



## CITY COUNCIL AGENDA

**NOTICE TO READERS:** City Council meeting packets are prepared several days prior to the meetings. Timely action and short discussion on agenda items is reflective of Council's prior review of each issue with time, thought and analysis given.

Members of the audience are invited to speak at the Council meeting. Citizen Communication (Section 7) and Citizen Presentations (Section 12) are reserved for comments on any issues or items pertaining to City business except those for which a formal public hearing is scheduled under Section 10 when the Mayor will call for public testimony. Please limit comments to no more than 5 minutes duration except when addressing the City Council during Section 12 of the agenda.

1. Pledge of Allegiance
2. Roll Call
3. Consideration of Minutes of Preceding Meetings
4. Report of City Officials
  - A. City Manager's Report
5. City Council Comments
6. Presentations
  - A. Certificate of Achievement for Excellence in Financial Reporting
7. Citizen Communication (5 minutes or less)

The "Consent Agenda" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to remove an item for separate discussion. Items removed from the consent agenda will be considered immediately following adoption of the amended Consent Agenda.

8. Consent Agenda
  - A. Fireworks Contract Award
  - B. 2008 Slurry Seal Project Bid Award
  - C. 2007 Comprehensive Annual Financial Report
  - D. Supplemental Financial Assistance Request for the Harris Park Townhouse Project
  - E. Gregory Hill and Kershaw Ditch Pump Station Rehabilitation Engineering Contract
  - F. Lowell Boulevard Streetscape Improvements – 75<sup>th</sup> to 78<sup>th</sup> Avenues – Construction Contracts
  - G. Second Reading Councillor's Bill No. 22 re 2008 1<sup>st</sup> Quarter Budget Supplemental Appropriation
9. Appointments and Resignations
  - A. Metro Wastewater Reclamation District Board of Directors Re-Appointment
10. Public Hearings and Other New Business
  - A. Public Meeting on 2009 and 2010 City Budget
  - B. Councillor's Bill No. 23 re 2008 Community Development Block Grant Fund Appropriation
  - C. Councillor's Bill No. 24 re Right-of-Way Vacation of Bradburn Boulevard – South of 120<sup>th</sup> Avenue
  - D. Resolution No. 34 re Amended IGA with CDOT re Old Wadsworth/Big Dry Creek Trail Project
11. Old Business and Passage of Ordinances on Second Reading
12. Citizen Presentations (longer than 5 minutes), Miscellaneous Business, and Executive Session
  - A. City Council
  - B. Executive Session - Direction from City Council re proposed Economic Development Assistance Agreement with The Bedrin Organization, pursuant to WMC 1-11-3 (C)(4), WMC 1-11-3 (C)(7) and CRS 24-6-402 (4)(e)  
(Confidential Memo)
13. Adjournment

WESTMINSTER HOUSING AUTHORITY MEETING (separate agenda)

**GENERAL PUBLIC HEARING PROCEDURES ON LAND USE MATTERS**

- A.** The meeting shall be chaired by the Mayor or designated alternate. The hearing shall be conducted to provide for a reasonable opportunity for all interested parties to express themselves, as long as the testimony or evidence being given is reasonably related to the purpose of the public hearing. The Chair has the authority to limit debate to a reasonable length of time to be equal for both positions.
  
- B.** Any person wishing to speak other than the applicant will be required to fill out a “Request to Speak or Request to have Name Entered into the Record” form indicating whether they wish to comment during the public hearing or would like to have their name recorded as having an opinion on the public hearing issue. Any person speaking may be questioned by a member of Council or by appropriate members of City Staff.
  
- C.** The Chair shall rule upon all disputed matters of procedure, unless, on motion duly made, the Chair is overruled by a majority vote of Councillors present.
  
- D.** The ordinary rules of evidence shall not apply, and Council may receive petitions, exhibits and other relevant documents without formal identification or introduction.
  
- E.** When the number of persons wishing to speak threatens to unduly prolong the hearing, the Council may establish a time limit upon each speaker.
  
- F.** City Staff enters a copy of public notice as published in newspaper; all application documents for the proposed project and a copy of any other written documents that are an appropriate part of the public hearing record;
  
- G.** The property owner or representative(s) present slides and describe the nature of the request (maximum of 10 minutes);
  
- H.** Staff presents any additional clarification necessary and states the Planning Commission recommendation;
  
- I.** All testimony is received from the audience, in support, in opposition or asking questions. All questions will be directed through the Chair who will then direct the appropriate person to respond.
  
- J.** Final comments/rebuttal received from property owner;
  
- K.** Final comments from City Staff and Staff recommendation.
  
- L.** Public hearing is closed.
  
- M.** If final action is not to be taken on the same evening as the public hearing, the Chair will advise the audience when the matter will be considered. Councillors not present at the public hearing will be allowed to vote on the matter only if they listen to the tape recording of the public hearing prior to voting.

CITY OF WESTMINSTER, COLORADO  
MINUTES OF THE CITY COUNCIL MEETING  
HELD ON MONDAY, JUNE 9, 2008 AT 7:00 P.M.

PLEDGE OF ALLEGIANCE

Mayor McNally led the Council, Staff, and audience in the Pledge of Allegiance.

ROLL CALL

Mayor Nancy McNally, Mayor Pro Tem Chris Dittman, and Councillors Bob Briggs, Mark Kaiser, Mary Lindsey, Scott Major, and Faith Winter were present at roll call. Stephen P. Smithers, Acting City Manager, Martin McCullough, City Attorney, and Linda Yeager, City Clerk, also were present.

CONSIDERATION OF MINUTES

Councillor Kaiser moved, seconded by Major, to approve the minutes of the regular meeting of May 19, 2008, as presented. The motion passed unanimously.

CITY MANAGER'S REPORT

Mr. Smithers reported that the City Manager was on vacation. He congratulated accounting staff in the Finance Department on the work they had performed to ensure the City obtained a clean audit; Council would consider acceptance of the Comprehensive Annual Financial Report later in the meeting. Citizens interested in serving on one of the City's Boards or Commissions were being recruited and Mr. Smithers encouraged the public to file applications by the June 20 deadline so they could get involved in local government. At the conclusion of this meeting, Council would meet as the Board of Directors of the Westminster Housing Authority. After adjournment of that meeting, the Council would convene in executive session to provide direction on a proposed economic development assistance agreement with The Bedrin Organization.

CITY COUNCIL COMMENTS

Councillor Briggs reported having toured Rocky Flats earlier in the day, stating that the results of cleanup were impressive, including a herd of 30 elk with 8 calves on the property. At a meeting of the Rocky Mountain Rail Authority, a contract for a feasibility study was approved and Harry Dale was elected the Board Chair. Councillor Briggs had enjoyed an evening at the new Gaslight Theater at 73<sup>rd</sup> Avenue and Lowell Boulevard and urged everyone to take advantage of future opportunities; the theater was a welcome addition to the City. Council had attended the Eagle Chord of Honor for Henry Colling on Sunday; the Mayor had participated in the ceremony and aptly represented the City.

Mayor Pro Tem Dittman reported that the City's participation in the International Conference of Shopping Centers had been fruitful. The City's focus at the event had been to meet with the owners of the Westminster Mall, who agreed to let the City draw up visions and time lines for redevelopment of the mall.

Councillor Winter invited the public to attend a kick-off summer celebration at the Irving Street Library on June 12. Council would be available to talk with the citizenry in a comfortable, informal setting. Everyone was welcome.

Mayor McNally invited the public to attend Fire Station #1's Open House on June 14. There would be plenty of activities for children and hot dogs for all at this family event.

PRESENTATION

On behalf of the City Council, Mayor McNally presented the Government Finance Officers' Certificate of Achievement for Excellence in Financial Reporting to Cherie Sanchez, Karen Creager, Gary Newcomb and Sherri Rickard, members of the Comprehensive Annual Financial Report project team. This was the 24<sup>th</sup> consecutive year the City had received this award, reflective of the hard work and commitment to excellence of the project team, and the City's overall commitment to being financially accountable.

### CITIZEN COMMUNICATION

Dave and Terry Ullstrup of 9901 Garland Court and Steve Burns of 9101 Garland Drive voiced frustration with enforcement of traffic control and speed through their neighborhood. Police presence was random and not during peak traffic hours. The neighborhood was constantly disrupted throughout the day and night by loud motorcycles going to and from a nearby tavern. Because of excessive speed, the neighbors feared for the safety of children walking to and from area schools. Mayor McNally assured that Police Department staff would contact the Ullstrups and Mr. Burns.

### CONSENT AGENDA

The following items were submitted for Council's consideration on the consent agenda: based on the City Manager's recommendation, determine that the public interest would be best served by approving a three-year extension of the contract with Zambelli Fireworks Internationale to provide the 4<sup>th</sup> of July fireworks display; authorize the City Manager to execute a contract for 2008 with options for two additional one-year renewals in 2009 and 2010 for the Slurry Seal Project with A-1 Chipseal Company, the low bidder, in the amount of \$492,428 and authorize a 5% contingency of \$24,621; accept the 2007 Comprehensive Annual Financial Report; approve an Amendment to the Development Agreement with Community Builders, Inc. regarding Phase II of the 73<sup>rd</sup> Avenue/Lowell Boulevard area redevelopment project, in substantially the same form as the agreement attached to the agenda memorandum, providing for up to \$180,000 of additional funds and an assignment of water tap credits to assist in completing the construction of the remaining 12 townhouse units of the Harris Park redevelopment project; authorize the City Manager to execute a contract with Stantec Consulting, Inc. in the amount of \$181,279 for engineering design and construction management services for the Gregory Hill and Kershaw Ditch Pump Stations Rehabilitation and authorize a contingency of \$18,128; authorize the City Manager to award and execute a contract with Quality Paving Company in the amount of \$857,858 for the construction of the Lowell Boulevard Streetscape Improvements from 75<sup>th</sup> to 78<sup>th</sup> Avenues, authorize the City Manager to execute a contract with Short Elliot Hendrickson, Inc. in the amount of \$99,042 for construction engineering services, authorize the expenditure of \$115,000 for street lighting and authorize a project contingency of \$86,000; and final passage of Councillor's Bill No. 22 providing for supplementary appropriations to the 2008 budget of the General , Water, and General Capital Improvement Funds..

Mayor McNally asked if Councillors wished to remove any items from the consent agenda for discussion purposes or separate vote. There was no request.

It was moved by Councillor Kaiser, seconded by Councillor Lindsey, to approve the consent agenda, as presented. The motion passed unanimously.

### METRO WASTEWATER RECLAMATION DISTRICT BOARD OF DIRECTORS RE-APPOINTMENT

It was moved by Councillor Briggs, seconded by Major, to reappoint Curtis Aldstadt to the Metro Wastewater Reclamation District's Board of Directors with a term of office effective through June 30, 2010. The motion passed with all Council members voting affirmatively.

### PUBLIC MEETING ON 2009 AND 2010 CITY BUDGET

Mayor McNally invited citizen comment on the 2009 and 2010 City Budget, noting this was the first of three opportunities to provide input on the budget prior to its adoption in October.

Janet Bruchmann, 10083 Lee Street, appreciated the City's rehabilitation of Countryside Drive medians that had been requested during the last budget cycle. She asked for installation of a paved sidewalk connection between two existing sections of sidewalk on Countryside Drive near the Ketner Reservoir

open space, citing a dangerous situation for students walking in the middle of the street to and from Wayne Carle Middle School for lack of the sidewalk connection. Violet Burk, 10892 Zephyr Street, Bryan Cybyske, 7911 West 109<sup>th</sup> Avenue, and Judy Bailey, 7828 West 110<sup>th</sup> Drive, all lived in Green Knolls Subdivision and asked that the subdivision be provided access to the City's trails system, noting the extreme danger faced by bicyclists and pedestrians trying to use or cross Old Wadsworth Boulevard. They wanted safe access for themselves and their children. Patricia Thomas, 9215 Stuart Street, requested a noise fence be installed along 92<sup>nd</sup> Avenue to separate private residences from traffic noise of 92<sup>nd</sup> Avenue. Further, she questioned the \$2,000 permit fee she was charged to have solar panels installed on her residence; the high fee seemed counterproductive to efforts to control global warming and reduce dependency on fossil fuels. Terrance Ramirez, 5637 West 109<sup>th</sup> Circle, asked that streets be striped to include bike lanes when they were being resurfaced and repainted. This would provide safer access for those who were using bicycles as an alternate mode of transportation to reduce reliance on automobiles given the high price of gasoline.

No others wished to comment, and Mayor McNally announced that the next opportunity for input on the 2009-2010 budget would be on July 28.

COUNCILLOR'S BILL NO. 23 RE 2008 CDBG FUNDING APPROPRIATION

It was moved by Mayor Pro Tem Dittman and seconded by Councillor Major to pass Councillor's Bill No. 23 on first reading appropriating 2008 Community Development Block Grant funds in the amount of \$553,850. At roll call, the motion passed unanimously.

COUNCILLOR'S BILL NO. 24 RE VACATION OF R-O-W—BRADBURN BLVD. SOUTH OF 120<sup>TH</sup> AVE.

Upon a motion by Councillor Major, seconded by Mayor Pro Tem Dittman, the Council voted unanimously at roll call to pass Councillor's Bill No. 24 on first reading, vacating a portion of the center median in Bradburn Boulevard south of 120<sup>th</sup> Avenue.

RESOLUTION NO. 34 RE AMENDED IGA WITH CDOT FOR TRAIL

Councillor Major moved to adopt Resolution No. 34 authorizing the City Manager to execute an amendment to the Intergovernmental Agreement with the Colorado Department of Transportation for the design and construction of the Old Wadsworth/Big Dry Creek Trail project. Councillor Kaiser seconded the motion and it passed unanimously at roll call.

ADJOURNMENT

There being no further business to come before the City Council, upon motion duly made by Councillor Kaiser and seconded by Councillor Major, the Council voted unanimously to adjourn. The time was 7:35 p.m.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

## Summary of Proceedings

Summary of proceedings of the City of Westminster City Council meeting of Monday, June 9, 2008. Mayor McNally, Mayor Pro Tem Dittman, and Councillors Briggs, Kaiser, Lindsey, Major, and Winter were present at roll call.

The minutes of the regular meeting of May 19, 2008, were approved as presented.

Mayor McNally presented to Finance Department accounting staff the Government Finance Officers' Certificate of Achievement for Excellence in Financial Report for the City's comprehensive annual financial report.

Council approved the following: fireworks contract award; 2008 slurry seal project bid award; 2007 Comprehensive Annual Financial Report; supplemental financial assistance request for the Harris Park Townhouse Project; Gregory Hill and Kershaw Ditch Pump Station Rehabilitation engineering contract; Lowell Boulevard (75<sup>th</sup> to 78<sup>th</sup> Aves) streetscape improvements construction contracts; final passage of Councillor's Bill No. 22 re 2008 1<sup>st</sup> Quarter Budget Supplemental Appropriation.

Council conducted a public meeting to receive citizen input on the 2009-2010 budget.

Council adopted Resolution No. 34 approving an amended IGA with CDOT concerning the Old Wadsworth/Big Dry Creek Trail Project.

Council passed the following Councillors' Bills on first reading:

**A BILL FOR AN ORDINANCE INCREASING THE 2008 BUDGET OF THE COMMUNITY DEVELOPMENT BLOCK GRANT FUND AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2008 ESTIMATED REVENUES IN THIS FUND.** Purpose: to appropriate 2008 CDBG funding.

**A BILL FOR AN ORDINANCE VACATING A PORTION OF THE CENTER MEDIAN IN BRADBURN BOULEVARD, SOUTH OF 120<sup>TH</sup> AVENUE.** Purpose: to vacate a portion of the center median in Bradburn Blvd. south of 120<sup>th</sup> Ave.

The meeting adjourned at 7:35 p.m.

By order of the Westminster City Council  
Linda Yeager, City Clerk  
Published in the Westminster Window on June 19, 2008

**Lindsey - Kaiser**

**A BILL FOR AN ORDINANCE AMENDING THE 2008 BUDGETS OF THE GENERAL, WATER, AND GENERAL CAPITAL IMPROVEMENT FUNDS AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2008 ESTIMATED REVENUES IN THE FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2008 appropriation for the General, Water, and General Capital Improvement Funds, initially appropriated by Ordinance No. 3316 are hereby increased in aggregate by \$573,529. This appropriation is due to the receipt of sale proceeds, IGA participation funds, and grants.

Section 2. The \$573,529 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item #10D dated May 12, 2008 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Fund	\$2,780
Water Fund	1,414
General Capital Improvement Fund	<u>569,335</u>
Total	<u>\$573,529</u>

Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. This ordinance shall take effect upon its passage after the second reading.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 12<sup>th</sup> day of May, 2008. PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 9<sup>th</sup> day of June, 2008.



## Agenda Item 6 A

WESTMINSTER  
COLORADO

### Agenda Memorandum

City Council Meeting  
June 9, 2008



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

**Prepared By:** Tammy Hitchens, Finance Director

### Recommended City Council Action

The Mayor, on behalf of the City Council, is requested to present the Government Finance Officer's Certificate of Achievement for Excellence in Financial Reporting to the Comprehensive Annual Financial Report (CAFR) project team.

### Summary Statement

- The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster for its comprehensive annual financial report for the fiscal year ended December 31, 2006.
- The CAFR is judged by an impartial review panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.
- The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.
- This is the twenty-fourth consecutive year the City has received this prestigious award from GFOA. As one of Council's primary goals is a financially sustainable City Government, staff is honored to receive this award.

**Expenditure Required:** \$0

**Source of Funds:** N/A



**Policy Issue**

None identified

**Alternative**

None identified

**Background Information**

The Certificate of Achievement is conferred by the GFOA of the United States and Canada, and is the highest form of recognition in the area of governmental accounting and financial reporting. Its attainment represents a significant accomplishment by a government and its management.

To satisfy the requirements of the Certificate program, a CAFR must be easily readable and understandable based on a defined reporting framework that incorporates relevant Generally Accepted Accounting Principles and applicable GFOA program policies. Additionally, the information must be reliable as indicated by an unqualified opinion of the City's independent auditor.

Audit reports qualifying for the Certificate of Achievement provide a clear and complete financial story to be utilized by citizens, City Council, and various oversight groups as an accountability mechanism, by investors and creditors as a credit analysis tool, and by others as a reference to the financial operation and position of the City.

Westminster's report was evaluated by GFOA's special review committee comprised of government finance officers, independent CPAs, educators and others with particular expertise in governmental accounting and financial reporting from across the nation. The award acknowledges that Westminster fulfills the spirit of full disclosure in communicating its financial story.

Special thanks go to Accounting Manager Cherie Sanchez, Accountants Karen Creager, Gary Newcomb, Sherri Rickard, and Sam Trevino, Pension Benefits Administrator Kim McDaniel, and Accounting Technician Leslie Krough who were primarily instrumental in achieving the certificate. Other Finance Staff that provided vital assistance includes Senior Financial Analyst Bob Byerhof and Administrative Secretary Maggie Hunter. The Certificate of Achievement Award reflects the hard work and commitment to excellence of the CAFR project team, and the overall commitment of the City to being financially accountable.

Respectfully submitted,

J. Brent McFall  
City Manager



# Agenda Item 8 A

## WESTMINSTER COLORADO

### Agenda Memorandum

City Council Meeting  
June 9, 2008



**SUBJECT:** Fireworks Contract Award

**Prepared By:** Peggy Boccard, Recreation Services Manager  
Heather Hammarstrom, Recreation Specialist

### Recommended City Council Action

Based on the recommendation of the City Manager, determine that the public interest will be best served by approving a three-year extension of the contract with Zambelli Fireworks Internationale to provide the 4<sup>th</sup> of July fireworks display.

### Summary Statement

- The last awarded bid approved by City Council for the City's 4<sup>th</sup> of July fireworks was to Zambelli Internationale in 2005 and included a three-year renewal agreement, which expired in 2007. Given previous Council direction, quality of the products and service received, and the uniqueness of the services provided, the approval of a three-year contract extension is recommended.
- Staff received three proposals from qualified pyrotechnic companies for this contract. However, Staff recommends Zambelli once again as the most qualified to provide this important service.
- The total cost of the fireworks is \$23,000 per year, which is split between the City and Hyland Hills Park and Recreation District. Hyland Hills and the City will sign a joint contract with Zambelli Fireworks.
- Technically, the City's portion of the contract with Zambelli Fireworks is below the \$50,000 City bid requirement, but when combined with the Hyland Hills' contribution, the total contract over three years adds up to \$69,000, which therefore requires City Council approval.
- Zambelli is holding the same price (\$23,000 per year) for this new contract as they have charged for their previous contract with the City.

**Expenditure Required:** \$34,500 (\$11,500 per year for three years) by the City of Westminster  
\$34,500 (\$11,500 per year for three years) by Hyland Hills

**Source of Funds:** General Fund Budget – Parks, Recreation and Libraries  
Hyland Hills Park and Recreation District

**Policy Issue**

Should the City renew the contract with Zambelli Fireworks Internationale for the annual fireworks display?

**Alternatives**

1. City Council could choose to utilize another fireworks company for the event. Staff does not recommend this option as Zambelli has provided a safe, quality display within budget for the past three years.
2. City Council could choose to eliminate the fireworks display. Staff does not recommend this option as the firework display benefits our entire community and is a highly attended and much appreciated event.

**Background Information**

In 2008, three competitive bids were received for fireworks for the City's 4<sup>th</sup> of July celebration, and after careful review it was determined Zambelli Internationale has consistently met the community expectations insofar as they have performed as scheduled and have been consistent with the cost and conditions established by the City of Westminster and Hyland Hills Park and Recreation District. They offer good value, quality service, and a competitive price for their fireworks display. Zambelli Internationale has maintained an excellent reputation and safety record. The other companies who submitted a bid on this event were:

- Tri-State Fireworks
- Western Enterprises, Inc.

Although the other two proposals met the City's budget and provided similar displays, Staff believes dealing with a company like Zambelli, that has a proven safe track record with the City, is a very important consideration in awarding this contract.

The existing budget will cover all transportation costs as well as the set up and firing of the display by qualified Zambelli pyrotechnicians. A \$1 million insurance policy to cover the use of fireworks during the event is also included. The program will consist of the following:

**BODY OF PROGRAM:**

**Four-Inch Assorted Shells – 210 Consisting of:**

- Color Star Shells
- Multi-Color Star Shells
- Fancy Star Shells
- Super Fancy Shells
- Special Compartmental Shells
- Super Deluxe Compartmental Shells
- Oriental Chrysanthemum Shells

**Five-Inch Assorted Shells – 210 Consisting of:**

- Color Star Shells
- Multi-Color Star Shells
- Fancy Star Shells
- Super Fancy Shells
- Special Compartmental Shells
- Super Deluxe Compartmental Shells
- Oriental Chrysanthemum Shells

**Low Level/ Special Effects:**

Rainbow Dahlias	200
Variegated Moon with Silver Tail	200
Red White and Blue Moon with Ti/ Salute	200
Glitter Crackling Crossette	200

**Grand Finale:**

Three Inch Assorted Color Star Shells, Fancy Star Shells, Peonies, Chrysanthemums	740
Four Inch Assorted Color Star Shells, Fancy Star Shells, Peonies, Chrysanthemums	90
Five Inch Assorted Color Star Shells, Fancy Star Shells, Peonies, Chrysanthemums	55

Respectfully submitted,

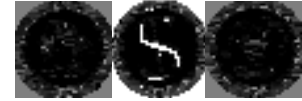
J. Brent McFall  
City Manager



**WESTMINSTER  
COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** 2008 Slurry Seal Project Bid Award  
**Prepared By:** Dave Cantu, Contract Maintenance Supervisor  
Ray Porter, Street Operations Division Manager

**Recommended City Council Action**

Authorize the City Manager to execute a contract for 2008 with options for two additional one-year renewals (2009 and 2010) for the Slurry Seal Project to the low bidder, A-1 Chipseal Company, in the amount of \$492,423; authorize a 5% contingency of \$24,621, for a total project budget of \$517,044.

**Summary Statement**

- City Council action is requested to award the bid for the 2008 Slurry Seal Project.
- As per the contract documents, annual project renewals for 2009 and 2010 will require agreement by both parties and any unit price cost adjustments requested by the contractor or City Staff shall be supported by documentation justifying such increase or decrease.
- If Staff determines any proposed cost adjustments for project renewal years to be uncompetitive, the contract will be re-bid.
- City Council approved adequate funds for this expense in the 2008 Department of Public Works and Utilities Street Operations Division budget, General Fund CIP – City Facility Parking Lot Maintenance and Utility Fund CIP – Utility Facilities Parking Lot Management budgets.
- Formal bids were solicited in accordance with city bidding requirements for the 2008 Slurry Seal Project. Requests for proposals were sent to four contractors with three responding.
- The low bidder, A-1 Chipseal Company, meets all of the City bid requirements and has successfully completed other roadway surface treatment projects in Westminster over the past 10 years.

**Expenditure Required:** \$517,044

<b>Source of Funds:</b>	General Fund - Street Operations Division Operating Budget	\$406,731
	General Capital Improvement Fund -	
	City Facility Parking Lot Maintenance	\$ 85,313
	Utility Capital Improvement Fund -	
	Utility Facilities Parking Lot Management	\$ 25,000

**Policy Issue**

Should this bid be awarded to the low bidder A-1 Chipseal Company for the 2008 Slurry Seal Project?

**Alternatives**

1. Resurface streets and parking lots with a thin 1” overlay of hot mix asphalt. With this alternative, the cost would increase by 99%.
2. Apply a chipseal surface treatment to the streets/parking lots earmarked for slurry seal. The cost with this alternative would increase by 53%.

Using these processes would decrease the amount of total citywide street work accomplished in 2008 compared to using the slurry seal process.

Staff does not recommend these alternatives because they would not be the most cost effective street improvement strategies.

**Background Information**

The 2008 Slurry Seal Project represents a total of 52 lane miles of pavement surface treatment improvements at 109 street locations and the equivalent of another 7 lane miles at eleven City facility parking lots (see attached location list).

These street improvements have been reviewed and determined appropriate through the City’s Pavement Management Process and coincide with the Department’s performance measure to maintain at least 65% of the City’s roadways at a 70 (fair), or above pavement condition rating.

The low bidder, A-1 Chipseal Company, meets all City bid requirements and has an entire crew fully experienced in the slurry seal process. A-1 Chipseal’s crew has successfully completed slurry seal projects throughout the Denver Metro area, including Westminster, over the past 13 years.

Westminster also included Slurry Seal bid quantities for the Westin Hotel and Conference Center parking lots for which City Staff assists in managing parking lot maintenance. The dollar amounts for the Westin portions of work are not reflected in the City award. The Westin Hotel contract will be administered by Westin staff.

The following sealed bids were received:

	<u>City Portion</u>	<u>Westin Hotel Portion</u>	<u>TOTAL</u>
A-1 Chipseal Company	\$517,044	\$27,314	\$544,358
99 Ninety-Nine Corporation	\$528,668	\$38,295	\$566,963
Quality Resurfacing.	\$609,178	\$41,426	\$650,604
<b>Total Bid Estimate:</b>			<b>\$670,053</b>

City Staff’s estimated cost included an increase over 2007 of 15% based on industry forecasts of 2008 price increases, A-1 Chipseal Company’s actual bid decreased by .79%. The decrease can be attributed to the quantity of work bid in 2008 (449,714 square yards) – far exceeding 2007 quantities (35,385 square yards). Quantities vary year to year based on the pavement management assessments.

The proposed council action supports City Council’s goals and objectives of Financially Sustainable City Government as well as Vibrant Neighborhoods and Commercial Areas by providing well maintained city infrastructure through timely resurfacing and reconstruction of roadways; Safe and Secure Community by providing smooth, safe pavements for the motoring public.

