,945,157)
Short-term liabilities that are not payable with current financial resources in the current period are not reported in the governmental funds.		
Comp time	(47,224)	
Accrued interest	<u>(470,950)</u>	(518,174)
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	12,412,227	
Deferred inflows of resources related to pension plans	(12,207,669)	
Deferred inflows of resources related to other post employment benefits	<u>(456,916)</u>	(252,358)
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	27,910,771	
Internal Service Funds, activity related to enterprise funds	<u>(1,052,763)</u>	26,858,008
Net position of governmental activities		<u><u>\$ 544,750,286</u></u>

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	General Capital Improvement	Westminster Economic Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 6,781,740	\$ —	\$ —	\$ 506,918	\$ 7,288,658
Sales taxes	92,833,130	—	—	6,470,850	99,303,980
Use taxes	19,025,435	—	—	1,320,537	20,345,972
Property tax increment	—	—	17,490,623	—	17,490,623
Business fees and other taxes	5,194,102	—	—	—	5,194,102
Accommodations taxes	3,869,743	—	—	—	3,869,743
Intergovernmental	15,172,864	1,480,859	—	5,576,458	22,230,181
Licenses and permits	2,857,334	—	—	—	2,857,334
Interest	(189,706)	(545,817)	(52,930)	82,774	(705,679)
Rentals	—	—	372,284	—	372,284
Contributions	—	1,609,900	—	—	1,609,900
Recreation fees	5,935,711	—	—	—	5,935,711
Fines and forfeitures	597,883	—	—	99,002	696,885
Fleet maintenance billings and other	4,293,687	—	—	—	4,293,687
EMS billings	3,395,779	—	—	—	3,395,779
Other	—	63,984	288,895	27,878	380,757
Total revenues	159,767,702	2,608,926	18,098,872	14,084,417	194,559,917
EXPENDITURES					
General government	57,396,855	280,976	1,237,814	247,103	59,162,748
Public safety	46,523,019	—	—	—	46,523,019
Public works	7,126,119	—	—	—	7,126,119
Community development	6,507,314	—	—	3,932,890	10,440,204
Economic development	1,573,231	—	271,048	—	1,844,279
Culture and recreation	18,610,889	—	—	—	18,610,889
Capital projects	—	27,909,314	3,565,427	7,326,778	38,801,519
Debt service:					
Principal	—	—	5,840,000	2,595,000	8,435,000
Interest and fiscal charges	—	—	1,941,530	758,469	2,699,999
Total expenditures	137,737,427	28,190,290	12,855,819	14,860,240	193,643,776
Excess of revenues over (under) expenditures	22,030,275	(25,581,364)	5,243,053	(775,823)	916,141
OTHER FINANCING SOURCES (USES)					
Issuance of notes	900,070	—	—	—	900,070
Sale of capital asset	66,526	362,471	—	—	428,997
Insurance recoveries	343,390	39,093	—	26,145	408,628
Transfers in	280,390	16,629,608	63,000	16,988,577	33,961,575
Transfers (out)	(6,118,008)	(13,695,730)	(12,309,834)	(2,413,980)	(34,537,552)
Total other financing sources (uses)	(4,527,632)	3,335,442	(12,246,834)	14,600,742	1,161,718
Net change in fund balance	17,502,643	(22,245,922)	(7,003,781)	13,824,919	2,077,859
Fund balance, beginning	47,912,763	80,820,050	49,946,396	8,651,179	187,330,388
Fund balance, ending	\$ 65,415,406	\$ 58,574,128	\$ 42,942,615	\$ 22,476,098	\$ 189,408,247

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, 2021

Net changes in fund balances - total government funds \$ 2,077,859

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	28,798,805	
Transfers of capital assets to enterprise funds	(66,170)	
Current year depreciation	<u>(17,601,641)</u>	11,130,994

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	(428,997)	
Loss on sale of capital assets	<u>326,888</u>	(102,109)

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

Issuance of notes	(900,070)	
Principal payments	<u>14,412,567</u>	13,512,497

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

Amortization of bond discount/premium, deferred loss on refunding and prepaid bond insurance costs	291,100	
Accrual of interest expense	1,630,697	
Accrual of pollution remediation liability	153,000	
Adjustment to long-term compensated absences liability	461,477	
Adjustment to net postemployment benefit other than pension expense	(1,752,828)	
Adjustment to net pension expense	<u>1,208,151</u>	1,991,597

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		7,057
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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	13,833	
Intergovernmental revenue	589,522	
Fines and forfeitures	(90,277)	
Other	<u>(403,061)</u>	110,017

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		(1,514,001)
Internal allocation to Business-type activities		82,433

Change in net position of governmental activities \$ 27,296,344

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 15,879,573	\$ 225,971	\$ 16,105,544	\$ 2,439,755
Cash and cash equivalents with fiscal agent	—	—	—	341,451
Investments	129,804,585	1,815,320	131,619,905	19,943,319
Receivables, net:				
Accounts	7,214,714	28,728	7,243,442	224,879
Interest	378,244	5,474	383,718	57,691
Inventories	2,134,821	233,538	2,368,359	123,864
Bond insurance and other prepaid items	19,784	4,351	24,135	—
Total current assets	<u>155,431,721</u>	<u>2,313,382</u>	<u>157,745,103</u>	<u>23,130,959</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	168,296	—	168,296	—
Cash and cash equivalents with fiscal agent	35,404,679	3,989,409	39,394,088	—
Investments	1,843,359	—	1,843,359	—
Investments with fiscal agent	—	159,714	159,714	—
Other assets	1,591,789	—	1,591,789	—
Capital assets:				
Non-depreciable assets	153,785,551	16,695,330	170,480,881	—
Depreciable assets, net	405,535,159	29,122,688	434,657,847	10,004,120
Total noncurrent assets	<u>598,328,833</u>	<u>49,967,141</u>	<u>648,295,974</u>	<u>10,004,120</u>
Total assets	<u>753,760,554</u>	<u>52,280,523</u>	<u>806,041,077</u>	<u>33,135,079</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>595,693</u>	<u>21,490</u>	<u>617,183</u>	<u>—</u>
LIABILITIES				
Current liabilities:				
Accounts payable and other	4,693,813	672,326	5,366,139	647,898
Accrued liabilities	374,434	56,366	430,800	39,357
Unearned revenue	—	70,058	70,058	—
Bonds payable, current portion	3,405,000	—	3,405,000	—
Notes payable and certificates of participation, current portion	1,955,312	720,381	2,675,693	468,317
Other liabilities, current portion	27,407	2,332	29,739	11,447
Accrued interest	364,213	30,628	394,841	40,141
Estimated claims	—	—	—	2,169,227
Total current liabilities	<u>10,820,179</u>	<u>1,552,091</u>	<u>12,372,270</u>	<u>3,376,387</u>
Noncurrent liabilities:				
Bonds payable	102,793,567	—	102,793,567	—
Notes payable	24,253,485	8,193,032	32,446,517	1,749,966
Other liabilities payable	1,885,026	263,736	2,148,762	97,955
Total noncurrent liabilities	<u>128,932,078</u>	<u>8,456,768</u>	<u>137,388,846</u>	<u>1,847,921</u>
Total liabilities	<u>139,752,257</u>	<u>10,008,859</u>	<u>149,761,116</u>	<u>5,224,308</u>
DEFERRED INFLOWS OF RESOURCES	<u>81,124</u>	<u>10,293</u>	<u>91,417</u>	<u>—</u>
NET POSITION				
Net investment in capital assets	460,198,886	40,527,287	500,726,173	7,768,218
Restricted for:				
Debt service	2,011,655	—	2,011,655	—
Unrestricted	152,312,325	1,755,574	154,067,899	20,142,553
Total net position	<u>\$ 614,522,866</u>	<u>\$ 42,282,861</u>	<u>656,805,727</u>	<u>\$ 27,910,771</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,052,763	
Net position of business-type activities			<u>\$657,858,490</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Operating revenues				
Charges for services	\$ 73,855,471	\$ 4,789,592	\$ 78,645,063	\$ 25,018,320
Other	756,089	2,492	758,581	198,139
Total operating revenues	<u>74,611,560</u>	<u>4,792,084</u>	<u>79,403,644</u>	<u>25,216,459</u>
Operating expenses				
Personnel services	17,789,877	2,129,788	19,919,665	1,265,775
Contractual services	17,777,481	1,608,329	19,385,810	4,531,214
Commodities	2,325,105	572,451	2,897,556	979,741
Capital expense	1,186,856	94,620	1,281,476	610,914
Insurance and other expenses	—	—	—	17,314,816
Depreciation expense	16,145,768	1,118,395	17,264,163	2,469,160
Total operating expenses	<u>55,225,087</u>	<u>5,523,583</u>	<u>60,748,670</u>	<u>27,171,620</u>
Operating income (loss)	<u>19,386,473</u>	<u>(731,499)</u>	<u>18,654,974</u>	<u>(1,955,161)</u>
Nonoperating revenues (expenses)				
Income on investments	(720,401)	(9,652)	(730,053)	(155,677)
Interest expense	(3,324,592)	(76,691)	(3,401,283)	(47,066)
Grants	4,950	1,500	6,450	—
Gain (Loss) on disposition of capital assets	(3,417)	101,945	98,528	267,726
Insurance recoveries	11,608	1,993	13,601	369,837
Debt issuance costs	—	(97,376)	(97,376)	—
Total nonoperating revenues (expenses)	<u>(4,031,852)</u>	<u>(78,281)</u>	<u>(4,110,133)</u>	<u>434,820</u>
Income before contributions and transfers	15,354,621	(809,780)	14,544,841	(1,520,341)
Capital contributions	8,646,909	66,170	8,713,079	6,340
Transfers in	—	778,976	778,976	—
Transfers (out)	(202,999)	—	(202,999)	—
Change in net position	23,798,531	35,366	23,833,897	(1,514,001)
Net position - beginning	590,724,335	42,247,495		29,424,772
Net position - ending	<u>\$ 614,522,866</u>	<u>\$ 42,282,861</u>		<u>\$ 27,910,771</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(82,433)	
Change in net position of business-type activities			<u>\$ 23,751,464</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 74,937,968	\$ 4,895,572	\$ 79,833,540	\$ —
Receipts from interfund charges for risk management services	—	—	—	19,898,867
Receipts from interfund charges for capital outlay	—	—	—	2,723,189
Receipts from interfund charges for fleet services	—	—	—	2,412,380
Cash payments to employees for services	(10,346,975)	(1,734,426)	(12,081,401)	(1,246,434)
Cash payments for benefits on behalf of employees	(2,836,768)	(350,382)	(3,187,150)	(35,953)
Cash payments to suppliers for goods and services	(18,234,033)	(2,228,508)	(20,462,541)	(23,755,992)
Payments (to) from other funds	(7,704,076)	17,297	(7,686,779)	—
Other operating revenues	756,089	—	756,089	198,140
Net cash provided by operating activities	<u>36,572,205</u>	<u>599,553</u>	<u>37,171,758</u>	<u>194,197</u>
Cash flows from noncapital financing activities:				
Transfer in	—	778,976	778,976	—
Transfer out	(202,999)	—	(202,999)	—
Grant proceeds not restricted to capital purposes	4,950	1,500	6,450	—
Net cash provided by (used in) noncapital financing activities	<u>(198,049)</u>	<u>780,476</u>	<u>582,427</u>	<u>—</u>
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(3,636,574)	(552,358)	(4,188,932)	(378,327)
Interest paid on long-term debt	(4,427,460)	(52,788)	(4,480,248)	(42,970)
Acquisition and construction of capital assets	(32,588,393)	(4,338,458)	(36,926,851)	(3,540,603)
Proceeds from sale of capital assets	—	—	—	342,276
Contributions	8,115,974	—	8,115,974	—
Insurance recoveries	11,608	1,993	13,601	369,837
Proceeds from grant/notes	—	—	—	613,388
Proceeds from capital lease financing	—	7,958,361	7,958,361	—
Payments of bond issuance costs	—	(96,191)	(96,191)	—
Net cash provided by (used in) capital and related financing activities	<u>(32,524,845)</u>	<u>2,920,559</u>	<u>(29,604,286)</u>	<u>(2,636,399)</u>
Cash flow from investing activities:				
Proceeds from sale of investments	88,071,870	1,355,787	89,427,657	17,460,138
Purchases of investments	(114,105,574)	(1,753,607)	(115,859,181)	(16,810,300)
Interest received on investments	1,503,273	(40,330)	1,462,943	(284,092)
Net cash provided by (used in) investing activities	<u>(24,530,431)</u>	<u>(438,150)</u>	<u>(24,968,581)</u>	<u>365,746</u>
Net increase(decrease) in cash and cash equivalents	(20,681,120)	3,862,438	(16,818,682)	(2,076,456)
Cash and cash equivalents - beginning of year	72,133,668	352,942	72,486,610	4,857,662
Cash and cash equivalents - end of year	<u>\$ 51,452,548</u>	<u>\$ 4,215,380</u>	<u>\$ 55,667,928</u>	<u>\$ 2,781,206</u>
Reconciliation of cash and cash equivalents to Statement of Net Position				
Unrestricted cash and cash equivalents	\$ 15,879,573	\$ 225,971	\$ 16,105,544	\$ 2,439,755
Unrestricted cash and cash equivalents with fiscal	—	—	—	341,451
Restricted cash and cash equivalents	168,296	—	168,296	—
Restricted cash and cash equivalents with fiscal agent	35,404,679	3,989,409	39,394,088	—
Total Cash and Cash Equivalents	<u>\$ 51,452,548</u>	<u>\$ 4,215,380</u>	<u>\$ 55,667,928</u>	<u>\$ 2,781,206</u>

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 19,386,473	\$ (731,499)	\$ 18,654,974	\$ (1,955,161)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	16,145,768	1,118,395	17,264,163	2,469,160
(Increase) decrease in accounts receivable	1,082,497	78,070	1,160,567	16,116
(Increase) decrease in inventories	(643,679)	15,206	(628,473)	(9,096)
Increase (decrease) in deferred outflow of resources	(4,479)	(929)	(5,408)	—
Increase (decrease) in unearned revenue	—	15,134	15,134	—
Increase (decrease) in accounts payable and other	552,419	97,794	650,213	(2,760)
Increase (decrease) in accrued liabilities	68,258	9,284	77,542	(1,768)
Increase (decrease) in estimated claims	—	—	—	(322,294)
Increase (decrease) in deferred inflow of resources	(15,052)	(1,902)	(16,954)	—
Total adjustments	<u>17,185,732</u>	<u>1,331,052</u>	<u>18,516,784</u>	<u>2,149,358</u>
Net cash provided by operating activities	<u>\$ 36,572,205</u>	<u>\$ 599,553</u>	<u>\$ 37,171,758</u>	<u>\$ 194,197</u>

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Utility	Nonmajor Fund	Total Enterprise Funds	
Non-cash financing, capital and investing activities:				
Financing Activities				
Amortization of discounts (premiums), prepaid insurance, and loss on refunding	\$ 1,095,354	\$ (1,925)	\$ 1,093,429	\$ —
Debt proceeds used for cost of issuance	—	1,185	1,185	—
Capital Activities				
Capital contributions from developers	515,931	—	515,931	—
Capital contributions from governmental activities	—	66,170	66,170	6,340
Capital assets acquired through payables	2,599,517	527,811	3,127,328	17,619
Gain (Loss) on disposal of capital assets	3,417	101,945	105,362	(74,550)
Investing Activities				
Increase (Decrease) in fair value of investments	(2,178,506)	(31,366)	(2,209,872)	(409,995)
Increase (Decrease) in equity interest	15,004	—	15,004	—

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CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2021

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**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component Units

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

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

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

Westminster Economic Development Authority (WEDA) was established on September 14, 1987 with the primary purpose of undertaking urban renewal activities with the City. The governing body of WEDA is the same as the City's governing body. The City has access to WEDA resources, if necessary, to use for the purposes for which the revenues are intended. WEDA is the general fund of a blended component unit of the City and is reported as a major special revenue fund. The City maintains all accounting records for WEDA. Separate financial statements are not prepared for WEDA.

General Improvement Districts (GID)

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

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

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Westminster Building Authority (WBA)

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

B. Basic Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

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

Reporting of Internal Service

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

The City reports the following major proprietary fund:

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

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The City additionally reports the following Fund type:

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

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

Deposits and Investments

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

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

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

Receivables

The City holds accounts, taxes, notes and leases, grants, and interest receivables. Allowances for doubtful accounts are made based on assessment on the collectability of outstanding amounts. The receivables detail is reported in Note 2.B., Disaggregation of Receivables, on page 47 of this report.

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 lessor of either cost or net realizable value. Typically, properties held for resale are intended to be sold for economic development purposes.

Restricted Assets

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

Capital Assets

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

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<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	120-1200

Long-Term Debt Insurance and Issuance Costs

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

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.

Unearned Revenue

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

In May, the City was allocated \$14.5 million from the American Rescue Plan State and Local Fiscal Recovery Fund to support the City's response to and recovery from the COVID-19 public health emergency. The first half of the allocation was received in May 2021 and the second half will be received in May 2022. The 2021 allocation is reported as unearned revenue in the General Capital Improvement Fund and will be recognized as revenue in tandem with the occurrence of eligible expenditures in future years.

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.

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Deferred Inflows of Resources

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

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

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

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

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

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

In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2021, the General Fund Stabilization Reserve balance was \$9,268,338. 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 limited for a specific use. Short-term advances between funds are reported as "due to" and "due from" other funds.

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

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

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

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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, 2021 was \$40,368,280, 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, 2021 was \$39,620,896.

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, 2021, 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, 2021

Cash and cash equivalents	\$ 35,421,228
Cash and cash equivalents with fiscal agent	391,263
Investments	289,556,890
Restricted cash and cash equivalents	379,880
Restricted cash and cash equivalents with fiscal agent	62,033,815
Restricted investments	3,572,917
Restricted investments with fiscal agent	5,499,427
Total per Statement of Net Position:	<u><u>\$ 396,855,420</u></u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S & P Rating</u>	<u>% of Total Investments</u>
Local Government Investment Pool CSAFE	AAAm	12.00%
Local Government Investment Pool COLOTRUST	AAAm	3.50%
Local Government Investment Pool CSIP	AAAm	1.10%
Corporate Amazon.com Inc	AA	1.10%
Corporate Microsoft	AAA	0.70%
Corporate Apple Inc	AA+	0.60%
US Treasury Securities	Exempt	45.70%
Federal Farm Credit Banks	AA+	6.40%
Federal Home Loan Bank System	AA+	8.50%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	8.50%
Fannie Mae (Federal National Mortgage Association)	AA+	10.40%
Money Market First American Government Obligations Fund	AAAm	1.10%
Money Market First American Treasury Obligations Fund	AAAm	0.40%

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Local Government Investment Pool	\$ 59,247,620	0.13
US Treasuries	163,262,231	2.36
US Instrumentalities	120,762,776	1.29
Domestic Corporate Securities	8,462,470	1.16
Money Market Funds	5,499,427	0.07
Total Investments controlled by City	<u><u>\$ 357,234,524</u></u>	
Total Portfolio Weighted Average Maturity		1.56

CITY OF WESTMINSTER, COLORADO
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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, 2021:

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	\$ 5,499,427	\$ 5,499,427	\$ —	\$ —
US Treasuries	163,262,231	—	163,262,231	—
US Instrumentalities	120,762,776	—	120,762,776	—
Domestic Corporate Securities	8,462,470	—	8,462,470	—
Total investments by fair value level	<u>297,986,904</u>	<u>5,499,427</u>	<u>292,487,477</u>	<u>—</u>
Investments measured at net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	42,515,869			
ColoTrust (external investment pool)	12,651,884			
Colorado Statewide Investment Program (CSIP) (external investment pool)	4,079,867			
Total investments measured at the NAV	<u>59,247,620</u>			
Total investments	<u>\$ 357,234,524</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, 2021.