Respectfully submitted,

J. Brent McFall  
 City Manager  
 Attachments

**2008 Slurry Seal list**

		<b>From</b>	<b>To</b>
1.	71 <sup>st</sup> Way	Federal Boulevard	West end
2.	71 <sup>st</sup> Avenue	Federal Boulevard	Julian Street
3.	Grove Street	71 <sup>st</sup> Avenue	Craft Way
4.	Craft Way	Grove St	Hooker Street
5.	Hooker Street	72 <sup>nd</sup> Avenue	South end
6.	Julian Street	71 <sup>st</sup> Avenue	72 <sup>nd</sup> Avenue
7.	71 <sup>st</sup> Place	Iving Street	Lowell Boulevard
8.	Julian Way	72 <sup>nd</sup> Avenue	South end
9.	70 <sup>th</sup> Avenue	Raleigh Street	Stuart Street
10.	70 <sup>th</sup> Place	Raleigh Street	Stuart Street
11.	Stuart Street	70 <sup>th</sup> Avenue	72 <sup>nd</sup> Avenue
12.	Newton Street	72 <sup>nd</sup> Avenue	South end
13.	73 <sup>rd</sup> Avenue	Knox Court	Lowell Boulevard
14.	Westminster Place	Irving Street	Lowell Boulevard
15.	Julian Street	Westminster Place	76 <sup>th</sup> Avenue
16.	75 <sup>th</sup> Place	Irving Street	Julian Street
17.	Knox Court	75 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
18.	Knox Circle	Knox Court	West end
19.	Knox Place	Knox Court	75 <sup>th</sup> Avenue
20.	75 <sup>th</sup> Avenue	Lowell Boulevard	Knox Court
21.	King Street	75 <sup>th</sup> Avenue	75 <sup>th</sup> Place
22.	75 <sup>th</sup> Place	6 <sup>th</sup> Avenue	Knox Court
23.	Grove Street	76 <sup>th</sup> Avenue	Turnpike Drive
24.	Hooker Street	76 <sup>th</sup> Avenue	Turnpike Drive
25.	Julian Street	76 <sup>th</sup> Avenue	Turnpike Drive
26.	James Way	Julian Street	Turnpike Drive
27.	Knox Court	76 <sup>th</sup> Avenue	Turnpike Drive
28.	King Street	76 <sup>th</sup> Avenue	77 <sup>th</sup> Place
29.	77 <sup>th</sup> Place	King Street	Knox Court
30.	Meade Street	78 <sup>th</sup> Avenue	Turnpike Drive
31.	Newton Street	76 <sup>th</sup> Avenue	78 <sup>th</sup> Avenue
32.	Osceola Street	78 <sup>th</sup> Avenue	Maria Street
33.	77 <sup>th</sup> Avenue	Lowell Boulevard	Bradburn Boulevard
34.	78 <sup>th</sup> Avenue	Lowell Boulevard	\Bradburn Boulevard
35.	Maria Street	78 <sup>th</sup> Avenue	Osceola Street
36.	McCella Court	78 <sup>th</sup> Avenue	Osceola Street

37.	78 <sup>th</sup> Way	Osceola Street	Bradburn Boulevard
38.	Meade Street	72 <sup>nd</sup> Avenue	73 <sup>rd</sup> Avenue
39.	Newton Street	72 <sup>nd</sup> Avenue	73 <sup>rd</sup> Avenue
40.	72 <sup>nd</sup> Way	72 <sup>nd</sup> Avenue	Bradburn Boulevard
41.	Osceola Street	72 <sup>nd</sup> Way	73 <sup>rd</sup> Avenue
42.	73 <sup>rd</sup> Avenue	Lowell Boulevard	Bradburn Boulevard
43.	Wilson Court	73 <sup>rd</sup> Avenue	76 <sup>th</sup> Avenue
44.	Meade Way	Wilson Court	76 <sup>th</sup> Avenue
45.	Newton Street	73 <sup>rd</sup> Avenue	75 <sup>th</sup> Avenue
46.	Newton Way	Newton Street	75 <sup>th</sup> Avenue
47.	Newton Street	75 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
48.	Orchard Court	73 <sup>rd</sup> Avenue	75 <sup>th</sup> Avenue
49.	Osceola Street	74 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
50.	74 <sup>th</sup> Avenue	Bradburn Boulevard	Osceola Street
51.	75 <sup>th</sup> Avenue	Lowell Boulevard	Bradburn Boulevard
52.	Quitman Street	78 <sup>th</sup> Avenue	Turnpike Drive
53.	Raleigh Street	78 <sup>th</sup> Avenue	Turnpike Drive
54.	Raleigh Place	78 <sup>th</sup> Avenue	80 <sup>th</sup> Avenue
55.	Stuart Street	Raleigh Place	80 <sup>th</sup> Avenue
56.	Stuart Place	78 <sup>th</sup> Avenue	80 <sup>th</sup> Avenue
57.	78 <sup>th</sup> Avenue	Bradburn Boulevard	West end
58.	Stuart Street	78 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
59.	Raleigh Street	78 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
60.	Quitman Street	78 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
61.	77 <sup>th</sup> Place	Bradburn Boulevard	Quitman Street
62.	Perry Street	77 <sup>th</sup> Place	78 <sup>th</sup> Avenue
63.	Quitman Way	74 <sup>th</sup> Avenue	Quitman Street
64.	Quitman Street	Quitman Way	76 <sup>th</sup> Avenue
65.	Raleigh Street	74 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
66.	Stuart Street	74 <sup>th</sup> Avenue	75 <sup>th</sup> Avenue
67.	74 <sup>th</sup> Avenue	Stuart Street	Bradburn Boulevard
68.	75 <sup>th</sup> Avenue	Bradburn Boulevard	Stuart Street
69.	Stuart Street	75 <sup>th</sup> Avenue	76 <sup>th</sup> Avenue
70.	Zenobia Street	76 <sup>th</sup> Avenue	75 <sup>th</sup> Avenue
71.	Yates Street	76 <sup>th</sup> Avenue	75 <sup>th</sup> Avenue
72.	Xavier Street	76 <sup>th</sup> Avenue	75 <sup>th</sup> Avenue
73.	Wolff Street	76 <sup>th</sup> Avenue	74 <sup>th</sup> Avenue

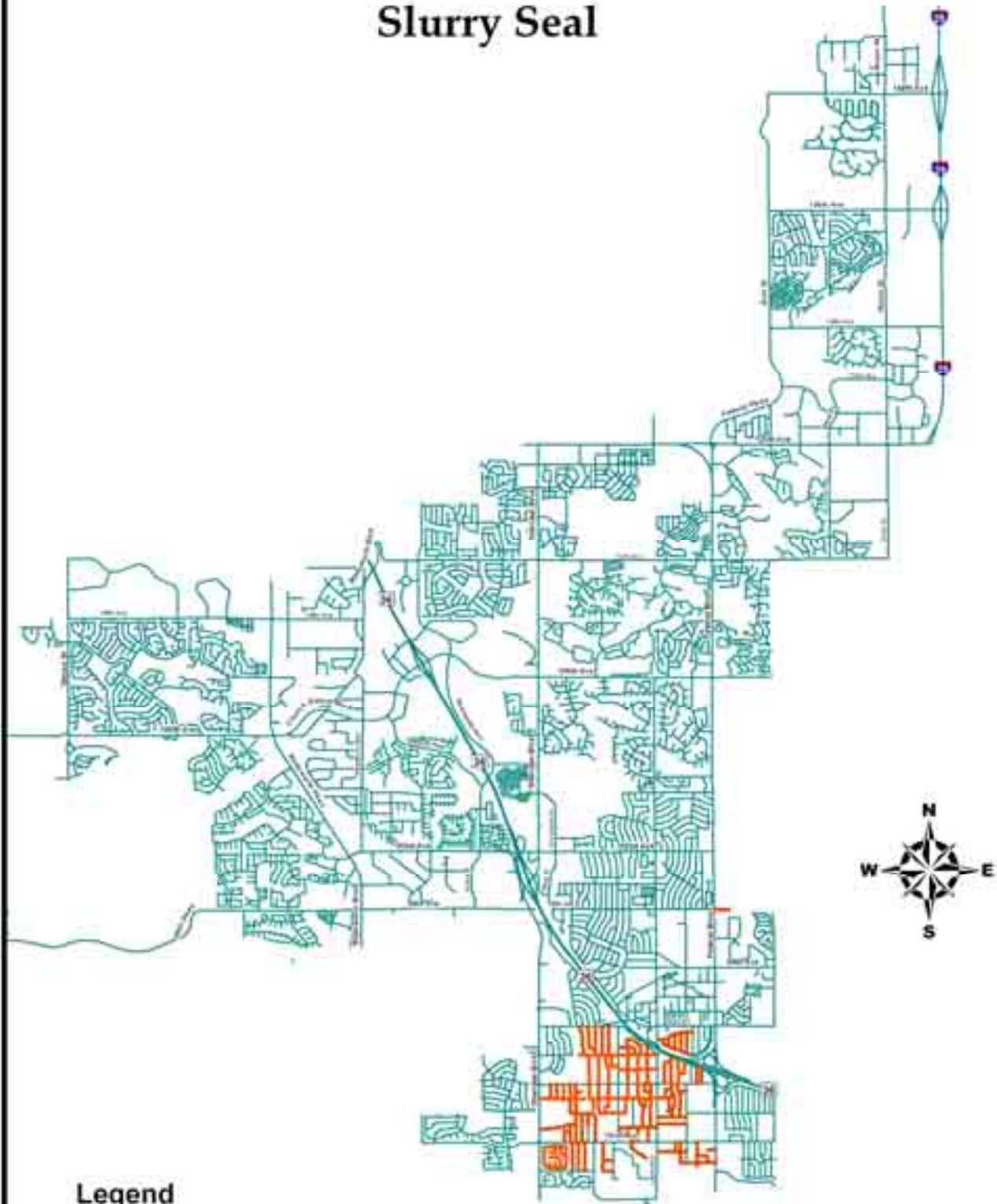


74.	75 <sup>th</sup> Avenue	Sheridan Boulevard	4681 West 75 <sup>th</sup> Avenue
75.	75 <sup>th</sup> Place	Winona Court	East end
76.	Winona Court	76 <sup>th</sup> Avenue	72 <sup>nd</sup> Avenue
77.	74 <sup>th</sup> Avenue	Wolff Street	Tennyson Street
78.	Tennyson Street	74 <sup>th</sup> Avenue	72 <sup>nd</sup> Avenue
79.	Utica Street	74 <sup>th</sup> Avenue	South end
80.	Vrain Street	74 <sup>th</sup> Avenue	South end
81.	Utica Street	72 <sup>nd</sup> Avenue	North end
82.	Vrain Street	72 <sup>nd</sup> Avenue	North end
83.	73 <sup>rd</sup> Avenue	Sheridan Boulevard	Winona Court
84.	Wolff Street	73 <sup>rd</sup> Avenue	72 <sup>nd</sup> Avenue
85.	72 <sup>nd</sup> Place	Wolff Street	Xavier Street
86.	Xavier Street	72 <sup>nd</sup> Place	72 <sup>nd</sup> Avenue
87.	Vrain Street	72 <sup>nd</sup> Avenue	70 <sup>th</sup> Avenue
88.	Winona Court	72 <sup>nd</sup> Avenue	70 <sup>th</sup> Avenue
89.	Wolff Street	72 <sup>nd</sup> Avenue	70 <sup>th</sup> Avenue
90.	Xavier Street	70th Pl	71st Pl
91.	Xavier Way	Xavier St	71st Pl
92.	Yates Street	72nd Ave	70th Avenue
93.	71st Court	Yates Street	West end
94.	70th Court	Yates Street	West end
95.	71st Place	Xavier St	Zenobia St
96.	Zenobia Street	71st Place	70th Place
97.	Zenobia Place	70th Place	North End
98.	Yates Court	70th Place	North end
99.	70th Place	Xavier Street	Zenobia Street
100.	70th Avenue	Utica Street	Sheridan Blvd
101.	Wolff Street	70th Avenue	69th Drive
102.	Wolff Street	6995 Wolff St	6957 Wolff St
103.	88th Avenue	Federal Boulevard	660' East
104.	Irving Street	79th Avenue	Appleblossom Lane
105.	Appleblossom Lane	80th Avenue	Hooker Street
106.	79 Avenue	Lowell Boulevard	Hooker Street
107.	Julian Street	79th Avenue	Appleblossom Lane
108.	King Street	79th Avenue	Appleblossom Lane
109.	Knox Court	79th Avenue	Appleblossom Lane

## **City Facilities**

1. Westminster Sports Center
2. City Hall (All Parking Lots)
3. Senior Center
4. Big Dry Creek Trail (Parking Lot - 112th & Vrain)
5. Wolff Run Park (North & South Parking Lots)
6. Public Safety Building (All Parking Areas)
7. Nottingham Park
8. Big Dry Creek Water Reclaim Facility
9. Northwest Water Treatment Facility
10. Clear Well - 91st Avenue & Pierce Street

# 2008 Street Improvements Slurry Seal



## Legend

— <all other values>

**REHABTYPE**

— Slurry Seal



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** 2007 Comprehensive Annual Financial Report

**Prepared By:** Tammy Hitchens, Finance Director

**Recommended City Council Action**

Accept the 2007 Comprehensive Annual Financial Report.

**Summary Statement**

- The 2007 Comprehensive Annual Financial Report (CAFR) represents the summary of the City's financial transactions that occurred during 2007 and its financial position as of December 31, 2007. The financial statements can be used by Citizens, City Council, investors, creditors, and others in assessing the City's financial and economic condition.
- Section 9.10 of the City Charter mandates an annual audit of the City's financial statements by certified public accountants, experienced in municipal accounting. This audit was performed by the City's independent audit firm, Swanhorst & Company LLC. Swanhorst rendered an unqualified opinion on the City's financial statements. An unqualified opinion means that the City's financial statements are fairly presented in all material respects in conformity with Generally Accepted Accounting Principles (GAAP).
- Staff primarily responsible for completing the 2007 CAFR include Accounting Manager Cherie Sanchez, Accountants Karen Creager, Gary Newcomb, Sherri Rickard, and Sam Trevino, Accounting Technician Leslie Krough, Pension Benefits Administrator Kim McDaniel. Other Finance Staff that provided vital assistance includes Senior Financial Analyst Bob Byerhof and Administrative Secretary Maggie Hunter. The hard work and dedication of this highly qualified team on the 2007 CAFR exemplifies the City's SPIRIT values.
- This report is a key document that reflects achievement of Council's goal of Financially Sustainable City Government.
- Staff reviewed the CAFR with Council at the June 2, 2008 Study Session.

**Expenditure Required:** \$0

**Source of Funds:** N/A

**Policy Issue**

Should Council accept the 2007 Comprehensive Annual Financial Report as presented?

**Alternative**

Postpone acceptance of the 2007 Comprehensive Annual Financial Report to a later City Council meeting. Postponing the acceptance is not recommended due to the upcoming June 30 deadline to comply with Colorado State Statutes (section 29-1-606) on audits of local governments. Consequences for not complying with the State mandate range from receiving delinquent notices to deferment of tax distributions from the counties.

**Background Information**

The 2007 Comprehensive Annual Financial Report contains an abundance of information that can be utilized to evaluate the City's financial condition and its operational and fiscal accountability for the year. The Comprehensive Annual Financial Report provides a comprehensive summary of the City's finances and other relevant information for the 2007 audit year, including economic overviews, financial analyses, financial statements, note disclosure, budgetary compliance schedules, trend information and single audit information.

In compliance with the Section 9.10 of the City Charter, Swanhorst & Company LLC, conducted an independent audit of the City's financial statements for all funds reported in the Comprehensive Annual Financial Report and gave an unqualified opinion.

A financial analysis of the 2007 CAFR was presented to Council at the June 2, 2008 Study Session, at which time representatives from Swanhorst & Company were on hand to answer Council's questions and to discuss their recommendations to management. Council is now requested to officially accept the City's 2007 Comprehensive Annual Financial Report as presented.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment

# City of Westminster, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2007



*Financially Sound*



*Safe & Secure*



*Revitalization*



*Balanced Economy*



*Beautiful City*



WESTMINSTER



**WESTMINSTER**  

---

**COLORADO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2007

**Prepared by:  
Finance Department  
Tammy A. Hitchens, CPA  
Finance Director**

**[www.ci.westminster.co.us](http://www.ci.westminster.co.us)**

## **On the Cover:**

### ***Majestic Monument***

*Challenge (1981)*, by artist Gerald Balciar, standing 14 feet tall, is an artistic focal point at the west entrance to City Hall and the Public Safety Center. The piece is one of many installed throughout the city as part of Westminster's public art program, in following the City's Strategic Plan principle of "Beautiful City".

### ***Bradburn Boulevard***

In the last decade of the 1800's about 40 acres of land between Lowell and Federal Blvds, 76<sup>th</sup> Ave and 80<sup>th</sup> Ave, were planted in apples. People from the entire Denver metropolitan area came to Westminster in the spring to enjoy the apple trees in blossom, and in the fall to purchase the fruit. The orchards were operated until about 1950, when they were sold for the Denver-Boulder Turnpike, which cut them in half. The trees seen here remain untouched along Bradburn Blvd. today.

### ***Open Space***

The year 2005 marked the 20th anniversary of the creation of Westminster's open space program. To date, the city has preserved approximately 2,500 acres (4 square miles) of natural open space, which is approximately 12 percent of the city's land area. If public and private parks and golf courses are included in the total, about one-third of the city is preserved as "green space," which distinguishes Westminster from other metro Denver communities. Many of the open space areas boast a majestic view of the Colorado Rocky Mountains, as seen here.

### ***Bald Eagles***

Standley Lake Regional Park has been home to a pair of bald eagles since 1992. When the eagles were first observed building a nest in the northwest portion of the property, Standley Lake officials closed off access to the area so the eagles would be undisturbed in their attempt to nest. Bald eagles usually mate for life and re-use nest sites. Because they are sensitive to human disturbance, it is imperative that the area remains closed to protect the nesting habitat. The eagles at Standley Lake first produced offspring in 1996. They usually lay their eggs in the first weeks of February. The bald eagles at Standley Lake rely primarily on small mammals for food but, fish is an important part of their diet as well.

### ***Standley Lake***

At 1,064 acres, Standley Lake is by far the largest lake in Westminster and second largest in the Denver Metro area, and it serves as Westminster's primary drinking water source. The lake is a part of the 2,300-acre, city-owned Standley Lake Regional Park. The state's largest walleye fish, 18 pounds, 13 ounces, was caught there in 1997. Hiking and biking on trails and boating are other popular activities. Of course the park's most famous residents are a pair of bald eagles that maintain the only bald eagle nest within a Colorado city's limits, seen above.



# CITY OF WESTMINSTER, COLORADO

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June 9, 2008

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

It is with great pride that we present to you the 2007 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's effective government operations.

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

### **The Past Year**

Westminster had a productive year in 2007. The local economy continued to fluctuate in irregular and unpredictable ways. Despite modest growth, the City is still behind 2001 collections in base sales tax. City Staff showed true SPIRIT (service, pride, integrity, responsibility, innovation and teamwork) in providing high quality services to its citizens, businesses and visitors. On a positive note, our economic development projects are starting to generate revenue for the City. Two separate projects are now generating over \$1 million per year. These projects are set up to generate replacement revenue for the Westminster Mall as it continues to decline.

The development of the North Huron Urban Renewal Area including The Orchard Town Center continued in 2007. The Orchard Town Center, an open-air, entertainment and lifestyle center, will ultimately include a million square feet of exclusive, outdoor, fashion-oriented retail including big boxes, department stores and smaller, upscale retailers. Located on 215 acres at the northwest corner of I-25 and 144th Avenue, south of the E-470 and Northwest Parkway beltway, The Orchard Town Center is planned to include 500 housing units and office space. The Orchard celebrated its grand opening on April 3, 2008. This development will provide critical resources to the City.

The Westminster Economic Development Authority issued \$8,320,000 of bonds in the 2<sup>nd</sup> quarter of 2007 in order to pay for infrastructure improvements related to the redevelopment of the South Sheridan Urban Renewal Area. A big box mass merchandiser is the catalyst for redevelopment in the area. In addition, redevelopment is occurring in the South Westminster Urban Renewal Area with the remodeling of a strip mall where a specialty grocery store is the anchor. These projects will also generate replacement revenue for the declining revenue from the Westminster Mall. It is anticipated that the Westminster Mall area will be the next large redevelopment project.

The City refinanced several bond and certificate of participations issue in 2007. The refinancings were all completed with no extension of maturities. These refinancings will save the taxpayers over \$3.6 million dollars over the life of the issues.

The City issued \$20,000,000 in Parks, Open Space and Trails bonds in December. These bonds were approved by the citizens in November, 2006 by a margin of 71% - 29%. In addition to maintaining the City's current open space, the City continues to pursue the acquisition of open space in order to meet the goal of 15% open space.

Westminster continues to be recognized as a leader in performance measure reporting. In 2007, the City received ICMA's "Certificate of Distinction" Award for exceptional accomplishments in performance measurement. This is the third time that the City has been recognized with this award. Only 21 local governments were recognized nationwide with this honor in 2007.

For the third time, Westminster Parks, Recreation and Libraries was the winner of the prestigious National Recreation and Parks Association Gold Medal Award for Excellence in Park and Recreation Management. This award honors communities throughout the U.S. that demonstrate excellence in long-range planning, fiscal resource management, citizen support systems, environmental stewardship, preservation, technological integration, program planning and assessment, professional development, and agency recognition. The 2007 award was received in the 100,000 – 250,000 population category.

Technology wise, the City continued to be recognized as a leader receiving its sixth consecutive "Digitally Savvy City" award. Westminster is one of only four cities nationwide in its population category to have maintained a rating in the top ten every year since 2002, and the only Colorado City in its population category with a top ten rating every year since 2002.

The City completed a long-term facility needs assessment in 2007. This assessment is a 20 year program that identifies the needs and financial resources that will be required to maintain City facilities. Funding was increased in 2007 and 2008 to address these long-term facility needs.

The City's employees are its number one asset. The City sponsors a deferred compensation plan where employees are allowed to defer their income on a pre-tax basis. The City converted to a new deferred compensation plan provider in order to enhance the deferred compensation program.

Prior to 2007, Westminster leased the Westminster Sports Center, an indoor soccer facility, to a private company to operate. During 2007, the City renovated the facility and took over the operations. The Sports Center features two state-of-the-art multipurpose sports arenas. The synthetic turf field is 172 by 86 feet with a top-of-the-line soccer dasher board system including tempered glass. The sport court has a multi-use floor surface and is 90 by 70 feet with an indoor soccer dasher board. The Sports Center renovation was accomplished with funding from the voter-approved, 2006 Parks, Open Space and Trails sales tax extension.

## **Looking Forward**

The City is looking forward to new opportunities and meeting the challenges of 2008.

The City is heavily involved in planning for transit oriented development as it is scheduled to have three commuter rail stations as part of the Regional Transportation District's initiative called FasTracks to add and expand commuter rail and bus rapid transit to the Denver metro area.

The U.S. 36 Mayors and Commissioners Coalition, a group of agencies along the US 36 corridor, submitted a request for federal grant money to improve the transportation along the US 36 corridor, a corridor that runs between Denver and Boulder. Initially, the request came in 6<sup>th</sup> and only the first 5 were funded. When New York couldn't meet the requirements of the grant, the money became available again. The Coalition was quite disappointed when the money was awarded to Los Angeles.

The City is proud to have dedicated the Armed Forces Tribute Garden on May 17th, 2008. The beautiful, contemplative destination garden is dedicated to those who serve our country in the

Army, Navy, Air Force, Marines, Coast Guard and Merchant Marine. The Tribute Garden will be an enduring place of respect and tribute to the commitment and patriotism of members of the armed forces, past, present, and future.

Westminster continues to focus on business development in the northern part of the City. Centura Health Corporation will develop a 40 acre medical complex that will employ up to 800 people at build-out. Centura is anticipating starting construction on their 24,000 square foot emergency care facility, which is the first phase of their facility, this summer.

The City has embarked on a “going green” initiative within our operations. Environmental stewardship is an issue of growing importance within the community and with many organizations across the country. As a City, one example of going green was a reusable grocery bag campaign.

Finally, one of the City’s main goals for 2008 is to continue to work on a redevelopment strategy for the Westminster Mall.

### **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, Swanhorst & Company, LLC. Their report is included.

### **Government Structure and Types of Services**

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

With a population of approximately 110,000, the City is approximately 94% built out, with just over 6% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency service protection, court system, parks, recreation facilities and programs, libraries, planning and development, water and wastewater treatment, street construction and maintenance and a variety of services related to these such as personnel, finance, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA), the owner and manager of the City’s senior housing project named Westminster Commons and other housing initiatives,
- The Westminster Economic Development Authority (WEDA), the City’s Urban Renewal Authority, enables the City to employ eminent domain and tax increment financing for needed re-development in the City’s blighted sections,
- Six General Improvement Districts that were created for infrastructure improvements and maintenance.
  - Amherst General Improvement District
  - Sheridan Crossing General Improvement District
  - 136<sup>th</sup> Avenue General Improvement District
  - Mandalay Town Center General Improvement District
  - Parking Garage General Improvement District
  - 144<sup>th</sup> Avenue 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 and to appoint or designate new management in the case of the WHA.

### **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 City Manager's Office separate from the accounting and recording of transactions by the Finance Department,
  - 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 Internal Control staff, supervised by the Accounting Manager, reporting directly to the City Manager and Finance Director, with an approved internal audit program for the year.

As with any system, the inherent limitations of the system make it imperative that the City rely on review and revision of programs when weaknesses are discovered; SAS99 reporting by the City's audit firm; and constant diligence on the part of management and employees for preventing and correcting errors or other weaknesses when reviewed.

### **Reporting Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster, Colorado, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2006. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the content of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgments**

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



In particular, our sincere appreciation is due to Cherie Sanchez, Accounting Manager; Sherri Rickard, Accountant; Sam Trevino, Accountant; Karen Creager, Accountant; Gary Newcomb, Accountant; Leslie Krough, Accounting Technician; Karen Elrod, Accounting Technician; Kim McDaniel, Pension Administrator; Bob Byerhof, Sr. Financial Analyst; and Maggie Hunter, Administrative Secretary. Thank you for your dedication, hard work and another excellent annual report.

In addition, the City's auditors, Swanhorst & Company, 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.

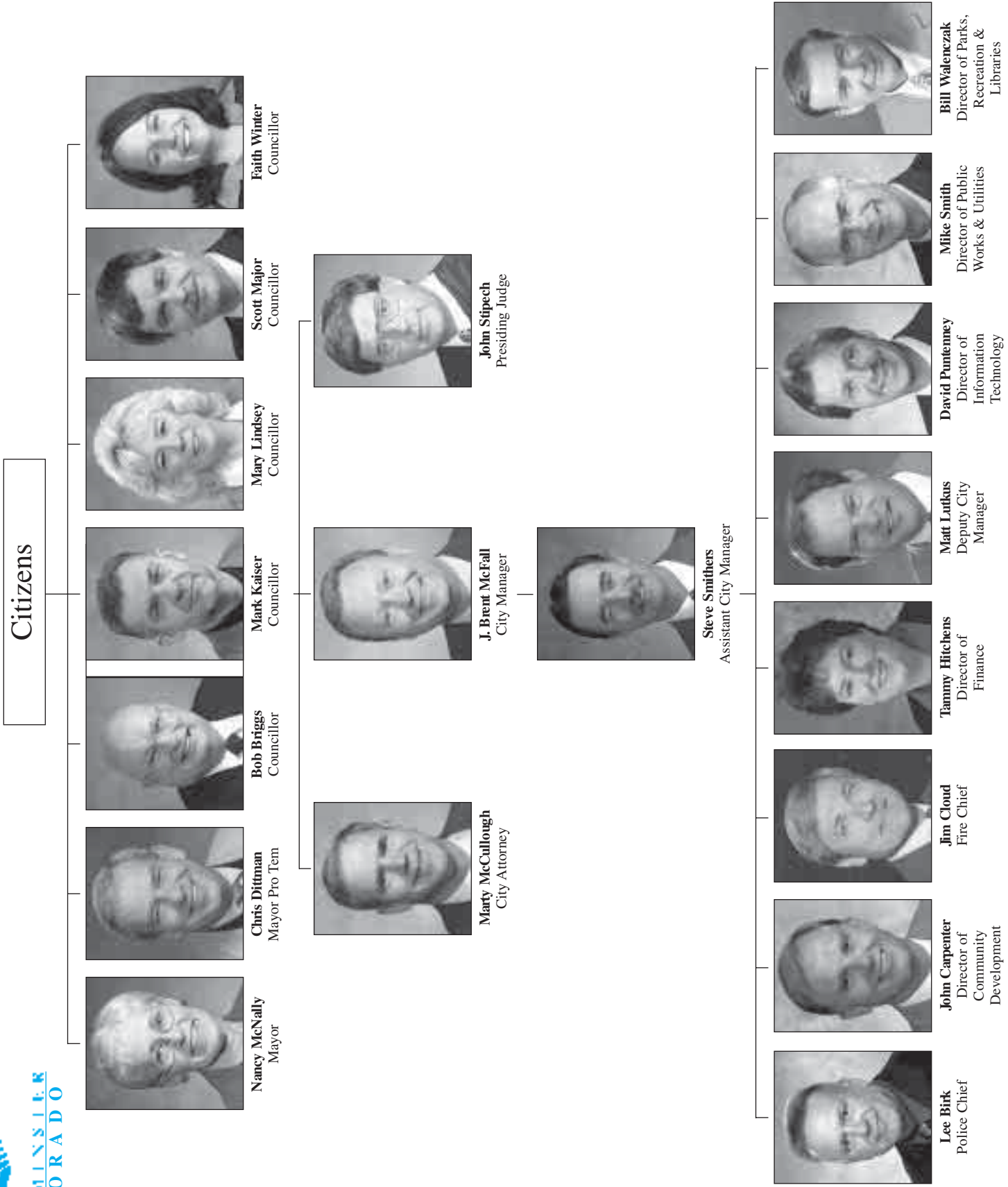
Respectfully submitted,

J. Brent McFall  
City Manager

Tammy Hitchens  
Director of Finance

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# ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westminster  
Colorado

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Cherie S. Cox*

President

*Jeffrey R. Emery*

Executive Director



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

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of the City of Westminster, as listed in the table of contents. These financial statements are the responsibility of the City of Westminster's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Volunteer Firefighter Pension Fund, a pension trust fund of the City of Westminster. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to amounts included for the Volunteer Firefighter Pension Fund, are based solely upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3.J. to the financial statements, the City of Westminster adopted the standards of Governmental Accounting Standards Board Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* for the year ended December 31, 2007.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2008, on our consideration of the City of Westminster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The combining and individual fund financial statements and schedules 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Swanlund & Company LLC*

May 2, 2008



**WESTMINSTER**  
**COLORADO**

City of Westminster, Colorado

**Management's Discussion and Analysis**

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2007 provides a narrative overview of the City's financial activities. Please consider the information here in conjunction with the transmittal letter at the beginning of this Comprehensive Annual Financial Report and the financial statements and notes to the financial statements, which begin on page 17.

**THE CITY**

The City of Westminster is a charter city, organized under the laws of the State of Colorado, governed by a Council-Manager form of government. City Council is comprised of seven members: a Mayor elected at large and six Councillors, also elected at large. The Council appoints the City Manager, the City Attorney, and the Municipal Court Judge; all other staff are appointed or hired by the City Manager. The City Manager has served Westminster since 2001 and continues to promote a spirit of pride, quality, and innovation throughout the organization. The City Manager directs eight departments, including Community Development, Finance, Fire, General Services, Information Technology, Parks, Recreation and Libraries, Police, and Public Works and Utilities.

Centrally located between Denver and Boulder Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative and progressive local government services. With a population of approximately 110,000, the City is approximately 94% built out, with just about 6% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 56 developed parks, 2,765 acres of natural open space, two libraries, two golf courses, several recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 55.5% of the City's governmental activities revenues. Property taxes comprise approximately 4.8% of the City's governmental activities revenues. The primary sources of revenues for the City's enterprise funds including the Utility Enterprise and Golf Course Enterprise are fees and charges.

**FINANCIAL HIGHLIGHTS**

During 2007, the City completed three bond refunding issues and one Certificate of Participation refunding issue. The refundings were all completed without extending the maturities for total principal and interest savings of \$3.6 million. Please see pages 63-65 for more details.

In June of 2007, the Westminster Economic Development Authority (WEDA) issued \$8,320,000 of tax increment adjustable rate revenue bonds for the South Sheridan Urban Renewal Area (URA) project. The proceeds of the issue are being used for street improvements and a masonry wall.

In December, the City issued \$20,000,000 of special purpose sales and use tax revenue bonds for the Parks, Open Space and Trails (POST) projects. The bonds were approved by the voters in November 2006 along with an extension of the POST sales and use tax of .25%.

- The assets of the City exceed its liabilities at the close of 2007 by \$677.6 million (\$269.5 million in governmental activity net assets and \$408.1 million in business-type activity net assets). Of the governmental activities net asset total, \$62.1 million, or 23%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$83.3 million, or 20%, of business-type activities net assets are unrestricted.
- Total net assets of the City increased \$28.1 million, or 4%, compared to 2006. Net assets of the City's governmental activities increased \$16.9 million, which represents an increase of 7% from 2006. Net assets of the City's business-type activities increased \$11.2 million, or 3%, over 2006.
- The total cost of all the City's programs increased \$1.1 million, or 1%, compared to 2006. The cost of governmental activities program expenses decreased \$1.6 million, or 1%, to \$115.1 million, while the cost of business-type activities increased \$2.7 million, or 6%, to \$44.7 million from 2006.
- Total revenues, excluding special items and transfers, increased \$5.6 million, or 3%, compared to 2006. Governmental activities revenues increased \$12.3 million, or 10%, to \$133.1 million, while revenues of business-type activities decreased \$6.7 million, or 11%, to \$54.8 million compared to 2006.
- As of December 31, 2007, the City's governmental funds reported a combined ending fund balance of \$124.5 million. Approximately 51%, or \$63.7 million, is unreserved 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 \$15.1 million as of December 31, 2007, of which \$9.9 million was unreserved.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

### **The Statement of Net Assets and the Statement of Activities**

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

The **statement of net assets** presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 Assets and Statement of Activities, the City is divided into two kinds of activities:

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



## **FUND FINANCIAL STATEMENTS**

### **Governmental and Business-type Funds Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary (Pension Trust) 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 *balances of spendable resources* available at the end of the fiscal year. Financial information based on spendable 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 15 individual governmental funds. Information is presented separately in the governmental balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund, the Sales Tax Fund, the General Capital Improvement Fund and the Westminster Economic Development Authority (WEDA), the City's urban renewal authority. These funds are considered major funds for the City. Financial information for the other 11 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual fund statements elsewhere in this report.

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

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

Fiduciary funds are used to account for resources held for the benefit of parties external to the City. The City is the trustee, or fiduciary, for three pension plans: General, Police, and Volunteer Fire. The City's fiduciary activities related to the General and Police pension plan are reported in the notes to the financial statements on pages 55-59. These activities are excluded from the City's other financial statements

because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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 beginning on page 33 of this report.

Other information is presented as required supplemental information. This information includes budgetary comparison schedules for the major governmental funds and the City's progress in funding the volunteer firefighter pension plan and post employment benefits other than pension (OPEB).

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Analysis of Net Assets**

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

Table 1 presents an analysis of the City's net assets as of December 31. The City's assets exceeded its liabilities by \$677.6 million at December 31, 2007. Governmental activities make up \$269.5 million (40%) of these assets, with business-type activities making up the remaining \$408.1 million (60%). Total net assets increased by \$28.1 million in 2007. The increase is comprised of the following:

- Total assets increased \$45.8 million, or 4.5%, to \$1,054.6 million. This included an increase in capital assets of \$26.4 million and an increase in current and other assets of \$19.4 million. The increase in current and other assets was primarily due to an increase of \$2.9 million of taxes receivable mostly related to the increase in taxes in the urban renewal areas (URA) and \$16.6 million in cash and investments primarily related to the proceeds for the South Sheridan URA and the Parks, Open Space and Trails bond issues.
- Total liabilities increased \$17.7 million, or 5%, to \$377.0 million. Debt increased approximately \$15.4 million as a net result of servicing the debt, four refunding issues and the two new debt issues mentioned above. Unearned revenue increased \$1.6 million due primarily to an increase in the property taxes receivable in the URAs.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 171.9	\$ 142.3	\$ 96.8	\$ 107.0	\$ 268.7	\$ 249.3
Capital Assets	402.1	396.5	383.8	363.0	785.9	759.5
Total Assets	574.0	538.8	480.6	470.0	1,054.6	1,008.8
Current and other liabilities	22.2	23.0	6.2	2.7	28.4	25.7
Long-term liabilities	282.3	263.2	66.3	70.4	348.6	333.6
Total liabilities	304.5	286.2	72.5	73.1	377.0	359.3
Net assets:						
Invested in capital assets, net of debt	177.0	174.2	321.3	297.0	498.3	471.2
Restricted	30.4	45.8	3.5	3.3	33.9	49.1
Unrestricted	62.1	32.6	83.3	96.6	145.4	129.2
Total net assets	\$ 269.5	\$ 252.6	\$ 408.1	\$ 396.9	\$ 677.6	\$ 649.5

By far the largest portion of the City's assets (75%) reflects its investment of \$785.9 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, these assets 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.

An additional portion of the City's net assets, \$33.9 million (5%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted assets, \$145.4 million (21.4%) may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$83.3 million in unrestricted net assets of the City's business-type activities may not be used to fund governmental activities.

### **Analysis of Changes in Net Assets**

As can be seen from Table 2, the City's net assets increased \$28.1 million during 2007. This increase is explained in the governmental and business-type activities discussion below.

#### **Governmental Activities**

Net assets of governmental activities increased by \$16.9 million compared to 2006. This was \$13.8 million more than the increase of \$3.1 million in 2006. This difference can be attributed to an increase in the amount of Charges for Services including an increase in boating permits, ambulance charges, street lighting fee and the revenues from the operations of the City's Sports Center. Sales taxes, use taxes and interest earnings, also experienced modest growth. There was also an increase in program expenses related to Culture and Recreation related to the opening of the Sport's Center.

Governmental revenues increased \$12.3 million (10%) compared to 2006. This increase was due primarily to an increase in the sales and use tax and interest earnings.

Governmental expenses decreased \$1.6 million (1%) from 2006. Most of the decrease is attributable to a decrease in expenses in Community Development and interest and fiscal charges offset by an increase in expenses for Culture and Recreation.

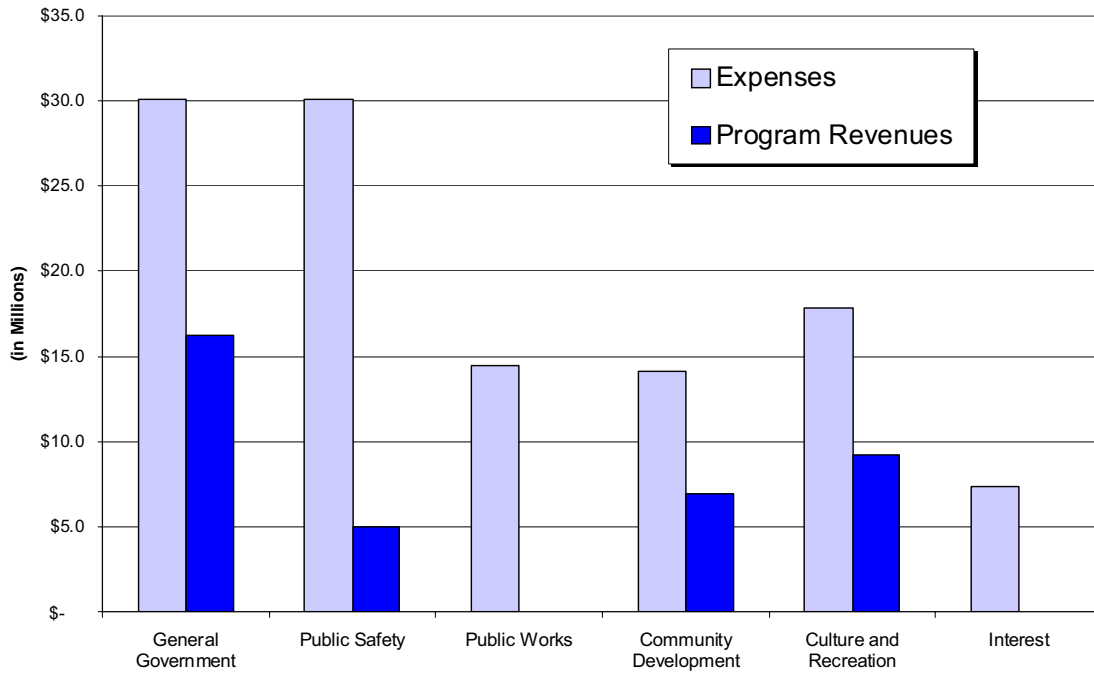
Table 2: Changes in Net Assets (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
<b>Revenues</b>						
Program Revenues						
Charges for Service	\$ 17.3	\$ 16.2	\$ 41.1	\$ 41.5	\$ 58.4	\$ 57.7
Operating Grants and Contributions	5.7	5.3	-	-	5.7	5.3
Capital Grants and Contributions	14.3	10.1	7.8	15.7	22.1	25.8
General Revenues						
Property Taxes	6.3	5.3	-	-	6.3	5.3
Sales Taxes	60.4	56.7	-	-	60.4	56.7
Use Taxes	13.6	12.6	-	-	13.6	12.6
Business Fees and Other Taxes	4.6	4.3	-	-	4.6	4.3
Accommodations Taxes	1.4	1.2	-	-	1.4	1.2
Intergovernmental	1.0	1.1	-	-	1.0	1.1
Interest	6.5	5.8	5.9	4.3	12.4	10.1
Other	2.0	2.2	-	-	2.0	2.2
<b>Total Revenues</b>	<b>133.1</b>	<b>120.8</b>	<b>54.8</b>	<b>61.5</b>	<b>187.9</b>	<b>182.3</b>
Program Expenses						
General Government	30.1	26.8	-	-	30.1	26.8
Public Safety	30.1	29.5	-	-	30.1	29.5
Public Works	14.5	14.4	-	-	14.5	14.4
Community Development	14.1	24.3	-	-	14.1	24.3
Culture and Recreation	17.8	11.5	-	-	17.8	11.5
Utility	-	-	40.3	37.8	40.3	37.8
Golf	-	-	3.4	3.3	3.4	3.3
Housing Authority	-	-	1.0	0.9	1.0	0.9
Interest and Fiscal Charges	7.4	9.1	-	-	7.4	9.1
Unallocated Depreciation	1.1	1.1	-	-	1.1	1.1
<b>Total Expenses</b>	<b>115.1</b>	<b>116.7</b>	<b>44.7</b>	<b>42.0</b>	<b>159.8</b>	<b>158.7</b>
<b>Excess (Deficiency) before Special Items and Transfers</b>	<b>18.0</b>	<b>4.1</b>	<b>10.1</b>	<b>19.5</b>	<b>28.1</b>	<b>23.6</b>
Gain (loss on sale of land)	-	-	-	4.1	-	4.1
Transfers	(1.1)	(1.0)	1.1	1.0	-	-
<b>Increase (decrease) in Net Assets</b>	<b>\$ 16.9</b>	<b>\$ 3.1</b>	<b>\$ 11.2</b>	<b>\$ 24.6</b>	<b>\$ 28.1</b>	<b>\$ 27.7</b>

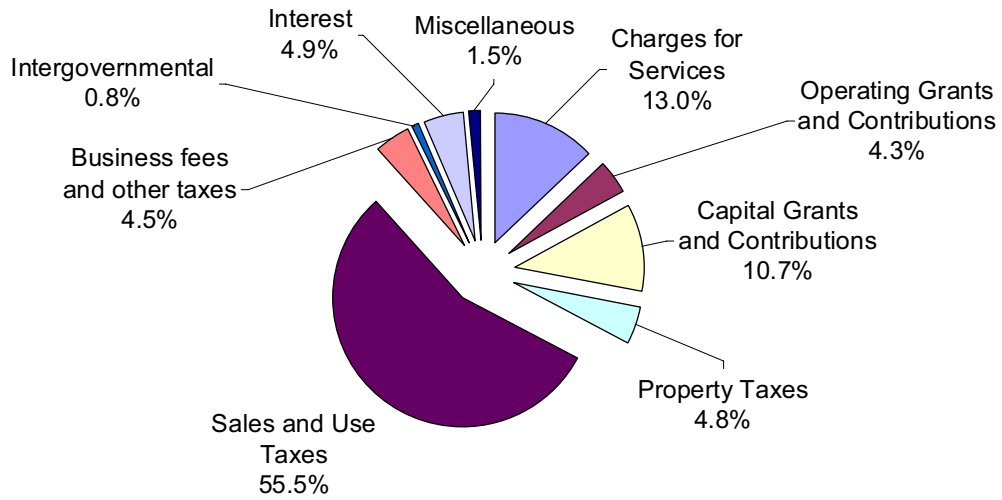
Charts 2 and 3 illustrate the City's governmental expenses and revenues by function and its revenues by source. As can be seen in Chart 2, Public Safety expenditures accounted for 26% of expenditures net of depreciation. General Government, which includes all benefits, insurances and lease payments as well as the City Council and four department's (City Manager's Office, City Attorney's Office, General Services and Finance) also accounted for 26% of the expenditures, and Culture and Recreation accounted for 15.4% of total expenditures.

General Revenues such as sales and use taxes, property and other taxes are not shown in Chart 3 by program. These revenues 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 (56%), followed by charges for services (13%).

**Chart 2: Expenses and Program Revenues - Governmental Activities**



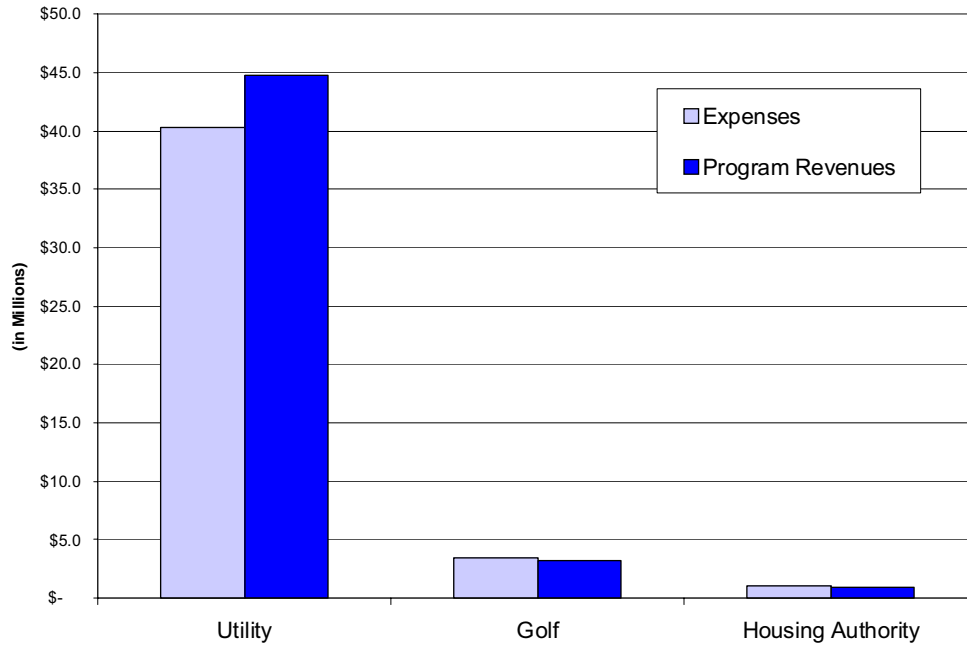
**Chart 3: Revenues by Source - Governmental Activities**



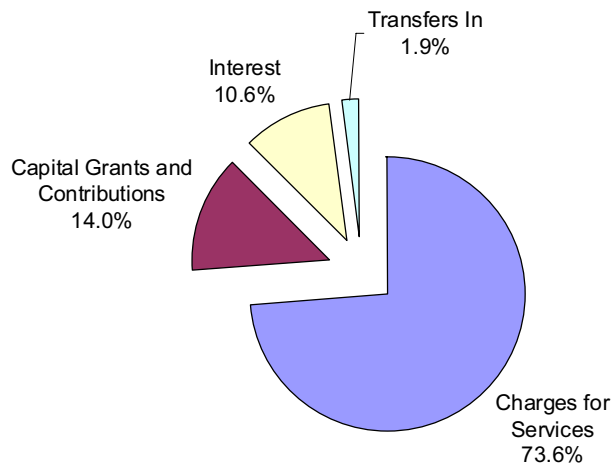
## Business-type Activities

Net assets in business-type activities increased \$11.2 million over 2006. This is \$13.4 million, or 54%, less than the increase of \$24.6 million in 2006. 2006 was an unusually high revenue year as the City received \$7.9 million more in tap fees and also sold rights to receive reclaimed water for \$4.1 million.

**Chart 4: Expenses and Program Revenues - Business Type Activities**



**Chart 5: Revenues by Source - Business-type Activities**



Total business-type revenues decreased \$6.7 million, or 11%, compared to 2006. This decrease was due primarily to a decrease of \$8.0 million, or 50%, in Capital Grants and Contributions, netted against a \$1.6 million, or 37%, increase in interest earnings.

Expenses of business-type activities increased \$2.7 million, or 6%, compared to 2006. The increase was due primarily to an increase in costs associated with providing utility services.

As can be seen from Charts 4 and 5, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 90% of total business-type expenses. Charges for services provide the largest share of revenues (75%), followed by Capital Grants and Contributions (14%).

## **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 in short-term inflows, outflows, and balances of spendable resources. This information is necessary to assess the City's financing requirements. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

At December 31, 2007, the City's governmental funds reported a combined ending fund balance of \$124.5 million, an increase of \$24.2 million, or 24%, compared to 2006. The primary increase of \$16.9 million in restricted cash and investments was a result of bond proceeds issued for the South Sheridan URA project and the POST projects.

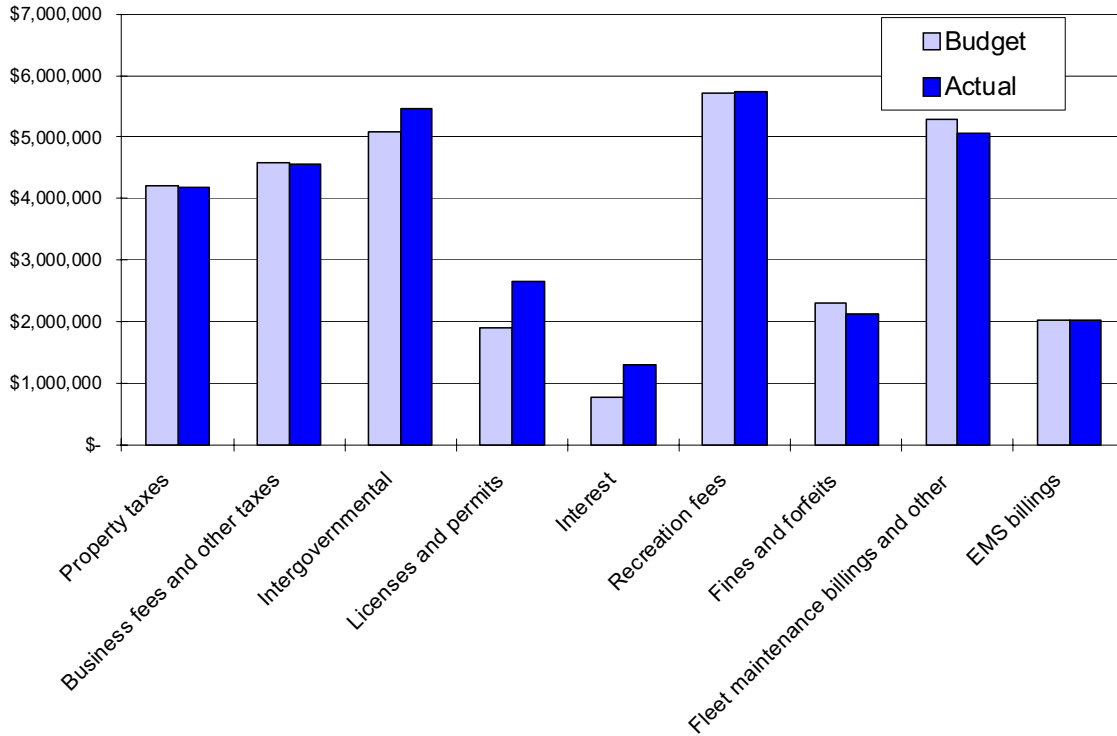
The unreserved fund balance increased \$11.4 million, or 22%, to \$63.7 million compared to 2006. The increase reflects the net of the bond and lease proceeds and the expenditures related to the capital projects those proceeds were obtained for. Unreserved fund balance is available for spending at the City's discretion within the purposes specified for the City's funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the primary operating fund of the City. At the end of 2007, the unreserved fund balance of the General Fund was \$9.9 million, while total fund balance was \$15.1 million. Total fund balance decreased in the General Fund by \$2.5 million, or 14%, compared to 2006. The unreserved fund balance represents 11% of General Fund expenditures and transfers out. The City's goal is to maintain a 10% fund balance.

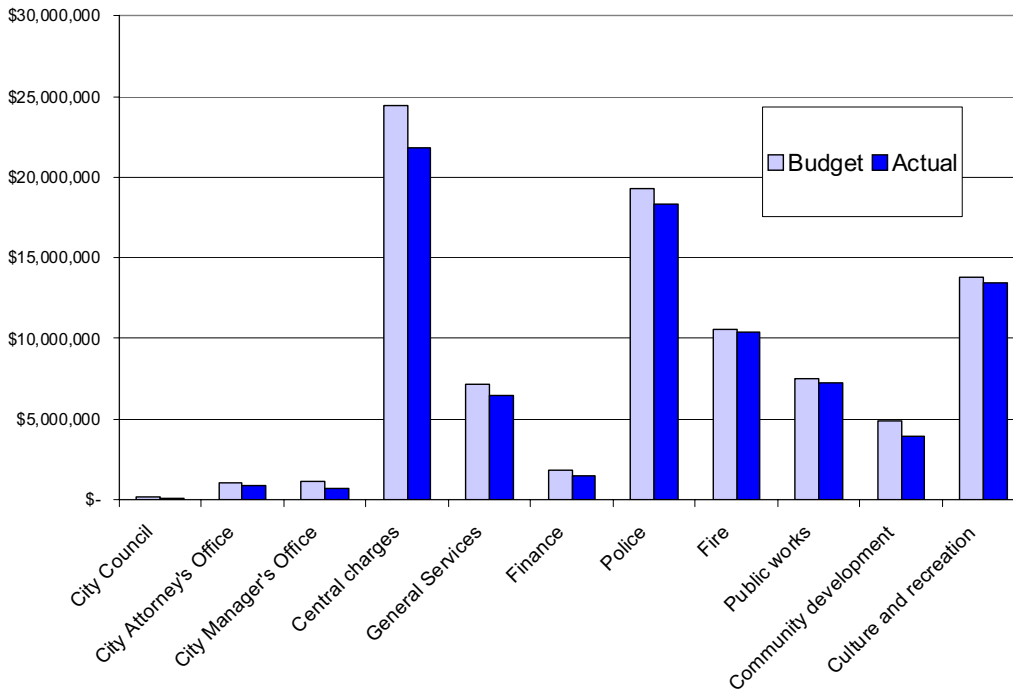
The original budget in the General Fund was \$89.7 million and was adopted in late 2006. Supplemental appropriations of \$42 million, consisting primarily of carryover from 2006 (\$7.9 million) and \$33 million from the issuance of refunding Certificates of Participation were approved to create the final budget of \$131.7 million. Actual General Fund expenditures and transfers out totaled \$124.8 million. There is a \$2.6 million variance in Central Charges. Included in the variance is a \$1.0 million general fund contingency that was not spent. There is a \$2.4 million variance in transfers in. This reflects the accounting treatment for reimbursements of direct and overhead expenses. Interfund reimbursements are budgeted as transfers but are reported as direct adjustments to expenditures of the departments providing and receiving the support services.

Charts 6 and 7 illustrate the Budget and Actual Revenue and Expenditures less transfers for the General Fund.

**Chart 6: Budget and Actual Revenue by Source, less Transfers - General Fund**



**Chart 7: Budget and Actual Expenditures by Department, less Transfers - General Fund**

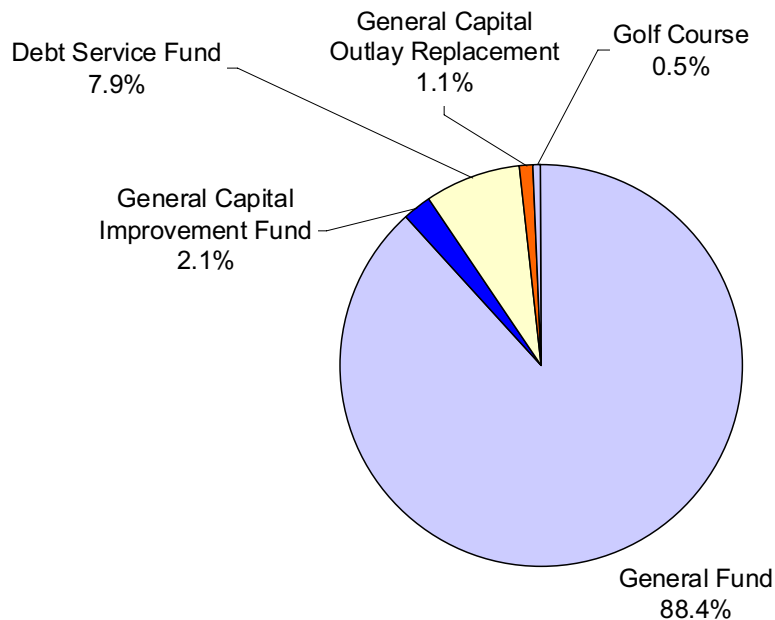




The Sales and Use Tax Fund was established to collect the City's sales and use tax. Sales and use taxes are the primary funding source for the City's governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 8 illustrates, the majority (88.4%) of the sales and use tax is transferred to the General Fund.

Sales and use tax increased \$1.9 million, or 3%, compared to 2006.

**Chart 8: Transfers from Sales and Use Tax Fund**



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, 2007, the fund had a fund balance of \$51.6 million.

The General Capital Improvement Fund revenues include accommodations taxes, interest, revenues from other governments, and transfers from other funds. The fund's revenues increased by \$4.7 million. Interest earnings increased \$0.7 million and as a result of large cash-in-lieu payments by developers, contributions increased by \$2.9 million. Expenditures were \$8.5 million less than 2006. The fund also reflects \$8.0 million as an other financing source, which is bond proceeds related to the POST issue.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance was essentially the same as 2006. As of December 31, 2007, Fund Balance was \$31.6 million.

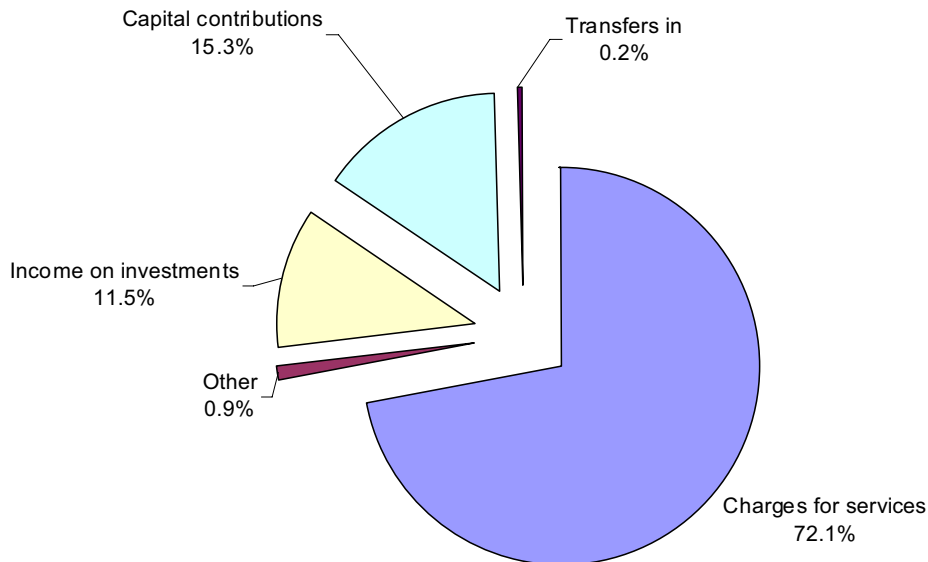
Revenue for the Westminster Economic Development Authority increased by \$2.8 million, or 48%, compared to 2006. This was primarily because of an increase in both property and sales tax increment.