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

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B. Disaggregation of Receivables

Receivables at December 31, 2021, were as follows:

	Taxes	Accounts	Notes and Leases	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 19,996,401	\$ 6,527,960	\$ 1,407,322	\$ 157,721	\$ 151,517	\$ 28,240,921
GCIF	—	2,011,471	963,169	1,870,892	172,151	5,017,683
WEDA	18,944,611	5,959	6,930,851	—	19,741	25,901,162
Nonmajor governmental	1,810,412	13,919	2,250,000	718,908	57,441	4,850,680
Less: Allowance for Doubtful Accounts	—	(2,636,058)	(1,853,123)	—	—	(4,489,181)
Subtotal	40,751,424	5,923,251	9,698,219	2,747,521	400,850	59,521,265
Reconciliation of balances to government-wide financial statements:						
Internal service funds	—	224,879	—	—	57,691	282,570
Total - Governmental Activities	\$ 40,751,424	\$ 6,148,130	\$ 9,698,219	\$ 2,747,521	\$ 458,541	\$ 59,803,835
Business-type Activities:						
Utilities	\$ —	\$ 7,244,130	\$ —	\$ —	\$ 378,244	\$ 7,622,374
Nonmajor proprietary	—	28,728	—	—	5,474	34,202
Less: Allowance for Doubtful Accounts	—	(29,416)	—	—	—	(29,416)
Total - Business-type Activities:	\$ —	\$ 7,243,442	\$ —	\$ —	\$ 383,718	\$ 7,627,160

C. Notes Receivable

Governmental Activities

In the governmental fund financial statements, long-term receivables, such as special assessment and capital lease receivables, 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 referenced above. The note bears simple interest at the rate of one percent (1%) per annum from the date of funding and will be repaid not later than 30 years following issuance of the certificate of occupancy discussed above. Payments will be made from housing cash flows for the project in accordance with a specific priority of repayment schedule.

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, 2021. 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	940,000	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	1,711,615	**	2049
Eaton Street Affordable Housing LLC	Parking Space Lease Note	2,124,000	2,129,307	**	2036
Aspire Westminster LLC	Development Assistance Note	2,000,000	2,297,429	***	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>\$ 9,698,219</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.

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Notes and Leases Receivable Maturities

Governmental activities						
Year Ending	Catellus	Hyland Hills	Eaton Street Affordable Housing LLC	Aspire Westminster LLC	Westminster Commons VOA, LP	Total
2022	\$ 194,847	\$ 940,000	\$ —	\$ —	\$ 17,364	\$ 1,152,211
2023	—	—	—	—	17,953	17,953
2024	—	—	—	—	18,533	18,533
2025	—	—	—	—	19,102	19,102
2026	—	—	—	—	19,661	19,661
2027-2031	—	—	—	2,297,429	106,980	2,404,409
2032-2036	—	—	4,157,451	—	121,830	4,279,281
2037-2041	—	—	—	—	136,680	136,680
2042-2046	—	—	—	—	151,530	151,530
2047-2051	—	—	1,711,615	—	166,380	1,877,995
2052	—	—	—	—	35,058	35,058
	194,847	940,000	5,869,066	2,297,429	811,071	10,112,413
Net present value/ principal adjustment	—	—	—	—	(414,194)	(414,194)
Total	\$ 194,847	\$ 940,000	\$ 5,869,066	\$ 2,297,429	\$ 396,877	\$ 9,698,219

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2021, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Loans from/to other funds:</i>		
General Capital Improvement	Westminster Economic Development Authority	\$ 585,500
Total interfund receivables and payables		<u>\$ 585,500</u>

The loan of \$585,500 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.

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E. Capital Assets

Capital Assets at December 31, 2021 were as follows:

	Primary Government				
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities:					
Land & Land Rights	\$ 153,953,100	\$ 7,057	\$ —	\$ —	\$ 153,960,157
Water Rights	1,000,000	—	—	—	1,000,000
Joint Venture	5,361,000	—	—	—	5,361,000
Construction in progress	7,881,179	26,788,995	(13,714,445)	—	20,955,729
Total nondepreciable assets	<u>168,195,279</u>	<u>26,796,052</u>	<u>(13,714,445)</u>	<u>—</u>	<u>181,276,886</u>
Buildings	95,917,541	—	80,546	—	95,998,087
Improvements other than buildings	53,757,520	—	1,073,952	—	54,831,472
Parks	67,044,881	—	6,874,821	—	73,919,702
Ice Centre	6,972,384	—	—	—	6,972,384
Infrastructure	407,317,167	—	2,390,602	—	409,707,769
Machinery and equipment	56,005,569	6,287,760	3,228,354	(2,199,018)	63,322,665
Total depreciable assets	<u>687,015,062</u>	<u>6,287,760</u>	<u>13,648,275</u>	<u>(2,199,018)</u>	<u>704,752,079</u>
Less accumulated depreciation for:					
Buildings	(66,049,339)	(2,117,771)	—	—	(68,167,110)
Improvements other than buildings	(36,717,701)	(2,211,275)	—	—	(38,928,976)
Parks	(49,724,422)	(2,665,114)	—	—	(52,389,536)
Ice Centre	(3,195,676)	(145,258)	—	—	(3,340,934)
Infrastructure	(236,999,852)	(8,214,611)	—	—	(245,214,463)
Machinery and equipment	(40,033,272)	(4,716,772)	—	2,022,359	(42,727,685)
Total accumulated depreciation	<u>(432,720,262)</u>	<u>(20,070,801)</u>	<u>—</u>	<u>2,022,359</u>	<u>(450,768,704)</u>
Net total depreciable assets	<u>254,294,800</u>	<u>(13,783,041)</u>	<u>13,648,275</u>	<u>(176,659)</u>	<u>253,983,375</u>
Governmental activities capital assets, net	<u>\$ 422,490,079</u>	<u>\$ 13,013,011</u>	<u>\$ (66,170)</u>	<u>\$ (176,659)</u>	<u>\$ 435,260,261</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 3,423,431
Public safety	1,468,561
Public works	2,874,898
Community development	5,235,001
Culture and Recreation	6,874,988
Unallocated depreciation-governmental funds	193,922
Total depreciation expense	<u>\$ 20,070,801</u>

	Primary Government (continued)				
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 36,312,163	\$ —	\$ —	\$ —	\$ 36,312,163
Water rights	95,643,731	—	1,204,656	—	96,848,387
Construction in progress	28,663,612	32,347,009	(23,690,290)	—	37,320,331
Total nondepreciable assets	<u>160,619,506</u>	<u>32,347,009</u>	<u>(22,485,634)</u>	<u>—</u>	<u>170,480,881</u>
Buildings and plants	274,441,723	—	3,631,820	(1,981)	278,071,562
Improvements other than buildings	393,624,865	515,931	18,048,740	(11,183)	412,178,353
Parks	1,515,487	—	—	—	1,515,487
Machinery and equipment	29,727,931	1,547,799	871,244	(1,755,339)	30,391,635
Total depreciable assets	<u>699,310,006</u>	<u>2,063,730</u>	<u>22,551,804</u>	<u>(1,768,503)</u>	<u>722,157,037</u>
Less accumulated depreciation for:					
Buildings and plants	(138,012,625)	(6,323,232)	—	1,981	(144,333,876)
Improvements other than buildings	(109,314,403)	(9,077,151)	—	11,183	(118,380,371)
Parks	(1,507,183)	(2,495)	—	—	(1,509,678)
Machinery and equipment	(22,852,610)	(1,861,285)	—	1,438,630	(23,275,265)
Total accumulated depreciation	<u>(271,686,821)</u>	<u>(17,264,163)</u>	<u>—</u>	<u>1,451,794</u>	<u>(287,499,190)</u>
Net total depreciable assets	<u>427,623,185</u>	<u>(15,200,433)</u>	<u>22,551,804</u>	<u>(316,709)</u>	<u>434,657,847</u>
Business-type activities capital assets, net	<u>\$ 588,242,691</u>	<u>\$ 17,146,576</u>	<u>\$ 66,170</u>	<u>\$ (316,709)</u>	<u>\$ 605,138,728</u>

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

Utility	\$ 16,145,768
Nonmajor Proprietary	1,118,395
Total depreciation expense	<u>\$ 17,264,163</u>

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F. Disaggregation of Payables

Payables at December 31, 2021, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 8,170,619	\$ 1,141,042	\$ 2,976,481	\$ —	\$ 12,288,142
GCIF	3,290,830	1,282,102	—	—	4,572,932
WEDA	1,869,789	—	—	—	1,869,789
Nonmajor governmental	1,681,838	12,695	67,622	—	1,762,155
Subtotal - Governmental Funds	15,013,076	2,435,839	3,044,103	—	20,493,018
Reconciliation of balances to government-wide financial statements:					
Long-term liabilities susceptible to full accrual reporting	—	—	47,224	470,950	518,174
Internal service funds	647,898	—	39,357	40,141	727,396
Total - Governmental Activities	<u>\$ 15,660,974</u>	<u>\$ 2,435,839</u>	<u>\$ 3,130,684</u>	<u>\$ 511,091</u>	<u>\$ 21,738,588</u>
Business-type Activities:					
Utilities	\$ 4,096,295	\$ 597,518	\$ 374,434	\$ 364,213	\$ 5,432,460
Nonmajor proprietary	662,765	9,561	56,366	30,628	759,320
Total - Business-type Activities	<u>\$ 4,759,060</u>	<u>\$ 607,079</u>	<u>\$ 430,800</u>	<u>\$ 394,841</u>	<u>\$ 6,191,780</u>

**CITY OF WESTMINSTER, COLORADO
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G. Interfund Transfers

Transfer activity for the year ended December 31, 2021 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	\$ —	\$ 4,208,004	\$ —	\$ 1,225,000	\$ 685,004	\$ 6,118,008
General Capital Improvement Fund	—	—	—	13,695,730	—	13,695,730
WEDA	—	12,309,834	—	—	—	12,309,834
Nonmajor Governmental Funds	90,573	111,770	63,000	2,054,665	93,972	2,413,980
Utility Fund	189,817	—	—	13,182	—	202,999
Grand Totals	\$ 280,390	\$ 16,629,608	\$ 63,000	\$ 16,988,577	\$ 778,976	\$ 34,740,551

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 2021, a transfer of \$12,309,834 from WEDA to the General Capital Improvement Fund transpired to provide funding for an interceptor sewer project. A transfer of \$13,695,730 from the General Capital Improvement Fund to the Nonmajor Governmental Open Space Fund transpired due to a reallocation of capital projects. 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	\$ 189,817
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	13,182
From the General Fund to the Nonmajor Proprietary fund (Parking Management Fund) to assist with operating expenditures	(685,004)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(93,972)
Total transfers between Governmental and Business Type Activities Funds	\$ (575,977)

Reconciliation of Transfers between Governmental and Business-type Activities

Transfers between Governmental and Proprietary Funds	\$ (575,977)
Reassignment of capital assets between governmental and internal service funds	6,340
Reassignment of capital assets between governmental and business-type activities	(72,510)
	\$ (642,147)

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H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2021 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	\$ 18,000,000	\$ —	\$ (2,595,000)	\$ 15,405,000	\$ 2,370,000
Tax increment bonds	15,650,000	—	(1,715,000)	13,935,000	1,765,000
Tax increment loans from direct placements	37,655,000	—	(4,125,000)	33,530,000	4,270,000
Notes from direct borrowings and direct placements	2,135,789	1,513,458	(530,894)	3,118,353	647,280
Certificates of participation	52,750,000	—	(5,825,000)	46,925,000	7,005,000
	<u>126,190,789</u>	<u>1,513,458</u>	<u>(14,790,894)</u>	<u>112,913,353</u>	<u>16,057,280</u>
Bond premium	6,137,874	—	(785,935)	5,351,939	—
Bond discount	(163,142)	—	21,282	(141,860)	—
Total bonds, loans and notes payable	<u>132,165,521</u>	<u>1,513,458</u>	<u>(15,555,547)</u>	<u>118,123,432</u>	<u>16,057,280</u>
Other liabilities:					
Compensated absences	7,970,369	11,569,223	(12,055,562)	7,484,030	379,441
OPEB	2,773,415	1,891,965	—	4,665,380	—
Pollution remediation	153,000	—	(153,000)	—	—
Total other liabilities	<u>10,896,784</u>	<u>13,461,188</u>	<u>(12,208,562)</u>	<u>12,149,410</u>	<u>379,441</u>
Governmental activities long-term liabilities	<u>\$ 143,062,305</u>	<u>\$ 14,974,646</u>	<u>\$ (27,764,109)</u>	<u>\$ 130,272,842</u>	<u>\$ 16,436,721</u>
Business-Type Activities:					
Bonds, notes, loans and other long-term debt issues:					
Revenue bonds	\$ 93,400,000	\$ —	\$ (1,735,000)	\$ 91,665,000	\$ 3,405,000
Notes from direct borrowings and direct placements	27,311,451	1,309,546	(2,008,932)	26,612,065	2,215,693
Certificates of participation	1,385,000	6,650,000	(445,000)	7,590,000	460,000
	<u>122,096,451</u>	<u>7,959,546</u>	<u>(4,188,932)</u>	<u>125,867,065</u>	<u>6,080,693</u>
Add:					
Bond/Notes premium	16,624,429	—	(1,166,432)	15,457,997	—
Bond discount	(6,850)	—	2,565	(4,285)	—
Total bonds, notes and loans payable	<u>138,714,030</u>	<u>7,959,546</u>	<u>(5,352,799)</u>	<u>141,320,777</u>	<u>6,080,693</u>
Other liabilities:					
Compensated absences	996,835	1,680,298	(1,634,411)	1,042,722	19,739
OPEB	568,438	319,422	—	887,860	—
Pollution remediation	262,595	—	(14,676)	247,919	10,000
Total other liabilities	<u>1,827,868</u>	<u>1,999,720</u>	<u>(1,649,087)</u>	<u>2,178,501</u>	<u>29,739</u>
Business-type activities long-term liabilities	<u>\$ 140,541,898</u>	<u>\$ 9,959,266</u>	<u>\$ (7,001,886)</u>	<u>\$ 143,499,278</u>	<u>\$ 6,110,432</u>

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Long-term liability outstanding at December 31, 2021 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	\$ 10,545,000	\$ 1,215,000	5%	12/01/22
Sales and Use Tax POST Refunding Series 2015	Refunding/POST 2007D	18,500,000	<u>14,190,000</u>	2.0-5.0%	12/01/31
Total Governmental Activities			<u>15,405,000</u>		
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	36,260,000	1.5-5.0%	12/01/36
Water/Wastewater Revenue Series 2019	Water and Wastewater Bonds	38,025,000	38,025,000	3.0-5.0%	12/01/39
Water/Wastewater Refunding Series 2020	Refunding Water/Wastewater 2010	17,380,000	<u>17,380,000</u>	2.0-5.0%	12/01/30
Total Business-type Activities			<u>91,665,000</u>		
Total Revenue bonds			<u>\$ 107,070,000</u>		

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

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2022	\$ 2,370,000	\$ 650,569	\$ 3,020,569	2022	\$ 3,405,000	\$ 3,884,950	\$ 7,289,950
2023	1,190,000	555,169	1,745,169	2023	3,575,000	3,714,700	7,289,700
2024	1,250,000	495,669	1,745,669	2024	3,650,000	3,633,950	7,283,950
2025	1,315,000	433,169	1,748,169	2025	3,780,000	3,505,500	7,285,500
2026	1,380,000	367,419	1,747,419	2026	3,945,000	3,336,200	7,281,200
2027-2031	7,900,000	830,044	8,730,044	2027-2031	22,905,000	13,630,000	36,535,000
				2032-2036	29,570,000	7,369,900	36,939,900
Total	<u>\$ 15,405,000</u>	<u>\$ 3,332,039</u>	<u>\$ 18,737,039</u>	2037-2039	20,835,000	1,331,450	22,166,450
				Total	<u>\$ 91,665,000</u>	<u>\$ 40,406,650</u>	<u>\$ 132,071,650</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	<u>\$ 13,935,000</u>	4%	12/01/28
Total Tax Increment Bonds			<u>13,935,000</u>		
Tax Increment Loans - Direct Placement					
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	29,840,000	3.51%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	<u>3,690,000</u>	(1)	12/01/28
Total Increment Loans - Direct Placement			<u>33,530,000</u>		
Total Governmental Activities			<u>\$ 47,465,000</u>		

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

Year	Bonds		Direct Placement Loans		Total
	Principal	Interest	Principal	Interest	
2022	\$ 1,765,000	\$ 563,425	\$ 4,270,000	\$ 1,172,844	\$ 7,771,269
2023	1,840,000	492,825	4,419,000	1,023,446	7,775,271
2024	1,910,000	419,225	4,574,000	868,834	7,772,059
2025	1,970,000	361,925	4,733,000	708,798	7,773,723
2026	2,050,000	283,125	4,897,000	543,198	7,773,323
2027-2028	4,400,000	253,750	10,637,000	566,424	15,857,174
Total	<u>\$ 13,935,000</u>	<u>\$ 2,374,275</u>	<u>\$ 33,530,000</u>	<u>\$ 4,883,544</u>	<u>\$ 54,722,819</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%.

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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	\$ 1,420,000	3.25% - 4.25%	12/01/22
Certificates of Participation 10	Ice Centre Refunding	9,950,000	1,880,000	3.0% - 4.5%	12/01/22
Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	4,770,000	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	3,700,000	1.54% - 3.72%	12/01/24
Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	5,155,000	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>46,925,000</u>		
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	940,000	3.25% - 4.25%	12/01/23
Certificates of Participation 21	Golf Course Irrigation	6,650,000	6,650,000	1.85%	12/01/36
Total Business-type Activities			<u>7,590,000</u>		
Total Certificate of Participation			<u>\$ 54,515,000</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:

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2022	\$ 7,005,000	\$ 2,091,830	\$ 9,096,830	2022	\$ 460,000	\$ 191,331	\$ 651,331
2023	3,835,000	1,815,385	5,650,385	2023	900,000	139,083	1,039,083
2024	3,980,000	1,668,701	5,648,701	2024	430,000	113,266	543,266
2025	4,130,000	1,512,100	5,642,100	2025	435,000	105,311	540,311
2026	1,585,000	1,318,200	2,903,200	2026	445,000	97,171	542,171
2027-2031	9,190,000	5,320,250	14,510,250	2027-2031	2,345,000	359,178	2,704,178
2032-2036	11,725,000	2,782,000	14,507,000	2032-2036	2,575,000	132,830	2,707,830
2037-2038	5,475,000	330,600	5,805,600				
Total	<u>\$ 46,925,000</u>	<u>\$ 16,839,066</u>	<u>\$ 63,764,066</u>	Total	<u>\$ 7,590,000</u>	<u>\$ 1,138,170</u>	<u>\$ 8,728,170</u>

Notes from Direct Borrowings and Placements

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	16 Fire Pumper	\$ 1,040,859	\$ 314,947	2.36%	06/28/23
Note	19 Fire Ladder	1,039,835	763,092	2.95%	01/15/26
Note	20 Fire Pumper	613,388	526,856	1.30%	01/22/27
Note	21 Fire Pumper	613,388	613,388	1.36%	02/01/28
Note	21 Parks & Golf Maintenance Equipment	900,070	900,070	1.43%	01/15/26
Total Notes from Direct Borrowings - Governmental Activities			<u>3,118,353</u>		
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	3,422,500	3.32%	06/01/25
Colorado Water Resources and Power Development Authority Note 20	Big Dry Creek Interceptor Sewer Repair/Replacement and Capacity Increase	23,331,532	21,849,484	1.28%	06/01/40
Rehfeld Note	Purchase of water shares	180,000	30,535	4.00%	03/31/23
Golf Course Note	21 Parks & Golf Maintenance Equipment	1,309,546	1,309,546	1.43%	01/15/26
Total Notes from Direct Borrowings and Placements - Business-type Activities			<u>26,612,065</u>		
Total Notes from Direct Borrowings and Placements			<u>\$ 29,730,418</u>		

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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
2022	\$ 647,280	\$ 50,797	\$ 698,077	2022	\$ 2,215,693	\$ 473,493	\$ 2,689,186
2023	655,813	44,927	700,740	2023	2,278,861	418,062	2,696,923
2024	505,181	32,040	537,221	2024	2,346,881	323,057	2,669,938
2025	514,243	22,730	536,973	2025	1,869,961	290,653	2,160,614
2026	523,858	13,226	537,084	2026	1,366,733	269,132	1,635,865
2027-2028	271,978	4,696	276,674	2027-2031	5,730,692	1,097,356	6,828,048
				2032-2036	6,169,993	652,388	6,822,381
				2037-2040	4,633,251	142,372	4,775,623
Total	<u>\$ 3,118,353</u>	<u>\$ 168,416</u>	<u>\$ 3,286,769</u>	Total	<u>\$ 26,612,065</u>	<u>\$ 3,666,513</u>	<u>\$ 30,278,578</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 Pumps contain provisions that in an event of default, outstanding rental payments, which have been appropriated for that fiscal year, become immediately due. These notes also have prepayment penalties ranging from 1%-3% of the remaining principal.

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

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 Maintenance Equipment 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
DECEMBER 31, 2021**

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, 2021 was as follows:

Governmental activities:

Capital Assets, net of accumulated depreciation: \$ 435,260,261

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2010	\$ 1,215,000	\$ —	\$ 1,215,000	\$ —	\$ 1,215,000
Sales and Use Tax Refunding Series 2015	14,190,000	558,624	14,748,624	—	14,748,624
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	13,935,000	352,858	14,287,858	—	14,287,858
WEDA Revenue Loan Series 2012 (North Huron)	29,840,000	—	29,840,000	—	29,840,000
WEDA Revenue Loan Series 2012 (South Sheridan)	3,690,000	(99,932)	3,590,068	—	3,590,068
Notes payable	3,118,353	—	3,118,353	17,750	3,100,603
Certificates of Participation	46,925,000	2,506,799	49,431,799	1,454,490	47,977,309
Accounts payable and retainage incurred for capital asset purchases	4,989,162	—	4,989,162	—	4,989,162
Total Governmental Activities	<u>\$ 117,902,515</u>	<u>\$ 3,318,349</u>	<u>\$ 121,220,864</u>	<u>\$ 1,472,240</u>	<u>119,748,624</u>

Net investment in capital assets, governmental activities

\$ 315,511,637

Business-type activities:

Capital Assets, net of accumulated depreciation: \$ 605,138,728

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2016	\$ 36,260,000	\$ 6,117,160	\$ 42,377,160	\$ —	\$ 42,377,160
Water/Wastewater Revenue Series 2019	38,025,000	5,264,048	43,289,048	19,542,033	23,747,015
Water/Wastewater Refunding Series 2020	17,380,000	2,671,982	20,051,982	—	20,051,982
Certificates of Participation 10 (Golf Course Portion)	7,590,000	7,240	7,597,240	3,984,201	3,613,039
Water Notes	25,302,519	906,278	26,208,797	15,862,646	10,346,151
Notes payable	1,309,546	—	1,309,546	159,666	1,149,880
Accounts payable and retainage incurred for capital asset purchases	3,127,328	—	3,127,328	—	3,127,328
Total Business Type Activities	<u>\$ 128,994,393</u>	<u>\$ 14,966,708</u>	<u>\$ 143,961,101</u>	<u>\$ 39,548,546</u>	<u>104,412,555</u>

Net investment in capital assets, business-type activities

500,726,173

Total net investment in capital assets

\$ 816,237,810

**CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2021**

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:

- \$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 \$1,604,250 for the general sales and use tax revenue bonds and \$1,748,569 for the Parks Open Space Tax (POST) revenue bonds. They were paid using 1.7% of the general sales tax net pledged revenues totaling \$91,846,795 and 22.9% of the POST net pledged revenues totaling \$7,648,989 respectively. Total principal and interest payments remaining on the general sales and use tax bonds is \$1,275,750 payable through December 2022 and \$17,461,289 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 \$7,781,530 reported in the WEDA statements were paid using 53.5% of incremental net pledged revenues and prior year pledged revenues for a total of \$14,556,106. Total principal and interest remaining on the bonds and loans is \$54,722,819 payable through December 2028.

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

Colorado Water Resource and Power Development Authority Notes:

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

Revenue Bonds:

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

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$8,047,843 reported in the Utility statements were paid using 18.9% of pledged net revenues totaling \$42,471,203. Total principal and interest remaining on the revenue bonds and loans is \$160,957,916 payable through June 2040.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Loan Series 2012 (North Huron), and Revenue Loan Series 2012 (South Sheridan) with an aggregate balance of \$47,465,000 outstanding as of December 31, 2021. 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
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L. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Loss on refunding debt	Pension	OPEB	Total
Governmental Fund Activities:				
Reconciliation of balances in fund financial statements to government-wide financial statements	\$ 1,891,730	\$ 16,205,509	\$ 669,301	\$ 18,766,540
Total - Governmental Activities	1,891,730	16,205,509	669,301	18,766,540
Business-type Activities:				
Utility Fund	480,377	—	115,316	595,693
Nonmajor proprietary funds	6,627	—	14,863	21,490
Total - Business-type Activities:	487,004	—	130,179	617,183
Total Government-wide Activities	<u>\$ 2,378,734</u>	<u>\$ 16,205,509</u>	<u>\$ 799,480</u>	<u>\$ 19,383,723</u>

Deferred Inflows of Resources	Property taxes	Pensions	OPEB	Grants	Assessments, Notes and Leases	Other	Total
Governmental Fund Activities:							
General	\$ 7,291,167	\$ —	\$ —	\$ 33,441	\$ 1,407,322	\$ 283,614	\$ 9,015,544
GCIF	—	—	—	1,870,892	963,169	2,000	2,836,061
WEDA	18,944,611	—	—	—	6,930,851	—	25,875,462
Other Governmental	549,837	—	—	718,908	396,877	—	1,665,622
Subtotal	26,785,615	—	—	2,623,241	9,698,219	285,614	39,392,689
Reconciliation of balances in fund financial statements to government-wide financial statements	—	12,207,669	456,916	(2,623,241)	(9,503,372)	(285,614)	252,358
Total - Governmental Activities	<u>\$ 26,785,615</u>	<u>\$ 12,207,669</u>	<u>\$ 456,916</u>	<u>\$ —</u>	<u>\$ 194,847</u>	<u>\$ —</u>	<u>\$ 39,645,047</u>
Business-type Activities:							
Utility Fund	\$ —	\$ —	\$ 81,124	\$ —	\$ —	\$ —	\$ 81,124
Nonmajor Proprietary funds	—	—	10,293	—	—	—	10,293
Total - Business-type Activities:	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 91,417</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 91,417</u>
Total Government-wide Activities	<u>\$ 26,785,615</u>	<u>\$ 12,207,669</u>	<u>\$ 548,333</u>	<u>\$ —</u>	<u>\$ 194,847</u>	<u>\$ —</u>	<u>\$ 39,736,464</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 2020 to 2021. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

The City has an Administrative Service Only plan with Aetna, whereby the City pays Aetna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$175,000 per individual per year. The Aetna plans have an unlimited lifetime benefit. The City also provides a PPO dental plan through Delta Dental. The purpose of this program is to pay the dental claims of eligible City employees and their covered dependents. The City has recorded a liability in this fund totaling \$437,564 for open and estimated claims not yet reported at December 31, 2021 and no receivable balance for claims in excess of the stop loss.

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

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2017, the program covers individual losses up to \$550,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$192,124 for open claims and estimated claims not yet reported at December 31, 2021.

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 \$1,539,539 for open claims at December 31, 2021.

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

Year	Beginning Balance Unpaid Claims	Incurred Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2020	\$ 3,269,333	\$ 16,596,141	\$ 17,373,953	\$ 2,491,521
2021	\$ 2,491,521	\$ 13,669,767	\$ 13,992,061	\$ 2,169,227

CITY OF WESTMINSTER, COLORADO
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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, 2021, 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 2021 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 grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

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

Various suits and claims are pending against the City as of December 31, 2021. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

Due to the lingering concerns of the COVID-19 pandemic as well as the global impacts related to inflation, worker shortages and supply chain disruption issues, economic uncertainties have arisen that may continue to negatively affect the financial position, results of operations and cash flows of the City. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
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D. Construction and Other Significant Commitments

At December 31, 2021, 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 12/31/2021	Cumulative Expenditures 12/31/2021	Authorized Available 12/31/2021
Governmental activities:			
General Capital Improvement Fund	\$ 100,854,186	\$ 18,879,163	\$ 81,975,023
Westminster Economic Development Authority	10,900,739	34,292	10,866,447
Nonmajor Governmental activities	19,234,676	2,042,274	17,192,402
General Capital Outlay Replacement Fund	5,738,404	—	5,738,404
Total Governmental activities	<u>\$ 136,728,005</u>	<u>\$ 20,955,729</u>	<u>\$ 115,772,276</u>
Business-type activities			
Utility Fund	\$ 119,329,031	\$ 34,080,675	\$ 85,248,356
Nonmajor Business-type activities	7,497,399	3,239,656	4,257,743
Total Business-type activities	<u>\$ 126,826,430</u>	<u>\$ 37,320,331</u>	<u>\$ 89,506,099</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 2021 rate charged by Denver Water was \$1.11 per thousand gallons, or \$361.69 per acre-foot (there are 325,851 gallons in one acre-foot). For the fiscal period of July 1, 2020 through June 30, 2021 the City paid Denver Water \$212,314 for 587 acre-feet of water delivered in March 2021. For the period of July 1, 2021 through December 31, 2021, the City paid Denver Water \$121,351 for approximately 336 acre-feet of water delivered between October 2021 and November 2021. Thus, the 2021 calendar year total cost for the contract was \$333,665.

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, 2021 through December 31, 2021 was \$5.54 per thousand gallons, for a total lease cost of \$4,203,545. 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.

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

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

Contributions and Vesting The mandatory employee contribution is 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. Employee contributions and any earnings they generate are always 100% vested. The employer contribution rate is 10.25% of base pay. For eligible employees hired prior to June 1, 2021, the employer contributions begin after 22 months of employment and are 100% vested. For eligible employees hired on or after June 1, 2021, the employer contributions begin immediately. The value of employer contributions to the Plan, and any earnings they generate, are vested as follows for eligible employees hired on or after June 1, 2021:

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

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

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

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

Summary of Contributions For the year ended December 31, 2021, contributions made to the plan equaled required contributions and were as follows:

	2021
401(a) Defined Contribution Plan	
City Contributions	\$ 4,731,375
Mandatory employee contributions	5,094,306
Voluntary employee contributions	45,632
Rollover contribution	1,062,075
Total	\$ 10,933,388

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.

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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 10.5 percent of salary and the City contributes 10 percent. Members are always fully vested in their own contributions, and the earnings on those contributions. Vesting in the employer's contributions and earnings on those contributions occurs according to the vesting schedule set by state statute at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members. Total contributions to the Statewide Money Purchase Plan from the City were \$47,630 and \$21,262 for the Fire and Police Plans respectively for the year ended December 31, 2021.

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 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 \$19,500 for the calendar year 2021. Catch-up contributions up to \$6,500 for calendar year 2021 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$5,206,124 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$284,050. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$10,224.

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

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

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

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

Plan	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Fire Plan	\$ 3,250,686	\$ 6,000,616	\$ 3,351,851	\$ 1,018,138
FPPA SWDB - Police Plan	4,819,664	8,076,252	7,132,211	1,012,859
FPPA SWH - Fire Plan	759,359	859,995	218,286	23,861
FPPA SWH - Police Plan	2,245,754	1,268,646	1,330,526	(467,285)
Volunteer Firefighter	1,236,995	—	174,795	(157,339)
Totals	<u>\$ 12,312,458</u>	<u>\$ 16,205,509</u>	<u>\$ 12,207,669</u>	<u>\$ 1,430,234</u>

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

General Information about the Statewide Defined Benefit Pension Plan

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

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

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

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

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

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Members of the SWDB plan and the City are contributing at the rate of 11.5 and 8.5 percent, respectively, of base salary for a total contribution rate of 20 percent for 2021. Member contribution rates are scheduled to increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually through 2030 to a total of 13 percent of pensionable earnings.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 23.5 percent of base salary for 2021. The re-entry group is scheduled to have their required member contribution rate increase 0.5 percent annually through 2022. Beginning January 1, 2021, the required additional 4 percent contribution reduced to 0.2 percent. It is a local decision as to whether the member or employer pays the additional 0.2 percent contribution. Employer contributions will remain at 10 percent and increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings. The member contribution rate will remain at 14% in 2022.

Total contributions to the SWDB Fire Plan and SWDB Police Plan from the City were \$1,062,014 and \$1,416,568 respectively for the year ended December 31, 2021.

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

At December 31, 2021, the City reported assets for the SWDB Fire Plan and SWDB Police Plan of \$3,250,686 and \$4,819,664 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021, which was unchanged from December 31, 2020. The City's proportion of the net pension asset was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2020, the City's proportion for the SWDB Fire Plan and SWDB Police Plan was 1.497 percent and 2.220 percent respectively, which was a decrease of 0.065 percent for the SWDB Fire Plan and a decrease of 0.045 percent for the SWDB Police Plan from the proportions measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$1,018,138 for the SWDB Fire Plan and pension expense of \$1,012,859 for the SWDB Police Plan. At December 31, 2021, 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	\$ 2,756,901	\$ 12,929	\$ 4,087,548	\$ 19,170
Changes of assumptions	1,382,566	—	2,049,875	—
Net difference between projected and actual earnings on pension plan investments	—	3,338,922	—	4,950,487
Changes in proportion	799,135	—	522,261	2,162,554
City contributions subsequent to the measurement date	1,062,014	—	1,416,568	—
Total	\$ 6,000,616	\$ 3,351,851	\$ 8,076,252	\$ 7,132,211

The SWDB Fire Plan and SWDB Police Plan respectively reported \$1,062,014 and \$1,416,568 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, 2022.

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

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Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2022	\$ (244,012)	\$ (858,481)
2023	189,067	(216,373)
2024	(372,669)	(1,049,236)
2025	194,309	(207,009)
2026	708,168	567,418
Thereafter	1,111,888	1,291,154
Total	<u>\$ 1,586,751</u>	<u>\$ (472,527)</u>

Actuarial assumptions. The January 1, 2021 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2021
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table:

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

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

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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	\$ 3,271,305	\$ (3,250,686)	\$ (8,651,709)
City's proportionate share of the net pension liability (asset) - Police Plan	4,850,234	(4,819,664)	(12,827,546)

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

Changes Between the Measurement Date of the Net Pension Asset and December 31, 2021. During 2020, legislation was passed effective January 1, 2021 that amended the Statewide Defined Benefit Plan. Amendments to the related contribution rates and benefits of this plan are described in the contributions and benefits section previously provided. Additionally, the stabilization reserve accounts (SRA) of the Defined Benefit System became self-directed accounts with assets of \$123.6 million transferred to the FPPA Members' Self-Directed Investment Fund after the January 1, 2021 actuarial valuation date. This transfer does not impact the net pension liability/(asset) of the plan as the transfer of assets will reduce both the total pension liability and the plan fiduciary net position.

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

General Information about the Statewide Hybrid Plan

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

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

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

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

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Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2020 through June 30, 2021 is 13.8 percent. The Defined Benefit Component contribution rate from July 1, 2019 through June 30, 2020 was 13.4 percent. Effective July 1, 2020 the Defined Benefit Component contribution rate is set at 13.8 percent.

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

Members of the SWH plan and the City are contributing at the rate of 10.5 and 10 percent, respectively, of base salary for a total contribution rate of 20.5 percent for 2021. Member contribution rates are scheduled to increase 0.5 percent annually through 2024 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings.

Total contributions to the SWH Fire Plan and Police Plan from the City were \$27,952 and \$131,851 respectively for the year ended December 31, 2021.

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

At December 31, 2021, the City reported assets for the SWH Fire Plan and SWH Police Plan of \$759,359 and \$2,245,754 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021, which was unchanged from December 31, 2020. 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, 2020, the City's proportion for the SWH Fire Plan and SWH Police Plan was 2.761 percent and 8.165 percent respectively, which was a decrease of 0.955 percent and a decrease of 0.028 percent for the SWH Fire Plan and SWH Police Plan respectively from the proportions measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$23,861 for the SWH Fire Plan and a reduction of pension expense of \$467,285 for the SWH Police Plan. At December 31, 2021, 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	\$ 281,989	\$ —	\$ 833,964	\$ —
Changes of assumptions	35,664	—	105,472	—
Net difference between projected and actual earnings on pension plan investments	—	175,843	—	520,044
Changes in proportion	514,390	42,443	197,359	810,482
City contributions subsequent to the measurement date	27,952	—	131,851	—
Total	<u><u>\$ 859,995</u></u>	<u><u>\$ 218,286</u></u>	<u><u>\$ 1,268,646</u></u>	<u><u>\$ 1,330,526</u></u>

The SWH Fire Plan and SWH Police Plan respectively reported \$27,952 and \$131,851 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, 2022.

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

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Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2022	\$ 141,749	\$ (118,643)
2023	162,821	(56,321)
2024	125,832	(170,109)
2025	96,580	65,656
2026	70,289	71,560
Thereafter	16,486	14,126
Total	<u>\$ 613,757</u>	<u>\$ (193,731)</u>

Actuarial assumptions. The January 1, 2021 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2021
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table:

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

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.

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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	\$ (523,349)	\$ (759,359)	\$ (955,127)
City's proportionate share of the net pension asset - Police Plan	(1,547,768)	(2,245,754)	(2,824,724)

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 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, 2021, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	25
Terminated volunteers entitled to benefits but not receiving benefits	—
Active plan members	—
Total	25

Contributions. Contributions are determined on an actuarial basis. An actuarial study performed as of January 1, 2019, states that the current level of assets in the fund are in excess of the amount needed to pay the capped maximum of \$700 per month and all prorated amounts by \$1,236,995. Therefore, no additional contributions are required at this time by the City and none were required in 2021. State statutes govern contribution requirements. The required contribution for 2021 was determined as part of the 2019 actuarial valuation using the entry age actuarial cost method.

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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, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021, which is unchanged from December 31, 2020. 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, 2019, determines the contribution amounts for 2020 and 2021. The actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023.

Actuarial assumptions. The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return, for each major asset class included in the plan's target asset allocation as of December 31, 2020, is summarized in the table below.

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

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

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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 1/1/2021	\$ 1,518,939	\$ 2,505,603	\$ (986,664)
Changes for the year:			
Interest on the total pension liability	100,851	—	100,851
Difference between expected and actual experience of the total pension liability	(45,954)	—	(45,954)
Net investment income	—	311,207	(311,207)
Benefit payments	(159,110)	(159,110)	—
Pension plan administrative expense	—	(5,979)	5,979
Net Changes	<u>(104,213)</u>	<u>146,118</u>	<u>(250,331)</u>
Balances at 12/31/2021	<u>\$ 1,414,726</u>	<u>\$ 2,651,721</u>	<u>\$ (1,236,995)</u>

Sensitivity of the net pension asset to changes in the single discount rate. The following presents the net pension asset of the plan, calculated using the single discount rate of 7.00 percent, as well as what the plan's net pension asset would be if 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	(\$1,133,310)	(\$1,236,995)	(\$1,328,243)

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, 2021, the plan recognized a reduction of pension expense of \$157,339. At December 31, 2021, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ —	\$ 174,795
Total	<u>\$ —</u>	<u>\$ 174,795</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
2022	\$ (58,639)
2023	(25,881)
2024	(61,976)
2025	(28,299)
Total	<u>\$ (174,795)</u>

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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, 2021. The liability is allocated based upon the number of employees paid by the respective fund.

	Total OPEB (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Governmental activities	\$ (4,665,380)	\$ 669,301	\$ 456,916	\$ 1,752,828
Business-type activities	(887,860)	130,179	91,417	297,061
Totals	\$ (5,553,240)	\$ 799,480	\$ 548,333	\$ 2,049,889

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, 2021, was 900 and 41, respectively, for a total of 941.

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.

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

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

Total OPEB Liability. The City's total OPEB liability of \$5,553,240 as of December 31, 2021 was determined by actuarial valuation as of December 31, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal, determined as a level percent of projected pay
Inflation	3.0% per year
Payroll growth	3.0% per year, Source: Colorado PERA Local Government Division December 31, 2020 Actuarial Valuation
Discount rate	2.25% Source: S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2021

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

Year	2021	2022	2023	2024	2025	2026	2027	2028+
Trend Rate	6.02%	5.83%	5.63%	5.44%	5.25%	5.06%	4.86%	4.67%

For active employees, mortality rates were based on the PubG-2010 Employee table, and for retirees, the rates were based on the PubG-2010 Healthy Retiree table, adjusted for males to 95% of the rates prior to age 80 and 90% of the rates for ages 80 and older and females to 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older. All tables use generational projection based on scale MP-2019.