**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 activity, ended 2007 with net assets equal to \$395.8 million. Of that amount, \$83.4 million is unrestricted. Net assets increased \$10.2 million, or 3%, compared to 2006.

Operating revenues decreased \$0.6 million, or 2%, compared to 2006. Chart 9 illustrates both operating and non-operating revenues by source.

**Chart 9: Utility Fund Revenues by Source**



Utility Fund operating expenses increased \$2.7 million, or 8%, compared to 2006. The primary reason is an increase in the expensing of costs associated with capital projects that did not meet the criteria to capitalize.

The Golf Course Fund accounts for the City's two championship golf courses. Operating revenues barely exceeded operating expenses. The golf courses replaced completely depreciated equipment with new equipment causing an increase in depreciation expense of \$0.1 million. The Golf Course Fund's net assets increased \$1.0 million, or 9%, to \$11.8 million. This was primarily the result of the General Fund contributing \$700,000 to the golf courses.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2007, amounts to \$786.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and utility plants, improvements, parks, infrastructure, water rights, machinery and equipment, investment in a joint venture and construction work in progress. The total increase in the City's investment in capital assets was \$26.5 million, or 3.5%. Net capital assets of governmental activities increased \$5.7 million, or 1%, and business-type activities increased \$20.8 million, or 6%.

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

	Governmental Activities		Business-type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Land and Property Rights	\$ 101.1	\$ 99.1	\$ 95.1	\$ 92.4	\$ 196.2	\$ 191.5
Buildings	58.1	61.2	133.1	138.7	191.2	199.9
Improvements Other than Buildings	24.2	22.6	139.3	122.1	163.5	144.7
Machinery	10.6	11.3	6.8	3.7	17.4	15.0
Parks	26.8	28.5	0.9	1.0	27.7	29.5
Ice Center	5.6	5.7	-	-	5.6	5.7
Construction in Progress	14.5	4.8	8.6	5.1	23.1	9.9
Infrastructure	161.3	163.3	-	-	161.3	163.3
Totals	<u>\$ 402.2</u>	<u>\$ 396.5</u>	<u>\$ 383.8</u>	<u>\$ 363.0</u>	<u>\$ 786.0</u>	<u>\$ 759.5</u>

Major capital asset activity during 2007 included the following:

Governmental Activities

- \$1.2 million for 144<sup>th</sup> & I-25 interchange and bridge
- \$2.3 million for 104<sup>th</sup> and Church Ranch Boulevard roadway
- \$0.5 for a fire engine
- \$1.6 million for open space acquisition

Business-type activities

- \$2.3 million for England pipeline replacement
- \$1.5 million for water rights
- \$1.3 million for gravel lakes storage improvements
- \$2.7 million for water meter transponder replacement
- \$1.3 million for sanitary sewer line rehabilitation
- \$1.9 million for 76<sup>th</sup> Avenue and Sheridan water main improvements
- \$12.0 million for Big Dry Creek wastewater plant expansion

Additional information on the City's capital assets can be found in Note 2E on page 44-45.

## Debt Administration

The City's bond ratings carry investment grade ratings as follows:

<b>Bond Issue</b>	<b>Standard &amp; Poors</b>	<b>Fitch Ratings</b>	<b>Moody's</b>
Sales Tax Revenue	AA+	AA	Not Requested
Sales Tax Revenue - POST	AA-	A+	Not Requested
General Obligation	AA	AA	Aa3
Utility Enterprise	AA-	AA+	A1
Golf Course Enterprise	BBB	Not Requested	Not Requested
COPs-Ice Centre	AA-	Not Requested	Not Requested
COPs-All Others	AA-	Not Requested	Not Requested

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 \$381.4 million state-imposed limit.

Table 4 illustrates the City's total indebtedness:

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

	Governmental Activities		Business-type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Revenue Bonds (backed by specific tax and fee revenues)	\$ 74.3	\$ 59.8	\$ 23.9	\$ 25.9	\$ 98.2	\$ 85.7
WEDA Tax Increment Revenue Bonds	120.5	112.7	-	-	120.5	112.7
Leases	83.9	86.8	2.5	2.3	86.4	89.1
Notes and Mortgages	-	-	38.1	40.3	38.1	40.3
<b>Total</b>	<b>\$278.7</b>	<b>\$ 259.3</b>	<b>\$ 64.5</b>	<b>\$ 68.5</b>	<b>\$ 343.2</b>	<b>\$ 327.8</b>

Additional information on the City's debt can be found in Note 2G on pages 46-48.

## NEXT YEAR'S BUDGETS AND RATES

**Budgets and Plans for 2008.** In April, 2007, the City Council met in its annual 2-day strategic planning retreat, and accomplished the following:

- Affirmation of the City's Strategic Goals for the next five years, 2008-2012.
  1. Safe and Secure Community
  2. Financially Sustainable City Government
  3. Vibrant Neighborhoods and Commercial Areas
  4. Balanced, Sustainable Local Economy
  5. Beautiful City
- Review and revision of the City's workplan for 2006-2007.

In addition, City Council met in September, 2007 to review adjustments to the adopted 2008 budget presented by staff. The product of the City Council's budget review was a modification of the 2008 budget. The budgets for 2007-2008 were adopted by City Council on October 23, 2006. Highlights of the 2008 budget include the following:

- The 2008 General Fund operating expenditures are budgeted at \$93.5 million (including contingencies).
- The 2008 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$57,516,433, which is a 2.8% increase over the 2007 transfer payment of \$55,960,254.
- In 2008, the Contingency account is \$1,000,000 in the General Fund. The 2008 General Reserve Fund is \$9,487,810 and the Utility Reserve Fund is \$41,446,238.
- The total number of full-time equivalent (FTE) staffing in 2008 is 982.124 FTE, a net increase of 3.00 FTE. In 2008, additional full-time equivalent employees (FTE) are in the budget to maintain current service levels.
- In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2008 Budget. The total capital improvements for 2008 are \$32,245,000. 100% of the 2008 CIP will be funded on a “pay-as-you-go” basis. City streets and traffic improvements are funded for 2008 at \$3,840,000; facilities and infrastructure improvements at \$1,362,000; public safety capital improvements at \$748,000; park improvements at \$4,221,000; wastewater, water and stormwater improvements at \$22,074,000.

## **CONTACTING THE CITY’S FINANCIAL MANAGEMENT**

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

City of Westminster  
 4800 W. 92<sup>nd</sup> Ave  
 Westminster, CO 80031  
 303-430-2400 x2036  
[thitchens@ci.westminster.co.us](mailto:thitchens@ci.westminster.co.us)

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**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2007**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,081,473	\$ 4,560,711	\$ 8,642,184
Investments	76,844,263	77,584,268	154,428,531
Receivables:			
Taxes	16,193,458	-	16,193,458
Accounts	4,349,781	3,574,867	7,924,648
Note and leases	5,442,347	412,151	5,854,498
Grants	1,664,264	-	1,664,264
Interest	812,942	836,228	1,649,170
Internal balances	(2,265,770)	2,265,770	-
Inventory	426,328	1,040,826	1,467,154
Bond costs and other prepaid items	3,686,187	2,049,744	5,735,931
Restricted assets:			
Cash and cash equivalents	167,610	375,544	543,154
Cash and cash equivalents with fiscal agent	40,141,300	-	40,141,300
Investments	2,879,851	3,538,180	6,418,031
Investments with fiscal agent	16,875,552	-	16,875,552
Capital assets:			
Non-depreciable assets	115,542,447	103,676,842	219,219,289
Depreciable assets, net	286,583,935	280,131,576	566,715,511
Other assets	-	514,554	514,554
Investment in joint venture	592,889	-	592,889
Total assets	<u>\$ 574,018,857</u>	<u>\$ 480,561,261</u>	<u>\$ 1,054,580,118</u>
<b>LIABILITIES</b>			
Accounts payable and other	\$ 10,953,236	\$ 5,717,237	\$ 16,670,473
Accrued liabilities	1,118,145	211,641	1,329,786
Unearned revenue	8,173,385	77,713	8,251,098
Accrued interest	760,860	210,344	971,204
Estimated claims	1,135,049	-	1,135,049
Non-current liabilities:			
Due within one year:	15,728,001	5,571,011	21,299,012
Due in more than one year:	266,612,044	60,704,022	327,316,066
Total liabilities	<u>304,480,720</u>	<u>72,491,968</u>	<u>376,972,688</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	177,034,028	321,320,685	498,354,713
Restricted for:			
Emergencies	3,695,515	-	3,695,515
Capital projects	4,260,662	-	4,260,662
Deposits	-	214,514	214,514
Open space conservation and improvements	15,637,466	-	15,637,466
Debt service	6,098,589	3,192,122	9,290,711
Other purposes	695,693	-	695,693
Unrestricted	62,116,184	83,341,972	145,458,156
Total net assets	<u>\$ 269,538,137</u>	<u>\$ 408,069,293</u>	<u>\$ 677,607,430</u>

**CITY OF WESTMINSTER, COLORADO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Program Revenues			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Expenses				
<b>Function/Program Activities</b>				
Governmental activities:				
General government	\$ 30,083,440	\$ 7,432,044	\$ 3,933,408	\$ 4,803,275
Public safety	30,077,636	4,053,890	897,369	-
Public works	14,501,794	-	-	-
Community development	14,059,071	77,884	436,137	6,529,293
Culture and recreation	17,829,533	5,753,903	481,994	2,929,091
Interest and fiscal charges	7,394,096	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	1,095,078	-	-	-
<b>Total governmental activities</b>	<b>115,040,648</b>	<b>17,317,721</b>	<b>5,748,908</b>	<b>14,261,659</b>
Business-type activities:				
Utility	40,329,042	37,009,477	-	7,765,612
Golf	3,410,562	3,197,655	-	43,409
Westminster Housing Authority	995,606	902,899	-	-
<b>Total business-type activities</b>	<b>44,735,210</b>	<b>41,110,031</b>	<b>-</b>	<b>7,809,021</b>
<b>Total primary government</b>	<b>\$ 159,775,858</b>	<b>\$ 58,427,752</b>	<b>\$ 5,748,908</b>	<b>\$ 22,070,680</b>

**GENERAL REVENUES**

Property taxes  
Sales taxes  
Use taxes  
Business fees and other taxes  
Accommodations taxes  
Intergovernmental not restricted to a specific purpose  
Interest  
Other

**TRANSFERS**

**Total general revenues and transfers**

**Change in net assets**

**Net assets - beginning**

**Net assets - ending**



Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (13,914,713)	\$ -	\$ (13,914,713)
(25,126,377)	-	(25,126,377)
(14,501,794)	-	(14,501,794)
(7,015,757)	-	(7,015,757)
(8,664,545)	-	(8,664,545)
(7,394,096)	-	(7,394,096)
<u>(1,095,078)</u>	<u>-</u>	<u>(1,095,078)</u>
<u>(77,712,360)</u>	<u>-</u>	<u>(77,712,360)</u>
-	4,446,047	4,446,047
-	(169,498)	(169,498)
<u>-</u>	<u>(92,707)</u>	<u>(92,707)</u>
<u>-</u>	<u>4,183,842</u>	<u>4,183,842</u>
(77,712,360)	4,183,842	(73,528,518)
6,348,656	-	6,348,656
60,290,173	-	60,290,173
13,610,159	-	13,610,159
4,556,637	-	4,556,637
1,425,434	-	1,425,434
1,052,427	-	1,052,427
6,496,200	5,899,913	12,396,113
1,980,122	-	1,980,122
<u>(1,059,672)</u>	<u>1,059,672</u>	<u>-</u>
<u>94,700,136</u>	<u>6,959,585</u>	<u>101,659,721</u>
16,987,776	11,143,427	28,131,203
<u>252,550,361</u>	<u>396,925,866</u>	<u>649,476,227</u>
<u>\$ 269,538,137</u>	<u>\$ 408,069,293</u>	<u>\$ 677,607,430</u>

**CITY OF WESTMINSTER, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2007**

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
<b>ASSETS</b>				
Cash and cash equivalents	\$ 482,751	\$ 198,138	\$ 2,329,400	\$ 104,265
Investments	16,184,028	3,404,376	40,023,320	1,791,463
Receivables:				
Taxes	4,442,354	6,915,940	-	4,036,398
Accounts	3,316,881	-	826,576	140,868
Notes and leases	5,247,500	-	194,847	-
Grants	37,000	-	1,627,264	-
Interest	161,374	35,104	424,751	34,297
Due from other funds	334,230	-	-	-
Inventory	426,328	-	-	-
Prepaid items	47,528	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	105,015
Cash and cash equivalents with fiscal agent	913,852	-	1,803,827	35,318,774
Investments	-	-	-	1,804,351
Investments with fiscal agent	-	-	6,926,358	-
Loans to other funds	120,000	-	1,125,000	-
Total assets	<u>\$ 31,713,826</u>	<u>\$ 10,553,558</u>	<u>\$ 55,281,343</u>	<u>\$ 43,335,431</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and other	\$ 4,512,186	\$ 316,797	\$ 1,883,904	\$ 3,865,819
Accrued liabilities	1,090,004	-	17,421	-
Accrued interest	-	-	-	-
Loans from other funds	-	-	-	3,845,000
Deferred revenue	11,049,184	-	1,822,112	4,036,398
Total liabilities	<u>16,651,374</u>	<u>316,797</u>	<u>3,723,437</u>	<u>11,747,217</u>
Fund balances:				
Reserved for:				
Emergencies	3,695,515	-	-	-
Debt service	913,852	-	-	15,039,534
Capital projects	-	-	9,025,847	18,185,748
Loans to other funds	120,000	-	1,125,000	-
Inventory and prepaids	473,856	-	-	-
Unreserved, reported in:				
General fund	9,859,229	-	-	-
Special revenue funds	-	10,236,761	-	(1,637,068)
Capital project funds	-	-	41,407,059	-
Total fund balances	<u>15,062,452</u>	<u>10,236,761</u>	<u>51,557,906</u>	<u>31,588,214</u>
Total liabilities and fund balances	<u>\$ 31,713,826</u>	<u>\$ 10,553,558</u>	<u>\$ 55,281,343</u>	<u>\$ 43,335,431</u>

Other Governmental Funds	Total Governmental Funds
\$ 191,144	\$ 3,305,698
2,111,842	63,515,029
798,766	16,193,458
54,446	4,338,771
-	5,442,347
-	1,664,264
19,938	675,464
-	334,230
-	426,328
-	47,528
62,595	167,610
2,104,847	40,141,300
1,075,500	2,879,851
9,949,194	16,875,552
-	1,245,000
<u>\$ 16,368,272</u>	<u>\$ 157,252,430</u>
\$ 75,814	\$ 10,654,520
5,589	1,113,014
5,989	5,989
-	3,845,000
<u>259,784</u>	<u>17,167,478</u>
<u>347,176</u>	<u>32,786,001</u>
-	3,695,515
224,558	16,177,944
12,024,065	39,235,660
-	1,245,000
-	473,856
-	9,859,229
3,704,525	12,304,218
67,948	41,475,007
<u>16,021,096</u>	<u>124,466,429</u>
<u>\$ 16,368,272</u>	<u>\$ 157,252,430</u>

**CITY OF WESTMINSTER, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2007**

Fund balances - total government funds \$ 124,466,429

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	615,160,330	
Less accumulated depreciation	<u>(217,308,779)</u>	397,851,551

Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Bond costs	3,638,659	
Investment in joint venture	<u>592,889</u>	4,231,548

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental long term debt payable	(277,307,309)	
Accrued interest	(747,331)	
Compensated absences	(4,030,523)	
Post employment benefits	<u>(133,693)</u>	(282,218,856)

Certain revenue earned but not available classified as deferred revenue in governmental funds is susceptible to full accrual on the entity-wide statements.

Deferred revenue		8,994,093
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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 assets.

		<u>16,213,372</u>
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Net assets of governmental activities		<u><u>\$ 269,538,137</u></u>
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**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
<b>REVENUES</b>				
Property taxes	\$ 4,191,093	\$ -	\$ -	\$ 1,877,653
Sales taxes	-	51,296,157	-	4,876,683
Use taxes	-	12,720,888	-	-
Business fees and other taxes	4,556,637	-	-	-
Accommodations taxes	-	-	1,425,434	-
Intergovernmental	5,473,465	-	5,386,844	-
Assessments	-	-	69,199	-
Licenses and permits	2,654,027	-	-	-
Interest	1,307,116	249,715	2,786,707	1,916,809
Contributions	-	-	4,349,528	-
Recreation fees	5,735,111	-	-	-
Fines and forfeitures	2,134,378	-	-	-
Fleet maintenance billings and other	5,058,804	-	-	-
EMS billings	2,020,583	-	-	-
Other	-	-	2,156	-
<b>Total revenues</b>	<b>33,131,214</b>	<b>64,266,760</b>	<b>14,019,868</b>	<b>8,671,145</b>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	31,496,267	-	360	401,854
Public safety	28,781,223	-	-	-
Public works	7,238,076	-	-	-
Community development	3,955,330	-	-	-
Culture and recreation	13,456,076	-	-	-
Capital projects	-	-	18,420,620	10,993,344
Debt service:				
Principal	-	-	-	520,000
Interest and fiscal charges	-	-	-	4,974,925
Bond issuance costs	595,809	-	145,684	160,766
<b>Total expenditures</b>	<b>85,522,781</b>	<b>-</b>	<b>18,566,664</b>	<b>17,050,889</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(52,391,567)</b>	<b>64,266,760</b>	<b>(4,546,796)</b>	<b>(8,379,744)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of leases	40,626	-	-	-
Issuance of bonds	-	-	8,000,000	8,320,000
Issuance of refunding debt	32,210,000	-	-	-
Bond premium	734,900	-	164,987	-
Payment to refunded bond escrow agent	(32,346,736)	-	-	-
Sale of capital asset	-	-	602,109	-
Insurance proceeds	-	-	224,383	-
Transfers in	56,148,782	-	8,094,875	399,500
Transfers (out)	(6,888,784)	(63,290,486)	(706,528)	-
<b>Total other financing sources (uses):</b>	<b>49,898,788</b>	<b>(63,290,486)</b>	<b>16,379,826</b>	<b>8,719,500</b>
<b>Net change in fund balances</b>	<b>(2,492,779)</b>	<b>976,274</b>	<b>11,833,030</b>	<b>339,756</b>
<b>Fund balances, beginning</b>	<b>17,555,231</b>	<b>9,260,487</b>	<b>39,724,876</b>	<b>31,248,458</b>
<b>Fund balances, ending</b>	<b>\$ 15,062,452</b>	<b>\$ 10,236,761</b>	<b>\$ 51,557,906</b>	<b>\$ 31,588,214</b>

Other Governmental Funds	Total Governmental Funds
\$ 279,910	\$ 6,348,656
4,117,333	60,290,173
889,271	13,610,159
-	4,556,637
-	1,425,434
1,766,484	12,626,793
80,000	149,199
-	2,654,027
294,265	6,554,612
-	4,349,528
-	5,735,111
30,166	2,164,544
-	5,058,804
-	2,020,583
77,884	80,040
<u>7,535,313</u>	<u>127,624,300</u>
118,732	32,017,213
12,839	28,794,062
-	7,238,076
2,679,645	6,634,975
-	13,456,076
-	29,413,964
4,960,000	5,480,000
2,303,484	7,278,409
656,016	1,558,275
<u>10,730,716</u>	<u>131,871,050</u>
<u>(3,195,403)</u>	<u>(4,246,750)</u>
-	40,626
12,000,000	28,320,000
35,305,000	67,515,000
2,083,949	2,983,836
(37,210,995)	(69,557,731)
100,000	702,109
-	224,383
8,096,916	72,740,073
<u>(3,603,671)</u>	<u>(74,489,469)</u>
<u>16,771,199</u>	<u>28,478,827</u>
13,575,796	24,232,077
2,445,300	100,234,352
<u>\$ 16,021,096</u>	<u>\$ 124,466,429</u>

**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, 2007**

Net Changes in fund balances - total government funds \$ 24,232,077

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 are the differences in the treatment of capital assets.

Expenditures for capital assets	21,749,563	
Less current year depreciation	<u>(15,952,425)</u>	5,797,138

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 are the differences in the treatment of the transactions involving capital assets.

Proceeds from sale of capital asset	(702,109)	
Gain on sale of capital assets	<u>280,349</u>	(421,760)

In governmental funds, issuance of long-term debt provide and principal repayments and bond issuance costs consume current financial resources and are reported as revenues and expenditures, while in government-wide reporting, these transactions are reported as adjustments to non-current liabilities, having no effect on net assets. These amounts are the differences in the treatment of long-term debt.

Issuance of new bonds	(28,320,000)	
Issuance of refunding bonds	(67,515,000)	
Issuance of lease	(40,626)	
Bond premiums	(2,983,836)	
Payment to refunding bond escrow agent	69,557,731	
Principal payments	9,552,394	
Issuance costs	<u>1,558,275</u>	(18,191,062)

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.

Intergovernmental revenue	2,525,664	
Fines and forfeitures	102,868	
Recreation fees	<u>14,686</u>	2,643,218

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 and issuance costs	(326,632)	
Accrual of interest expense	295,228	
Adjustment to long-term compensated absences liability	(192,657)	
Adjustment to post employment benefit obligation	<u>(133,693)</u>	(357,754)

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.

3,285,919

Change in net assets of governmental activities \$ 16,987,776



**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2007**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Utility Enterprise	Golf	Westminster Housing Authority	Total	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 4,495,522	\$ 3,000	\$ 62,189	\$ 4,560,711	\$ 775,775
Investments	77,241,254	-	343,014	77,584,268	13,329,234
Receivables	4,396,458	7,638	419,150	4,823,246	148,488
Inventory	775,772	265,054	-	1,040,826	-
Bond costs and other prepaid items	1,959,636	68,476	21,632	2,049,744	-
Total current assets	<u>88,868,642</u>	<u>344,168</u>	<u>845,985</u>	<u>90,058,795</u>	<u>14,253,497</u>
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	175,567	35,443	164,534	375,544	-
Investments	3,016,555	471,645	49,980	3,538,180	-
Loans to other funds	2,600,000	-	-	2,600,000	-
Capital assets:					
Non-depreciable assets	90,270,136	13,041,327	365,379	103,676,842	-
Depreciable assets, net	271,404,371	6,306,111	2,421,094	280,131,576	4,274,831
Other assets	514,554	-	-	514,554	-
Total non-current assets	<u>367,981,183</u>	<u>19,854,526</u>	<u>3,000,987</u>	<u>390,836,696</u>	<u>4,274,831</u>
Total assets	<u>456,849,825</u>	<u>20,198,694</u>	<u>3,846,972</u>	<u>480,895,491</u>	<u>18,528,328</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other	5,589,323	65,072	62,842	5,717,237	298,716
Accrued liabilities	189,519	22,122	-	211,641	5,131
Due to other funds	-	334,230	-	334,230	-
Deferred revenues	-	77,713	-	77,713	-
Bonds payable current portion	1,985,216	215,000	-	2,200,216	-
Notes payable, current portion	2,193,353	-	129,333	2,322,686	-
Lease payable, current portion	-	247,361	-	247,361	171,578
Accrued interest	176,855	33,489	-	210,344	7,540
Compensated absences	630,803	169,945	-	800,748	17,309
Estimated claims	-	-	-	-	1,135,049
Total current liabilities	<u>10,765,069</u>	<u>1,164,932</u>	<u>192,175</u>	<u>12,122,176</u>	<u>1,635,323</u>
Non-current liabilities:					
Bonds payable	17,718,662	5,005,000	-	22,723,662	-
Notes payable	32,554,201	-	3,140,868	35,695,069	-
Leases payable	-	2,260,300	-	2,260,300	679,283
OPEB obligation	21,845	3,146	-	24,991	350
Total non-current liabilities	<u>50,294,708</u>	<u>7,268,446</u>	<u>3,140,868</u>	<u>60,704,022</u>	<u>679,633</u>
Total liabilities	<u>61,059,777</u>	<u>8,433,378</u>	<u>3,333,043</u>	<u>72,826,198</u>	<u>2,314,956</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	309,182,711	12,195,340	(57,366)	321,320,685	3,423,970
Restricted for:					
Deposits	-	-	214,514	214,514	-
Debt service	3,192,122	-	-	3,192,122	-
Unrestricted	83,415,215	(430,024)	356,781	83,341,972	12,789,402
Total net assets	<u>\$ 395,790,048</u>	<u>\$ 11,765,316</u>	<u>\$ 513,929</u>	<u>\$ 408,069,293</u>	<u>\$ 16,213,372</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Business-type Activities			Governmental Activities	
	Enterprise Funds				
	Utility Enterprise	Golf	Westminster Housing Authority		Total
<b>Operating revenues</b>					
Charges for services	\$ 36,545,958	\$ 3,197,655	\$ 902,899	\$ 40,646,512	\$ 12,832,458
Other	463,519	-	-	463,519	-
<b>Total operating revenues</b>	<u>37,009,477</u>	<u>3,197,655</u>	<u>902,899</u>	<u>41,110,031</u>	<u>12,832,458</u>
<b>Operating expenses</b>					
Personnel services	13,517,427	1,478,877	128,578	15,124,882	217,630
Contractual services	9,646,062	577,221	270,604	10,493,887	1,641,800
Commodities	1,566,162	556,748	180,999	2,303,909	3,400
Depreciation expense	9,440,444	506,107	198,052	10,144,603	1,004,156
Insurance and other expenses	3,880,079	12,424	52,601	3,945,104	8,408,760
<b>Total operating expenses</b>	<u>38,050,174</u>	<u>3,131,377</u>	<u>830,834</u>	<u>42,012,385</u>	<u>11,275,746</u>
<b>Operating income (loss)</b>	<u>(1,040,697)</u>	<u>66,278</u>	<u>72,065</u>	<u>(902,354)</u>	<u>1,556,712</u>
<b>Non-operating revenues (expenses)</b>					
Income on investments	5,849,198	22,634	28,081	5,899,913	849,824
Interest expense	(2,047,246)	(299,035)	(148,885)	(2,495,166)	(35,223)
Gain (loss) on disposition of capital assets	1,644	19,850	(14,981)	6,513	19,074
Other	(233,266)	-	(906)	(234,172)	-
<b>Total non-operating revenues (expenses)</b>	<u>3,570,330</u>	<u>(256,551)</u>	<u>(136,691)</u>	<u>3,177,088</u>	<u>833,675</u>
Income (loss) before contributions and transfers	2,529,633	(190,273)	(64,626)	2,274,734	2,390,388
Capital contributions	7,765,612	43,409	-	7,809,021	205,807
Transfers in	100,000	1,148,200	-	1,248,200	689,724
Transfers (out)	(188,528)	-	-	(188,528)	-
<b>Change in net assets</b>	10,206,717	1,001,336	(64,626)	11,143,427	3,285,919
<b>Net assets - beginning</b>	385,583,331	10,763,980	578,555	396,925,866	12,927,453
<b>Net assets - ending</b>	<u>\$ 395,790,048</u>	<u>\$ 11,765,316</u>	<u>\$ 513,929</u>	<u>\$ 408,069,293</u>	<u>\$ 16,213,372</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Business-type Activities			Governmental Activities Internal Service Funds	
	Enterprise Funds				
	Utility Fund	Golf Course	Westminster Housing Authority		Total
Cash flows from operating activities:					
Cash received from customers	\$ 36,955,169	\$ 3,197,218	\$ 902,570	\$ 41,054,957	\$ 12,924,165
Cash payments to employees for services	(13,602,054)	(1,472,317)	-	(15,074,371)	(206,673)
Cash payments to suppliers for goods and services	(11,444,206)	(1,127,467)	(619,416)	(13,191,089)	(10,663,903)
Other operating revenues (expenses)	463,519	-	-	463,519	-
Net cash provided by (used in) operating activities	<u>12,372,428</u>	<u>597,434</u>	<u>283,154</u>	<u>13,253,016</u>	<u>2,053,589</u>
Cash flows from noncapital financing activities:					
Payment on interfund loans	-	(921,236)	-	(921,236)	-
Transfer in	100,000	1,148,200	-	1,248,200	689,724
Transfer out	(188,528)	-	-	(188,528)	-
Net cash provided by (used in) noncapital financing activities	<u>(88,528)</u>	<u>226,964</u>	<u>-</u>	<u>138,436</u>	<u>689,724</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	(3,947,987)	(495,120)	(126,182)	(4,569,289)	(314,351)
Interest paid on long term debt	(2,148,085)	(291,539)	(145,220)	(2,584,844)	(33,116)
Acquisition and construction of capital assets	(29,113,366)	(616,397)	(16,975)	(29,746,738)	(1,235,129)
Proceeds from sale of capital assets	42,249	19,850	165,000	227,099	19,075
Contributions	6,228,940	-	-	6,228,940	205,807
Proceeds from lease	-	547,000	-	547,000	377,703
Net cash provided by (used in) capital and related financing	<u>(28,938,249)</u>	<u>(836,206)</u>	<u>(123,377)</u>	<u>(29,897,832)</u>	<u>(980,011)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	10,981,738	10,035	(133,409)	10,858,364	(2,276,556)
Interest received on investments	6,226,604	17,146	26,478	6,270,228	828,501
Net cash provided by (used in) investing activities	<u>17,208,342</u>	<u>27,181</u>	<u>(106,931)</u>	<u>17,128,592</u>	<u>(1,448,055)</u>
Net increase (decrease) in cash and cash equivalents	553,993	15,373	52,846	622,212	315,247
Cash and cash equivalents - beginning of year	<u>4,117,096</u>	<u>23,070</u>	<u>173,877</u>	<u>4,314,043</u>	<u>460,528</u>
Cash and cash equivalents - end of year	<u>\$ 4,671,089</u>	<u>\$ 38,443</u>	<u>\$ 226,723</u>	<u>\$ 4,936,255</u>	<u>\$ 775,775</u>

(Continued)

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(Continued)**

	Business-type Activities Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utility Fund	Golf Course	Westminster Housing Authority		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (1,040,697)	\$ 66,278	\$ 72,065	\$ (902,354)	\$ 1,556,712
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	9,440,444	506,107	198,052	10,144,603	1,004,156
(Increase) decrease in accounts receivable	409,211	(438)	(329)	408,444	91,705
(Increase) decrease in inventory	32,841	(14,146)	-	18,695	-
(Increase) decrease in prepaid items	1,224	18,750	7,983	27,957	-
Increase (decrease) in deferred revenue	-	22,455	(862)	21,593	-
Increase (decrease) in accounts payable and other	3,614,032	6,560	6,245	3,626,837	(4,226)
Increase (decrease) in accrued liabilities	(84,627)	(8,132)	-	(92,759)	1,678
Increase (decrease) in estimated claims	-	-	-	-	(596,436)
Total adjustments	<u>13,413,125</u>	<u>531,156</u>	<u>211,089</u>	<u>14,155,370</u>	<u>496,877</u>
Net cash provided by (used in) operating activities	<u>\$ 12,372,428</u>	<u>\$ 597,434</u>	<u>\$ 283,154</u>	<u>\$ 13,253,016</u>	<u>\$ 2,053,589</u>

Non-cash investing, capital, and financing activities:

- Developers contributed capital assets consisting of water and sewer lines of \$1,363,960
- A contribution of \$172,712 was reported in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority
- Capital assets contributed from governmental activities to the Golf Course Enterprise Fund totaled \$43,409
- The unrecognized gain (loss) recorded to value the non-cash investments of the City's enterprise funds to fair value was \$1,278,950

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUND**  
**DECEMBER 31, 2007**

	Volunteer Fire Pension
	<u>                    </u>
<b>ASSETS</b>	
Investments with fiscal agent	<u>\$ 3,437,831</u>
 <b>NET ASSETS</b>	
Held in trust for pension benefits	<u>\$ 3,437,831</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Volunteer Fire Pension
<b>ADDITIONS</b>	
Net investment income (loss)	\$ 321,017
Total additions	321,017
<b>DEDUCTIONS</b>	
Benefits	217,140
Administrative expense	23,907
Total deductions	241,047
<b>Change in net assets</b>	79,970
<b>Net assets - beginning</b>	3,357,861
<b>Net assets - ending</b>	\$ 3,437,831

**CITY OF WESTMINSTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City (primary government) is a municipality governed by an elected mayor and six additional members of Council. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 14 are separate organizations that are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Blended component units are, in substance, part of the City's operations, therefore data from these units are combined with the data of the City. The City's component units are all blended. All component units have a December 31 year-end.