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Changes in Assumptions

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

Assumption	Description	Source/Reason	Impact on Liability
Discount Rate	Increased from 1.93% to 2.25%	S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2021	\$ (89,122)
Participation Rate	Retirees taking the benefit increased from 25% to 27%; percent of retirees covering spouse increased for 20% to 24%	Based on study of last five years of City retirements	252,875
Medical Trend	Graded down from 6.02% to 4.67%; prior was 6.4% graded down to 5.7%	Based on Deloitte 2021 Study of Economic Assumptions	(281,173)
Payroll Trend	Reduced from 3.5% to 3.0%	Updated to reflect CO PERA Local Government Division 12/31/20 pension valuation assumptions	92,853
Miscellaneous Assumptions	Mortality, termination, disability and retirement rates	Updated to reflect CO PERA Local Government Division 12/31/20 pension valuation assumptions	115,848
Total Impact			\$ 91,281

Change in Benefit Terms

The January 2022 implementation of an explicit health insurance contribution for retirees who meet certain criteria resulted in an increase in the total OPEB liability off approximately \$1.3 million.

Changes in Total OPEB Liability

	OPEB Liability
Total OPEB Liability – December 31, 2020	\$ 3,341,853
Changes for the year	
Service cost	560,119
Interest	75,192
Differences between expected and actual experience	117,810
Changes of assumptions or other inputs	91,281
Changes in benefit terms	1,298,392
Employer benefit payments	68,593
Net changes for the year	2,211,387
Total OPEB Liability – December 31, 2021	<u>\$ 5,553,240</u>

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	Discount Rate	1% Increase
	1.25%	2.25%	3.25%
Total OPEB Liability	\$ 6,003,885	\$ 5,553,240	\$ 5,130,932

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

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

	Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates		
	1% Decrease	Discount Rate	1% Increase
	5.02%	6.02%	7.02%
Total OPEB Liability	\$ 4,891,152	\$ 5,553,240	\$ 6,343,911

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2021, the City recognized OPEB expense of \$2,049,889. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 171,732	\$ 197,920
Changes of assumptions and inputs	627,748	350,413
	\$ 799,480	\$ 548,333

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

Year	Net Deferred Outflows (Inflows) of Resources
2022	\$ 47,593
2023	47,593
2024	47,593
2025	47,593
2026	(7,322)
Thereafter	68,097
	\$ 251,147

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, 2021, amounts required as Emergency Reserves in compliance with the Amendment total \$5,839,949 for the general government and an aggregate of \$39,963 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

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

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

L. Joint Ventures

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

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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 2021 was \$676,721. At December 31, 2021, the net book value of the Ice Centre joint venture was \$3,631,450 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, 2021, the City's fifty percent equity interest in the Foundation is \$837,196.

Financial statements for the Broomfield-Westminster Open Space Foundation may be obtained by contacting the City of Westminster, Colorado, Finance Department, 303-658-2442.

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors 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, 2021, the City's equity interest in the Church Ditch Authority was \$1,591,789.

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 \$193,982 in 2021. 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 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, 2021, the City incurred a liability to the City of Thornton in the amount of \$3,884,649 and anticipates receiving \$2,585,707 from the City of Thornton in 2022.

O. Arbitrage Compliance

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

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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, 2021 were as follows:

Tax Abatement Program	Amount of Taxes Abated
Development and Redevelopment	
Sales and Use Tax	\$ 385,877
Building Use Tax	66,950
Accommodations Tax	504,504
Total	\$ 957,331

Q. Property Held for Resale

The City purchased a 40,000 square foot parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2021, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474.

WEDA has acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Construction of the first phase (and majority) of planned utilities, roads, parking structure and Central Plaza have been completed. The first six private development projects have opened for business which include the 9-screen Alamo Drafthouse Cinema, 8877 Eaton Street with 118 affordable housing units, the Ascent at Downtown Westminster, a mixed use residential and retail project, the 125 room Origin Hotel, the 226 unit mixed use development called Aspire at Downtown Westminster and the 274 unit mixed use project called Westminster Row. Additionally, the first ownership residential project, Townhomes on Harlan started construction with an anticipated completion in August. Lastly, a number of retail/commercial businesses have opened which include Sweet Bloom Coffee, Westminster Tap & Burger, Familie Restaurant, Tattered Cover Bookstore, Lash & Company, 100% Chiropractic and Hope Pediatric Dentistry. At December 31, 2021, the properties still held by WEDA were reported as property held for resale in the financial statements at value of \$11,848,492, which is cost.

The City acquired five properties located in the 7300 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds with the intention of selling these properties to a developer for a United States Department Housing and Urban Development project. As of December 31, 2021, the properties were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a net realizable value of \$227,579.

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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, 2021, Industrial Revenue Bonds outstanding aggregated \$30,610,000.

S. Debt Issues

On January 15, 2021, the City of Westminster entered into a lease purchase agreement with JPMorgan Chase Bank, N.A., in the amount of \$613,388 at the rate of 1.36% for the acquisition of a Fire Pumper Truck.

On May 12, 2021, the City of Westminster entered into a lease purchase agreement with ZMFU II, Inc., in the amount of \$2,209,616 at a rate of \$1.43% for the acquisition of Parks and Golf Maintenance Equipment.

On September 1, 2021, the City of Westminster, through a competitive private placement, issued \$6,650,000 in tax-exempt Certificates of Participation, Series 2021 with an arbitrage yield of 1.85%.

T. Pollution Remediation

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

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 30 year period. At December 31, 2021, the pollution remediation liability was \$247,919 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. 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, 2021 revenues of \$272,993, \$106,349, \$234,465, and \$61,189, are recorded in the financial statements of the General Fund, Utility Enterprise, WEDA Fund and the Golf Course Enterprise, respectively.

V. Subsequent Event

On April 25, 2022 City Council authorized a lease purchase agreement with US Bancorp Government Leasing and Financing for \$1,294,217 at a rate of 2.073% in order to acquire a new Aerial Ladder Fire Truck from Front Range Fire Apparatus. The lease purchase was effective April 28, 2022. The term of the lease is for seven years with the final payment being made on April 28, 2029.

On January 10, 2022, City Council authorized the reduction of residential water rates for Tier 3 ratepayers. On March 14, 2022, City Council authorized further reductions of residential water rates to take effect June 1, 2022, for ratepayers of Tiers 1 and 2 as well as increased consumption thresholds for those tiers. These rate reductions are projected to reduce Utility Fund revenues by approximately \$4,100,000 annually.

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An aerial photograph of a coastal area, likely a bay or estuary, showing intricate water channels and landmasses. The water is a deep teal color, and the land is a dark, almost black color. A semi-transparent teal oval is overlaid on the top right portion of the image, containing the text "Required Supplemental Information" in white, bold, sans-serif font.

**Required
Supplemental
Information**

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 6,586,405	\$ 6,685,405	\$ 6,781,740	\$ 96,335
Sales taxes	77,142,387	84,665,580	92,833,130	8,167,550
Use taxes	14,238,000	16,052,500	19,025,435	2,972,935
Business fees and other taxes	4,696,800	4,734,800	5,194,102	459,302
Accommodations taxes	1,632,000	2,253,000	3,869,743	1,616,743
Intergovernmental	11,034,955	13,377,003	15,172,864	1,795,861
Licenses and permits	2,463,999	3,074,699	2,857,334	(217,365)
Interest	651,211	539,545	(189,706)	(729,251)
Recreation fees	5,428,950	5,434,350	5,935,711	501,361
Fines and forfeits	1,400,000	1,400,000	597,883	(802,117)
Fleet maintenance billings and other	3,952,500	4,192,924	4,293,687	100,763
EMS billings	2,097,000	2,097,000	3,395,779	1,298,779
Total revenues	<u>131,324,207</u>	<u>144,506,806</u>	<u>159,767,702</u>	<u>15,260,896</u>
EXPENDITURES				
General government				
City council	217,237	256,185	134,721	121,464
City attorney's office	1,280,457	1,369,918	1,312,063	57,855
City manager's office	2,792,046	3,059,461	3,059,459	2
Central charges	35,193,405	46,332,184	39,901,791	6,430,393
General services	5,258,486	5,435,303	4,962,440	472,863
Finance	2,317,023	2,286,774	2,055,476	231,298
Human resources	1,827,831	2,073,881	1,887,476	186,405
Information technology	3,651,748	3,944,915	3,537,945	406,970
Policy and budget	464,320	721,028	545,484	175,544
Public safety				
Police	29,373,718	29,666,595	28,685,836	980,759
Fire	17,103,468	17,837,183	17,837,183	—
Public works	7,814,093	7,934,616	7,126,119	808,497
Community development	6,404,583	6,684,618	6,507,314	177,304
Economic development	2,134,381	1,811,059	1,573,231	237,828
Culture and recreation	17,804,921	20,332,881	18,610,889	1,721,992
Total expenditures	<u>133,637,717</u>	<u>149,746,601</u>	<u>137,737,427</u>	<u>12,009,174</u>
Excess of revenues over (under) expenditures	<u>(2,313,510)</u>	<u>(5,239,795)</u>	<u>22,030,275</u>	<u>27,270,070</u>
OTHER FINANCING SOURCES (USES)				
Issuance of notes	—	900,070	900,070	—
Sale of capital asset	38,000	38,000	66,526	28,526
Insurance recoveries	—	343,390	343,390	—
Transfers in	284,817	284,817	280,390	(4,427)
Transfers (out)	(3,065,004)	(6,118,008)	(6,118,008)	—
Total other financing sources (uses):	<u>(2,742,187)</u>	<u>(4,551,731)</u>	<u>(4,527,632)</u>	<u>24,099</u>
Net change in fund balance	<u>\$ (5,055,697)</u>	<u>\$ (9,791,526)</u>	<u>17,502,643</u>	<u>\$ 27,294,169</u>
Fund balance, beginning			47,912,763	
Fund balance, ending			<u>\$ 65,415,406</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 16,584,617	\$ 16,818,887	\$ 17,490,623	\$ 671,736
Interest	—	—	(52,930)	(52,930)
Rentals	—	372,284	372,284	—
Other	4,310	288,895	288,895	—
Total revenues	<u>16,588,927</u>	<u>17,480,066</u>	<u>18,098,872</u>	<u>618,806</u>
EXPENDITURES				
General government	966,250	1,589,128	1,237,814	351,314
Economic development	253,869	271,048	271,048	—
Capital projects	24,370,313	14,431,874	3,565,427	10,866,447
Debt service:				
Principal	5,840,000	5,840,000	5,840,000	—
Interest and fiscal charges	1,945,659	1,947,679	1,941,530	6,149
Total expenditures	<u>33,376,091</u>	<u>24,079,729</u>	<u>12,855,819</u>	<u>11,223,910</u>
Excess of revenues (under) expenditures	<u>(16,787,164)</u>	<u>(6,599,663)</u>	<u>5,243,053</u>	<u>11,842,716</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	67,800	67,800	63,000	(4,800)
Transfers (out)	(1,804,310)	(12,309,834)	(12,309,834)	—
Total other financing sources (uses):	<u>(1,736,510)</u>	<u>(12,242,034)</u>	<u>(12,246,834)</u>	<u>(4,800)</u>
Net change in fund balance	<u>\$ (18,523,674)</u>	<u>\$ (18,841,697)</u>	<u>(7,003,781)</u>	<u>\$ 11,837,916</u>
Fund balance, beginning			49,946,396	
Fund balance, ending			<u>\$ 42,942,615</u>	

Budgetary Information

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

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

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

Appropriations lapse at year end for legally adopted operating budgets.

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

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

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

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

See the disclosure in Note 3.D, Construction and Other Significant Commitments, on page 58.

**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****

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 560,119	\$ 227,909	\$ 181,349	\$ 213,072
Interest	75,192	58,477	109,484	94,506
Differences between expected and actual experience	117,810	(136,325)	98,817	(180,393)
Changes of assumptions or other inputs	91,281	108,645	(540,169)	885,897
Change in benefit terms	1,298,392	—	—	—
Employer benefit payments	68,593	53,226	(177,966)	(250,994)
Net change in total OPEB liability	2,211,387	311,932	(328,485)	762,088
Total OPEB liability - beginning	3,341,853	3,029,921	3,358,406	2,596,318
Total OPEB liability - ending	\$ 5,553,240	\$ 3,341,853	\$ 3,029,921	\$ 3,358,406
Covered payroll	\$ 75,068,768	\$ 77,324,931	\$ 77,907,783	\$ 75,273,220
Total OPEB liability as a percentage of covered payroll	7.40%	4.32%	3.89%	4.50%

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

Notes:

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

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

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

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

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

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

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

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

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

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

Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019, determines the contribution amounts for 2020 and 2021. The actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023.

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

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

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

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

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

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

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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

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

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

	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$326,491	\$341,401	\$376,816	\$426,064	\$405,605	\$409,577	\$434,257	\$422,872
Contributions in relation to the statutorily required contribution	326,491	341,401	376,816	426,064	405,605	409,577	434,257	422,872
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$3,264,911	\$3,414,005	\$3,768,144	\$4,260,611	\$4,064,755	\$4,095,773	\$4,342,533	\$4,228,717
Contributions as a percentage of covered payroll	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %	10.00 %

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

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

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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

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

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

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

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

Information above is presented as of the fiscal year.

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

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

Information above is presented as of the fiscal year.

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

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

Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

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Combining Statements

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

Debt Service Fund

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

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

Capital Project Funds

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

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

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**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Special Revenue Funds				
	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID	Sheridan Crossing GID
ASSETS					
Current assets:					
Cash and cash equivalents	\$ —	\$ 14,000	\$ 93,158	\$ 24,559	\$ 222,825
Cash and cash equivalents with fiscal agent	—	—	—	—	—
Investments	—	114,442	761,503	245,315	1,821,442
Receivables:					
Taxes	—	—	—	145,856	139,223
Accounts	—	—	—	—	816
Note and leases	—	—	396,877	—	—
Grants	—	—	—	—	—
Interest	4,886	337	2,190	674	5,222
Property held for resale	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	208,661	—	—	—	—
Investments	1,705,661	—	—	—	—
Total assets	<u>1,919,208</u>	<u>128,779</u>	<u>1,253,728</u>	<u>416,404</u>	<u>\$ 2,189,528</u>
LIABILITIES					
Accounts payable and other	\$ 168,328	\$ —	\$ 2,888	\$ —	\$ —
Accrued liabilities	—	—	—	—	—
Unearned revenue	—	—	—	—	—
Total liabilities	<u>168,328</u>	<u>—</u>	<u>2,888</u>	<u>—</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>—</u>	<u>—</u>	<u>396,877</u>	<u>145,856</u>	<u>139,223</u>
FUND BALANCES					
Restricted for:					
Capital additions and improvements	1,750,880	—	—	260,836	2,046,509
Contractual obligations	—	—	—	—	—
Emergencies	—	—	198	9,712	3,796
Open space conservation and improvements	—	—	—	—	—
Public safety	—	128,779	—	—	—
Assigned to:					
Community development	—	—	853,765	—	—
Debt service	—	—	—	—	—
Unassigned	—	—	—	—	—
Total fund balances	<u>1,750,880</u>	<u>128,779</u>	<u>853,963</u>	<u>270,548</u>	<u>2,050,305</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,919,208</u>	<u>\$ 128,779</u>	<u>\$ 1,253,728</u>	<u>\$ 416,404</u>	<u>\$ 2,189,528</u>

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

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
\$ 83,650	\$ 1,090	\$ 8,030	\$ 595	\$ 3,320	\$ 3,723	\$ 89	\$ 455,039
—	—	—	—	—	—	—	—
683,779	8,912	65,637	4,862	27,139	30,430	727	3,764,188
105,134	10,747	4,898	30,763	37,499	70,932	4,785	549,837
590	1,857	904	3,310	5,976	380	86	13,919
—	—	—	—	—	—	—	396,877
—	—	—	—	—	—	—	—
1,937	—	168	—	—	84	—	15,498
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	208,661
—	—	—	—	—	—	—	1,705,661
<u>\$ 875,090</u>	<u>\$ 22,606</u>	<u>\$ 79,637</u>	<u>\$ 39,530</u>	<u>\$ 73,934</u>	<u>\$ 105,549</u>	<u>\$ 5,687</u>	<u>\$ 7,109,680</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 171,216
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	171,216
105,134	10,747	4,898	30,763	37,499	70,932	4,785	946,714
767,001	—	66,137	—	—	32,606	454	4,924,423
—	2,332	3,745	6,310	32,433	—	—	44,820
2,955	9,527	4,857	2,457	4,002	2,011	448	39,963
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	128,779
—	—	—	—	—	—	—	853,765
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>769,956</u>	<u>11,859</u>	<u>74,739</u>	<u>8,767</u>	<u>36,435</u>	<u>34,617</u>	<u>902</u>	<u>5,991,750</u>
<u>\$ 875,090</u>	<u>\$ 22,606</u>	<u>\$ 79,637</u>	<u>\$ 39,530</u>	<u>\$ 73,934</u>	<u>\$ 105,549</u>	<u>\$ 5,687</u>	<u>\$ 7,109,680</u>

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Debt Service Fund	Capital Project Fund		Total Other Governmental Funds
	Debt Service	Parks, Open Space & Trails	Community Development Block Grant	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 23,214	\$ 1,778,496	\$ 53,279	\$ 2,310,028
Cash and cash equivalents with fiscal agent	—	25,000	—	25,000
Investments	189,758	14,537,980	435,518	18,927,444
Receivables:				
Taxes	—	1,260,575	—	1,810,412
Accounts	—	—	—	13,919
Note and leases	—	—	—	396,877
Grants	—	—	718,908	718,908
Interest	590	41,353	—	57,441
Property held for resale	—	—	227,579	227,579
Restricted assets:				
Cash and cash equivalents	—	—	—	208,661
Investments	—	—	—	1,705,661
Total assets	<u>\$ 213,562</u>	<u>17,643,404</u>	<u>\$ 1,435,284</u>	<u>\$ 26,401,930</u>
LIABILITIES				
Accounts payable and other	\$ —	\$ 815,786	\$ 707,531	\$ 1,694,533
Accrued liabilities	—	65,506	2,116	67,622
Unearned revenue	—	—	498,055	498,055
Total liabilities	<u>—</u>	<u>881,292</u>	<u>1,207,702</u>	<u>2,260,210</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>—</u>	<u>—</u>	<u>718,908</u>	<u>1,665,622</u>
FUND BALANCES				
Restricted for:				
Capital additions and improvements	—	12,550,244	—	17,474,667
Contractual obligations	—	—	—	44,820
Community development	—	—	227,579	227,579
Emergencies	—	—	—	39,963
Open space conservation and improvements	—	3,668,524	—	3,668,524
Public safety	—	—	—	128,779
Assigned to:				
Community development	—	543,344	—	1,397,109
Debt service	213,562	—	—	213,562
Unassigned	—	—	(718,905)	(718,905)
Total fund balances	<u>213,562</u>	<u>16,762,112</u>	<u>(491,326)</u>	<u>22,476,098</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 213,562</u>	<u>\$ 17,643,404</u>	<u>\$ 1,435,284</u>	<u>\$ 26,401,930</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, 2021

	Special Revenue Funds				
	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID	Sheridan Crossing GID
REVENUES					
Property taxes	\$ —	\$ —	\$ —	\$ 108,254	\$ 126,051
Sales taxes	—	—	—	—	—
Use taxes	—	—	—	—	—
Intergovernmental	1,003,520	—	—	214,801	10,935
Interest	(16,458)	449	(5,126)	683	(10,455)
Fines and forfeitures	—	99,002	—	—	—
Other	—	—	11,735	—	—
Total revenues	<u>987,062</u>	<u>99,451</u>	<u>6,609</u>	<u>323,738</u>	<u>126,531</u>
EXPENDITURES					
General government	—	—	—	53,190	30,845
Community development	—	—	—	—	—
Capital projects	1,924,625	—	7,130	—	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—
Total expenditures	<u>1,924,625</u>	<u>—</u>	<u>7,130</u>	<u>53,190</u>	<u>30,845</u>
Excess of revenues over (under) expenditures	<u>(937,563)</u>	<u>99,451</u>	<u>(521)</u>	<u>270,548</u>	<u>95,686</u>
OTHER FINANCING SOURCES (USES)					
Insurance recoveries	—	—	—	—	—
Transfers in	—	—	—	—	—
Transfers (out)	—	—	—	—	—
Total other financing sources (uses):	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	(937,563)	99,451	(521)	270,548	95,686
Fund balance, beginning	2,688,443	29,328	854,484	—	1,954,619
Fund balance, ending	<u>\$ 1,750,880</u>	<u>\$ 128,779</u>	<u>\$ 853,963</u>	<u>\$ 270,548</u>	<u>\$ 2,050,305</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

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
\$ 94,379	\$ 14,587	\$ 6,049	\$ 28,575	\$ 53,063	\$ 62,164	\$ 13,796	\$ 506,918
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
7,848	302,808	155,829	53,098	80,007	5,083	1,149	1,835,078
(3,733)	172	26	228	333	(222)	—	(34,103)
—	—	—	—	—	—	—	99,002
—	—	—	—	—	—	—	11,735
<u>98,494</u>	<u>317,567</u>	<u>161,904</u>	<u>81,901</u>	<u>133,403</u>	<u>67,025</u>	<u>14,945</u>	<u>2,418,630</u>
49,451	10,219	16,591	16,929	17,296	37,743	14,839	247,103
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	1,931,755
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>49,451</u>	<u>10,219</u>	<u>16,591</u>	<u>16,929</u>	<u>17,296</u>	<u>37,743</u>	<u>14,839</u>	<u>2,178,858</u>
49,043	307,348	145,313	64,972	116,107	29,282	106	239,772
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	(305,746)	(111,770)	(63,000)	(90,573)	—	—	(571,089)
—	(305,746)	(111,770)	(63,000)	(90,573)	—	—	(571,089)
49,043	1,602	33,543	1,972	25,534	29,282	106	(331,317)
720,913	10,257	41,196	6,795	10,901	5,335	796	6,323,067
<u>\$ 769,956</u>	<u>\$ 11,859</u>	<u>\$ 74,739</u>	<u>\$ 8,767</u>	<u>\$ 36,435</u>	<u>\$ 34,617</u>	<u>\$ 902</u>	<u>\$ 5,991,750</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

(Continued)

	Debt Service Fund	Capital Project Fund		Total Other Governmental Funds
	Debt Service	Parks, Open Space & Trails	Community Development Block Grant	
REVENUES				
Property taxes	\$ —	\$ —	\$ —	\$ 506,918
Sales taxes	—	6,470,850	—	6,470,850
Use taxes	—	1,320,537	—	1,320,537
Intergovernmental	—	3,033,697	707,683	5,576,458
Interest	8,473	108,404	—	82,774
Fines and forfeitures	—	—	—	99,002
Other	—	16,143	—	27,878
Total revenues	8,473	10,949,631	707,683	14,084,417
EXPENDITURES				
General government	—	—	—	247,103
Community development	—	2,950,246	982,644	3,932,890
Capital projects	—	4,179,183	1,215,840	7,326,778
Debt service:				
Principal	2,595,000	—	—	2,595,000
Interest and fiscal charges	758,469	—	—	758,469
Total expenditures	3,353,469	7,129,429	2,198,484	14,860,240
Excess of revenues over (under) expenditures	(3,344,996)	3,820,202	(1,490,801)	(775,823)
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	—	26,145	—	26,145
Transfers in	3,279,665	13,708,912	—	16,988,577
Transfers (out)	—	(1,842,891)	—	(2,413,980)
Total other financing sources (uses):	3,279,665	11,892,166	—	14,600,742
Net change in fund balance	(65,331)	15,712,368	(1,490,801)	13,824,919
Fund balance, beginning	278,893	1,049,744	999,475	8,651,179
Fund balance, ending	\$ 213,562	\$ 16,762,112	\$ (491,326)	\$ 22,476,098

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, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 19,212,003	\$ 1,480,859	\$ (17,731,144)
Interest	803,147	(545,817)	(1,348,964)
Contributions	2,233,398	1,609,900	(623,498)
Other	63,984	63,984	—
Total revenues	<u>22,312,532</u>	<u>2,608,926</u>	<u>(19,703,606)</u>
EXPENDITURES			
General government	2,022,000	280,976	1,741,024
Capital projects	109,884,337	27,909,314	81,975,023
Total expenditures	<u>111,906,337</u>	<u>28,190,290</u>	<u>83,716,047</u>
Excess of revenues under expenditures	<u>(89,593,805)</u>	<u>(25,581,364)</u>	<u>(103,419,653)</u>
OTHER FINANCING SOURCES AND (USES)			
Sale of asset	—	362,471	362,471
Insurance recoveries	39,093	39,093	—
Transfers in	5,608,004	16,629,608	11,021,604
Transfers out	(13,695,730)	(13,695,730)	—
Total other financing sources (uses):	<u>(8,048,633)</u>	<u>3,335,442</u>	<u>11,384,075</u>
Net change in fund balance	<u>\$ (97,642,438)</u>	<u>(22,245,922)</u>	<u>\$ (92,035,578)</u>
Fund balance, beginning		80,820,050	
Fund balance, ending		<u>\$ 58,574,128</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 830,000	\$ 1,003,520	\$ 173,520
Interest	41,856	(16,458)	(58,314)
Total revenues	<u>871,856</u>	<u>987,062</u>	<u>115,206</u>
EXPENDITURES			
Capital projects	3,245,805	1,924,625	1,321,180
Total expenditures	<u>3,245,805</u>	<u>1,924,625</u>	<u>1,321,180</u>
Net change in fund balance	<u>\$ (2,373,949)</u>	<u>(937,563)</u>	<u>\$ 1,436,386</u>
Fund balance, beginning		2,688,443	
Fund balance, ending		<u>\$ 1,750,880</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
INVESTIGATION RECOVERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ —	\$ 449	\$ 449
Fines and forfeitures	—	99,002	99,002
Total revenues	<u>—</u>	<u>99,451</u>	<u>99,451</u>
EXPENDITURES			
Public safety	—	—	—
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>\$ —</u>	99,451	<u>\$ 99,451</u>
Fund balance, beginning		29,328	
Fund balance, ending		<u>\$ 128,779</u>	

*Final Budget: Investigation Recovery is budgeted through supplemental appropriations when budget is needed for expenditures. In 2021, the fund did not have any expenditures, therefore budget was not appropriated.

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 WESTMINSTER HOUSING AUTHORITY
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ —	\$ (5,126)	\$ (5,126)
Other	—	11,735	11,735
Total revenues	<u>—</u>	<u>6,609</u>	<u>6,609</u>
EXPENDITURES			
Capital projects	197,391	7,130	190,261
Total expenditures	<u>197,391</u>	<u>7,130</u>	<u>190,261</u>
Net change in fund balance	<u>\$ (197,391)</u>	(521)	<u>\$ (183,652)</u>
Fund balance, beginning		854,484	
Fund balance, ending		<u>\$ 853,963</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 DOWNTOWN GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 141,759	\$ 108,254	\$ (33,505)
Intergovernmental	282,390	214,801	(67,589)
Interest	310	683	373
Total revenues	<u>424,459</u>	<u>323,738</u>	<u>(100,721)</u>
EXPENDITURES			
General government	<u>53,992</u>	<u>53,190</u>	<u>802</u>
Total expenditures	<u>53,992</u>	<u>53,190</u>	<u>802</u>
Net change in fund balance	<u>\$ 370,467</u>	270,548	<u>\$ (99,919)</u>
Fund balance, beginning		—	
Fund balance, ending		<u>\$ 270,548</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 131,151	\$ 126,051	\$ (5,100)
Intergovernmental	9,100	10,935	1,835
Interest	33,900	(10,455)	(44,355)
Total revenues	<u>174,151</u>	<u>126,531</u>	<u>(47,620)</u>
EXPENDITURES			
General government	102,767	30,845	71,922
Total expenditures	<u>102,767</u>	<u>30,845</u>	<u>71,922</u>
Net change in fund balance	<u>\$ 71,384</u>	95,686	<u>\$ 24,302</u>
Fund balance, beginning		1,954,619	
Fund balance, ending		<u>\$ 2,050,305</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 94,133	\$ 94,379	\$ 246
Intergovernmental	5,300	7,848	2,548
Interest	12,500	(3,733)	(16,233)
Total revenues	<u>111,933</u>	<u>98,494</u>	<u>(13,439)</u>
EXPENDITURES			
General government	69,612	49,451	20,161
Total expenditures	<u>69,612</u>	<u>49,451</u>	<u>20,161</u>
Net change in fund balance	<u>\$ 42,321</u>	49,043	<u>\$ 6,722</u>
Fund balance, beginning		720,913	
Fund balance, ending		<u>\$ 769,956</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 11,717	\$ 14,587	\$ 2,870
Intergovernmental	310,709	302,808	(7,901)
Interest	150	172	22
Total revenues	<u>322,576</u>	<u>317,567</u>	<u>(5,009)</u>
EXPENDITURES			
General government	10,276	10,219	57
Total expenditures	<u>10,276</u>	<u>10,219</u>	<u>57</u>
Excess of revenues over (under) expenditures	<u>312,300</u>	<u>307,348</u>	<u>(4,952)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(312,204)	(305,746)	6,458
Net change in fund balance	<u>\$ 96</u>	<u>1,602</u>	<u>\$ 1,506</u>
Fund balance, beginning		10,257	
Fund balance, ending		<u>\$ 11,859</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 5,707	\$ 6,049	\$ 342
Intergovernmental	150,252	155,829	5,577
Interest	225	26	(199)
Total revenues	<u>156,184</u>	<u>161,904</u>	<u>5,720</u>
EXPENDITURES			
General government	16,836	16,591	245
Total expenditures	<u>16,836</u>	<u>16,591</u>	<u>245</u>
Excess of revenues over (under) expenditures	<u>139,348</u>	<u>145,313</u>	<u>5,965</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(111,770)	(111,770)	—
Net change in fund balance	<u>\$ 27,578</u>	<u>33,543</u>	<u>\$ 5,965</u>
Fund balance, beginning		41,196	
Fund balance, ending		<u>\$ 74,739</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 30,442	\$ 28,575	\$ (1,867)
Intergovernmental	49,600	53,098	3,498
Interest	360	228	(132)
Total revenues	<u>80,402</u>	<u>81,901</u>	<u>1,499</u>
EXPENDITURES			
General government	<u>17,257</u>	<u>16,929</u>	<u>328</u>
Total expenditures	<u>17,257</u>	<u>16,929</u>	<u>328</u>
Excess of revenues over (under) expenditures	<u>63,145</u>	<u>64,972</u>	<u>1,827</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(63,000)</u>	<u>(63,000)</u>	<u>—</u>
Net change in fund balance	<u>\$ 145</u>	<u>1,972</u>	<u>\$ 1,827</u>
Fund balance, beginning		6,795	
Fund balance, ending		<u>\$ 8,767</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 37,709	\$ 53,063	\$ 15,354
Intergovernmental	70,000	80,007	10,007
Interest	250	333	83
Total revenues	<u>107,959</u>	<u>133,403</u>	<u>25,444</u>
EXPENDITURES			
General government	<u>17,365</u>	<u>17,296</u>	<u>69</u>
Total expenditures	<u>17,365</u>	<u>17,296</u>	<u>69</u>
Excess of revenues over (under) expenditures	<u>90,594</u>	<u>116,107</u>	<u>25,513</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(90,573)</u>	<u>(90,573)</u>	<u>—</u>
Net change in fund balance	<u>\$ 21</u>	<u>25,534</u>	<u>\$ 25,513</u>
Fund balance, beginning		10,901	
Fund balance, ending		<u>\$ 36,435</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 PARK 1200 GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 60,970	\$ 62,164	\$ 1,194
Intergovernmental	4,400	5,083	683
Interest	300	(222)	(522)
Total revenues	<u>65,670</u>	<u>67,025</u>	<u>1,355</u>
EXPENDITURES			
General government	44,515	37,743	6,772
Total expenditures	<u>44,515</u>	<u>37,743</u>	<u>6,772</u>
Net change in fund balance	<u>\$ 21,155</u>	29,282	<u>\$ 8,127</u>
Fund balance, beginning		5,335	
Fund balance, ending		<u>\$ 34,617</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 WESTMINSTER STATION GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 13,781	\$ 13,796	\$ 15
Intergovernmental	1,000	1,149	149
Interest	20	—	(20)
Total revenues	<u>14,801</u>	<u>14,945</u>	<u>144</u>
EXPENDITURES			
General government	<u>14,875</u>	<u>14,839</u>	<u>36</u>
Total expenditures	<u>14,875</u>	<u>14,839</u>	<u>36</u>
Net change in fund balance	<u>\$ (74)</u>	106	<u>\$ 180</u>
Fund balance, beginning		796	
Fund balance, ending		<u>\$ 902</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 11,000	\$ 8,473	\$ (2,527)
Total revenues	<u>11,000</u>	<u>8,473</u>	<u>(2,527)</u>
EXPENDITURES			
Debt service:			
Principal	2,595,000	2,595,000	—
Interest and fiscal charges	759,769	758,469	1,300
Total expenditures	<u>3,354,769</u>	<u>3,353,469</u>	<u>1,300</u>
Excess of revenues (under) expenditures	<u>(3,343,769)</u>	<u>(3,344,996)</u>	<u>(1,227)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>3,219,619</u>	<u>3,279,665</u>	<u>60,046</u>
Net change in fund balance	<u>\$ (124,150)</u>	<u>(65,331)</u>	<u>\$ 58,819</u>
Fund balance, beginning		278,893	
Fund balance, ending		<u>\$ 213,562</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 5,763,192	\$ 6,470,850	\$ 707,658
Use taxes	1,013,761	1,320,537	306,776
Intergovernmental	2,328,000	3,033,697	705,697
Interest	10,349	108,404	98,055
Other	22,402	16,143	(6,259)
Total revenues	<u>9,137,704</u>	<u>10,949,631</u>	<u>1,811,927</u>
EXPENDITURES			
Community development	3,075,081	2,950,246	124,835
Capital projects	17,954,787	4,179,183	13,775,604
Total expenditures	<u>21,029,868</u>	<u>7,129,429</u>	<u>13,900,439</u>
Excess of revenues over expenditures	<u>(11,892,164)</u>	<u>3,820,202</u>	<u>15,712,366</u>
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	26,145	26,145	—
Transfers in	13,708,912	13,708,912	—
Transfers (out)	(1,842,891)	(1,842,891)	—
Total other financing sources (uses):	<u>11,892,166</u>	<u>11,892,166</u>	<u>—</u>
Net change in fund balance	<u>\$ 2</u>	<u>15,712,368</u>	<u>\$ 15,712,366</u>
Fund balance, beginning		<u>1,049,744</u>	
Fund balance, ending		<u>\$ 16,762,112</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,111,476	\$ 707,683	\$ (403,793)
Total Revenues	<u>1,111,476</u>	<u>707,683</u>	<u>(403,793)</u>
EXPENDITURES			
Community development	982,644	982,644	—
Capital projects	3,121,197	1,215,840	1,905,357
Total expenditures	<u>4,103,841</u>	<u>2,198,484</u>	<u>1,905,357</u>
Net change in fund balance	<u>\$ (2,992,365)</u>	(1,490,801)	<u>\$ 1,501,564</u>
Fund balance, beginning		999,475	
Fund balance, ending		<u>\$ (491,326)</u>	

Nonmajor Proprietary Funds

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2021

	Golf Fund	Parking Management Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 199,998	\$ 25,973	\$ 225,971
Investments	1,603,010	212,310	1,815,320
Receivables:			
Accounts	7,458	21,270	28,728
Interest	5,053	421	5,474
Inventories	233,538	—	233,538
Prepaid items	4,351	—	4,351
Total Current Assets	2,053,408	259,974	2,313,382
Non-current Assets:			
Cash and cash equivalents with fiscal agent	3,989,409	—	3,989,409
Investments with fiscal agent	159,714	—	159,714
Capital Assets:			
Land	13,455,674	—	13,455,674
Construction in progress	3,239,656	—	3,239,656
Non-depreciable assets:	16,695,330	—	16,695,330
Buildings and plants	5,828,566	—	5,828,566
Improvements other than buildings	1,651,545	28,013,497	29,665,042
Machinery and Equipment	4,018,489	166,784	4,185,273
Parks	1,515,487	—	1,515,487
Less accumulated depreciation	(8,974,311)	(3,097,369)	(12,071,680)
Depreciable property, plant and equipment, net	4,039,776	25,082,912	29,122,688
Total Noncurrent Assets	24,884,229	25,082,912	49,967,141
Total assets	26,937,637	25,342,886	52,280,523
DEFERRED OUTFLOWS OF RESOURCES			
	21,191	299	21,490
LIABILITIES			
Current liabilities:			
Accounts payable and other	583,014	89,312	672,326
Accrued liabilities	53,558	2,808	56,366
Unearned revenue	70,058	—	70,058
Notes payable, current portion	720,381	—	720,381
Other liabilities, current portion	1,168	1,164	2,332
Accrued interest	30,628	—	30,628
Total current liabilities	1,458,807	93,284	1,552,091
Non-current liabilities:			
Notes payable	8,193,032	—	8,193,032
Other liabilities payable	254,316	9,420	263,736
Total non-current liabilities	8,447,348	9,420	8,456,768
Total liabilities	9,906,155	102,704	10,008,859
DEFERRED INFLOWS OF RESOURCES			
	10,185	108	10,293
Net Position			
Investment in capital assets	15,444,375	25,082,912	40,527,287
Unrestricted	1,598,113	157,461	1,755,574
Total Net Position	\$ 17,042,488	\$ 25,240,373	\$ 42,282,861

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Golf Course Fund	Parking Management Fund	Total
Operating revenues			
Charges for services	\$ 4,637,641	\$ 151,951	\$ 4,789,592
Other	2,492	—	2,492
Total operating revenues	4,640,133	151,951	4,792,084
Operating expenses			
Personnel services	2,039,564	90,224	2,129,788
Contractual services	1,010,333	597,996	1,608,329
Commodities	572,451	—	572,451
Capital expense	94,620	—	94,620
Depreciation expense	475,994	642,401	1,118,395
Total operating expenses	4,192,962	1,330,621	5,523,583
Operating income (loss)	447,171	(1,178,670)	(731,499)
Nonoperating revenues (expenses)			
Income on investments	(10,068)	416	(9,652)
Interest expense	(76,691)	—	(76,691)
Grants	1,500	—	1,500
Gain on disposition of capital assets	101,945	—	101,945
Insurance recoveries	1,993	—	1,993
Debt issuance costs	(97,376)	—	(97,376)
Total nonoperating revenues (expenses)	(78,697)	416	(78,281)
Income (loss) before transfers	368,474	(1,178,254)	(809,780)
Capital contributions	—	66,170	66,170
Transfers in	93,972	685,004	778,976
Total other financing sources (uses):	93,972	751,174	845,146
Change in net position	462,446	(427,080)	35,366
Net position - beginning	16,580,042	25,667,453	42,247,495
Net position - ending	\$ 17,042,488	\$ 25,240,373	\$ 42,282,861

**CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Golf Course Fund	Parking Management Fund	Total Nonmajor Proprietary Fund
Cash flows from operating activities:			
Receipts from customers	\$ 4,743,621	\$ 151,951	\$ 4,895,572
Cash payments to employees for services	(1,644,202)	(90,224)	(1,734,426)
Cash payments to benefits on behalf of employees	(350,183)	(199)	(350,382)
Cash payments to suppliers for goods and services	(1,635,029)	(593,479)	(2,228,508)
Payments to other funds	—	17,297	17,297
Net cash provided by (used in) operating activities	<u>1,114,207</u>	<u>(514,654)</u>	<u>599,553</u>
Cash flows from noncapital financing activities:			
Transfer in	93,972	685,004	778,976
Grant proceeds not restricted to capital purposes	1,500	—	1,500
Net cash provided by (used in) noncapital financing activities	<u>95,472</u>	<u>685,004</u>	<u>780,476</u>
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(552,358)	—	(552,358)
Interest paid on long-term debt	(52,788)	—	(52,788)
Acquisition and construction of capital assets	(4,338,458)	—	(4,338,458)
Contributions	—	—	—
Insurance recoveries	1,993	—	1,993
Proceeds from capital lease financing	7,958,361	—	7,958,361
Payments of bond issuance costs	(96,191)	—	(96,191)
Net cash provided by (used in) capital and related financing activities	<u>2,920,559</u>	<u>—</u>	<u>2,920,559</u>
Cash flow from investing activities:			
Proceeds from sale of investments	1,261,073	94,714	1,355,787
Purchases of investments	(1,502,757)	(250,850)	(1,753,607)
Interest received on investments	(39,759)	(571)	(40,330)
Net cash provided by (used in) investing activities	<u>(281,443)</u>	<u>(156,707)</u>	<u>(438,150)</u>
Net increase (decrease) in cash and cash equivalents	3,848,795	13,643	3,862,438
Cash and cash equivalents - beginning of year	340,612	12,330	352,942
Cash and cash equivalents - end of year	<u>\$ 4,189,407</u>	<u>\$ 25,973</u>	<u>\$ 4,215,380</u>
Reconciliation of cash and cash equivalents to Statement of Net Position			
Unrestricted cash and cash equivalents	199,998	25,973	225,971
Restricted cash and cash equivalents with fiscal agent	3,989,409	—	3,989,409
Total Cash and Cash Equivalents	<u>\$ 4,189,407</u>	<u>\$ 25,973</u>	<u>\$ 4,215,380</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 447,171	\$ (1,178,670)	\$ (731,499)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	475,994	642,401	1,118,395
(Increase) decrease in accounts receivable	88,354	(10,284)	78,070
(Increase) decrease in inventories	15,206	—	15,206
Increase(decrease) in deferred outflow of resources	(730)	(199)	(929)
Increase(decrease) in unearned revenue	15,134	—	15,134
Increase (decrease) in accounts payable and other	65,963	31,831	97,794
Increase (decrease) in accrued liabilities	9,000	284	9,284
Increase (decrease) in deferred inflow of resources	(1,885)	(17)	(1,902)
Total adjustments	<u>667,036</u>	<u>664,016</u>	<u>1,331,052</u>
Net cash provided by (used in) operating activities	<u>\$ 1,114,207</u>	<u>\$ (514,654)</u>	<u>\$ 599,553</u>