**Blended Component Units**

The Westminster Housing Authority (WHA) (Enterprise Fund), Amherst General Improvement District (Special Revenue Fund), Sheridan Crossing General Improvement District (Special Revenue Fund), Westminster Economic Development Authority (WEDA) Fund (Special Revenue Fund), 136<sup>th</sup> Avenue General Improvement District (Special Revenue Fund), Mandalay Town Center General Improvement District (Special Revenue Fund), 144<sup>th</sup> Avenue General Improvement District (Special Revenue Fund), and the Promenade Parking Garage General Improvement District (Special Revenue Fund) are all governed by boards comprised of the City's elected officials. Each component unit governing body is substantially the same as the governing body of the City. In addition, the City has the ability to modify or approve the budgets of these entities and to appoint or designate new management in the case of the WHA.

**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 assigned its right to receive and enforce payments relating to debt service of these financial benefits to a trustee. WBA is not presented in the financial statements because it had no activity for the year ended December 31, 2007.

**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, as well as the fiduciary funds. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Fiduciary activities are excluded from the government-wide financial statements. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

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

Transfers between governmental funds and between enterprise funds are reported in total at the fund level, and are not carried forward to the government-wide statements; however, transfers between governmental funds and enterprise funds 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 cost (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 statement emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category) are summarized into a single column.

The governmental funds major fund statements 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 adjustment necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.



**CITY OF WESTMINSTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

**Reporting of Internal Service and Fiduciary Funds**

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, net assets of internal service funds are 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 as either an expense or charge for services of the general government and are therefore not eliminated in the consolidation of interfund services provided and used.

The Volunteer Firefighter Pension Fund is presented in the Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets. Since these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, it is not incorporated into the government-wide statements.

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

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

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City has chosen to present additional funds as major funds, as allowed by GASB Statement 34. The non-major funds are combined in a column in the fund financial statements and detailed in the combining statements section.

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

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

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

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

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.

**Sales and Use Tax Special Revenue Fund** accounts for revenue from the City's 3% sales and use tax which was approved by Westminster voters. These funds are pledged for various sales and use tax revenue bond issues and are subject to certain bond covenants. The fund also accounts for the .6% public safety tax, which was approved by Westminster voters in November 2003. Revenues from this tax must be used to improve and enhance the safety and security of Westminster residents.

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

**Westminster Economic Development Authority Fund** accounts for the monies for urban renewal activity. Financing is provided by the incremental increases of both property tax and sales tax within the boundaries of the Authority. Proceeds from bond issues are used to finance capital improvements.

**Proprietary funds** are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, revenues, expenses, and transfers relating to the government's business and quasi-business activities—where *net income and capital maintenance are measured*—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's proprietary funds apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) opinions, and Accounting Research Bulletins (ARB) of the committee on accounting procedures issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. .

**CITY OF WESTMINSTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

The following is a description of the major proprietary funds of the City:

**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.

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

The City reports the following non-major proprietary fund:

**Westminster Housing Authority** accounts for the operation of an apartment complex of 130 units, under Section 8 of the National Housing Act, including rental income, operational costs and debt service as well as other various low income housing redevelopment projects.

The City additionally reports the following Fund types:

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

**Trust Funds** account for assets held by the City in a trustee capacity on behalf of others under the terms of a formal trust agreement. Trust funds use the same measurement focus and basis of accounting as proprietary funds. The City has one pension trust fund that accounts for the assets of the City's volunteer firefighter pension plan.

**D. Assets and Liabilities**

**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 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.

**Receivables and Payables**

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

Assessments are also enforceable liens on property. They are certified to the counties when liabilities for special improvement districts are established. Payments, billings, and

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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 expenditures/expenses when consumed, rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Restricted Assets**

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Assets and Fund Statement Balance Sheets because their use is limited by applicable debt covenants. The General Fund; General Capital Improvement Capital Projects Fund; Westminster Economic Development Authority Special Revenue Fund; Parks, Open Space & Trails Special Revenue Fund; Golf Course Enterprise Fund; and the Utility Enterprise Fund have restricted assets which consist of bond proceeds and other cash and investments mandated by indenture to be segregated for the construction of various projects and payment of debt. The Westminster Housing Authority Fund has cash and deposits that are restricted due to the Department of Housing and Urban Development and/or debt requirements. The Conservation Trust Fund has restricted cash 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 estimated fair value at the date of donation. Costs that do not add to the value of an asset or materially extend its useful life are not included in its capitalized value. Infrastructure includes all streets and other pavement, bridges, storm drainage, signs, and traffic signals. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Months</u>	<u>Asset</u>	<u>Months</u>
Buildings	360-480	Plants & improvements	240-600
Infrastructure	120-600	Land	0
Lines	480	Machinery and equipment	36-240
Meters	240	Parks	240
Pumps	480	Wells	480
Water rights	0	Water storage	600

**Compensated Absences**

In governmental funds, compensated absences are considered long-term and therefore, not accrued as fund liabilities. In proprietary funds and in the government-wide statements, a liability for compensated absences accrues when incurred. This

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difference in treatment is included in the reconciliation between the governmental fund statements and government-wide presentation of governmental activities.

Compensated absence liabilities are liquidated by the fund in which an employee works. Governmental Funds that have typically been used to liquidate the liability for compensated absences in prior years include the General; Parks, Open Space & Trails; General Capital Improvement; Community Development Block Grant; Medical Dental Self Insurance; and Property & Liability Self Insurance Funds.

**Bond Premiums and Discounts/Issuance Costs**

In the governmental funds, bond premiums, discounts and issuance 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 premiums, discounts and issue costs are deferred and amortized over the term of the bonds.

**E. Interfund Transactions**

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 reservation of fund balance to indicate that resources are not available for appropriation. 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.

**NOTE 2 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**Deposits**

The bank balance of the City's cash deposits at December 31, 2007 was \$1,526,244, of which \$300,000 was covered by federal deposit insurance and \$1,226,244 was uninsured but 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.

**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.

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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 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.

*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.

The City's securities at December 31, 2007, are rated AAA by Standard and Poor's and AAA by Moody's Investors Services for its Agency securities. Corporate debt is rated at least AA- by Standard and Poor's, Aa3 by Moody's Investors Services, and AA- by Fitch. Commercial Paper is rated A-1 by Standard and Poor's, P1 by Moody's Investors Services and F-1 by Fitch.

The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes relative to repurchase agreements. Collateral must have an original minimum market value (including accrued interest) of 102% of the dollar value of the transaction; if the collateralized value drops below 101%, it is immediately restored to 102%. Collateral is held by the City's custodian bank as the safekeeping agent and marked to market daily.

*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.

**Local Government Investment Pools.** At December 31, 2007, the City had invested \$1,307,043 in the Colorado Government Liquid Asset Trust (COLOTRUST) and \$1,107,554 in Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools.

COLOTRUST and CSAFE operate similar to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pooled shares. The pools are rated AAA by Standard and Poor's.

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The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank.

The custodian's internal records identify the investments owned by the pool. Investments of the pool consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes.

Cash and Investments as reported on the financial statements at December 31, 2007.

Cash and cash equivalents	\$ 8,642,184
Investments	154,428,531
Restricted cash and cash equivalents	543,154
Restricted cash with agent	40,141,300
Restricted investments	6,418,031
Restricted investments with agent	16,875,552
Total per Statement of Net Assets:	<u><u>\$ 227,048,752</u></u>

Credit Quality Distribution for Securities as a Percentage of Total Investments

<u>Investment Type</u>	<u>S &amp; P Rating</u>	<u>% of Total</u>
Local Investment - CSAFE	AAA	0.49%
Local Investment - COLOTRUST	AAA	0.58%
Commercial Paper	A-1+	5.82%
Corporate US Central Credit Union	AAA	1.31%
Corporate GE Capital	AAA	2.46%
Corporate Wells Fargo	AA+	0.87%
Corporate Citigroup	AA	0.65%
Corporate Metropolitan Life Global Funding	AA	1.32%
Corporate Walmart	AA	0.46%
US Treasury Securities	N/A	12.83%
Federal Farm Credit Banks	AAA	14.85%
Federal Home Loan Bank System	AAA	15.64%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AAA	15.63%
Fannie Mae (Federal National Mortgage Association)	AAA	9.36%
First American Money Market Fund	AAA	16.23%
First American Treasury Obligation	AAA	1.50%

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average to Maturity (Years)</u>
Colorado Liquid Asset Trust (COLOTRUST)	\$ 1,307,043	-
Colorado Surplus Asset Fund (CSAFE)	1,107,554	-
Repurchase Agreements (FHLB)	6,580,810	-
Commercial Paper	13,195,703	0.11
US Treasuries	29,071,900	0.36
US Instrumentalities	111,202,360	1.59
Domestic Corporate Securities	16,035,067	1.01
First American	40,186,302	-
US Instrumentalities with Fiscal Agent	7,966,000	0.76
Total Investments controlled by City	<u><u>\$ 226,652,739</u></u>	
Portfolio weighted average maturity		1.75

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**B. Disaggregation of Receivables**

Receivables at December 31, 2007, were as follows:

	Taxes	Accounts	Leases and Notes	Grants	Interest	Total Receivables
<b>Governmental Activities:</b>						
General	\$ 4,442,354	\$ 4,126,988	\$ 5,247,500	\$ 37,000	\$ 161,374	\$ 14,015,216
Sales and Use Tax	6,915,940	-	-	-	35,104	6,951,044
GCIF	-	826,576	194,847	1,627,264	424,751	3,073,438
WEDA	4,036,398	140,868	-	-	34,297	4,211,563
Other Governmental	798,766	54,446	-	-	19,938	873,150
Less: Allowance for Doubtful Accounts	-	(810,107)	-	-	-	(810,107)
Subtotal	16,193,458	4,338,771	5,442,347	1,664,264	675,464	28,314,304
Reconciliation of balances in fund financial statements to government wide financial statements						
	-	11,010	-	-	137,478	148,488
<b>Total - Governmental Activities</b>	<b>\$ 16,193,458</b>	<b>\$ 4,349,781</b>	<b>\$ 5,442,347</b>	<b>\$ 1,664,264</b>	<b>\$ 812,942</b>	<b>\$ 28,462,792</b>
<b>Business-type Activities:</b>						
Utilities	\$ -	\$ 3,569,516	\$ -	\$ -	\$ 826,942	\$ 4,396,458
Golf Course	-	-	2,151	-	5,487	7,638
Housing Authority	-	5,351	410,000	-	3,799	419,150
<b>Total - Business-type Activities:</b>	<b>\$ -</b>	<b>\$ 3,574,867</b>	<b>\$ 412,151</b>	<b>\$ -</b>	<b>\$ 836,228</b>	<b>\$ 4,823,246</b>

**C.**

**Leases and Notes Receivable**

Description of notes and leases receivable

	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
<b>PRIMARY GOVERNMENT</b>					
<b>Government Activities</b>					
Catellus Development Corporation					
	Land SID assessment	\$ 194,847	\$ 194,847	one-time pymt	2008
	Inland Pacific Corporation Westminster Conference Center	39,600,000	34,800,000	quarterly	Mar-2026
	Inland Pacific Corporation Lakeview Pavilion	4,375,000	3,018,750	quarterly	Mar-2025
	Hyland Hills Park and Recreation District Ice Centre	6,997,500	5,247,500	semi-annually	Dec-2022
<b>Total Governmental Activities</b>		<b>\$ 51,167,347</b>	<b>\$ 43,261,097</b>		

**Annual Leases and Notes Payment Schedule**

Year Ending	Capital Leases and Notes Receivable			Operating Leases		
	Catellus	Hyland Hills	Total	Conference	Pavilion	Total
2008	\$ 194,847	\$ 240,000	\$ 434,847	\$ 1,250,000	\$ 175,000	\$ 1,425,000
2009	-	252,500	252,500	1,350,000	175,000	1,525,000
2010	-	265,000	265,000	1,450,000	175,000	1,625,000
2011	-	277,500	277,500	1,550,000	175,000	1,725,000
2012	-	292,500	292,500	1,650,000	175,000	1,825,000
2013-2017	-	1,705,000	1,705,000	9,700,000	875,000	10,575,000
2018-2022	-	2,215,000	2,215,000	10,500,000	875,000	11,375,000
2023-2026	-	-	-	7,350,000	393,750	7,743,750
	<b>\$ 194,847</b>	<b>\$ 5,247,500</b>	<b>\$ 5,442,347</b>	<b>\$ 34,800,000</b>	<b>\$ 3,018,750</b>	<b>\$ 37,818,750</b>



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Notes become receivable as the income is earned. 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 operating leases with Inland Pacific Corporation are for use of the Westminster Conference Center and Lakeview Pavilion. In the event of default, the City has the right to take possession of the facilities.

The capital lease with Hyland Hills Parks and Recreation District represents a sub-lease for an undivided fifty percent interest in the Ice Arena to be paid over 25 years. In the event of default, Hyland Hills' interest would be reduced by two percent for each year the lease obligation was not met. The net interest rate on the lease is 5.247%.

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

**D. Interfund Receivables and Payables**

The composition of interfund balances as of December 31, 2007, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Due to/from other funds:		
General Fund	Golf Course	\$ 334,230
Loans from/to other funds:		
General Fund	Westminster Economic Development Authority	120,000
General Capital Improvement	Westminster Economic Development Authority	1,125,000
Utility Fund	Westminster Economic Development Authority	<u>2,600,000</u>
	Total	<u>\$ 4,179,230</u>

At December 31, 2007, the General Fund covered the overdrawn cash balance of the Golf Course Fund.

The loans to the WEDA Fund of \$3,845,000 were used to 1) pay for the redevelopment and revitalization of the Westminster Plaza Shopping Center and 2) pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. These interfund loans are expected to be repaid in the subsequent years.

For budget purposes, interfund loans are appropriated as "Other Financing Use" in payor fund. On an actual basis, the interfund loan is only a balance sheet transaction; therefore, interfund loan transactions show a budget to actual variance in the budget comparison financial statements.

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**E. Capital Assets**

	Primary Government			Ending Balance
	Beginning Balance	Additions	Deletions	
Governmental Activities				
Land	\$ 93,687,758	\$ 2,199,358	\$ (214,711)	\$ 95,672,405
Joint Venture	5,361,000	-	-	5,361,000
Construction in progress	4,801,376	19,607,548	(9,899,881)	14,509,042
Total non-depreciable assets	<u>103,850,134</u>	<u>21,806,906</u>	<u>(10,114,592)</u>	<u>115,542,447</u>
Buildings	92,997,480	-	-	92,997,480
Machinery and equipment	32,043,826	2,066,163	(373,044)	33,736,945
Improvements other than buildings	31,319,333	3,210,042	(17,459)	34,511,916
Parks	46,203,055	284,659	-	46,487,714
Ice Center	6,972,384	-	-	6,972,384
Infrastructure	291,766,243	5,369,839	-	297,136,082
Total depreciable assets	<u>501,302,321</u>	<u>10,930,703</u>	<u>(390,503)</u>	<u>511,842,521</u>
Less accumulated depreciation for:				
Buildings	(31,769,508)	(3,095,024)	-	(34,864,532)
Machinery and equipment	(20,760,580)	(2,717,345)	330,419	(23,147,506)
Improvements other than buildings	(8,707,484)	(1,602,492)	-	(10,309,976)
Parks	(17,693,793)	(1,996,137)	-	(19,689,930)
Ice Center	(1,236,343)	(516,002)	370,743	(1,381,602)
Infrastructure	(128,464,715)	(7,400,325)	-	(135,865,040)
Total accumulated depreciation	<u>(208,632,423)</u>	<u>(17,327,325)</u>	<u>701,162</u>	<u>(225,258,586)</u>
Net total depreciable assets	<u>292,669,898</u>	<u>(6,396,622)</u>	<u>310,659</u>	<u>286,583,935</u>
Governmental activities capital assets, net	<u>\$ 396,520,032</u>	<u>\$ 15,410,284</u>	<u>\$ (9,803,933)</u>	<u>\$ 402,126,382</u>
Business-type activities:				
Land	\$ 21,928,291	\$ 1,266,693	\$ (25,719)	\$ 23,169,266
Water rights	70,463,947	1,448,076	-	71,912,023
Construction in progress	5,059,099	3,536,454	-	8,595,553
Total non-depreciable assets	<u>97,451,337</u>	<u>6,251,223</u>	<u>(25,719)</u>	<u>103,676,842</u>
Buildings and plants	191,858,509	5,054	(159,642)	191,703,921
Improvements other than buildings	171,082,214	20,774,833	-	191,857,047
Parks	1,503,253	-	-	1,503,253
Machinery and equipment	10,225,203	4,122,997	(413,244)	13,934,956
Total depreciable assets	<u>374,669,179</u>	<u>24,902,884</u>	<u>(572,885)</u>	<u>398,999,177</u>
Less accumulated depreciation for:				
Buildings and plants	(53,129,771)	(5,454,609)	5,379	(58,579,001)
Improvements other than buildings	(48,942,558)	(3,569,824)	-	(52,512,382)
Parks	(522,200)	(75,163)	-	(597,363)
Machinery and equipment	(6,506,487)	(1,045,007)	372,639	(7,178,856)
Total accumulated depreciation	<u>(109,101,016)</u>	<u>(10,144,603)</u>	<u>378,018</u>	<u>(118,867,601)</u>
Net total depreciable assets	<u>265,568,163</u>	<u>14,758,281</u>	<u>(194,868)</u>	<u>280,131,576</u>
Business-type activities capital assets, net	<u>\$ 363,019,500</u>	<u>\$ 21,009,504</u>	<u>\$ (220,586)</u>	<u>\$ 383,808,418</u>
Depreciation expense was charged to governmental functions as follows:				
General government				\$ 1,201,839
Public safety				2,148,236
Public works				6,574,656
Community development				1,303,831
Culture and Recreation				5,003,686
Unallocated depreciation-Internal Service Funds				1,095,078
Total Depreciation expense				<u>\$ 17,327,325</u>
Depreciation expense was charged to business-type functions as follows:				
Utility				\$ 9,440,444
Golf				506,107
Westminster Housing Authority				198,052
Total Depreciation expense				<u>\$ 10,144,603</u>

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The following is a summary of the machinery and equipment purchased by capital lease with a liability outstanding as of December 31, 2007.

	Cost	Accumulated Depreciation	Net Carrying Value
General Government	\$ 2,941,253	\$ (412,961)	\$ 2,528,292
General Capital Outlay Replacement	1,667,300	(307,114)	1,360,186
Golf Course Enterprise	3,159,438	(244,113)	2,915,325
Utility Enterprise	4,920,000	-	4,920,000
<b>Total</b>	<b>\$ 12,687,991</b>	<b>\$ (964,188)</b>	<b>\$ 11,723,803</b>

**F. Disaggregation of Payables**

Payables at December 31, 2007, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
<b>Governmental Activities:</b>					
General	\$ 4,465,093	\$ 47,093	\$ 1,090,004	\$ -	\$ 5,602,190
Sales and Use Tax	7,281	309,516	-	-	316,797
GCIF	1,763,784	120,120	17,421	-	1,901,325
WEDA	2,282,370	1,583,449	-	-	3,865,819
Other Governmental	75,370	444	5,589	5,989	87,392
Subtotal	8,593,898	2,060,622	1,113,014	5,989	11,773,523
Reconciliation of balances in fund financial statements to government wide financial statements					
	298,716	-	5,131	754,871	1,058,718
<b>Total - Governmental Activities</b>	<b>\$ 8,892,614</b>	<b>\$ 2,060,622</b>	<b>\$ 1,118,145</b>	<b>\$ 760,860</b>	<b>\$ 12,832,241</b>
<b>Business-type Activities:</b>					
Utilities	\$ 5,589,323	\$ -	\$ 189,519	\$ 176,855	\$ 5,955,697
Golf Course	64,690	382	22,122	33,489	120,683
Housing Authority	62,842	-	-	-	62,842
<b>Total - Business-type Activities</b>	<b>\$ 5,716,855</b>	<b>\$ 382</b>	<b>\$ 211,641</b>	<b>\$ 210,344</b>	<b>\$ 6,139,222</b>

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**G. Long Term Debt**

Long-term liability activity for the year ended December 31, 2007 was as follows:

	Beginning Balance	Additions	Accretion	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>						
Bonds and leases payable:						
Revenue bonds	\$ 59,775,000	\$ 55,305,000	\$ -	\$ (40,750,000)	\$ 74,330,000	\$ 4,590,000
Tax increment bonds	112,685,000	8,320,000	-	(520,000)	120,485,000	3,165,000
Capital leases	86,810,539	32,628,329	84,283	(35,671,023)	83,852,128	4,004,285
	<u>259,270,539</u>	<u>96,253,329</u>	<u>84,283</u>	<u>(76,941,023)</u>	<u>278,667,128</u>	<u>11,759,285</u>
Add:						
Bond premium	1,026,770	2,983,836	-	(213,465)	3,797,141	328,799
Bond discount and deferred amount on refundings	(940,917)	(3,952,739)	-	587,557	(4,306,099)	(407,915)
	<u>259,356,392</u>	<u>95,284,426</u>	<u>84,283</u>	<u>(76,566,931)</u>	<u>278,158,170</u>	<u>11,680,169</u>
Total bonds and leases payable						
Other liabilities:						
Compensated absences	3,854,392	6,069,865	-	(5,876,425)	4,047,832	4,047,832
OPEB	-	134,043	-	-	134,043	-
	<u>3,854,392</u>	<u>6,203,908</u>	<u>-</u>	<u>(5,876,425)</u>	<u>4,181,875</u>	<u>4,047,832</u>
Governmental activities long-term liabilities	<u>\$ 263,210,784</u>	<u>\$ 101,488,334</u>	<u>\$ 84,283</u>	<u>\$ (82,443,356)</u>	<u>\$ 282,340,045</u>	<u>\$ 15,728,001</u>
	Beginning Balance	Additions	Accretion	Reductions	Ending Balance	Amounts Due Within One Year
<b>Business-Type Activities:</b>						
Bonds, notes and leases payable:						
Revenue bonds	\$ 25,900,000	\$ -	\$ -	\$ (2,020,000)	\$ 23,880,000	\$ 2,110,000
Capital leases	2,250,782	547,000	-	(290,120)	2,507,662	247,361
Notes	40,327,316	-	-	(2,259,169)	38,068,147	2,326,351
	<u>68,478,098</u>	<u>547,000</u>	<u>-</u>	<u>(4,569,289)</u>	<u>64,455,809</u>	<u>4,683,712</u>
Add:						
Bond/Notes premium	1,175,647	-	-	(93,228)	1,082,419	93,228
Bond discount and deferred amount on refundings	(95,611)	-	-	6,677	(88,934)	(6,677)
	<u>69,558,134</u>	<u>547,000</u>	<u>-</u>	<u>(4,655,840)</u>	<u>65,449,294</u>	<u>4,770,263</u>
Total bonds, notes and leases payable						
Other liabilities:						
Compensated absences	782,687	1,160,286	-	(1,142,225)	800,748	800,748
OPEB	-	24,991	-	-	24,991	-
	<u>782,687</u>	<u>1,185,277</u>	<u>-</u>	<u>(1,142,225)</u>	<u>825,739</u>	<u>800,748</u>
Business-type activities long-term liabilities	<u>\$ 70,340,821</u>	<u>\$ 1,732,277</u>	<u>\$ -</u>	<u>\$ (5,798,065)</u>	<u>\$ 66,275,033</u>	<u>\$ 5,571,011</u>

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Description of Individual Debt Issues Outstanding - Summarized below are the City's debt issues outstanding at December 31, 2007.

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 5,770,000	4.0% - 5.0%	12/01/21
Sales and Use Tax Revenue Series 2002	136th Avenue & I-25 Interchange	15,090,000	13,255,000	3.25% - 5.25%	12/01/22
Sales and Use Tax Revenue Series 2007A	Refunding/Street Improvements	10,715,000	10,715,000	4.0% - 5.5%	12/01/16
Sales and Use Tax POST Series 2007B	Refunding/Open Space Purchases	13,680,000	13,680,000	4.0% - 5.5%	12/01/16
Sales and Use Tax Refunding Series 2007C	Refunding/Street Improvements	10,910,000	10,910,000	4.0% - 5.5%	12/01/16
Sales and Use Tax POST Series 2007D	Open Space Purchases/Facility Improv	20,000,000	20,000,000	4.0% - 5.0%	12/01/31
Total Governmental Activities			<u>74,330,000</u>		
Wastewater Revenue Bonds Series 2002	Northwest Water Treatment Plant	7,490,000	6,130,000	(2)	12/01/22
Water/Wastewater Revenue Series 2001	Refunding	20,990,000	12,530,000	3.6% - 5.5%	12/01/14
Golf Course Revenue Bonds Series 1998	Heritage Golf Course Construction	6,300,000	5,220,000	5.0% - 5.55%	12/01/23
Total Business Type Activities			<u>23,880,000</u>		
Total Revenue bonds			<u>\$ 98,210,000</u>		

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

Year	Governmental Activities			Business Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 4,590,000	\$ 3,410,189	\$ 8,000,189	\$ 2,110,000	\$ 1,045,790	\$ 3,155,790
2009	4,785,000	3,241,959	8,026,959	2,190,000	967,277	3,157,277
2010	4,655,000	3,050,404	7,705,404	2,275,000	878,963	3,153,963
2011	4,835,000	2,862,929	7,697,929	2,375,000	786,488	3,161,488
2012	5,040,000	2,666,221	7,706,221	2,475,000	689,885	3,164,885
2013-2017	24,730,000	9,545,688	34,275,688	7,510,000	1,909,958	9,419,958
2018-2022	12,100,000	5,064,175	17,164,175	4,470,000	740,265	5,210,265
2023-2027	6,850,000	2,618,288	9,468,288	475,000	26,362	501,362
2028-2032	6,745,000	819,613	7,564,613			-
Total	<u>\$ 74,330,000</u>	<u>\$ 33,279,466</u>	<u>\$ 107,609,466</u>	<u>\$ 23,880,000</u>	<u>\$ 7,044,988</u>	<u>\$ 30,924,988</u>

Tax Increment Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
WEDA Revenue Bonds Series 1997	Westminster Plaza Redevelopment	\$ 6,460,000	\$ 5,660,000	(1)	12/01/17
WEDA Revenue Bonds Series 2005	North Huron Urban Renewal	68,300,000	68,300,000	(5)	12/01/28
WEDA Revenue Refunding Bonds Series 2006	Mandalay Gardens Urban Renewal	38,455,000	38,205,000	(4)	12/01/28
WEDA Revenue Bonds Series 2007	South Sheridan Urban Renewal	8,320,000	8,320,000	(3)	12/01/28
Total Governmental Activities			<u>\$ 120,485,000</u>		

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

Year	Governmental Activities		
	Principal	Interest	Total
2008	\$ 3,165,000	\$ 4,176,705	\$ 7,341,705
2009	4,160,000	4,066,734	8,226,734
2010	4,385,000	3,922,252	8,307,252
2011	4,610,000	3,769,887	8,379,887
2012	4,855,000	3,609,632	8,464,632
2013-2017	27,135,000	15,421,772	42,556,772
2018-2022	28,865,000	10,565,283	39,430,283
2023-2027	35,020,000	5,162,839	40,182,839
2028-2032	8,290,000	286,834	8,576,834
Total	<u>\$ 120,485,000</u>	<u>\$ 50,981,938</u>	<u>\$ 171,466,938</u>

- (1) The Series 1997 WEDA bonds bear interest at a variable weekly rate based on the BMA Index. The interest rate as of 12/31/07 is 3.6%.
- (2) The Series 2002 Wastewater Revenue bonds bear interest at a variable weekly rate based on the J.J. Kenney Index. The interest rate as of 12/31/07 is 3.45%.
- (3) The Series 2007 WEDA bonds bear interest at a variable weekly rate based on the one month J.J. Kenney Index. The interest rate as of 12/31/07 is 3.46%.
- (4) The Series 2006 WEDA bonds bear interest at a variable weekly rate based on the one month J.J. Kenney Index. The interest rate as of 12/31/07 is 3.46%.
- (5) The Series 2005 WEDA Refunding bonds bear interest at a variable weekly rate based on the one month J.J. Kenney Index. The interest rate as of 12/31/07 is 3.46%.