**CITY OF WESTMINSTER, COLORADO
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

NON-CASH FINANCING, CAPITAL AND INVESTING ACTIVITIES:	Business-type Activities Nonmajor Proprietary Funds		
	Golf Course Fund	Parking Management Fund	Total Nonmajor Proprietary Funds
Financing Activities			
Amortization of discounts (premiums), prepaid insurance, and loss on refunding	\$ (1,925)	—	\$ (1,925)
Debt proceeds used for cost of issuance	1,185	—	1,185
Capital Activities			
Capital contributions from governmental activities	—	66,170	66,170
Capital assets acquired through payables	527,811	—	527,811
Gain (Loss) on disposal of capital assets	101,945	—	101,945
Investing Activities			
Increase (Decrease) in fair value of investments	(30,608)	(758)	(31,366)

BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 75,638,792	\$ 73,855,471	\$ (1,783,321)
Other	546,027	756,089	210,062
Total operating revenues	<u>76,184,819</u>	<u>74,611,560</u>	<u>(1,573,259)</u>
Operating expenses			
Personnel services	18,944,170	18,037,651	906,519
Contractual services	21,361,395	17,777,481	3,583,914
Commodities	3,391,120	2,968,784	422,336
Capital expense	<u>118,736,725</u>	<u>29,800,157</u>	<u>88,936,568</u>
Total operating expenses	<u>162,433,410</u>	<u>68,584,073</u>	<u>93,849,337</u>
Operating income (loss)	<u>(86,248,591)</u>	<u>6,027,487</u>	<u>92,276,078</u>
Nonoperating revenues (expenses)			
Income on investments	1,348,321	(720,401)	(2,068,722)
Debt service	(8,095,356)	(8,064,033)	31,323
Grants	—	4,950	4,950
Contributions	8,956,611	8,646,909	(309,702)
Insurance recoveries	<u>11,608</u>	<u>11,608</u>	<u>—</u>
Total nonoperating revenues (expenses)	<u>2,221,184</u>	<u>(120,967)</u>	<u>(2,342,151)</u>
Income before transfers	(84,027,407)	5,906,520	89,933,927
Transfers in	21,121,744	42,849,830	21,728,086
Transfers (out)	<u>(43,052,829)</u>	<u>(43,052,829)</u>	<u>—</u>
Total other financing	<u>(21,931,085)</u>	<u>(202,999)</u>	<u>21,728,086</u>
Change in net position	<u>\$ (105,958,492)</u>	5,703,521	<u>\$ 111,662,013</u>
Adjustments to GAAP basis			
Debt			
Principal payments		3,636,574	
Amortization of prepaid bond insurance		(5,395)	
Amortization of premiums and discounts		1,154,623	
Amortization of loss on refunding		(53,874)	
Accrued interest adjustment		7,513	
Capital assets			
Acquisitions		28,613,301	
Net book value of disposals		(3,417)	
Depreciation		(16,145,768)	
Inventories		643,679	
Personnel services accruals		<u>247,774</u>	
Change in net position, GAAP basis		<u>\$ 23,798,531</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,954,911	\$ 4,637,641	\$ 682,730
Other	—	2,492	2,492
Total operating revenues	<u>3,954,911</u>	<u>4,640,133</u>	<u>685,222</u>
Operating Expenses			
Personnel services	2,003,661	2,003,383	278
Contractual services	1,011,006	1,010,713	293
Commodities	556,865	556,865	—
Capital expense	9,237,124	4,960,890	4,276,234
Total operating expenses	<u>12,808,656</u>	<u>8,531,851</u>	<u>4,276,805</u>
Operating loss	<u>(8,853,745)</u>	<u>(3,891,718)</u>	<u>4,962,027</u>
Nonoperating revenues (expenses)			
Income on investments	24,556	(10,068)	(34,624)
Debt service	(704,231)	(702,522)	1,709
Grants	1,500	1,500	—
Insurance recoveries	1,993	1,993	—
Issuance of debt	7,959,546	7,959,546	—
Total nonoperating revenues (expenses)	<u>7,283,364</u>	<u>7,250,449</u>	<u>(32,915)</u>
Income before transfers	(1,570,381)	3,358,731	4,929,112
Transfers in	93,972	93,972	—
Total other financing	<u>93,972</u>	<u>93,972</u>	<u>—</u>
Change in net position	<u>\$ (1,476,409)</u>	3,452,703	<u>\$ 4,929,112</u>
Adjustments to GAAP basis			
Debt			
Principal payments		552,358	
Issuance of leases		(7,959,546)	
Amortization of prepaid bond insurance		(2,901)	
Amortization of premiums and discounts		9,244	
Amortization of loss on refunding		(4,418)	
Accrued interest adjustment		(25,828)	
Capital assets			
Acquisitions		4,866,270	
Net book value of disposals		101,945	
Depreciation		(475,994)	
Inventories			
		(15,206)	
Personnel services accruals			
		(36,181)	
Change in net position, GAAP basis		<u>\$ 462,446</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKING MANAGEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 59,000	\$ 151,951	\$ 92,951
Total operating revenues	<u>59,000</u>	<u>151,951</u>	<u>92,951</u>
Operating Expenses			
Personnel services	84,438	90,156	(5,718)
Contractual services	661,385	597,996	63,389
Total operating expenses	<u>745,823</u>	<u>688,152</u>	<u>57,671</u>
Operating loss	(686,823)	(536,201)	150,622
Nonoperating revenues (expenses)			
Income on investments	979	416	(563)
Total nonoperating revenues (expenses)	<u>979</u>	<u>416</u>	<u>(563)</u>
Income before transfers	(685,844)	(535,785)	150,059
Transfers in	685,004	685,004	—
Total other financing	<u>685,004</u>	<u>685,004</u>	<u>—</u>
Change in net position	<u>\$ (840)</u>	149,219	<u>\$ 150,059</u>
Adjustments to GAAP basis			
Capital assets			
Capital contributions		66,170	
Depreciation		(642,401)	
Personnel services accruals		<u>(68)</u>	
Change in net position, GAAP basis		<u>\$ (427,080)</u>	

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Internal Service Funds

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

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

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

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021

	Internal Service Funds					
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 723,053	\$ 630,122	\$ 328,763	\$ 649,231	\$ 108,586	\$ 2,439,755
Cash and cash equivalents with fiscal agent	341,451	—	—	—	—	341,451
Investments	5,910,464	5,150,814	2,687,408	5,307,014	887,619	19,943,319
Receivables:						
Accounts	806	—	—	224,073	—	224,879
Interest	17,097	14,907	7,748	15,328	2,611	57,691
Inventories	—	—	—	—	123,864	123,864
Total current assets	<u>6,992,871</u>	<u>5,795,843</u>	<u>3,023,919</u>	<u>6,195,646</u>	<u>1,122,680</u>	<u>23,130,959</u>
Noncurrent assets:						
Capital assets:						
Depreciable assets, net	—	—	—	9,900,974	103,146	10,004,120
Total noncurrent assets	—	—	—	9,900,974	103,146	10,004,120
Total assets	<u>\$ 6,992,871</u>	<u>\$ 5,795,843</u>	<u>\$ 3,023,919</u>	<u>\$ 16,096,620</u>	<u>\$ 1,225,826</u>	<u>\$ 33,135,079</u>
LIABILITIES						
Current liabilities:						
Accounts payable and other	\$ 316,757	\$ 69,191	\$ 169,075	\$ 17,619	\$ 75,256	\$ 647,898
Accrued liabilities	8,504	2,360	2,360	—	26,133	39,357
Notes payable, current portion	—	—	—	468,317	—	468,317
Other liabilities, current portion	8,923	—	2,463	—	61	11,447
Accrued interest	—	—	—	40,141	—	40,141
Estimated claims	437,564	192,124	1,539,539	—	—	2,169,227
Total current liabilities	<u>771,748</u>	<u>263,675</u>	<u>1,713,437</u>	<u>526,077</u>	<u>101,450</u>	<u>3,376,387</u>
Noncurrent liabilities:						
Notes payable	—	—	—	1,749,966	—	1,749,966
Other liabilities payable	45,622	—	14,451	—	37,882	97,955
Total noncurrent liabilities	<u>45,622</u>	<u>—</u>	<u>14,451</u>	<u>1,749,966</u>	<u>37,882</u>	<u>1,847,921</u>
Total liabilities	<u>817,370</u>	<u>263,675</u>	<u>1,727,888</u>	<u>2,276,043</u>	<u>139,332</u>	<u>5,224,308</u>
NET POSITION						
Net investment in capital assets	—	—	—	7,665,072	103,146	7,768,218
Unrestricted	6,175,501	5,532,168	1,296,031	6,155,505	983,348	20,142,553
Total net position	<u>\$ 6,175,501</u>	<u>\$ 5,532,168</u>	<u>\$ 1,296,031</u>	<u>\$ 13,820,577</u>	<u>\$ 1,086,494</u>	<u>\$ 27,910,771</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, 2021

	Governmental Activities Internal Service Funds					Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	
Operating revenues						
Charges for services	\$ 17,093,922	\$ 208,774	\$ 2,432,566	\$ 2,870,678	\$ 2,412,380	\$ 25,018,320
Other	149,280	643	—	48,216	—	198,139
Total operating revenues	<u>17,243,202</u>	<u>209,417</u>	<u>2,432,566</u>	<u>2,918,894</u>	<u>2,412,380</u>	<u>25,216,459</u>
Operating expenses						
Personnel services	256,491	126,023	107,800	—	775,461	1,265,775
Contractual services	2,808,108	194,100	831,380	—	697,626	4,531,214
Commodities	25,560	15,053	867	—	938,261	979,741
Capital expense	—	—	—	579,714	31,200	610,914
Insurance and other expenses	14,291,566	1,088,624	1,934,626	—	—	17,314,816
Depreciation	—	—	—	2,446,659	22,501	2,469,160
Total operating expenses	<u>17,381,725</u>	<u>1,423,800</u>	<u>2,874,673</u>	<u>3,026,373</u>	<u>2,465,049</u>	<u>27,171,620</u>
Operating income (loss)	<u>(138,523)</u>	<u>(1,214,383)</u>	<u>(442,107)</u>	<u>(107,479)</u>	<u>(52,669)</u>	<u>(1,955,161)</u>
Nonoperating revenues (expenses)						
Income on investments	(46,640)	(48,404)	(18,161)	(38,147)	(4,325)	(155,677)
Interest expense	—	—	—	(47,066)	—	(47,066)
Gain on disposition of capital assets	—	—	—	267,726	—	267,726
Insurance recoveries	—	—	—	99,755	270,082	369,837
Total nonoperating revenues (expenses)	<u>(46,640)</u>	<u>(48,404)</u>	<u>(18,161)</u>	<u>282,268</u>	<u>265,757</u>	<u>434,820</u>
Capital contributions	—	—	—	6,340	—	6,340
Change in net position	(185,163)	(1,262,787)	(460,268)	181,129	213,088	(1,514,001)
Net position - beginning	<u>6,360,664</u>	<u>6,794,955</u>	<u>1,756,299</u>	<u>13,639,448</u>	<u>873,406</u>	<u>29,424,772</u>
Net position - ending	<u>\$ 6,175,501</u>	<u>\$ 5,532,168</u>	<u>\$ 1,296,031</u>	<u>\$ 13,820,577</u>	<u>\$ 1,086,494</u>	<u>\$ 27,910,771</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Governmental Activities Internal Service Funds					Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	
Cash flows from operating activities:						
Receipts from interfund charges for risk management services	\$ 17,243,155	\$ 223,146	\$ 2,432,566	\$ —	\$ —	\$ 19,898,867
Receipts from interfund charges for capital outlay replacement	—	—	—	2,723,189	—	2,723,189
Receipts from interfund charges for fleet services	—	—	—	—	2,412,380	2,412,380
Cash payments to employees for services	(226,159)	(123,663)	(137,672)	—	(758,940)	(1,246,434)
Cash payments to benefits on behalf of employees	—	—	—	—	(35,953)	(35,953)
Cash payments to suppliers for goods and services	(17,861,045)	(1,367,203)	(2,256,714)	(579,714)	(1,691,316)	(23,755,992)
Other operating revenues	149,280	644	—	48,216	—	198,140
Net cash provided by (used in) operating activities	<u>(694,769)</u>	<u>(1,267,076)</u>	<u>38,180</u>	<u>2,191,691</u>	<u>(73,829)</u>	<u>194,197</u>
Cash flows from capital and related financing activities:						
Principal paid on long term debt	—	—	—	(378,327)	—	(378,327)
Interest paid on long term debt	—	—	—	(42,970)	—	(42,970)
Acquisition and construction of capital assets	—	—	—	(3,531,340)	(9,263)	(3,540,603)
Proceeds from sale of capital assets	—	—	—	342,276	—	342,276
Insurance recoveries	—	—	—	99,755	270,082	369,837
Proceeds from grant/notes	—	—	—	613,388	—	613,388
Net cash provided (used in) capital and related financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,897,218)</u>	<u>260,819</u>	<u>(2,636,399)</u>
Cash flow from investing activities:						
Proceeds from sale of investments	5,063,718	5,081,418	1,956,885	4,794,247	563,870	17,460,138
Purchases of investments	(4,799,715)	(4,329,896)	(2,145,387)	(4,735,808)	(799,494)	(16,810,300)
Interest received on investments	(161,064)	(144,414)	(65,854)	78,086	9,154	(284,092)
Net cash provided by (used in) investing activities	<u>102,939</u>	<u>607,108</u>	<u>(254,356)</u>	<u>136,525</u>	<u>(226,470)</u>	<u>365,746</u>
Net (decrease) in cash and cash equivalents	(591,830)	(659,968)	(216,176)	(569,002)	(39,480)	(2,076,456)
Cash and cash equivalents - beginning of year	1,656,334	1,290,090	544,939	1,218,233	148,066	4,857,662
Cash and cash equivalents - end of year	<u>\$ 1,064,504</u>	<u>\$ 630,122</u>	<u>\$ 328,763</u>	<u>\$ 649,231</u>	<u>\$ 108,586</u>	<u>\$ 2,781,206</u>
Reconciliation of cash and cash equivalents to Statement of Net Position						
Unrestricted cash and cash equivalents	723,053	630,122	328,763	649,231	108,586	2,439,755
Unrestricted cash and cash equivalents with fiscal agent	341,451	—	—	—	—	341,451
Total Cash and Cash Equivalents	<u>\$ 1,064,504</u>	<u>\$ 630,122</u>	<u>\$ 328,763</u>	<u>\$ 649,231</u>	<u>\$ 108,586</u>	<u>\$ 2,781,206</u>
Reconciliation of operating (loss) to net cash provided by (used in) operating activities						
Operating (loss)	\$ (138,523)	\$ (1,214,383)	\$ (442,107)	\$ (107,479)	\$ (52,669)	\$ (1,955,161)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:						
Depreciation	—	—	—	2,446,659	22,501	2,469,160
(Increase) decrease in accounts receivable	149,233	14,372	—	(147,489)	—	16,116
(Increase) decrease in inventory	—	—	—	—	(9,096)	(9,096)
Increase (decrease) in accounts payable and other	(58,541)	(1,626)	93,328	—	(35,921)	(2,760)
Increase (decrease) in accrued liabilities	422	2,360	(5,906)	—	1,356	(1,768)
Increase (decrease) in estimated claims	(647,360)	(67,799)	392,865	—	—	(322,294)
Total adjustments	<u>(556,246)</u>	<u>(52,693)</u>	<u>480,287</u>	<u>2,299,170</u>	<u>(21,160)</u>	<u>2,149,358</u>
Net cash provided by (used in) operating activities	<u>\$ (694,769)</u>	<u>\$ (1,267,076)</u>	<u>\$ 38,180</u>	<u>\$ 2,191,691</u>	<u>\$ (73,829)</u>	<u>\$ 194,197</u>

Governmental Activities
Internal Service Funds

Non-cash financing, capital and investing activities:	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	Total
Capital Activities						
Capital contributions from governmental activities	—	—	—	6,340	—	6,340
Capital assets acquired through payables	—	—	—	17,619	—	17,619
Gain (Loss) on disposal of capital assets	—	—	—	(74,550)	—	(74,550)
Investing Activities						
Increase (Decrease) in fair value of investments	(121,208)	(115,731)	(49,671)	(109,895)	(13,490)	(409,995)

*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, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 2,870,678	\$ 2,870,678	\$ —
Other	93,182	48,216	(44,966)
Total operating revenues	2,963,860	2,918,894	(44,966)
Operating expenses			
Capital expense	10,580,467	4,842,063	5,738,404
Total operating expenses	10,580,467	4,842,063	5,738,404
Operating income	(7,616,607)	(1,923,169)	5,693,438
Nonoperating revenues (expenses)			
Income on investments	—	(38,147)	(38,147)
Debt service	(421,297)	(421,297)	—
Disposition of assets	—	342,276	342,276
Insurance recoveries	99,755	99,755	—
Issuance of debt	—	613,388	613,388
Total nonoperating revenues (expenses)	(321,542)	595,975	917,517
Change in net position	\$ (7,938,149)	(1,327,194)	\$ 6,610,955
Adjustments to GAAP basis			
Debt			
Principal payments		378,327	
Issuance of notes		(613,388)	
Accrued interest adjustment		(4,096)	
Capital assets			
Acquisitions		4,262,349	
Net book value of disposals		(74,550)	
Capital contributions		6,340	
Depreciation		(2,446,659)	
Change in Net Position, GAAP Basis		\$ 181,129	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
FLEET FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Charges for services	\$ 2,412,380	\$ 2,412,380	\$ —
Total operating revenues	<u>2,412,380</u>	<u>2,412,380</u>	<u>—</u>
Operating expenses			
Personnel Services	838,499	756,029	82,470
Contractual Services	710,760	697,626	13,134
Commodities	1,152,300	947,357	204,943
Capital expense	<u>42,500</u>	<u>31,200</u>	<u>11,300</u>
Total operating expenses	<u>2,744,059</u>	<u>2,432,212</u>	<u>311,847</u>
Operating income	<u>(331,679)</u>	<u>(19,832)</u>	<u>311,847</u>
Nonoperating revenues (expenses)			
Income on investments	4,800	(4,325)	(9,125)
Insurance recoveries	<u>270,082</u>	<u>270,082</u>	<u>—</u>
Total nonoperating revenues (expenses)	<u>274,882</u>	<u>265,757</u>	<u>(9,125)</u>
Change in net position	<u>\$ (56,797)</u>	245,925	<u>\$ 302,722</u>
Adjustments to GAAP basis			
Capital assets			
Depreciation		(22,501)	
Inventory Adjustment		9,096	
Personnel services accruals		<u>(19,432)</u>	
Change in Net Position, GAAP Basis		<u>\$ 213,088</u>	



**STATISTICAL
SECTION**

STATISTICAL SECTION (Unaudited)

	Page No.	Table
Financial Trends Information		
<i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being are changed over time.</i>		
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<i>These schedules contain information to help the reader assess the city's most significant local revenue source, the sales and use tax.</i>		
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<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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Capital Asset Statistics by Function/Program	165	16

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**Table 1
City of Westminster**

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
Net Investment in capital assets	\$ 315,511,637	\$ 293,006,176	\$ 310,753,100	\$ 298,581,511	\$284,051,559	\$262,972,719	\$233,726,088	\$203,103,757	\$181,518,179	\$176,064,347
Restricted	72,374,573	55,763,500	47,539,906	50,047,232	44,958,563	35,829,766	31,977,574	27,825,584	34,508,098	32,889,201
Unrestricted	156,864,076	168,684,266	163,495,988	141,137,700	129,559,139	125,748,290	118,916,142	118,324,325	107,275,937	96,304,116
Total governmental activities net position	\$ 544,750,286	\$ 517,453,942	\$ 521,788,994	\$ 489,766,443	\$458,569,261	\$424,550,775	\$384,619,804	\$349,253,666	\$323,302,214	\$305,257,664
Business-type activities										
Net Investment in capital assets	\$ 500,726,173	\$ 491,753,788	\$ 455,230,597	\$ 422,842,682	\$397,726,132	\$385,909,492	\$375,115,816	\$353,498,654	\$343,060,522	\$336,924,153
Restricted	2,011,655	2,011,430	3,487,032	3,476,326	3,427,214	5,135,850	5,133,269	5,132,572	5,207,324	5,206,778
Unrestricted	155,120,662	140,341,808	113,143,678	113,325,081	113,763,592	106,406,204	87,632,673	89,037,701	86,956,838	81,540,256
Total business-type activities net position	\$ 657,858,490	\$ 634,107,026	\$ 571,861,307	\$ 539,644,089	\$514,916,938	\$497,451,546	\$467,881,758	\$447,668,927	\$435,224,684	\$423,671,187
Total										
Net Investment in capital assets	\$ 816,237,810	\$ 784,759,964	\$ 765,983,697	\$ 721,424,193	\$681,777,691	\$648,882,211	\$608,841,904	\$556,602,411	\$524,578,701	\$512,988,500
Restricted	74,386,228	57,774,930	51,026,938	53,523,558	48,385,777	40,965,616	37,110,843	32,958,156	39,715,422	38,095,979
Unrestricted	311,984,738	309,026,074	276,639,666	254,462,781	243,322,731	232,154,494	206,548,815	207,362,026	194,232,775	177,844,372
Total net position	\$1,202,608,776	\$1,151,560,968	\$1,093,650,301	\$1,029,410,532	\$973,486,199	\$922,002,321	\$852,501,562	\$796,922,593	\$758,526,898	\$728,928,851

Table 2
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental activities:										
General government	\$ 60,456,852	\$ 68,922,318	\$ 60,497,064	\$ 51,245,789	\$ 50,382,503	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	\$ 35,878,873
Public safety	47,320,297	47,640,463	42,902,368	40,662,978	39,908,597	36,274,992	34,620,914	33,917,996	34,701,963	32,690,106
Public works	12,790,144	10,021,168	17,283,356	15,393,799	13,475,717	13,459,466	13,490,199	14,967,446	14,526,130	14,484,672
Community development	17,552,829	17,894,840	14,327,393	13,734,388	15,565,417	14,174,997	13,136,180	9,253,118	10,053,995	10,294,204
Economic development	1,690,566	2,579,468	3,764,393	1,752,565	—	—	—	—	—	—
Culture and recreation	26,859,916	25,439,359	27,485,527	25,638,240	24,625,914	24,576,687	21,506,116	23,345,230	20,547,209	21,450,331
Interest and fiscal charges	825,268	2,959,178	3,264,280	3,569,427	3,838,725	6,637,408	7,326,033	6,586,443	7,012,596	6,697,736
Refunding issuance costs	—	—	—	—	—	191,082	—	—	157,626	—
Unallocated depreciation	193,922	195,761	227,411	230,339	230,867	232,974	271,497	304,769	308,894	309,553
Total governmental activities expenses	167,689,794	175,652,555	169,751,792	152,227,525	148,027,740	145,112,517	131,616,187	125,600,376	125,404,425	121,805,475
Business-type activities:										
Utility	58,633,574	59,658,316	56,778,210	55,545,014	53,216,225	50,691,118	48,485,130	44,811,783	43,302,750	44,861,022
Golf	5,600,274	3,844,431	4,226,369	4,384,036	4,054,852	3,579,035	3,530,467	3,528,224	3,809,085	3,354,014
Westminster Housing Authority	—	—	—	—	—	70,770	125,491	84,666	106,956	696,930
Parking Management	—	1,232,430	—	—	—	—	—	—	—	—
Total business-type activities expenses	64,233,848	64,735,177	61,004,579	59,929,050	57,271,077	54,340,923	52,141,088	48,424,673	47,218,791	48,911,966
Total primary government expenses	231,923,642	240,387,732	230,756,371	212,156,575	205,298,817	199,453,440	183,757,275	174,025,049	172,623,216	170,717,441
Program Revenues										
Governmental activities:										
Charges for services:										
General government	8,751,424	8,752,107	5,761,167	4,797,788	5,237,623	6,105,832	4,856,467	4,150,020	4,883,189	4,055,921
Public safety	4,386,099	3,191,828	3,995,334	4,605,643	3,709,546	3,972,310	4,138,624	4,031,642	4,204,733	4,507,902
Public works	2,703,468	2,662,461	2,523,557	2,756,068	2,824,964	2,548,173	2,439,228	2,026,345	1,630,161	1,810,028
Community development	183,511	253,762	287,453	243,737	228,383	801,191	206,671	358,835	190,322	(12,469)
Culture and recreation	5,263,157	2,864,075	7,479,551	7,948,709	7,506,249	7,746,111	7,476,626	7,368,157	6,765,100	6,747,706
Operating grants and contributions	14,498,795	22,436,312	10,928,246	10,932,984	9,484,810	9,273,135	8,279,617	7,792,918	6,266,173	6,669,118
Capital grants and contributions	9,562,362	16,607,880	14,631,021	14,039,483	10,959,356	26,547,690	15,799,445	14,107,955	15,133,416	9,309,177
Total program revenues	45,348,816	56,768,425	45,606,329	45,324,412	39,950,931	56,994,442	43,196,678	39,835,872	39,073,094	33,087,383
Business-type activities:										
Charges for services:										
Utility	73,855,471	77,561,514	67,548,532	63,758,787	57,918,080	55,326,918	50,580,355	47,890,317	45,097,929	49,243,639
Golf	4,789,592	3,459,592	4,194,475	3,655,051	3,748,446	3,529,970	3,483,098	3,427,107	3,090,119	3,141,318
Westminster Housing Authority	—	—	—	—	—	—	—	—	—	723,307
Parking Management	151,951	16,919	—	—	—	—	—	—	—	—
Operating grants and contributions	1,500	1,425	1,500	1,400	1,500	700	—	—	1,695	36,435
Capital grants and contributions	8,651,859	13,691,078	16,960,139	14,474,171	12,800,673	24,125,580	16,731,575	7,060,781	9,313,996	5,460,466
Total business-type activities program revenues	87,450,373	94,730,528	88,704,646	81,889,409	74,468,699	82,983,168	70,795,028	58,378,205	57,503,739	58,605,165
Total revenues	132,799,189	151,498,953	134,310,975	127,213,821	114,419,630	139,977,610	113,991,706	98,214,077	96,576,833	91,692,548
Net (expense)/revenue										
Governmental activities	(122,340,978)	(118,884,130)	(124,145,463)	(106,903,113)	(108,076,809)	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	(88,718,092)
Business-type activities	22,965,243	29,995,351	27,700,067	21,960,359	17,197,622	28,642,245	18,653,940	9,953,532	10,284,948	9,693,199
Total primary government net expense	(99,375,735)	(88,888,779)	(96,445,396)	(84,942,754)	(90,879,187)	(59,475,830)	(69,765,569)	(75,810,972)	(76,046,383)	(79,024,893)

Table 2 (continued)
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	24,779,281	23,042,829	19,587,247	17,691,457	15,799,702	15,090,147	13,461,402	13,535,334	12,947,197	12,891,503
Sales taxes	99,303,980	87,270,216	90,810,385	88,708,382	84,790,732	80,283,226	76,576,042	72,699,403	68,712,125	65,544,298
Use taxes	20,345,972	20,216,479	21,312,747	18,590,498	19,861,540	19,824,648	17,498,401	14,797,452	14,110,138	11,946,218
Business fees and other taxes	570,756	607,722	5,575,081	5,480,552	5,381,255	5,373,974	5,636,924	5,745,800	5,587,433	5,275,222
Accommodations taxes	3,869,743	1,848,750	4,818,563	4,782,173	4,463,046	4,258,630	4,005,426	3,478,033	2,905,893	2,427,226
Intergovernmental not restricted to a specific purpose	565,450	329,012	303,244	285,165	249,184	241,386	393,033	224,580	672,693	672,172
Assessments	—	—	—	—	—	—	—	—	2,000	6,000
Interest	(845,347)	4,247,094	5,231,237	2,423,030	1,018,194	1,298,621	739,407	996,457	139,218	811,117
Rentals	—	—	376,318	334,627	443,624	443,074	419,137	409,143	409,789	470,674
Fleet Maintenance billings and other	—	—	—	—	—	—	—	—	—	—
Other	1,095,020	4,557,064	7,897,485	1,508,051	8,288,774	30,561	6,862	257,781	1,084,214	35,000
Gain on Sale of Assets	594,614	124,130	—	87,142	227,523	156,319	1,651,759	71,130	—	21,879
Special Item	—	—	—	—	—	—	—	—	—	—
Transfers	(642,147)	(27,694,218)	255,707	71,000	(356,098)	1,028,460	(757)	(499,157)	(774,544)	(165,572)
Total governmental activities	149,637,322	114,549,078	156,168,014	139,962,077	140,167,476	128,029,046	120,387,636	111,715,956	105,796,156	99,935,737
Business-type activities:										
Interest	(730,053)	3,516,881	3,683,434	2,135,610	1,045,374	958,005	634,166	860,924	32,742	840,406
Rentals	—	—	—	—	—	10	10	20	587	839
Other	772,182	984,169	1,003,119	892,376	845,666	931,015	911,961	948,874	883,951	1,190,155
Gain on Sale of Assets	101,945	55,100	86,305	—	345,328	66,973	11,997	181,736	98,245	—
Special Item	—	—	—	—	—	—	—	—	—	3,876,447
Transfers	642,147	27,694,218	(255,707)	(71,000)	356,098	(1,028,460)	757	499,157	774,544	165,572
Total business-type activities	786,221	32,250,368	4,517,151	2,956,986	2,592,466	927,543	1,558,891	2,490,711	1,790,069	6,073,419
Total	150,423,543	146,799,446	160,685,165	142,919,063	142,759,942	128,956,589	121,946,527	114,206,667	107,586,225	106,009,156
Change in net position										
Governmental activities	27,296,344	(4,335,052)	32,022,551	33,058,964	32,090,667	39,910,971	31,968,127	25,951,452	19,464,825	11,217,645
Adjustment for accounting change	—	—	—	(1,861,782)	—	—	3,418,011	—	(1,420,275)	—
Business-type activities	23,751,464	62,245,719	32,217,218	24,917,345	19,790,088	29,569,788	20,212,831	12,444,243	12,075,017	15,766,618
Adjustment for accounting change	—	—	—	(190,194)	—	—	—	—	(521,520)	—
Total	\$51,047,808	\$57,910,667	\$64,239,769	\$55,924,333	\$51,880,755	\$69,480,759	\$55,598,969	\$38,395,695	\$29,598,047	\$26,984,263

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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 1,055,719	\$ 1,097,225	\$ 1,065,811	\$ 1,062,036	\$ 1,149,356	\$ 1,115,952	\$ 1,000,834	\$ 934,588	\$ 887,569	\$ 943,056
Restricted	7,205,778	7,592,825	6,872,557	6,306,526	6,205,516	6,227,738	5,699,348	5,145,534	5,177,644	4,849,535
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	8,728,098	8,437,802	8,308,210	8,052,727	6,836,562	6,492,595	5,915,385	6,118,523	5,732,552	5,843,851
Unassigned	48,425,811	30,784,911	32,084,317	35,004,249	33,655,936	29,970,602	31,869,732	25,115,741	18,960,092	17,795,609
Total General Fund	\$ 65,415,406	\$ 47,912,763	\$ 48,330,895	\$ 50,425,538	\$ 47,847,370	\$ 43,806,887	\$ 44,485,299	\$ 37,314,386	\$ 30,757,857	\$ 29,432,051
All other governmental funds										
Nonspendable	\$ —	\$ —	\$ —	\$ —	\$ 16,648,057	\$ 20,776,055	\$ 20,776,315	\$ 31,630,640	\$ 31,226,133	\$ 32,351,416
Restricted	54,328,577	44,804,916	41,065,022	38,148,501	37,372,256	38,803,425	60,767,096	22,539,782	29,425,771	30,475,367
Committed	55,054,278	78,802,034	70,527,334	57,985,681	52,930,080	41,415,625	37,721,829	36,473,901	34,204,717	29,391,324
Assigned	15,328,891	15,810,675	15,445,173	16,909,975	3,467,415	551,520	398,546	279,822	306,482	460,677
Unassigned	(718,905)	—	—	(56,924)	(196,189)	1,605,617	(581,144)	(455,532)	(621,910)	(382,694)
Total all other governmental funds	\$ 123,992,841	\$ 139,417,625	\$ 127,037,529	\$ 112,987,233	\$ 110,221,619	\$ 103,152,242	\$ 119,082,642	\$ 90,468,613	\$ 94,541,193	\$ 92,296,090

Table 4
City of Westminster

Change in Fund Balance, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Taxes and business fees	\$153,493,078	\$137,302,387	\$142,104,023	\$135,253,062	\$130,296,275	\$124,830,625	\$117,178,195	\$110,256,022	\$104,262,786	\$ 98,084,467
Intergovernmental	22,230,181	29,188,618	20,339,303	16,710,544	17,197,954	18,835,428	14,621,889	14,666,756	13,444,290	13,363,386
Assessments	—	—	—	—	—	—	41,662	39,444	41,199	45,935
Licenses and permits	2,857,334	3,540,558	4,192,596	3,280,098	3,563,800	4,278,584	2,923,276	2,459,437	2,653,281	2,006,610
Interest	(705,679)	3,697,853	4,585,521	2,147,241	906,697	1,135,671	755,385	830,006	139,740	828,450
Rentals	372,284	245,021	376,318	334,627	443,624	443,074	419,137	409,143	425,569	476,399
Contributions	1,609,900	8,365,618	6,606,716	1,036,410	3,759,405	14,996,774	6,584,703	2,561,733	3,389,088	2,846,572
Recreation fees	5,935,711	2,587,271	7,726,601	7,704,447	7,583,862	7,605,943	7,569,719	7,379,510	6,788,407	6,751,616
Fines and forfeits	696,885	978,758	1,601,190	1,685,247	1,239,978	1,377,401	1,657,240	1,587,334	1,868,695	2,010,118
Fleet maintenance billings and other	4,293,687	3,976,378	4,910,359	4,945,591	5,151,565	5,326,371	4,920,307	4,374,067	4,508,886	4,529,238
EMS billings	3,395,779	2,100,166	2,050,593	3,179,449	2,410,270	2,503,787	2,362,530	2,178,911	2,173,899	2,357,911
Miscellaneous and other	380,757	3,228,329	2,834,834	1,284,054	4,931,886	589,913	65,761	358,555	810,454	127,277
Total revenues	194,559,917	195,210,957	197,328,054	177,560,770	177,485,316	181,923,571	159,099,804	147,100,918	140,506,294	133,427,979
Expenditures										
Current:										
General government	59,162,748	67,719,130	61,256,528	54,222,455	54,426,899	49,618,140	45,752,230	42,189,889	42,191,325	41,025,193
Public safety	46,523,019	45,865,100	42,723,342	39,791,231	38,084,423	34,987,444	33,409,984	32,882,207	33,173,549	31,434,925
Public works	7,126,119	6,849,480	9,941,029	8,711,852	8,646,817	8,488,590	7,812,814	7,589,559	7,398,650	7,210,468
Community development	10,440,204	9,537,808	8,302,645	7,036,989	10,241,109	6,077,910	6,007,219	5,442,684	5,746,886	5,416,821
Economic development	1,844,279	2,390,464	3,768,084	1,754,838	—	—	—	—	—	—
Culture and recreation	18,610,889	16,013,025	17,899,750	17,314,204	16,374,128	15,930,277	15,741,361	14,964,860	14,186,013	13,674,664
Capital projects	38,801,519	23,395,446	30,378,361	32,357,524	27,422,712	63,965,424	45,074,138	25,199,894	17,487,657	11,361,038
Debt service:	—	—	—	—	—	—	—	—	—	—
Principal	8,435,000	8,144,000	8,680,000	7,585,000	8,042,000	12,018,000	11,775,000	10,790,000	14,651,000	11,635,000
Interest and fiscal charges	2,699,999	2,983,755	3,277,508	3,567,493	3,818,063	5,914,294	5,483,247	5,313,893	5,769,157	9,816,176
Issuance costs	—	—	—	—	—	191,082	532,288	—	157,626	383,516
Total expenditures	193,643,776	182,898,208	186,227,247	172,341,586	167,056,151	197,191,161	171,588,281	144,372,986	140,761,863	131,957,801
Excess of revenues over (under) expenditures	916,141	12,312,749	11,100,807	5,219,184	10,429,165	(15,267,590)	(12,488,477)	2,727,932	(255,569)	1,470,178
Other financing Sources (Uses)										
Issuance of bonds	—	—	—	—	—	—	—	—	11,095,000	5,812,724
Issuance of notes	900,070	—	—	—	—	—	—	—	—	—
Issuance of leases	—	—	—	—	—	—	40,577,946	—	—	—
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	428,997	70,164	58,545	53,598	34,901	32,952	4,678,053	57,990	848,454	43,519
Insurance Recoveries	408,628	835,924	461,301	—	—	—	—	—	—	—
Transfers in	33,961,575	18,251,491	26,269,844	31,657,554	31,101,861	35,831,912	23,439,943	19,439,703	23,123,984	15,240,547
Transfers (out)	(34,537,552)	(18,712,085)	(25,934,844)	(31,586,554)	(31,445,264)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)	(15,018,965)
Total other financing sources (uses)	1,161,718	445,494	854,846	124,598	(308,502)	(1,341,222)	48,273,419	(243,983)	3,826,478	9,846,498
Net change in fund balances	\$ 2,077,859	\$ 12,758,243	\$ 11,955,653	\$ 5,343,782	\$ 10,120,663	\$(16,608,812)	\$ 35,784,942	\$ 2,483,949	\$ 3,570,909	\$ 11,316,676

Debt Service as a percentage of noncapital expenditures	6.8%	6.5%	7.0%	7.2%	10.1%	11.2%	11.3%	12.3%	15.3%	15.9%
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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
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%
2020	83,865,670	16,674,924	6,946,101	3.85%
2021	93,154,434	18,704,131	7,791,387	3.85%

Source: City Sales Tax Division

¹ The Public Safety Sales and Use Tax was implemented January 1, 2004.

² The Open Space Sales and Use Tax was implemented January 1, 1985.