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Capital Leases	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Capital lease	05 computer replacement	\$ 270,000	\$ 23,584	3.47%	01/15/08
Capital lease	05 CAD/RMS	451,425	39,431	3.47%	01/15/08
Capital lease	05 Energy Saving Equipment	2,262,993	1,912,440	4.029%	10/15/16
Capital lease	03 Fire truck	288,476	215,288	3.20%	10/15/10
Capital lease	05 Fire truck	472,039	295,333	4.27%	10/15/12
Capital lease	07 Fire truck	396,932	340,241	4.10%	01/15/14
Capital lease	07 Bobcat	40,626	35,811	4.64%	04/15/11
Capital lease - Certificates of Participation 99	Various Street Improvements	19,720,000	1,250,000	5.0% - 5.625%	08/15/09
Capital lease - Certificates of Participation 98	Ice Centre	13,995,000	10,495,000	4.65% - 5.4%	01/15/23
Capital lease - Certificates of Participation 98	Various Capital Facilities	25,715,000	1,045,000	4.45% - 5.4%	11/15/08
Capital lease - Certificates of Participation 01	Public Safety Building	18,740,000	15,365,000	4.15% - 5.25%	11/15/22
Capital lease - Certificates of Participation 05	144th & I-25 interchange	17,130,000	16,510,000	3.25% - 5.0%	11/15/25
Capital lease - Broomfield/Westminster Foundation	Metzger Farm Open Space	4,920,000	4,115,000	4.0% - 5.0%	11/15/16
Capital lease - Certificates of Participation 07	Refunding/Cap Fac & Streets	32,210,000	32,210,000	4.0% - 5.0%	11/15/25
Total Government			<u>83,852,128</u>		
Golf Course capital lease	04 Golf carts	399,642	26,317	2.95%	01/15/08
Golf Course capital lease	Airport land lease	1,940,000	1,500,000	0%	12/01/27
Golf Course capital lease	06 Maintenance Equipment	582,144	471,699	4.32%	04/15/13
Golf Course capital lease	07 Maintenance Equipment	547,000	509,646	4.85%	04/15/14
Total Business Type			<u>2,507,662</u>		
Total Capital Leases			<u>\$ 86,359,790</u>		

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

Year	Governmental Activities			Business Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 4,004,285	\$ 3,805,253	\$ 7,809,538	\$ 247,361	\$ 42,907	\$ 290,268
2009	4,101,012	3,638,928	7,739,940	227,846	35,911	263,757
2010	4,771,363	3,463,580	8,234,943	234,965	28,792	263,757
2011	4,880,272	3,261,392	8,141,664	242,416	21,341	263,757
2012	5,088,433	3,055,371	8,143,804	250,217	13,541	263,758
2013-2017	27,516,763	11,797,106	39,313,869	554,857	6,464	561,321
2018-2022	25,350,000	5,502,525	30,852,525	375,000	-	375,000
2023-2027	8,140,000	764,363	8,904,363	375,000	-	375,000
2028-2032	-	-	-	-	-	-
Total	<u>\$ 83,852,128</u>	<u>\$ 35,288,518</u>	<u>\$ 119,140,646</u>	<u>\$ 2,507,662</u>	<u>\$ 148,956</u>	<u>\$ 2,656,618</u>

Notes	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Colorado Water Power Authority Note 97	Reclamation Facility	\$ 13,246,525	\$ 8,090,407	4.54%	06/01/17
Colorado Water Power Authority Note 98	Reclamation Facility	4,085,697	2,295,850	3.96%	06/01/17
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	10,411,296	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	13,950,000	3.32%	06/01/25
Housing Authority Mortgage	Refinance/Capital Projects	3,600,000	2,907,594	(6)	01/09/22
Brownfields Note	Remediation of South Westminster Property	413,000	413,000	(7)	02/01/16
Total Business Type			<u>\$ 38,068,147</u>		

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

Year	Business-Type Activities		
	Principal	Interest	Total
2008	\$ 2,326,343	\$ 1,545,278	\$ 3,871,621
2009	2,418,686	1,475,750	3,894,436
2010	2,503,245	1,394,328	3,897,573
2011	2,585,296	1,305,235	3,890,531
2012	2,673,081	1,215,996	3,889,077
2013-2017	15,015,253	4,507,710	19,522,963
2018-2022	8,038,743	1,702,517	9,741,260
2023-2027	2,507,500	298,494	2,805,994
2028-2032	-	-	-
Total	<u>\$ 38,068,147</u>	<u>\$ 13,445,308</u>	<u>\$ 51,513,455</u>

(6) The Housing Authority Mortgage bears interest at a variable yearly rate based on the Prime Rate. The interest rate as of 12/31/07 is 5.363%.

(7) Interest is 0% through 1/31/08, 2% beginning 2/1/08.

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**H. Net Assets**

The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

**Investment in Capital Assets, Net of Related Debt** is intended to reflect the portion of net assets which are 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 Assets** are liquid assets which have third party limitations on their use. Restricted net assets are reported by major category, which include Emergencies; Capital projects; Open space conservation and improvements; and Debt service. Non major categories have been aggregated as Restricted for Other.

**Unrestricted Net Assets** represent 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.

Analysis of Invested in Capital Assets, Net of Debt

Issue	Amount Outstanding	Premiums/ (Discounts)/ (Deferred Loss on Refunding)	Exclude			Net Capital Related Debt
			Unamortized Issuance Costs	Reserve	Unspent Proceeds	
<b>Governmental Activities:</b>						
2001 sales tax revenue bond	\$ 5,770,000	\$ 155,445	\$ 130,775	\$ -	\$ -	\$ 5,794,670
2002 sales tax revenue bond	13,255,000	316,275	201,582	-	-	13,369,693
2007A sales tax revenue refunding bond	10,715,000	(43,356)	126,843	-	-	10,544,801
2007B open space sales tax refunding	13,680,000	10,856	152,013	-	-	13,538,843
2007C sales tax revenue refunding bond	10,910,000	(115,273)	132,935	-	-	10,661,792
2007D open space revenue bond	20,000,000	412,468	364,209	-	19,747,803	300,456
2005 WEDA	68,300,000	-	419,501	5,101,200	12,470,188	50,309,111
2006 WEDA refunding bond	38,205,000	(440,955)	294,161	3,160,000	-	34,309,884
2007 WEDA	8,320,000	-	157,029	634,411	2,280,791	5,247,769
2005 Energy Audit Equip	1,912,440	-	-	-	-	1,912,440
Capital Lease	81,939,688	(804,418)	1,501,109	-	531,266	79,102,895
Total Governmental Activities	<u>\$ 273,007,128</u>	<u>\$ (508,958)</u>	<u>\$ 3,480,157</u>	<u>\$ 8,895,611</u>	<u>\$ 35,030,048</u>	<u>\$ 225,092,354</u>
Capital Assets						402,126,382
Invested in Capital Assets, net of related debt						<u>\$ 177,034,028</u>
<b>Business Type Activities:</b>						
2002 Water Wastewater Revenue Bonds	\$ 6,130,000	\$ -	\$ 172,561	\$ -	\$ -	\$ 5,957,439
2001 Water Wastewater Refunding Revenue Bonds	12,530,000	356,572	1,240,454	-	-	11,646,118
1998 Golf Course Revenue Bonds	5,220,000	-	68,476	507,087	-	4,644,437
Water Notes	34,747,553	687,306	546,621	-	-	34,888,238
Capital Leases	2,507,662	-	-	-	-	2,507,662
2002 Mortgage Note	2,907,594	(50,393)	13,362	-	-	2,843,839
Total Business Type Activities	<u>\$ 64,042,809</u>	<u>\$ 993,485</u>	<u>\$ 2,041,474</u>	<u>\$ 507,087</u>	<u>\$ -</u>	<u>\$ 62,487,733</u>
Capital Assets						383,808,418
Invested in Capital Assets, net of related debt						<u>\$ 321,320,685</u>

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**I. Interfund Transfers**

Transfers are indicative of funding for capital projects, debt service, or subsidies of various City operations. The following schedule briefly summarizes the City's transfer activity:

TRANSFERS FROM OTHER FUNDS	TRANSFERS TO OTHER FUNDS							Totals
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Non-Major Governmental Funds	Utility Fund	Golf Course Fund	Internal Service Funds	
General Fund	\$ -	\$ 6,088,784	\$ -	\$ -	\$ 100,000	\$ 700,000	\$ -	\$ 6,888,784
Sales Tax Fund	55,960,254	1,351,976	-	5,003,532	-	285,000	689,724	63,290,486
General Capital Improvement Fund	-	-	285,500	421,028	-	-	-	706,528
Non-Major Governmental Funds	-	654,115	114,000	2,672,356	-	163,200	-	3,603,671
Utility Fund	188,528	-	-	-	-	-	-	188,528
Totals	<u>\$ 56,148,782</u>	<u>\$ 8,094,875</u>	<u>\$ 399,500</u>	<u>\$ 8,096,916</u>	<u>\$ 100,000</u>	<u>\$ 1,148,200</u>	<u>\$ 689,724</u>	<u>\$ 74,677,997</u>

**Reconciliation of Transfers between Governmental and Business-Type Activities:**

To the General Fund from the Utility Enterprise Fund for prior year reimbursement of street cut impact fees	\$ 188,529
From the General Fund to the Utility Fund to allocate an award from Kaiser Hill for water quality monitoring purposes within and around the Rocky Flats Wildlife Refuge	(100,000)
From the General Fund to the Golf Course Fund for relief of interfund loans	(700,000)
From the Sales Tax Fund to the Golf Course Fund to assist with debt service obligations	(285,000)
From the Open Space Fund to the Golf Course Fund to assist with debt service obligations	(163,200)
Total transfers between Governmental and Business Type Activities Funds	<u>\$ (1,059,672)</u>

**Reconciliation of Transfers between Governmental Funds and Internal Service Funds**

From the Sales and Use Tax Special Revenue Fund to the General Capital Outlay Replacement Internal Service Fund to provide for future replacement of vehicles and computer equipment.	<u>\$ 689,724</u>
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**J. Pledged Revenues**

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

- \$13,275,000 issued in 2001 to refund the Series 1991 refunding and improvement bonds originally issued for capital improvements.
- \$15,090,000 issued in December 2002 to finance its portion of a joint construction project with the City of Thornton for an interchange at 136th Avenue and Interstate 25.
- \$10,715,000 issued in March 2007 to provide new funding for street improvements and to refund certain of the City's outstanding Series 1997A sales and use tax revenue refunding and improvement bonds, originally issued to refund certain outstanding 1992A sales and use tax revenue bonds, originally issued for capital improvements.
- \$10,910,000 issued in October 2007 to provide new funding for street improvements and to refund certain of the City's outstanding Series 1997A sales and use tax revenue refunding and improvement bonds.
- \$13,680,000 issued in March 2007 to refund certain of the City's outstanding series 1997B sales and use tax revenue bonds originally issued for public improvements.
- \$20,000,000 issued in December 2007 to finance the acquisition, development, enhancement, and maintenance of open space and parkland throughout the City.

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$7,260,436 were paid from sales and use tax revenue



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totaling \$69,023,649. Total principal and interest payments remaining on the bonds is \$107,609,464 payable through December 2031.

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

- \$6,460,000 issued in 1997 to finance the redevelopment in the South Westminster Urban Renewal Area.
- \$38,455,000 originally issued in 2003 to finance redevelopment in the Mandalay Gardens Urban Renewal Area. The bonds were refunded in 2006 to tax-exempt tax increment revenue bonds.
- \$68,300,000 issued in 2005 to finance new development in the North Huron Urban Renewal Area.
- \$8,320,000 issued in 2007 to finance the redevelopment in the South Sheridan Urban Renewal Area

Tax increment variable rate revenue bonds 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. Current year, principal, interest and fees of \$5,494,925 were paid with incremental net pledged revenues totaling \$6,938,165. Total principal and interest remaining on the bonds is \$171,466,938 payable through December 1, 2028.

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

Colorado Water Resource and Power Development Authority Notes:

- \$13,246,525 issued in May 1997 to construct a Reclamation Facility
- \$4,085,697 issued in April 1998 to construct a reclamation facility
- \$14,998,357 issued in April 2000 to construct the NW Water Treatment Facility
- \$15,400,000 issued in May 2005 to expand the Big Dry Creek Treatment Facility

Revenue Bonds

- \$20,990,000 issued in December 2001 to refund 1992 and 1994 General Obligation bonds
- \$7,490,000 issued in September 2002 to expand the NW Water Treatment Facility

The notes and bonds are payable solely from water and waste water net revenues. For the current year, principal and interest paid and total water and waste water net revenues were \$6,096,072 and \$17,438,531, respectively. Total principal and interest payments remaining on the bonds and notes is \$70,038,598 payable through December 2025.

The Golf Course Enterprise has pledged future golf course facilities revenues, net of specified operating expenses, as follows:

- \$6,300,000 issued in July 1998. Proceeds from the bonds provided financing for the acquisition, construction, and purchase of equipment for Legacy Ridge Golf Course, the Heritage at Westmoor Golf Course, and any subsequent golf course facilities acquired by the City after the issuance of the bonds.

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These bonds are payable solely from golf course facilities net revenues. For the current year, principal and interest paid and total net golf course facilities revenues were \$500,313 and \$572,385, respectively. Total principal and interest payments remaining on the bonds is \$7,988,475, payable through December 2023.

**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 2006 to 2007. The City has never had any settlements that exceeded insurance coverage.

**Medical and Dental Self-Insurance Internal Service Fund**

The City established a dental program effective January 1, 1984. The purpose of this program is to pay the dental claims of eligible City employees and their covered dependents. As of January 1, 2003, the City entered into an Administrative Service Only (ASO) with Great West Healthcare ("GW"), whereby the City pays GW a separate amount for administrative costs, insurance taxes, and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The program covers individual losses up to \$2,000,000 lifetime benefit for the PPO and for out-of-network POS plan services. The lifetime benefit for POS in-network services is unlimited. The program provides a specific stop loss of \$110,000 per individual per year. The City has recorded a liability in this fund totaling \$367,000 for open and estimated claims not yet reported at December 31, 2007.

**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. The program covers individual losses up to \$350,000 per claim plus \$100,000 corridor deductible. 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 \$357,400 for open claims and estimated claims not yet reported at December 31, 2007.

**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 property losses for the total insured value of all property owned by the City up to a maximum of \$501,000,000 and in-state liability losses of up to \$150,000 per person with a \$600,000 per occurrence limit as set forth by statutory liability limits for public jurisdictions. For losses in excess of program limits, the City carries excess liability coverage that also covers the City for federal acts and out-of-state claims. In addition to property insurance, the program

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covers: automobile liability, general liability, police professional, error and omissions, crime, fiduciary liability, property loss and boiler and machinery liabilities.

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$410,649 for open claims at December 31, 2007.

**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
2006	\$ 1,137,207	\$ 7,594,809	\$ 7,000,532	\$ 1,731,484
2007	1,731,484	6,551,659	7,148,094	1,135,049

**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 casualty coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2007, there were 194 member municipalities and 25 special districts, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2007 was \$250,000 for property and \$250,000 for liability. Coverages are as follows.

- 1) Property/excess property: total insured value for City property up to the \$501,000,000 pool limit.
- 2) General liability (claims subject to the Governmental Immunity Act): to \$150,000 per person and \$600,000 per occurrence. (Claims not subject to \$501,000,000 limit)
- 3) Auto liability (claims not subject to the Governmental Immunity Act): to \$1,500,000 per occurrence.
- 4) Excess law enforcement liability and public officials' errors and omissions liability coverage: to \$5,000,000.
- 5) Crime: to \$150,000 any one claim and annual aggregate.
- 6) Supplemental defense costs (claims subject to the Governmental Immunity Act): to \$50,000 per claim/occurrence.
- 7) Excess crime to \$2,000,000 any one claim and annual aggregate.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available from insurance providers and under excess specific and

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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 two-year terms, governs CIRSA. All actions of the membership require a majority vote for all the members present at a meeting.

**C. Contingent Liabilities**

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

City Council has 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, 2007. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that adequate insurance coverage exists and that the final settlements of these matters will not materially affect the financial statements of the City.

**D. Construction and Other Significant Commitments**

At December 31, 2007, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

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

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

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	Appropriation 12/31/2007	Cumulative Expenditures 12/31/2007	Authorized Available 12/31/2007
Governmental activities:			
General Capital Improvement Fund	\$ 55,134,278	\$ 9,482,623	\$ 45,651,655
Westminster Economic Development Authority	23,599,601	4,953,499	18,646,102
Parks, Open Space, and Trails	12,024,064	-	12,024,064
General Capital Outlay Replacement Fund	3,546,674	-	3,546,674
Non-major governmental	658,245	72,920	585,325
<b>Total Governmental activities</b>	<b>\$ 94,962,862</b>	<b>\$ 14,509,042</b>	<b>\$ 80,453,820</b>
Business-type activities			
Utility Fund	\$ 37,826,801	\$ 8,595,553	\$ 29,231,248
<b>Total Business-type activities</b>	<b>\$ 37,826,801</b>	<b>\$ 8,595,553</b>	<b>\$ 29,231,248</b>

**E. Denver Water Board Raw Water Leases**

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from the Denver Water Board. The fiscal period for each year's water usage runs from July 1 to June 30. Permitted usage varies from month-to-month and peaks during the summer months. The rate charged per acre-foot by the Denver Water Board is \$218.32. The 2007 annual lease cost based on this rate was \$232,292.

**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 can perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. Westminster has the option to purchase up to 2.7 millions gallons per day. The agreement stipulates that Westminster shall pay for treated water delivered to it at a rate equal to the lowest rate charged by Thornton for treated water to any water utility customer within the City of Thornton. The rate at December 31, 2007, was \$3.18 per thousand gallons for an annual cost of \$2,090,694.

**G. Employee Retirement Plans**

**Plan Description**

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

Both employee plans are established by separate ordinances as single-employer, defined contribution plans, qualified under IRS guidelines. When employees change job status, their pension balance is moved from their old plan to the appropriate new plan through a transfer. The City does not participate in Social Security.

Long-term disability and death benefits are provided as employee benefits apart from the Pension Plans.

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The Plan provisions and requirements are established by Municipal Ordinance and determined to be a qualified Pension Plan by the Internal Revenue Service. The Plan Ordinance grants the Pension Board members and Trustee the authority to administer, interpret, and apply the requirements of the Plan document. Any changes to the Plan Document are subject to City Council approval and require Internal Revenue Service determination of qualification.

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

Eligible employees hired on or after January 6, 1986 must participate from the date of employment. Employees hired before that date were given the option to begin participation on January 6, 1986 or wait until they had completed 22 months of service with the City. Before January 6, 1986, employees could not participate until completing 22 months of service, at which time participation was mandatory.

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

All contributions and earnings are fully vested at all times. All administrative costs of the plans are borne by the participants of each plan. 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.

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

**Summary of Contributions**

For the year ended December 31, 2007, contributions actually made to the two plans equaled required contributions and were as follows:

Required contributions to the three plans, and contributions actually made were as follows:

	Police Pension Plan	General Employee Pension Plan	Total
City contributions at 10.25%	\$ 1,056,104	\$ 2,925,067	\$ 3,981,171
Mandatory employee contributions at 10%	1,124,943	3,250,060	4,375,003
Voluntary employee contributions up to 10%	8,972	89,366	98,338
Rollover contributions	34,781	161,538	196,319

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**H. State Fire and Police Pension Plan (FPPA Defined Benefit Plan)**

Effective September 1, 2004, the City of Westminster began contributing to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan 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 of Westminster are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit 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.

The contribution requirements of plan members and the City of Westminster are established by statute. The contribution rate to the Statewide Defined Benefit Plan for plan members is either 8% or 10% of covered salary depending on date of hire, and for the employer is either 8% or 10% of covered salary, again depending on date of hire.

State Fire and Police Pension Plan Contribution Summary				
Description	2005	2006	2007	Total
Employee Contribution 10%	\$ 606,577	\$ 606,809	\$ 588,171	\$ 1,801,557
Employee Contribution 8%	112,236	148,400	178,893	439,529
Employee Drop Program 10% *	-	3,569	13,865	17,434
Employer Contribution 10%	606,577	606,809	588,171	1,801,557
Employer Contribution 8%	112,236	148,400	178,893	439,529
Total	\$ 1,437,626	\$ 1,513,987	\$ 1,547,993	\$ 4,499,606

\*The FPPA Deferred Retirement Option Plan (DROP) is part of the Statewide Defined Benefit Plan designed for members who are eligible to retire, but instead choose to continue employment for a specified period of time not to exceed five years. The City has no liability to match DROP program employee contributions.

**I. Volunteer Firefighter Pension Fund**

The City has fiduciary responsibility for a single-employer defined benefit retirement system ("the plan") established by the Volunteers, which is included in the City's financial reports as a pension trust fund.

**Summary of Significant Accounting Policies**

*Basis of Accounting.* Financial statements of the plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

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**Plan Description and Contribution Information**

At December 31, 2007, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	34
Terminated volunteers entitled to benefits but not receiving them	0
Active plan members	<u>0</u>
Total	<u>34</u>

**Plan Description.** The plan provides retirement benefits as well as death and disability 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.

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.

**Contributions.** An actuarial study performed on January 1, 2007, 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 \$1,113,263. Therefore, no additional contributions are required at this time by either the Volunteers or the City. State statutes govern contribution requirements. 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. No annual employer contributions have been required. Therefore, the pension liability for the plan, determined in accordance with Statement No. 27 of the Government Accounting Standards Board (GASB), "Accounting for Pensions by State and Local Government Employer," is zero, as it was previously reported prior to implementation of GASB Statement 27. Since Volunteers do not contribute to the plan, no plan assets are distributed if a volunteer is terminated prior to vesting.

The actuarial calculations were completed using the entry age actuarial cost method since the plan has been dissolved and benefits capped. The actuarial assumption included:

- a) A 8% investment rate of return
- b) No payment increases
- c) No cost of living increases

**Current Status of the Plan.** 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, Council prior to dissolving the plan 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 Fire and Police Pension Association of Colorado (FPPA) as allowed by



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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. 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 FPPA audited annual financial report may be obtained by calling 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

**Schedule of Funding Progress-Volunteer Firefighter Pension Plan**

Based on an amortization period of twenty years using the entry age actuarial cost method on an open level amount basis, expected contributions exceed the amount recommended to fund the plan. The entry age actuarial cost method does not yield an unfunded actuarial liability.

Because Volunteers are not paid, no projected salary increases or cost-of-living adjustments are included in the actuarial assumptions.

Trend information of the plan follows:

<u>Year Ended</u> <u>December 31</u>	<u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>
2002	\$0	100%
2003	0	100%
2004	0	100%
2005	0	100%
2006	0	100%
2007	0	100%

**J. Retiree Health Program**

**Program Description.** The Retiree Health Program (Program) is a single-employer defined benefit healthcare plan administered by the City of Westminster. The Program provides medical, dental, and vision insurance benefits to eligible retirees and their dependents until age 65 or upon becoming Medicare eligible. Benefits are provided for active employees and retirees under the same health care plan.

The Program offers self funded PPO and POS programs as well as a fully funded HMO. The dental benefit component is self funded and the vision benefit is paid solely by the participants in the Program.

**Funding Policy.** The Program provisions and requirements are established and may be amended by Council policy. The City funds OPEB expense on a pay-as-you-go basis. Program claims and fees for the self funded plan, and expected premiums for the fully funded plan totaled \$411,937 during 2007. Program members receiving benefits contributed \$210,972 in actual premiums equal to 100% of the equivalent premium recognized for active employees. The City's pay-as-you-go program funding totaled \$200,965 during the year.

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

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover current year costs plus amortization for a portion of the unfunded accrued actuarial liability for Program benefits. The City implemented GASB 45 prospectively on January 1, 2007, and reports the net OPEB obligation at transition as zero in accordance with the provisions of the statement. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the Program, and changes in the City's net OPEB obligation.

Annual Required Contribution	\$ 360,000
Contributions made	<u>(200,965)</u>
Increase in net OPEB obligation	159,035
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	<u>\$ 159,035</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for 2007 was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2007	\$ 360,000	44.20%	\$ 159,034

**Funded Status and Funding Progress.** As of January 1, 2007, the most recent actuarial valuation date, the Program was not funded. The unfunded actuarial accrued liability (UAAL) was \$3,198,000. The covered payroll (annual payroll of active employees covered by the Program) was \$48,655,115. The ratio of the UAAL to covered payroll was 6.6 percent.

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

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the City and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the City and Program members to that point. The

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actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long term perspective of the calculations.

In the January 1, 2007 valuation, the Unit Credit attribution method was used. The actuarial assumptions included a 5 percent investment rate of return to calculate the ARC on a pay-as-you-go basis, which is the rate expected on short-term liquid investments. The Unfunded Actuarial Accrued Liability is amortized over the maximum acceptable period of 30 years. It is calculated assuming a level percentage of projected payroll on an open basis. Payroll is assumed to increase at 4% per year. The annual trend rates for health care costs applied on a select and ultimate basis are 11% and 6%, respectively. Select trends are reduced 0.5% each year until reaching the ultimate trend.

A separate financial report is not issued for the Retiree Medical Program.

**K. 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, 2007, the amount required as Emergency Reserves in compliance with the Amendment is \$3,695,515. This is shown as a reservation of fund balance in the General Fund and a restriction of Net Assets on the Statement of Net Assets.

**L. 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. Funding is anticipated to be sufficient through the year 2036 or longer if the environmental clean up of Rocky Flats is not completed in the next forty years. 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.

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

**M. 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 sub-lease. The sub-lease 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. The City receives one-half of the net revenues received from the operation of the Ice Centre. 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 cities agree to their share of payments as set forth in the By-Laws of the Foundation. The City accrues one-half ownership interest in the property based on annual lease rental payments set forth in the financing document. The City records its interest in the Metzger Farm as a capital lease payable and as Joint Venture Land valued at \$4,920,000. At December 31, 2007, the City's fifty percent equity interest in the Foundation is \$592,889.

Financial statements for the Broomfield-Westminster Open Space Foundation may be obtained by contacting the City of Westminster Finance Department, 303-430-2400, extension 2040.

**N. 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

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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 assets as "Other Assets" in the Utility Fund.

**O. 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. 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 2 years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

**P. 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, 2007, Industrial Revenue Bonds outstanding aggregated \$14,675,000.

**Q. Arbitrage Compliance**

All bond issues for the City of Westminster have been evaluated to determine arbitrage compliance and liability position. For issues where all proceeds have been spent, the City has no liability. For recent issues where proceeds have not been fully spent, a potential liability of \$147,299 exists.

**R. Debt Refundings**

On March 6, 2007 the City issued \$10,715,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2007A with an average yield of 3.81% to partially advance refund \$10,860,000 of \$23,445,000 outstanding Sales and Use Tax Revenue Bonds, Series 1997A with an average coupon rate of 5.33%. The net proceeds of \$11,356,182 plus an additional \$148,009 of City funds were used to pay costs of issuance fees of \$151,609 and immediately redeem the portion of the 1997A bonds refunded plus accrued interest. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the 1997A Series bonds refunded. As a result, the portion of the 1997A Series bonds refunded are considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

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The City advance refunded a portion of the 1997A Series bonds to reduce its total debt service payments over the next 10 years by \$712,947 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$679,989. Additionally, a deferred amount on refunding of \$688,151 was recorded.