Table 6
City of Westminster

Direct and Overlapping Sales and Use Tax Rates
Last ten fiscal years

Fiscal Year	City Direct Rates				Overlapping Rates ³			
	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate	State of Colorado	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
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%
2020	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2021	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%

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 2021			Fiscal Year 2012		
	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	\$ 22,788,781	1	19.0 %	\$ 18,845,750	1	24.3 %
Restaurants	13,404,024	3	11.2 %	8,784,938	3	11.3 %
Utility/Telecommunications	8,867,001	6	7.4 %	8,828,781	2	11.4 %
Building/Home Improvement	9,778,403	5	8.2 %	3,202,354	6	4.1 %
Automobile	11,975,993	4	10.0 %	5,819,465	4	7.5 %
Grocery	—	—	0.0 %	4,459,748	5	5.8 %
Furniture/Home Fashion	13,441,741	2	11.2 %	—	—	0.0 %

Source: City Sales Tax Division

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

Table 8
City of Westminster

Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year	Governmental Activities					Business- Type Activities					
	Revenue Bonds	Tax Increment Bonds and Loans	Notes ¹	Certificates of Participation ¹	Capital Leases ¹	Revenue Bonds	Notes ¹	Certificates of Participation ¹	Capital Leases ¹	Total Primary Government	Per Capita ²
2012	51,151,751	97,880,475	1,612,724	—	—	33,558,808	24,123,395	—	4,427,856	212,755,009	2,577
2013	47,001,480	93,599,570	1,612,724	—	—	31,577,255	21,077,341	—	4,516,937	199,385,307	2,396
2014	41,214,039	88,185,621	1,612,724	—	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	—	267,130,626	2,267
2020	19,582,743	54,127,928	2,135,789	56,319,061	—	109,005,223	28,300,696	1,408,111	—	270,879,551	2,278
2021	16,754,518	48,183,979	3,118,353	50,066,582	—	106,198,567	27,518,343	7,603,867	—	259,444,209	2,366

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, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County	\$ 92,462,713	9.33 %	\$ 8,626,771
Adams County School District #12	446,180,000	20.18 %	90,039,124
Apex Park & Rec District	21,165,000	8.15 %	1,724,948
Arvada Fire Protection District	3,115,000	0.05 %	1,558
Bradburn Metro #2	9,435,000	87.01 %	8,209,394
Bradburn Metro #3	7,975,000	84.45 %	6,734,888
Country Club Highlands Metro District	2,055,000	90.10 %	1,851,555
Country Club Village Metro District	2,205,000	86.35 %	1,904,018
Countrydale Metropolitan District	19,385,000	100.00 %	19,385,000
Huntington Trails Metro District	5,695,000	100.00 %	5,695,000
Hyland Village Metro District	4,770,000	100.00 %	4,770,000
Jefferson County School District R-1	779,805,000	5.81 %	45,306,671
NBC Metropolitan District	9,340,000	100.00 %	9,340,000
North Metro Fire and Rescue	9,530,000	0.49 %	46,697
Orchard Park Place North Metro Distict	4,081,000	100.00 %	4,081,000
Westglenn Metro District	1,483,000	100.00 %	1,483,000
Westminster Public Schools	40,595,000	34.20 %	13,883,490
Subtotal, overlapping debt			223,083,114
City Direct debt			118,123,432
Total direct and overlapping debt			\$ 341,206,546

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 2021

Actual value of taxable property Source ¹	
Adams County portion of the City	\$ 12,704,168,443
Jefferson County portion of the City	8,476,028,682
Total actual value	<u>\$ 21,180,197,125</u>
Debt limit (3% of actual value ²)	\$ 635,405,914
Debt applicable to limit:	
Bonded debt - general obligation only	\$ —
Installment of lease/purchase contracts for purchase of property or equipment	58,942,899
	<u>58,942,899</u>
Less deductions allowed bylaw:	<u>—</u>
Total net debt applicable to limit	<u>58,942,899</u>
Legal debt margin	<u>\$ 576,463,015</u>

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limit	\$635,405,914	\$550,574,893	\$548,159,428	\$452,290,584	\$445,262,890	\$344,518,254	\$344,518,254	\$297,497,248	\$298,199,061	\$294,623,453
Total net debt applicable to limit	58,942,899	56,378,147	62,627,610	69,885,802	78,031,919	85,448,873	93,102,037	59,711,741	65,341,824	70,496,233
Legal debt margin	<u>\$576,463,015</u>	<u>\$494,196,746</u>	<u>\$485,531,818</u>	<u>\$382,404,782</u>	<u>\$367,230,971</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>
Total net debt applicable to the limit as a percentage of debt limit	9.28 %	10.24 %	11.43 %	15.45 %	17.52 %	24.80 %	27.02 %	20.07 %	21.91 %	23.93 %

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:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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
2020	94,889,742	(39,937,104)	54,952,638	3,555,084	4,547,016	6.78
2021	81,550,522	(39,079,319)	42,471,203	3,622,182	4,425,661	5.28

Sales and Use Tax Revenue Bonds						
Fiscal Year	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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
2020	77,335,788	(480,122)	76,855,666	1,395,000	204,000	48.06
2021	92,285,568	(438,773)	91,846,795	1,470,000	134,250	57.25

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:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
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)	7,266,456	1,060,000	687,969	4.16
2020	6,898,265	(39,985)	6,858,280	1,100,000	645,569	3.93
2021	7,685,530	(36,541)	7,648,989	1,125,000	623,569	4.37

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

	Less:		Net Pledged Revenue	Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses				Principal	Interest and Fees	Total Debt Service	
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	—	—	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	—	—	-
2021	—	—	—	—	—	—	—	—	-

*Bonds issued in June 2009 to refund the WEDA Series 1997 Revenue Bonds were paid off in December 2017.

Source: City's Administration Division

**WEDA Tax Increment Adjustable Rate Revenue Refunding Bonds Series 2009
(Mandalay Gardens Project)**

	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2012	1,830,823	(27,462)	1,803,361	—	392,699	392,699	4.59
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-
2021	—	—	—	—	—	—	-

*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)

	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2012	5,326,071	(82,895)	5,243,176	—	1,627,997	1,627,997	3.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-
2021	—	—	—	—	—	—	-

*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:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2012	1,153,846	(845,516)	308,330	—	252,923	252,923	1.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-
2021	—	—	—	—	—	—	-

*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)									Coverage
	Gross Pledged Revenues	Less:		Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			
		Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
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
2020	2,224,925	(31,068)	2,193,857	137,768	2,331,625	1,665,000	666,625	2,331,625	1.00
2021	2,263,529	(33,008)	2,230,521	101,154	2,331,675	1,715,000	616,675	2,331,675	1.00

*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:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
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
2020	11,522,599	(898,096)	10,624,503	—	10,624,503	3,579,000	1,303,062	4,882,062	2.18
2021	11,913,037	(613,896)	11,299,141	—	11,299,141	3,705,000	1,177,472	4,882,472	2.31

*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:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
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
2020	898,895	(13,470)	885,425	—	885,425	405,000	162,349	567,349	1.56
2021	939,377	(14,087)	925,290	—	925,290	420,000	147,383	567,383	1.63

*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
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%
2020	118,931	6,378,745,254	53,634	8.7%
2021	118,929	6,631,362,111	55,759	4.7%

Source:

¹ 2021 Population - ESRI Community Analyst, December, 2021

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 2020.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for November, 2021, and calculated as a weighted average of rates for Adams and Jefferson Counties.

Table 13
City of Westminster

Fiscal Year Principal Private Sector Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2021			Fiscal Year 2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	2,205	1	4.63 %	533	3	1.46 %
Maxar (formerly DigitalGlobe)	1,293	2	2.72 %	—	—	0.00 %
St. Anthony North Hospital	1,164	3	2.45 %	800	2	2.20 %
Trimble Navigation	628	4	1.32 %	362	8	0.99 %
Tri State Generation	518	5	1.09 %	490	6	1.35 %
Mtech Mechanical Technologies Group	507	6	1.07 %	0	0	0.00 %
Epsilon	506	7	1.06 %	0	0	0.00 %
Alliance Data Systems	472	8	0.99 %	479	7	1.32 %
CACI International Research and Technology (formerly LPS Asset Management Solutions)	341	9	0.72 %	500	4	1.37 %
Reed Group	314	10	0.66 %	325	10	0.89 %
Avaya	—	—	— %	900	1	2.47 %
McKesson Information Systems	—	—	— %	500	5	1.37 %
Kaiser Permanente (Sheridan)	—	—	— %	340	9	0.93 %

Note: Total employment in Westminster businesses was 47,597 in 2021 and 36,404 in 2012.
Source: Westminster Economic Development Department

Table 14
City of Westminster

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
City Attorney's Office	16.800	15.700	15.700	15.700	15.700	14.700	13.700	13.700	13.700	13.700
City Manager's Office	28.550	25.550	21.550	20.550	29.500	23.000	17.500	15.500	15.500	15.500
Policy and Budget	11.000	6.000	—	—	—	—	—	—	—	—
Finance	28.500	30.500	30.500	30.000	29.500	28.500	28.500	27.500	27.500	26.750
General Services	59.916	58.716	57.716	56.716	71.466	74.516	71.766	72.766	72.766	71.766
Human Resources	20.500	19.500	19.500	19.500	—	—	—	—	—	—
Information and Technology	34.300	33.300	—	—	—	—	—	—	—	—
Public Safety										
Fire Department	143.000	143.000	143.000	143.000	139.500	136.300	135.300	135.300	135.300	135.300
Police Department	274.800	273.800	272.800	265.600	265.600	263.600	263.600	261.600	261.600	262.600
Public Works										
Street Maintenance	28.000	28.000	27.000	26.000	25.000	24.000	24.000	24.000	24.000	24.000
Community Development										
Administration	3.500	4.600	9.850	7.100	7.600	7.600	6.100	6.100	6.100	6.100
Planning Division	13.000	13.000	16.500	17.000	17.000	17.000	14.500	14.200	14.200	14.200
Building Division	18.000	17.900	18.000	18.500	18.500	18.000	16.100	16.100	16.000	16.000
Engineering Division	16.100	16.250	16.250	18.250	17.000	15.750	13.000	13.000	13.000	13.000
Operations and Community	13.850	12.850	—	—	—	—	—	—	—	—
Parking Management	1.000	1.000	—	—	—	—	—	—	—	—
Economic Development										
Administration	14.500	14.500	14.500	11.500	—	—	—	—	—	—
Culture and Recreation										
Administration	10.500	22.000	18.500	19.500	19.000	19.000	17.200	17.200	15.200	15.200
Parks Services	37.000	35.000	35.000	35.000	35.000	34.800	33.800	35.800	35.800	35.800
Library Services	42.100	42.100	42.175	41.975	41.975	41.975	39.275	39.275	40.275	40.275
Open Space	30.000	24.000	24.000	22.000	16.300	12.500	6.500	2.500	2.500	2.500
Recreation Programs	11.900	10.300	10.300	10.300	10.300	14.900	17.300	15.600	15.600	15.000
Recreation Facilities	57.300	57.400	42.300	42.300	42.300	37.000	35.500	35.500	50.300	50.300
Utilities										
Administration	31.150	27.500	55.800	50.500	49.500	45.500	45.300	41.800	41.800	41.800
Water Resources & Treatment	56.000	56.000	57.000	57.500	56.000	56.000	56.000	56.000	54.750	53.750
Field Operations	56.500	56.500	54.500	51.000	50.500	46.500	45.500	42.500	42.500	38.500
Golf Courses										
Legacy Ridge	8.500	8.500	8.500	8.500	8.000	8.000	8.500	9.000	10.000	10.000
The Heritage	8.500	8.500	8.500	8.500	8.000	8.000	8.500	9.000	9.000	9.000
Total	1,074.766	1,061.966	1,019.441	996.491	973.241	947.141	917.441	903.941	917.391	911.041

Source: City Annual Pay Plan

Table 15
City of Westminster

Operating Indicators by Function/Program
Last ten fiscal years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public Safety										
Total Fire/EMS Incidents	14,377	12,431	12,398	11,924	11,559	10,699	10,226	9,968	6,709	9,267
EMS Transports by fire department	7,162	6,175	6,408	6,140	6,019	5,619	5,497	5,314	6,589	5,166
Police emergency responses	770	512	468	445	635	870	935	965	1,049	874
Traffic Citations (municipal)	2,676	3,284	7,374	8,281	5,506	5,454	7,117	7,791	8,325	9,190
Public Works										
Curb miles swept	4,205	2,562	2,380	3,711	4,101	3,430	3,051	3,281	3,258	4,426
Lane miles rehabilitated	37	54	83	67	74	80	88	71	103	101
Community Development										
Official Development Plans processed	162	104	134	153	177	142	136	130	129	120
Building Permits issued	7,834	6,133	8,174	7,672	6,937	6,890	4,976	5,999	4,994	5,456
Culture and Recreation										
Library circulation	385,962	249,050	600,924	672,108	964,606	746,113	844,001	941,256	1,015,864	1,102,660
Facilities & programs participants	659,570	99,514	1,348,404	1,326,442	1,293,038	1,257,723	1,197,882	1,089,857	1,035,273	943,876
Utilities										
Water gallons treated (in millions)	5,911	6,314	5,740	6,641	5,795	6,128	5,883	5,827	5,873	6,867
Water customers	33,413	33,300	33,112	33,016	32,825	32,587	32,322	32,227	32,163	32,040
Wastewater gallons treated (in millions)	2,406	2,382	2,390	2,409	2,460	2,586	2,683.52	2,488	2,508	2,603
Wastewater customers	32,689	32,558	32,338	31,465	30,347	30,904	30,586	30,803	30,726	30,626
Golf Courses										
Paid golf rounds played	73,581	65,158	59,384	80,354	70,613	76,684	71,750	67,728	61,899	61,439
Golf course acres maintained	414	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Table 16
City of Westminster

Capital Asset Statistics by Function/Program
Last ten fiscal years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	84	84	85	89	79	71	71	71	71	71
Public Works										
Total Lane Miles	1,135	1,135	1,132	1,128	1,126	1,116	1,101	1,101	1,100	1,099
Community Development										
Traffic Signals	117	116	115	115	113	113	113	113	111	111
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	220	220	220	220	219	218	215	212	212	200
Neighborhood, community & citywide parks	63	62	64	64	58	54	53	53	53	53
Utilities										
Water mains	550	550	550	550	550	531	544	516	509	508
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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An aerial photograph of a coastal area, likely a bay or estuary, showing various land parcels and water bodies. The land is colored in shades of yellow and orange, while the water is a dark teal. A semi-transparent teal oval is overlaid on the top right portion of the image, containing the text 'COMPLIANCE SECTION' in white, bold, uppercase letters.

**COMPLIANCE
SECTION**

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 13, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

FORVIS,LLP

Denver, Colorado
June 13, 2022



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Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Westminster, Colorado's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

FORVIS,LLP

Denver, Colorado
June 13, 2022

City of Westminster, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

City of Westminster, Colorado
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2021

Reference Number	Summary of Finding	Status
2020-001	<i>Incurred but not Reported (IBNR) Liability</i> - We recommend that internal controls over IBNR be strengthened to include a more thorough review of the claims estimate at year-end to help ensure the reserve amount reported is reasonable.	Implemented

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Assistance Listing Number	Passed-through to Subrecipients	Total Federal Program Expenditures
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)	N/A	N/A	14.218	\$ 76,758	\$ 581,726
COVID-19 Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)	N/A	N/A	14.218	634,113	634,113
Subtotal Department of Housing and Urban Development and CDBG - Entitlement Grants Cluster				<u>710,871</u>	<u>1,215,839</u>
<u>Department of Justice</u>					
Crime Victim Assistance	Colorado Department of Public Safety-Division of Criminal Justice	2018-V2-GX-0050	16.575	—	70,706
Edward Byrne Memorial Justice Assistance Grant Program	N/A	N/A	16.738	—	52,102
Subtotal Department of Justice				<u>—</u>	<u>122,808</u>
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants	Colorado Department of Public Safety Division of Homeland Security & Emergency Management	21EM-22-67	97.042	—	45,000
National Urban Search and Rescue (US&R) Response System	West Metro Fire Protection District	None Provided	97.025	—	871
Homeland Security Grant Program	Arapahoe County	18SHS19NCR	97.067	—	10,500
Homeland Security Grant Program	City and County of Denver	None Provided	97.067	—	93,377
Total Homeland Security Grant Program				<u>—</u>	<u>103,877</u> *
Subtotal Department of Homeland Security				<u>—</u>	<u>149,748</u>
<u>Department of Transportation</u>					
Highway Planning and Construction (Highway Planning and Construction Cluster)	Colorado Department of Transportation/Denver Regional Council of Governments	STU 095A-021 (22946)	20.205	—	477,779
<u>Department of Health and Human Services</u>					
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	N/A	N/A	93.498	—	31,265
<u>Environmental Protection Agency</u>					
Clean Water State Revolving Funds (Clean Water State Revolving Fund Cluster)	Colorado Water Resources and Power Development Authority	None Provided	66.458	—	1,350,575
TOTAL FEDERAL ASSISTANCE				<u>\$ 710,871</u>	<u>\$ 3,348,014</u>

*The amount of \$103,877 reported under the Homeland Security Grant Program is the value of services and assessments passed through to the City of Westminster from both Arapahoe County and the City and County of Denver.

The accompanying notes are an integral part of this schedule.

CITY OF WESTMINSTER, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2021

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, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position or cash flows of the City.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2: Recognition of Pass Through Services

In 2021, the City received information technology cybersecurity services with a value of \$93,377 from the Urban Area Security Initiative (UASI) Arctic Wolf Managed Detection and Response Grant Program, Federal Assistance Listing Number 97.067. This was administered by City and County of Denver Colorado and passed through to the City.

In 2021, the City received an information technology security assessment with a value of \$10,500 from the Intrusion Detection System/Security Operations Center, Rubin Brown Grant Program, Federal Assistance Listing Number 97.067. This was administered by Arapahoe County Colorado and passed through to the City.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Westminster		
		YEAR ENDING : December 2021		
This Information From The Records Of (example - City of or County of) City of Westminster		Prepared By: Lore Nusser, Accountant Phone: 303.658.2365		
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from local sources:		A. Local highway disbursements:		
1. Local highway-user taxes		1. Capital outlay (from page 2)	3,258,848	
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,331,783	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:		
c. Total (a.+b.)		a. Traffic control operations	2,671,312	
2. General fund appropriations	55,084,658	b. Snow and ice removal	1,253,424	
3. Other local imposts (from page 2)	27,582,374	c. Other	2,209,187	
4. Miscellaneous local receipts (from page 2)	3,715,553	d. Total (a. through c.)	6,133,923	
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)	15,724,554	
b. Bonds - Refunding Issues	—	B. Debt service on local obligations:		
c. Notes	—	1. Bonds:		
d. Total (a. + b. + c.)	—	a. Interest	1,078,201	
7. Total (1 through 6)	86,382,585	b. Redemption	4,000,860	
B. Private Contributions		c. Total (a. + b.)	5,079,061	
C. Receipts from State government (from page 2)	3,810,174	2. Notes:		
D. Receipts from Federal Government (from page 2)	267,805	a. Interest	1,139,011	
E. Total receipts (A.7 + B + C + D)	90,460,564	b. Redemption	1,082,610	
		c. Total (a. + b.)	2,221,621	
		3. Total (1.c + 2.c)	7,300,682	
		C. Payments to State for highways	—	
		D. Payments to toll facilities	—	
		E. Total disbursements (A.6 + B.3 + C + D)	23,025,236	
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	6,671,250	—	1,727,250	4,944,000
1. Bonds (Refunding Portion)		—	—	
B. Notes (Total)	48,999,590	—	3,356,220	45,643,370
V. LOCAL ROAD AND STREET FUND BALANCE				
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance
	246,899,434	90,460,564	23,025,236	314,334,762
E. Reconciliation				
—				
Notes and Comments:				

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2021	
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	24,671,025	a. Interest on investments	10,696
b. Other local imposts:		b. Traffic Fines & Penalties	591,328
1. Sales Taxes	1,185,192	c. Parking Garage Fees	3,921
2. Infrastructure & Impact Fees	—	d. Parking Meter Fees	101,604
3. Liens	—	e. Sale of Surplus Property	—
4. Licenses	—	f. Charges for Services	—
5. Specific Ownership &/or Other	1,726,157	g. Other Misc. Receipts	3,008,004
6. Total (1. through 5.)	2,911,349	h. Other	—
c. Total (a. + b.)	27,582,374	i. Total (a. through h.)	3,715,553
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,381,698	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	267,805
c. Motor Vehicle Registrations	384,916	d. Federal Transit Admin	—
d. Other (Specify) - DOLA Grant	—	e. U.S. Corps of Engineers	—
e. Other (Specify)	43,560	f. Other Federal	—
f. Total (a. through e.)	428,476	g. Total (a. through f.)	267,805
4. Total (1. + 2. + 3.f)	3,810,174	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	—	386,519	386,519
b. Engineering Costs	287,413	926,817	1,214,230
c. Construction:			
(1). New Facilities	1,334,656	265,594	1,600,250
(2). Capacity Improvements	32,455	22,191	54,646
(3). System Preservation	—	—	—
(4). System Enhancement & Operation	—	3,203	3,203
(5). Total Construction (1) + (2) + (3) + (4)	1,367,111	290,988	1,658,099
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	1,654,524	1,604,324	3,258,848
			(Carry forward to page 1)
Notes and Comments:			

SPIRIT of full disclosure... Results that count

Service

Pride

Integrity

Responsibility

Innovation

Teamwork



WESTMINSTER

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