On March 6, 2007 the City issued \$13,680,000 of Special Purpose Sales and Use Tax Revenue Refunding Bonds, Series 2007B with an average yield of 3.80% to partially advance refund \$13,865,000 of \$14,920,000 outstanding Special Purpose Sales and Use Tax Revenue Bonds (POST Project), Series 1997B with an average coupon rate of 5.33%. The net proceeds of \$14,319,695 plus an additional \$178,827 of City funds were used to pay costs of issuance fees of \$177,458 and immediately redeem the portion of the 1997B bonds refunded plus accrued interest. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the 1997B Series bonds refunded. As a result, the portion of the 1997B Series bonds refunded are considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

The City advance refunded a portion of the 1997B Series bonds to reduce its total debt service payments over the next 10 years by \$788,608 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$752,063. Additionally, a deferred amount on refunding of \$627,934 was recorded.

On October 16, 2007 the City issued \$10,910,000 of Sales and Use Tax Refunding Bonds, Series 2007C with an average yield of 3.69% to partially refund \$11,065,000 of \$12,585,000 outstanding Sales and Use Tax Revenue Bonds, Series 1997A with an average coupon rate of 4.67%. The net proceeds of \$11,465,591 plus an additional \$226,500 of City funds were used to pay costs of issuance of \$154,744 and immediately redeem the portion of the 1997A bonds refunded plus accrued interest. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the 1997A Series bonds refunded. As a result, the portion of the 1997A Series bonds refunded are considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

The City refunded a portion of the 1997A Series bonds to reduce its total debt service payments over the next 10 years by \$655,709 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$621,195. Additionally, a deferred amount on refunding of \$672,999 was recorded.

On March 27, 2007 the City issued \$32,210,000 of Refunding Certificates of Participation, Series 2007 with an average coupon rate of 4.11% to partially advance refund \$17,214,995 of \$19,259,995 outstanding Certificates of Participation (COPS), Series 1999 with an average yield of 5.56% and to partially advance refund \$13,985,000 of \$15,580,000 Certificates of Participation, Series 1998 with an average yield of 5.16%. The net proceeds of \$32,944,900 plus an additional \$6,008 of City funds were used to pay costs of issuance fees of \$604,172 and immediately redeem the portion of the 1999 and 1998 COPS refunded plus accrued interest. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the 1999 and 1998 COPS refunded. As a result, the portion of the 1999

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and 1998 COPS refunded are defeasible through September 1, 2009 and the liability for those COPS has been removed from the City's general long-term debt outstanding.

As of December 31, 2007 the amount of defeased bonds outstanding is \$31,299,412.

The City advance refunded a portion of the 1999 and 1998 COPS to reduce its total debt service payments over the next 19 years by \$1,460,567 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,507,222. Additionally, a deferred amount on refunding of \$1,963,654 was recorded.

**S. Subsequent Event**

On February 15, 2008 the City added \$603,450 to its master lease agreement for a fire truck. Lease payments will be made through January 15, 2015 at an interest rate of 3.52%.

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**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Property taxes	\$ 4,204,787	\$ 4,204,787	\$ 4,191,093	\$ (13,694)
Business fees and other taxes	4,596,654	4,596,654	4,556,637	(40,017)
Intergovernmental	4,721,000	5,076,113	5,473,465	397,352
Licenses and permits	1,675,000	1,902,580	2,654,027	751,447
Interest	730,847	766,429	1,307,116	540,687
Recreation fees	5,611,336	5,703,871	5,735,111	31,240
Fines and forfeits	2,311,250	2,311,250	2,134,378	(176,872)
Fleet maintenance billings and other	5,972,883	5,301,973	5,058,804	(243,169)
EMS billings	2,028,214	2,028,214	2,020,583	(7,631)
<b>Total revenues</b>	<u>31,851,971</u>	<u>31,891,871</u>	<u>33,131,214</u>	<u>1,239,343</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government				
City Council	205,023	205,023	136,897	68,126
City Attorney's Office	1,060,710	1,060,710	849,281	211,429
City Manager's Office	1,111,916	1,161,916	737,569	424,347
Central charges	23,672,551	24,418,162	21,809,158	2,609,004
General Services	7,108,110	7,162,114	6,496,763	665,351
Finance	1,802,594	1,810,844	1,466,599	344,245
Public safety				
Police	18,966,520	19,334,699	18,358,477	976,222
Fire	10,356,260	10,546,437	10,422,746	123,691
Public works	7,131,165	7,507,935	7,238,076	269,859
Community development	4,555,121	4,880,073	3,955,330	924,743
Culture and recreation	13,641,622	13,785,560	13,456,076	329,484
Debt service:				
Bond issuance costs	-	604,172	595,809	8,363
<b>Total governmental activities</b>	<u>89,611,592</u>	<u>92,477,645</u>	<u>85,522,781</u>	<u>6,954,864</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(57,759,621)</u>	<u>(60,585,774)</u>	<u>(52,391,567)</u>	<u>8,194,207</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of leases	-	40,626	40,626	-
Issuance of refunding debt	-	32,210,000	32,210,000	-
Bond premium	-	740,908	734,900	(6,008)
Payment to refunded bond escrow agent	-	(32,346,736)	(32,346,736)	-
Transfers in	58,249,468	58,637,996	56,148,782	(2,489,214)
Transfers (out)	(119,000)	(6,888,784)	(6,888,784)	-
<b>Total other financing sources (uses):</b>	<u>58,130,468</u>	<u>52,394,010</u>	<u>49,898,788</u>	<u>(2,495,222)</u>
<b>Net change in fund balance</b>	370,847	(8,191,764)	(2,492,779)	5,698,985
<b>Fund balances, beginning</b>	(370,847)	8,191,764	17,555,231	9,363,467
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,062,452</u>	<u>\$ 15,062,452</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 SALES AND USE TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales taxes	\$ 50,220,928	\$ 50,220,928	\$ 51,296,157	\$ 1,075,229
Use taxes	11,329,326	11,329,326	12,720,888	1,391,562
Interest	95,000	95,000	249,715	154,715
<b>Total revenues</b>	<u>61,645,254</u>	<u>61,645,254</u>	<u>64,266,760</u>	<u>2,621,506</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>(61,645,254)</u>	<u>(63,386,954)</u>	<u>(63,290,486)</u>	<u>96,468</u>
<b>Total other financing sources (uses):</b>	<u>(61,645,254)</u>	<u>(63,386,954)</u>	<u>(63,290,486)</u>	<u>96,468</u>
<b>Net change in fund balance</b>	-	(1,741,700)	976,274	2,717,974
<b>Fund balances, beginning</b>	-	1,741,700	9,260,487	7,518,787
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,236,761</u>	<u>\$ 10,236,761</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 1,841,483	\$ 1,841,483	\$ 1,877,653	\$ 36,170
Sales taxes	6,672,779	5,658,562	4,876,683	(781,879)
Interest	77,395	1,456,963	1,916,809	459,846
<b>Total revenues</b>	<u>8,591,657</u>	<u>8,957,008</u>	<u>8,671,145</u>	<u>(285,863)</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	3,078,177	2,106,729	401,854	1,704,875
Capital projects	24,998,244	33,435,277	10,993,344	22,441,933
Debt service:				
Principal	520,000	520,000	520,000	-
Interest and fiscal charges	5,081,408	6,117,279	4,974,925	1,142,354
Bond issuance costs	-	-	160,766	(160,766)
<b>Total expenditures</b>	<u>33,677,829</u>	<u>42,179,285</u>	<u>17,050,889</u>	<u>25,128,396</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(25,086,172)</u>	<u>(33,222,277)</u>	<u>(8,379,744)</u>	<u>24,842,533</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	-	7,685,588	8,320,000	634,412
Transfers in	-	399,500	399,500	-
<b>Total other financing sources (uses):</b>	<u>-</u>	<u>8,085,088</u>	<u>8,719,500</u>	<u>634,412</u>
<b>Net change in fund balance</b>	(25,086,172)	(25,137,189)	339,756	25,476,945
<b>Fund balances, beginning</b>	25,086,172	25,137,189	31,248,458	6,111,269
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,588,214</u>	<u>\$ 31,588,214</u>

This budgetary comparison includes current year and continuing appropriations from prior year project length budgets. Continuing appropriations are disclosed in the Notes to the Financial Statements.

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**CITY OF WESTMINSTER, COLORADO**  
**Schedules of Funding Progress**

**Retiree Health Program**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2007 (a, b)	\$ -	\$ 3,198,000	\$ 3,198,000	0%	\$ 48,655,116	6.6%

(a) Next actuarial study to be completed as of January 1, 2009 and should be available in June 2009

(b) GASB 45 was implemented as of January 1, 2007; therefore, actuarial information on the Retiree Health Program is not available prior to that date

**Volunteer Firefighter Pension Plan**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Overfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2002	\$3,150,229	\$2,354,238	\$795,991	133.80%	(a)	NA
12/31/2003	3,012,526	2,343,745	668,781	128.50%	(a)	NA
12/31/2004	3,012,526	2,343,745	668,781	128.50%	(a)	NA
12/31/2005	2,910,768	2,259,116	651,652	128.80%	(a)	NA
12/31/2006	2,910,768	2,259,116	651,652	128.80%	(a)	NA
12/31/2007 (b)	3,213,932	2,100,669	1,113,263	153.00%	(a)	NA

(a) Volunteer firefighters are not paid; therefore comparison of the over-funded actuarial accrued liability to covered payroll is not applicable.

(b) Next actuarial study to be completed as of January 1, 2009 and should be available in June 2009.

**CITY OF WESTMINSTER, COLORADO  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2007**

**Budgetary Information**

A biennial city budget is legally adopted according to applicable generally accepted accounting principles for each fund type, except for the Investigation Recovery Special Revenue Fund, Volunteer Firefighter Pension Fund, internal service self insurance funds, and capital projects funds. Appropriations lapse at year end for legally adopted operating budgets.

Project-length budgets are adopted for all capital projects. At year end, appropriations for incomplete capital projects are carried forward to the following year. The General Capital Improvements Capital Projects Fund, Westminster Economic Development Authority Fund, Community Development Block Grant Fund, and the Utility Enterprise Fund, budget for capital projects. The General Capital Outlay Replacement Fund uses project length budgeting for capital outlay replacements of fleet vehicles and other equipment. Like capital project budgets, unspent appropriations are carried forward to the following year. See the disclosure on Construction and Other Significant Commitments, page 54, for detail on the continuing appropriations for capital projects.

The appropriated budget is prepared by fund, department, division, and object. The City's Department Heads may make transfers of appropriations within a department. Transfers of appropriations between departments and/or funds require the approval of the City Council. The legal level of budgetary control is the department level. The City Council approved several supplementary budgetary appropriations throughout the year, which are detailed in the operating budgets summary schedule below:

Fund	1/1/07 Original Budget	Budget Revisions	12/31/07 Final Budget
General Fund	\$ 89,730,592	\$ 41,982,573	\$ 131,713,165
Special Revenue Funds:			
Sales and Use Tax	61,645,254	1,741,700	63,386,954
Open Space Sales and Use Tax	4,958,780	14,084,165	19,042,945
Conservation Trust	625,000	363,198	988,198
Sheridan Crossing General Improvement District	49,389	-	49,389
136th Ave General Improvement District	33,060	6,173	39,233
Amherst General Improvement District	56,965	-	56,965
Mandalay Town Center General Improvement District	64,236	80,444	144,680
Promenade Parking Garage General Improvement District	175	-	175
Westminster Economic Development Authority	8,679,585	8,501,456	17,181,041
Debt Service Funds:			
General Debt Service	8,223,735	37,149,620	45,373,355
Enterprise Funds:			
Utility	53,367,713	13,941,149	67,308,862
Golf Course	3,637,034	550,450	4,187,484
Westminster Housing Authority	79,532	41,473	121,005
Internal Service Fund:			
Capital Replacement	1,045,872	3,835,484	4,881,356
Totals	<u>\$ 232,196,922</u>	<u>\$ 122,277,885</u>	<u>\$ 354,474,807</u>

Market values for the 144th Avenue GID resulted in an assessed valuation that would produce less than \$1 in revenue for 2007. The Board determined that it was not cost effective administratively to produce a budget for such a low dollar amount. The assessed valuation used to calculate 2008 revenue increased; therefore, a budget was prepared for 2008.

## NON-MAJOR FUNDS

### Governmental Activities Funds

#### Special Revenue Funds

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

**Sheridan Crossing General Improvement District (GID) Fund** – accounts for revenues provided for and expenditures associated with the operation and maintenance of greenbelt areas within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

**Amherst General Improvement District (GID) Fund** – accounts for revenues provided for and expenditures associated with the operation and maintenance of greenbelts within the District. Revenues are provided by ad valorem property taxes levied and received by the District.

**136<sup>th</sup> Avenue General Improvement District (GID) 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.

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

**Mandalay Town Center General Improvement District (GID) 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.

**144<sup>th</sup> Avenue General Improvement District (GID) 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.

**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.

## **Debt Service Funds**

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

- a) 2001 Sales and Use Tax Revenue Refunding Bonds of \$13,275,000 due in annual installments through December 1, 2021; interest at 4.0 to 5.0 percent. Financing is provided by the City's 3 percent sales and use tax.
- b) 2002 Sales and Use Tax Revenue Bonds of \$15,090,000 due in annual installments through December 1, 2022, interest at 3.00 to 5.25 percent. Financing is provided by the City's 3 percent sales and use tax.
- c) 2007A Sales and Use Tax Revenue Refunding Bonds of \$10,715,000 due in annual installments through December 1, 2016; interest at 4.0 to 5.50 percent. Financing is provided by the City's 3 percent sales and use tax.
- d) 2007B Special Purpose Sales and Use Tax Revenue Refunding Bonds of \$13,680,000 due in annual installments through December 1, 2016, interest at 4.0 to 5.5 percent. Financing is provided by the City's .25 percent open space sales and use tax.
- e) 2007C Sales and Use Tax Revenue Refunding Bonds of \$10,910,000 due in annual installments through December 1, 2016; interest at 4.0 to 5.5 percent. Financing is provided by the City's 3 percent sales and use tax.
- f) 2007D Special Purpose Sales and Use Tax Revenue Bonds of \$20,000,000 due in annual installments through December 1, 2031, interest at 4.0 to 5.0 percent. Financing is provided by the City's .25% percent open space sales and use tax.

## **Capital Projects Funds**

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

## **Internal Service Funds**

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

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

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

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



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**CITY OF WESTMINSTER, COLORADO  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2007**

Special Revenue Funds

	Parks Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID
<b>ASSETS</b>				
Cash and cash equivalents	\$ 67,736	\$ 30,464	\$ 6,997	\$ 2,730
Investments	1,163,831	523,433	120,224	46,904
Receivables:				
Taxes	538,982	99,928	62,795	27,038
Accounts	51,008	699	449	502
Interest	-	5,399	1,239	485
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Cash and cash equivalents with fiscal agent	2,104,847	-	-	-
Investments	-	-	-	-
Investments with fiscal agent	9,949,194	-	-	-
Total assets	<u>\$ 13,875,598</u>	<u>\$ 659,923</u>	<u>\$ 191,704</u>	<u>\$ 77,659</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and other	\$ 21,360	\$ 4,000	\$ 10,000	\$ -
Accrued liabilities	2,911	-	-	-
Accrued interest	5,989	-	-	-
Deferred revenue	-	99,928	62,795	27,038
Total liabilities	<u>30,260</u>	<u>103,928</u>	<u>72,795</u>	<u>27,038</u>
Fund balances:				
Reserved for:				
Debt service	-	-	-	43,229
Capital projects	12,024,065	-	-	-
Unreserved, reported in:				
Special revenue funds	1,821,273	555,995	118,909	7,392
Capital project funds	-	-	-	-
Total fund balances	<u>13,845,338</u>	<u>555,995</u>	<u>118,909</u>	<u>50,621</u>
Total liabilities and fund balances	<u>\$ 13,875,598</u>	<u>\$ 659,923</u>	<u>\$ 191,704</u>	<u>\$ 77,659</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Avenue GID	Conservation Trust	Investigation Recovery	Total
\$ 23	\$ 108	\$ 1	\$ -	\$ 2,614	\$ 110,673
398	1,861	-	-	44,906	1,901,557
168	47,051	22,804	-	-	798,766
-	1,788	-	-	-	54,446
4	17	-	11,104	463	18,711
-	-	-	62,595	-	62,595
-	-	-	-	-	2,104,847
-	-	-	1,075,500	-	1,075,500
-	-	-	-	-	9,949,194
<u>\$ 593</u>	<u>\$ 50,825</u>	<u>\$ 22,805</u>	<u>\$ 1,149,199</u>	<u>\$ 47,983</u>	<u>\$ 16,076,289</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,360
-	-	-	-	-	2,911
-	-	-	-	-	5,989
<u>168</u>	<u>47,051</u>	<u>22,804</u>	<u>-</u>	<u>-</u>	<u>259,784</u>
<u>168</u>	<u>47,051</u>	<u>22,804</u>	<u>-</u>	<u>-</u>	<u>304,044</u>
425	-	1	-	-	43,655
-	-	-	-	-	12,024,065
-	3,774	-	1,149,199	47,983	3,704,525
-	-	-	-	-	-
<u>425</u>	<u>3,774</u>	<u>1</u>	<u>1,149,199</u>	<u>47,983</u>	<u>15,772,245</u>
<u>\$ 593</u>	<u>\$ 50,825</u>	<u>\$ 22,805</u>	<u>\$ 1,149,199</u>	<u>\$ 47,983</u>	<u>\$ 16,076,289</u>

(Continued)

**CITY OF WESTMINSTER, COLORADO  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2007**

(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	
		Community Development Block Grant	Total Other Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 75,111	\$ 5,360	\$ 191,144
Investments	118,925	91,360	2,111,842
Receivables:			
Taxes	-	-	798,766
Accounts	-	-	54,446
Interest	1,227	-	19,938
Restricted assets:			
Cash and cash equivalents	-	-	62,595
Cash and cash equivalents with fiscal agent	-	-	2,104,847
Investments	-	-	1,075,500
Investments with fiscal agent	-	-	9,949,194
Total assets	<u>\$ 195,263</u>	<u>\$ 96,720</u>	<u>\$ 16,368,272</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and other	\$ 14,360	\$ 26,094	\$ 75,814
Accrued liabilities	-	2,678	5,589
Accrued interest	-	-	5,989
Deferred revenue	-	-	259,784
Total liabilities	<u>14,360</u>	<u>28,772</u>	<u>347,176</u>
Fund balances:			
Reserved for:			
Debt service	180,903	-	224,558
Capital projects	-	-	12,024,065
Unreserved, reported in:			
Special revenue funds	-	-	3,704,525
Capital project funds	-	67,948	67,948
Total fund balances	<u>180,903</u>	<u>67,948</u>	<u>16,021,096</u>
Total liabilities and fund balances	<u>\$ 195,263</u>	<u>\$ 96,720</u>	<u>\$ 16,368,272</u>

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**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Special Revenue Funds			
	Parks Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID
<b>REVENUES</b>				
Property taxes	\$ -	\$ 98,174	\$ 64,329	\$ 71,891
Sales taxes	4,117,333	-	-	-
Use taxes	889,271	-	-	-
Intergovernmental	749,307	9,098	5,944	6,643
Assessments	-	-	-	-
Interest	35,501	34,373	7,593	3,279
Fines and forfeits	-	-	-	-
Other	77,884	-	-	-
Total revenues	<u>5,869,296</u>	<u>141,645</u>	<u>77,866</u>	<u>81,813</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	-	32,650	44,760	10,467
Public safety	-	-	-	-
Community development	2,450,637	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	218,525	-	-	-
Total expenditures	<u>2,669,162</u>	<u>32,650</u>	<u>44,760</u>	<u>10,467</u>
<b>Excess of revenues over (under) expenditures</b>	<u>3,200,134</u>	<u>108,995</u>	<u>33,106</u>	<u>71,346</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	12,000,000	-	-	-
Issuance of refunding debt	-	-	-	-
Bond premium	247,480	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Sale of capital asset	100,000	-	-	-
Transfers in	344,847	-	-	-
Transfers (out)	(3,287,834)	-	-	(28,766)
Total other financing sources (uses):	<u>9,404,493</u>	<u>-</u>	<u>-</u>	<u>(28,766)</u>
<b>Net change in fund balance</b>	12,604,627	108,995	33,106	42,580
<b>Fund balances - beginning</b>	1,240,711	447,000	85,803	8,041
<b>Fund balances - ending</b>	<u>\$ 13,845,338</u>	<u>\$ 555,995</u>	<u>\$ 118,909</u>	<u>\$ 50,621</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Ave GID	Conservation Trust	Investigation Recovery	Total
\$ 185	\$ 45,331	\$ -	\$ -	\$ -	\$ 279,910
-	-	-	-	-	4,117,333
-	-	-	-	-	889,271
-	28,855	-	810,550	-	1,610,397
-	-	-	-	-	-
8	5,246	-	58,412	3,201	147,613
-	-	-	-	30,166	30,166
-	-	-	-	-	77,884
<u>193</u>	<u>79,432</u>	<u>-</u>	<u>868,962</u>	<u>33,367</u>	<u>7,152,574</u>
175	30,680	-	-	-	118,732
-	-	-	-	12,839	12,839
-	-	-	-	-	2,450,637
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	218,525
<u>175</u>	<u>30,680</u>	<u>-</u>	<u>-</u>	<u>12,839</u>	<u>2,800,733</u>
18	48,752	-	868,962	20,528	4,351,841
-	-	-	-	-	12,000,000
-	-	-	-	-	-
-	-	-	-	-	247,480
-	-	-	-	-	-
-	-	-	-	-	100,000
-	-	-	-	-	344,847
-	(114,000)	-	(173,071)	-	(3,603,671)
<u>-</u>	<u>(114,000)</u>	<u>-</u>	<u>(173,071)</u>	<u>-</u>	<u>9,088,656</u>
18	(65,248)	-	695,891	20,528	13,440,497
407	69,022	1	453,308	27,455	2,331,748
<u>\$ 425</u>	<u>\$ 3,774</u>	<u>\$ 1</u>	<u>\$ 1,149,199</u>	<u>\$ 47,983</u>	<u>\$ 15,772,245</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	
		Community Development	Total Other Governmental
	Debt Service	Block Grant	Funds
<b>REVENUES</b>			
Property taxes	\$ -	\$ -	\$ 279,910
Sales taxes	-	-	4,117,333
Use taxes	-	-	889,271
Intergovernmental	-	156,087	1,766,484
Assessments	80,000	-	80,000
Interest	146,652	-	294,265
Fines and forfeits	-	-	30,166
Other	-	-	77,884
Total revenues	<u>226,652</u>	<u>156,087</u>	<u>7,535,313</u>
<b>EXPENDITURES</b>			
Governmental activities:			
General government	-	-	118,732
Public safety	-	-	12,839
Community development	-	229,008	2,679,645
Debt service:			
Principal	4,960,000	-	4,960,000
Interest and fiscal charges	2,303,484	-	2,303,484
Refunding bond issuance costs	437,491	-	656,016
Total expenditures	<u>7,700,975</u>	<u>229,008</u>	<u>10,730,716</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(7,474,323)</u>	<u>(72,921)</u>	<u>(3,195,403)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>			
Issuance of bonds	-	-	12,000,000
Proceeds of refunding bonds	35,305,000	-	35,305,000
Bond premium	1,836,469	-	2,083,949
Payment to refunded bond escrow agent	(37,210,995)	-	(37,210,995)
Sale of asset	-	-	100,000
Transfers in	7,679,148	72,921	8,096,916
Transfers (out)	-	-	(3,603,671)
Total other financing sources (uses):	<u>7,609,622</u>	<u>72,921</u>	<u>16,771,199</u>
<b>Net change in fund balance</b>	135,299	-	13,575,796
<b>Fund balances - beginning</b>	45,604	67,948	2,445,300
<b>Fund balances - ending</b>	<u>\$ 180,903</u>	<u>\$ 67,948</u>	<u>\$ 16,021,096</u>



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**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Sales taxes	\$ 3,914,287	\$ 3,914,287	\$ 4,117,333	\$ 203,046
Use taxes	810,660	810,660	889,271	78,611
Intergovernmental	-	749,307	749,307	-
Interest	45,000	45,000	35,501	(9,499)
Other	88,832	88,832	77,884	(10,948)
<b>Total revenues</b>	<u>4,858,779</u>	<u>5,608,086</u>	<u>5,869,296</u>	<u>261,210</u>
<b>EXPENDITURES</b>				
Governmental activities:				
Community development	1,346,306	15,211,946	2,450,637	12,761,309
Interest and fiscal charges	-	218,525	218,525	-
<b>Total expenditures</b>	<u>1,346,306</u>	<u>15,430,471</u>	<u>2,669,162</u>	<u>12,761,309</u>
<b>Excess of revenues over (under) expenditures</b>	<u>3,512,473</u>	<u>(9,822,385)</u>	<u>3,200,134</u>	<u>13,022,519</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	-	12,247,480	12,000,000	(247,480)
Bond premium	-	-	247,480	247,480
Sale of capital asset	100,000	100,000	100,000	-
Transfers in	-	344,847	344,847	-
Transfers (out)	(3,612,473)	(3,617,365)	(3,287,834)	329,531
<b>Total other financing sources (uses):</b>	<u>(3,512,473)</u>	<u>9,074,962</u>	<u>9,404,493</u>	<u>329,531</u>
<b>Net change in fund balance</b>	-	(747,423)	12,604,627	13,352,050
<b>Fund balances, beginning</b>	-	747,423	1,240,711	493,288
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,845,338</u>	<u>\$ 13,845,338</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 98,058	\$ 98,058	\$ 98,174	\$ 116
Intergovernmental	9,500	9,500	9,098	(402)
Interest	11,838	11,838	34,373	22,535
<b>Total revenues</b>	<u>119,396</u>	<u>119,396</u>	<u>141,645</u>	<u>22,249</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	49,389	49,389	32,650	16,739
<b>Total expenditures</b>	<u>49,389</u>	<u>49,389</u>	<u>32,650</u>	<u>16,739</u>
<b>Net change in fund balance</b>	70,007	70,007	108,995	38,988
<b>Fund balances, beginning</b>	(70,007)	(70,007)	447,000	517,007
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 555,995</u>	<u>\$ 555,995</u>

**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
AMHERST GENERAL IMPROVEMENT DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 64,319	\$ 64,319	\$ 64,329	\$ 10
Intergovernmental	6,240	6,240	5,944	(296)
Interest	1,695	1,695	7,593	5,898
<b>Total revenues</b>	<u>72,254</u>	<u>72,254</u>	<u>77,866</u>	<u>5,612</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	56,965	56,965	44,760	12,205
<b>Total expenditures</b>	<u>56,965</u>	<u>56,965</u>	<u>44,760</u>	<u>12,205</u>
<b>Net change in fund balance</b>	15,289	15,289	33,106	17,817
<b>Fund balances, beginning</b>	(15,289)	(15,289)	85,803	101,092
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,909</u>	<u>\$ 118,909</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Property taxes	\$ 31,151	\$ 31,151	\$ 71,891	\$ 40,740
Intergovernmental	1,609	6,082	6,643	561
Interest	300	2,000	3,279	1,279
<b>Total revenues</b>	<u>33,060</u>	<u>39,233</u>	<u>81,813</u>	<u>42,580</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	4,294	10,467	10,467	-
<b>Total expenditures</b>	<u>4,294</u>	<u>10,467</u>	<u>10,467</u>	<u>-</u>
<b>Excess of revenues over (under) expenditures</b>	<u>28,766</u>	<u>28,766</u>	<u>71,346</u>	<u>42,580</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(28,766)	(28,766)	(28,766)	-
<b>Total other financing sources (uses):</b>	<u>(28,766)</u>	<u>(28,766)</u>	<u>(28,766)</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	42,580	42,580
<b>Fund balances, beginning</b>	-	-	8,041	8,041
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,621</u>	<u>\$ 50,621</u>

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 PROMENADE PARKING GARAGE GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 175	\$ 175	\$ 185	\$ 10
Interest	-	-	8	8
<b>Total revenues</b>	<u>175</u>	<u>175</u>	<u>193</u>	<u>18</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	175	175	175	-
<b>Total expenditures</b>	<u>175</u>	<u>175</u>	<u>175</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	18	18
<b>Fund balances, beginning</b>	-	-	407	407
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425</u>	<u>\$ 425</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 45,324	\$ 45,324	\$ 45,331	\$ 7
Intergovernmental	17,000	26,244	28,855	2,611
Interest	1,912	4,112	5,246	1,134
<b>Total revenues</b>	<u>64,236</u>	<u>75,680</u>	<u>79,432</u>	<u>3,752</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	10,680	30,680	30,680	-
<b>Total expenditures</b>	<u>10,680</u>	<u>30,680</u>	<u>30,680</u>	<u>-</u>
<b>Excess of revenues over (under) expenditures</b>	<u>53,556</u>	<u>45,000</u>	<u>48,752</u>	<u>3,752</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(53,556)	(114,000)	(114,000)	-
<b>Total other financing sources (uses):</b>	<u>(53,556)</u>	<u>(114,000)</u>	<u>(114,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	-	(69,000)	(65,248)	3,752
<b>Fund balances, beginning</b>	-	69,000	69,022	22
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,774</u>	<u>\$ 3,774</u>

CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 CONSERVATION TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 625,000	\$ 810,550	\$ 185,550
Interest	-	-	58,412	58,412
<b>Total revenues</b>	<u>-</u>	<u>625,000</u>	<u>868,962</u>	<u>243,962</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	(988,198)	(173,071)	815,127
<b>Net change in fund balance</b>	-	(363,198)	695,891	1,059,089
<b>Fund balances, beginning</b>	-	-	453,308	453,308
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ (363,198)</u>	<u>\$ 1,149,199</u>	<u>\$ 1,512,397</u>



**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Assessments	\$ 59,563	\$ 59,563	\$ 80,000	\$ 20,437
Interest	75,000	75,000	146,652	71,652
<b>Total revenues</b>	<u>134,563</u>	<u>134,563</u>	<u>226,652</u>	<u>92,089</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	5,200,000	5,200,000	4,960,000	240,000
Interest and fiscal charges	3,023,735	2,470,399	2,303,484	166,915
Bond issuance costs	-	491,961	437,491	54,470
<b>Total expenditures</b>	<u>8,223,735</u>	<u>8,162,360</u>	<u>7,700,975</u>	<u>461,385</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(8,089,172)</u>	<u>(8,027,797)</u>	<u>(7,474,323)</u>	<u>553,474</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding debt	-	35,305,000	35,305,000	-
Bond premium	-	1,836,469	1,836,469	-
Payment to refunded bond escrow agent	-	(37,210,995)	(37,210,995)	-
Transfers in	8,068,230	8,076,381	7,679,148	(397,233)
<b>Total other financing sources (uses):</b>	<u>8,068,230</u>	<u>8,006,855</u>	<u>7,609,622</u>	<u>(397,233)</u>
<b>Net change in fund balance</b>	(20,942)	(20,942)	135,299	156,241
<b>Fund balances, beginning</b>	20,942	20,942	45,604	24,662
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,903</u>	<u>\$ 180,903</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2007**

	Governmental Activities Internal Service Funds				Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 261,543	\$ 148,827	\$ 154,801	\$ 210,604	\$ 775,775
Investments	4,493,784	2,557,125	2,659,765	3,618,560	13,329,234
Receivables:					
Accounts	-	2,073	8,937	-	11,010
Interest	46,331	26,377	27,437	37,333	137,478
Total current assets	<u>4,801,658</u>	<u>2,734,402</u>	<u>2,850,940</u>	<u>3,866,497</u>	<u>14,253,497</u>
Non-current assets:					
Capital assets:					
Depreciable assets, net	-	-	-	4,274,831	4,274,831
Total assets	<u>\$ 4,801,658</u>	<u>\$ 2,734,402</u>	<u>\$ 2,850,940</u>	<u>\$ 8,141,328</u>	<u>\$ 18,528,328</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other	\$ 181,520	\$ 22,001	\$ 95,195	\$ -	\$ 298,716
Accrued liabilities	2,316	-	2,815	-	5,131
Lease payable, current portion	-	-	-	171,578	171,578
Accrued interest	-	-	-	7,540	7,540
Compensated absences	15,014	-	2,295	-	17,309
Estimated claims	367,000	357,400	410,649	-	1,135,049
Total current liabilities	<u>565,850</u>	<u>379,401</u>	<u>510,954</u>	<u>179,118</u>	<u>1,635,323</u>
Non-current liabilities:					
Leases payable	-	-	-	679,283	679,283
OPEB obligation	175	-	175	-	350
Total non-current liabilities	<u>175</u>	<u>-</u>	<u>175</u>	<u>679,283</u>	<u>679,633</u>
Total liabilities	<u>566,025</u>	<u>379,401</u>	<u>511,129</u>	<u>858,401</u>	<u>2,314,956</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	-	-	-	3,423,970	3,423,970
Unrestricted	4,235,633	2,355,001	2,339,811	3,858,957	12,789,402
Total net assets	<u>\$ 4,235,633</u>	<u>\$ 2,355,001</u>	<u>\$ 2,339,811</u>	<u>\$ 7,282,927</u>	<u>\$ 16,213,372</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Governmental Activities Internal Service Funds				Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
<b>Operating revenues</b>					
Charges for services	\$ 8,761,992	\$ 1,077,433	\$ 1,634,127	\$ 1,358,906	\$ 12,832,458
<b>Total operating revenues</b>	<u>8,761,992</u>	<u>1,077,433</u>	<u>1,634,127</u>	<u>1,358,906</u>	<u>12,832,458</u>
<b>Operating expenses</b>					
Personnel services	86,549	4,450	126,631	-	217,630
Contractual services	953,869	147,860	540,071	-	1,641,800
Commodities	-	2,992	408	-	3,400
Depreciation	-	-	-	1,004,156	1,004,156
Insurance and other expenses	7,548,086	480,296	117,691	262,687	8,408,760
<b>Total operating expenses</b>	<u>8,588,504</u>	<u>635,598</u>	<u>784,801</u>	<u>1,266,843</u>	<u>11,275,746</u>
<b>Operating income (loss)</b>	<u>173,488</u>	<u>441,835</u>	<u>849,326</u>	<u>92,063</u>	<u>1,556,712</u>
<b>Non-operating revenues (expenses)</b>					
Income on investments	297,850	159,882	169,639	222,453	849,824
Interest expense	-	-	-	(35,223)	(35,223)
Gain (loss) on disposition of capital assets	-	-	-	19,074	19,074
<b>Total non-operating revenues (expenses)</b>	<u>297,850</u>	<u>159,882</u>	<u>169,639</u>	<u>206,304</u>	<u>833,675</u>
<b>Income (loss) before contributions and transfers</b>	<u>471,338</u>	<u>601,718</u>	<u>1,018,965</u>	<u>298,367</u>	<u>2,390,388</u>
Capital contributions	-	-	-	205,807	205,807
Transfers in	-	-	-	689,724	689,724
<b>Change in net assets</b>	471,338	601,718	1,018,965	1,193,898	3,285,919
<b>Net assets - beginning</b>	3,764,295	1,753,283	1,320,846	6,089,029	12,927,453
<b>Net assets - ending</b>	<u>\$ 4,235,633</u>	<u>\$ 2,355,001</u>	<u>\$ 2,339,811</u>	<u>\$ 7,282,927</u>	<u>\$ 16,213,372</u>

**CITY OF WESTMINSTER, COLORADO  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

Governmental Activities

Internal Service Funds

	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Total
Cash flows from operating activities:					
Cash received from customers	\$ 8,761,993	\$ 1,075,360	\$ 1,667,847	\$ 1,418,965	\$ 12,924,165
Cash payments to employees for services	(82,148)	-	(124,525)	-	(206,673)
Cash payments to suppliers for goods and services	(8,532,451)	(563,331)	(1,305,434)	(262,687)	(10,663,903)
Net cash provided by (used in) operating activities	<u>147,394</u>	<u>512,029</u>	<u>237,888</u>	<u>1,156,278</u>	<u>2,053,589</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(314,351)	(314,351)
Interest paid on long term debt	-	-	-	(33,116)	(33,116)
Acquisition and construction of capital assets	-	-	-	(1,235,129)	(1,235,129)
Proceeds from sale of capital assets	-	-	-	19,075	19,075
Contributions	-	-	-	205,807	205,807
Proceeds from lease	-	-	-	377,703	377,703
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(980,011)</u>	<u>(980,011)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	(353,286)	(599,162)	(345,892)	(978,216)	(2,276,556)
Interest received on investments	294,914	154,378	166,394	212,815	828,501
Net cash provided by (used in) investing activities	<u>(58,372)</u>	<u>(444,784)</u>	<u>(179,498)</u>	<u>(765,401)</u>	<u>(1,448,055)</u>
Net increase (decrease) in cash and cash equivalents	89,022	67,245	58,390	100,590	315,247
Cash and cash equivalents - beginning of year	<u>172,521</u>	<u>81,582</u>	<u>96,411</u>	<u>110,014</u>	<u>460,528</u>
Cash and cash equivalents - end of year	<u>\$ 261,543</u>	<u>\$ 148,827</u>	<u>\$ 154,801</u>	<u>\$ 210,604</u>	<u>\$ 775,775</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	<u>\$ 173,488</u>	<u>\$ 441,835</u>	<u>\$ 849,326</u>	<u>\$ 92,063</u>	<u>\$ 1,556,712</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	1,004,156	1,004,156
(Increase) decrease in accounts receivable	-	(2,073)	33,719	60,059	91,705
Increase (decrease) in accounts payable and other	25,810	(4,494)	(25,542)	-	(4,226)
Increase (decrease) in accrued liabilities	2,096	-	(418)	-	1,678
Increase (decrease) in estimated claims	(54,000)	76,761	(619,197)	-	(596,436)
Total adjustments	<u>(26,094)</u>	<u>70,194</u>	<u>(611,438)</u>	<u>1,064,215</u>	<u>496,877</u>
Net cash provided by (used in) operating activities	<u>\$ 147,394</u>	<u>\$ 512,029</u>	<u>\$ 237,888</u>	<u>\$ 1,156,278</u>	<u>\$ 2,053,589</u>

Non-cash investing, capital, and financing activities:

- The unrecognized gain (loss) recorded to value the non-cash investments of the City's internal service funds to fair market value was \$139,403
- Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$163,640

## STATISTICAL SECTION

### Table

#### **Financial Trends Information**

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

Net Assets by Component	1
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Fund Balance of Governmental Funds	3
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#### **Revenue Capacity Information**

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

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

#### **Debt Capacity Information**

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

Ratios of Outstanding Debt by Type	8
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#### **Demographic and Economic Information**

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

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*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.*

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Capital Asset Statistics by Function/Program	16

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**Table 1**  
**City of Westminster**  
**Net Assets by Component**  
**Last six fiscal years**

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>Governmental activities</b>						
Invested in capital assets, net of related debt	\$177,034,028	\$174,180,185	\$198,949,426	\$182,883,693	\$188,252,570	\$194,284,140
Restricted	30,387,925	45,756,100	3,978,822	3,275,792	4,427,178	4,588,769
Unrestricted	62,116,184	32,614,076	53,798,749	60,247,261	65,813,768	63,022,215
<b>Total governmental activities net assets</b>	<b>\$269,538,137</b>	<b>\$252,550,361</b>	<b>\$256,726,997</b>	<b>\$246,406,746</b>	<b>\$258,493,516</b>	<b>\$261,895,124</b>
<b>Business-type activities</b>						
Invested in capital assets, net of related debt	\$321,320,685	\$296,968,005	\$288,116,734	\$280,402,901	\$276,220,697	\$265,141,364
Restricted	3,406,636	3,384,483	3,371,769	3,939,139	690,739	854,757
Unrestricted	83,341,972	96,573,378	81,944,889	74,959,025	74,913,867	79,999,022
<b>Total business-type activities net assets</b>	<b>\$408,069,293</b>	<b>\$396,925,866</b>	<b>\$373,433,392</b>	<b>\$359,301,065</b>	<b>\$351,825,303</b>	<b>\$345,995,143</b>
<b>Primary government</b>						
Invested in capital assets, net of related debt	\$498,354,713	\$471,148,190	\$487,066,160	\$463,286,594	\$464,473,267	\$459,425,504
Restricted	33,794,561	49,140,583	7,350,591	7,214,931	5,117,917	5,443,526
Unrestricted	145,458,156	129,187,454	135,743,638	135,206,286	140,727,635	143,021,237
<b>Total primary government net assets</b>	<b>\$677,607,430</b>	<b>\$649,476,227</b>	<b>\$630,160,389</b>	<b>\$605,707,811</b>	<b>\$610,318,819</b>	<b>\$607,890,267</b>

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2002.

Note: Prior year transactions affecting the beginning Net Assets were restated in the reporting year as follows:

- 2006: \$401,667 decrease GCORF depreciation expense, \$1,098,603 Utility Fund increase construction expense, \$1,132,332 Governmental Activities decrease depreciation expense, \$8,889,537 increase construction expense, \$692,455 decrease loss on disposal of assets
- 2005: \$535,927 Government Activities accreted interest subtracted from capital lease payable
- 2004: \$839,626 WEDA decrease interest expense, \$839,626 General Fund increase interest expense, \$1,894,844 Governmental Activities accreted interest added to capital lease payable
- 2003: \$2,971,160 Governmental Activities decrease in capital assets, \$918,228 Governmental Activities decrease in bond premium/discount

**Table 2**  
**City of Westminster**  
**Changes in Net Assets**  
**Last six fiscal years**

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>Expenses</b>						
Governmental activities:						
General government	\$30,083,440	\$26,755,382	\$28,375,433	\$27,373,824	\$23,149,819	\$16,535,561
Public safety	30,077,636	29,526,569	28,211,005	25,188,099	21,748,704	20,257,253
Public works	14,501,794	14,385,925	7,793,659	6,669,236	6,259,809	6,434,332
Community development	14,059,071	24,290,269	14,849,423	20,668,261	3,492,112	3,853,280
Culture and recreation	17,829,533	11,481,246	13,498,043	13,487,779	12,773,283	13,462,288
Capital projects	0	0	0	7,761,325	2,556,076	9,017,184
Interest and fiscal charges	7,394,096	9,052,813	2,964,876	4,721,589	3,621,023	4,149,821
Unallocated depreciation	1,095,078	1,099,897	11,354,543	11,885,480	10,327,198	9,502,822
Total governmental activities expenses	115,040,648	116,592,101	107,046,982	117,755,593	83,928,024	83,212,541
Business-type activities:						
Utility	40,329,042	37,840,442	30,937,189	31,668,693	30,161,907	29,375,900
Golf	3,410,562	3,301,699	3,171,327	3,534,028	3,170,192	3,181,173
Westminster Building Authority	0	0	68,559	120,821	149,035	82,313
Westminster Housing Authority	995,606	947,135	1,325,012	996,062	818,719	791,391
Total business-type activities expenses	44,735,210	42,089,276	35,502,087	36,319,604	34,299,853	33,430,777
Total primary government expenses	\$159,775,858	\$158,681,377	\$142,549,069	\$154,075,197	\$118,227,877	\$116,643,318
<b>Program Revenues</b>						
Governmental activities:						
Charges for services:						
General government	\$7,432,044	\$5,319,186	\$5,591,578	\$6,297,375	\$2,821,007	\$1,881,594
Public safety	4,053,890	4,498,935	4,195,334	3,692,640	3,223,216	3,381,639
Public works	0	0	0	0	159,478	148,593
Community development	77,884	117,934	178,163	228,753	295,462	203,494
Culture and recreation	5,753,903	6,297,123	5,913,673	5,649,992	5,873,713	5,951,419
Operating grants and contributions	5,748,908	5,329,834	4,165,796	4,716,909	5,210,404	4,847,307
Capital grants and contributions	14,261,659	10,067,149	10,400,100	9,012,841	7,334,926	9,160,429
Total governmental activities revenues	37,328,288	31,630,161	30,444,644	29,598,510	24,918,206	25,574,475





**Table 3  
City of Westminster**

	Fund Balances, Governmental Funds					
	Last six fiscal years					
	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>General fund</b>						
Reserved	\$5,203,223	\$6,539,253	\$7,623,125	\$7,387,538	\$5,277,981	\$4,544,041
Unreserved	9,859,229	11,015,978	10,172,500	11,058,947	10,154,348	8,928,901
<b>Total general fund</b>	<b>\$15,062,452</b>	<b>\$17,555,231</b>	<b>\$17,795,625</b>	<b>\$18,446,485</b>	<b>\$15,432,329</b>	<b>\$13,472,942</b>
<b>All other governmental funds</b>						
Reserved	\$55,624,752	\$41,493,854	\$51,749,047	\$13,894,852	\$32,396,047	\$16,042,228
Unreserved, reported in:						
Special revenue funds	12,304,218	7,472,186	14,949,783	3,161,386	4,821,194	5,388,104
Capital project funds	41,475,007	33,713,081	47,985,815	40,797,055	42,654,999	47,822,846
<b>Total all other governmental funds</b>	<b>\$109,403,977</b>	<b>\$82,679,121</b>	<b>\$114,684,645</b>	<b>\$57,853,293</b>	<b>\$79,872,240</b>	<b>\$69,253,178</b>

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

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>Revenues</b>						
Taxes and business fees	\$86,231,059	\$80,172,007	\$76,079,765	\$73,218,549	\$61,979,807	\$60,886,283
Intergovernmental	12,626,793	14,815,789	9,821,702	9,891,407	10,262,233	12,453,039
Assessments	149,199	160,425	932,647	629,422	807,875	930,306
Licenses and permits	2,654,027	2,616,662	2,101,468	2,321,833	2,293,599	1,971,068
Interest	6,554,612	5,781,155	3,119,849	1,043,728	1,248,030	1,976,892
Contributions	4,349,528	1,460,160	4,850,163	3,128,934	1,320,656	2,596,908
Recreation fees	5,735,111	5,867,809	5,311,991	5,072,051	5,352,397	5,360,607
Fines and forfeits	2,164,544	2,512,044	2,222,848	1,991,265	1,634,836	1,727,538
Fleet maintenance billings and other	5,058,804	3,699,601	3,425,398	2,988,540	2,330,473	2,185,566
EMS billings	2,020,583	1,937,237	1,814,699	1,492,350	1,435,730	1,357,273
Miscellaneous and other	80,040	10,737	376,850	254,296	382,841	909,050
<b>Total revenues</b>	<b>127,624,300</b>	<b>119,033,626</b>	<b>110,057,380</b>	<b>102,032,375</b>	<b>89,048,477</b>	<b>92,354,530</b>
<b>Expenditures</b>						
Current:						
General government	32,017,213	29,101,545	29,270,288	29,781,843	23,558,895	20,005,285
Public safety	28,794,062	28,183,148	27,315,730	24,067,713	20,913,186	21,176,733
Public works	7,238,076	7,071,716	6,506,687	6,635,754	6,208,225	6,418,668
Community development	6,634,975	15,393,627	6,608,216	8,168,892	6,157,124	7,479,348
Culture and recreation	13,456,076	12,868,421	12,407,022	11,683,528	11,417,127	11,843,837
Capital projects	29,413,964	49,866,552	45,506,648	51,364,097	42,732,128	33,809,251
Debt service:						
Principal	5,480,000	5,240,000	14,411,670	4,910,000	4,960,000	5,840,000
Interest and fiscal charges	8,836,684	8,706,148	7,570,896	4,309,524	3,893,883	4,010,977
<b>Total expenditures</b>	<b>131,871,050</b>	<b>156,431,157</b>	<b>149,597,157</b>	<b>140,921,351</b>	<b>119,840,568</b>	<b>110,584,099</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(\$4,246,750)</b>	<b>(\$7,397,531)</b>	<b>(\$9,539,777)</b>	<b>(\$8,888,976)</b>	<b>(\$30,792,091)</b>	<b>(\$18,229,569)</b>
<b>Other financing Sources (Uses)</b>						
Issuance of bonds	29,485,488	0	68,300,000	9,000,000	38,525,000	15,513,231
Issuance of notes	0	0	0	0	260,000	0
Issuance of leases	40,626	5,045,733	20,651,235	488,414	250,523	354,785
Sale of capital asset	702,109	1,140,880	5,484,526	8,213,870	1,739,299	0
Transfers in	72,740,073	71,995,567	85,070,154	67,737,574	59,112,666	60,553,119
Transfers (out)	(74,489,469)	(73,030,567)	(83,785,646)	(65,555,673)	(53,073,587)	(61,118,141)
<b>Total other financing sources (uses)</b>	<b>28,478,827</b>	<b>5,151,613</b>	<b>95,720,269</b>	<b>19,884,185</b>	<b>46,813,901</b>	<b>15,302,994</b>
<b>Special item:</b> Write-off of note receivable					(3,443,361)	
<b>Net change in fund balances</b>	<b>24,232,077</b>	<b>(32,245,918)</b>	<b>56,180,492</b>	<b>(19,004,791)</b>	<b>12,578,449</b>	<b>(2,926,575)</b>
Debt Service as a percentage of noncapital expenditures	14.0%	13.1%	21.1%	10.3%	11.5%	12.8%

Note: Prior to the implementation of GASB statement 34 in fiscal year 2002, data for this table was categorized in a different format and was reported in thousands. The data to produce compatible statements is not readily available and has been omitted.

**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 <sup>1</sup>	Open Space Sales and Use Tax <sup>2</sup>	Total Direct Tax Rate
1998	\$ 55,804,159	\$ -	\$ 3,988,065	3.25%
1999	49,610,875	-	4,303,187	3.25%
2000	52,976,028	-	4,640,778	3.25%
2001	53,742,758	-	4,785,062	3.25%
2002	48,502,461	-	4,258,055	3.25%
2003	49,042,179	-	4,216,011	3.25%
2004	49,700,220	10,025,888	4,264,405	3.85%
2005	51,359,026	10,353,701	4,390,375	3.85%
2006	53,640,060	11,040,410	4,679,093	3.85%
2007	56,966,361	11,927,367	5,006,604	3.85%

Source: City Sales Tax Division

<sup>1</sup> The Public Safety Sales and Use Tax was implemented January 1, 2004

<sup>2</sup> The Open Space Sales and Use Tax was implemented January 1, 1985

**Table 6**  
**City of Westminster**  
**Sales and Use Tax Rates**  
**Last ten fiscal years**

Fiscal Year	City Direct Rates					Overlapping Rates <sup>3</sup>		
	City Sales and Use Tax	Public Safety Sales and Use Tax <sup>1</sup>		Open Space Sales and Use Tax <sup>2</sup>		Adams County Sales Tax	Jefferson County Sales Tax	RTD/ CD/FD Sales Tax
		Total Direct Tax Rate	Total Direct Tax Rate	Total Direct Tax Rate				
1998	3.00%	-	0.25%	3.25%	0.50%	0.50%	0.80%	
1999	3.00%	-	0.25%	3.25%	0.50%	0.50%	0.80%	
2000	3.00%	-	0.25%	3.25%	0.70%	0.50%	0.80%	
2001	3.00%	-	0.25%	3.25%	0.70%	0.50%	0.80%	
2002	3.00%	-	0.25%	3.25%	0.70%	0.50%	0.80%	
2003	3.00%	-	0.25%	3.25%	0.70%	0.50%	0.80%	
2004	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	0.80%	
2005	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	1.20%	
2006	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	1.20%	
2007	3.00%	0.60%	0.25%	3.85%	0.70%	0.50%	1.20%	

Source: City Sales Tax Division

<sup>1</sup> The Public Safety Sales and Use Tax was implemented January 1, 2004

<sup>2</sup> The Open Space Sales and Use Tax was implemented January 1, 1985

<sup>3</sup> 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 2007			Fiscal Year 1998		
	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	\$17,686,006	1	23.9%	\$10,397,024	1	18.6%
Utility	7,882,135	2	10.7%	4,745,289	2	8.5%
Restaurants	7,877,510	3	10.7%	3,790,074	5	6.8%
Automobile Use	5,783,264	4	7.8%	4,456,456	4	8.0%
Grocery Stores	4,563,658	5	6.2%	4,530,123	3	8.1%
Building Use	3,493,295	6	4.7%	2,571,067	6	4.6%
Home Improvement/Hardware Stores	3,154,421	7	4.3%	1,018,031	7	1.8%

Source: City Sales Tax Division

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

**Table 8**  
**Ratios of Outstanding Debt by Type**  
**City of Westminster**  
**Last ten fiscal years**

Fiscal Year	Governmental Activities						Business-Type Activities						Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	General Obligation Bonds	Revenue Bonds	Tax Incremental Bonds	Special Assessment Bonds	Capital Leases	Notes	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes					
1998	\$630,000	\$69,023,000	\$6,460,000	\$1,340,000	\$34,114,000	\$1,611,000	\$3,318,000	\$31,160,000	\$537,000	\$22,074,000	\$170,267,000	11.0%	\$1,836		
1999	553,000	68,289,000	6,460,000	1,235,000	53,328,000	1,557,000	3,159,000	30,034,000	3,161,000	19,829,000	187,607,000	11.2%	1,954		
2000	475,000	64,403,000	6,460,000	1,120,000	54,092,000	1,147,000	2,990,000	28,848,000	3,263,000	33,374,000	196,172,000	10.5%	1,943		
2001	390,000	68,905,000	6,460,000	995,000	70,932,000	1,096,000		27,907,000	2,771,000	32,350,000	211,806,000	10.9%	2,098		
2002		78,680,000	6,460,000	860,000	69,838,548	1,042,500		33,330,000	2,797,763	32,123,610	225,132,421	10.2%	2,145		
2003		73,895,000	44,955,000	715,000	68,555,883	260,000		31,575,000	2,532,048	30,494,150	252,982,081	11.9%	2,498		
2004		69,525,000	44,835,000	555,000	68,503,976	9,000,000		29,720,000	2,656,970	28,845,784	253,641,730	11.2%	2,386		
2005		64,730,000	112,970,000		86,369,906			27,850,000	1,939,127	42,281,591	335,140,624	14.3%	3,093		
2006		59,775,000	112,685,000		86,810,539			25,900,000	2,250,782	40,327,316	327,748,637	11.7%	2,988		
2007		74,330,000	120,485,000		83,852,128			23,880,000	2,507,662	38,068,147	343,122,937	12.2%	3,669		

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

<sup>1</sup>Personal 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, 2007**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County School District # 12	\$421,415,610	26.37%	\$111,127,296
Adams County School District # 50	104,535,000	47.38%	49,528,683
Apex Park & Recreation District	16,235,000	6.65%	1,079,628
Arvada Fire Protection District	5,797,918	0.01%	580
Bradburn Metro # 2	5,292,000	100.00%	5,292,000
Bradburn Metro # 3	6,670,000	100.00%	6,670,000
Church Ranch Metro District	3,295,000	99.99%	3,294,671
Countryside Metropolitan District	2,695,000	100.00%	2,695,000
Hunnington Trail Metropolitan District	3,000,000	100.00%	3,000,000
Hyland Hills Park & Recreation	14,910,000	55.00%	8,200,500
Jefferson County School District # R-1	651,955,000	7.94%	51,765,227
NBC Metropolitan District	9,140,000	100.00%	9,140,000
North Metro Fire and Rescue	24,850,000	1.78%	442,330
Southwest Adams Fire Protection District	1,545,570	0.06%	927
Westglenn Metro District	2,545,000	99.51%	2,532,530
<b>Subtotal, overlapping debt</b>			<b>\$254,769,372</b>
<b>City Direct debt</b>			<b>343,122,937</b>
<b>Total direct and overlapping debt</b>			<b>\$597,892,309</b>

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**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$147,707,000	\$171,978,000	\$178,511,000	\$227,241,000	\$234,971,185	\$246,800,481	\$281,817,584	\$295,891,298	\$442,722,260	\$465,221,634
Total net debt applicable to limit	34,114,000	53,328,000	54,092,000	70,932,000	69,838,548	68,555,883	68,503,976	85,369,906	86,810,539	83,852,128
Legal debt margin	\$113,593,000	\$118,650,000	\$124,419,000	\$156,309,000	\$165,132,637	\$178,244,598	\$213,313,608	\$210,521,392	\$355,911,721	\$381,369,506
Total net debt applicable to the limit										
as a percentage of debt limit	23.10%	31.01%	30.30%	31.21%	29.72%	27.78%	24.31%	28.85%	19.61%	18.02%

<b>Legal Debt Margin Calculation for Fiscal Year 2007</b>	
Assessed value - 2006 for 2007 taxes <sup>1</sup>	
Adams County portion of the City	\$655,299,410
Jefferson County portion of the City	579,088,660
Total assessed value	<u>\$1,234,388,070</u>
Debt limit (3% of actual value <sup>2</sup> )	\$465,221,634
Debt applicable to limit:	
Bonded debt - general obligation only	\$0
Installment of lease/purchase contracts for purchase of property or equipment <sup>3</sup>	<u>83,852,128</u>
	<u>83,852,128</u>
Less deductions allowed by law:	<u>0</u>
Total net debt applicable to limit	<u>83,852,128</u>
Legal debt margin	<u>\$381,369,506</u>

<sup>1</sup> Source Adams County and Jefferson County Abstract of Assessments

<sup>2</sup>CRS 31-15-302 (3% limit)

<sup>3</sup>Included in general obligation indebtedness per Section 11.1 of City Charter

Table 11  
City of Westminster

Pledged Revenue Coverage  
Last ten fiscal years

Fiscal Year	Utilities Revenue Bonds							1997 Westminster Economic Development Authority (WEDA) Revenue Bonds							
	Applicable Revenues	Operating Expenses	Net Available Revenue	Debt Service			Coverage	Applicable Revenues	Capitalized Interest	Total Pledged Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage							Principal	Fees	Coverage
1998	\$37,279,276	(\$17,813,282)	\$19,465,994	\$941,128	\$1,743,633	7.25	\$620,794	\$0	\$620,794	(\$252,000)	\$368,794	\$0	\$256,694	1.44	
1999	35,941,790	(17,970,429)	17,971,361	1,581,588	2,041,353	4.96	690,745	0	690,745	(682,000)	8,745	0	296,836	0.03	
2000	39,474,222	(20,251,468)	19,222,754	1,925,175	1,570,119	5.50	681,469	0	681,469	(382,565)	298,904	0	344,236	0.87	
2001	51,304,532	(21,624,093)	29,680,439	2,276,642	2,374,294	6.38	788,684	0	788,684	(218,474)	570,210	0	270,863	2.11	
2002	46,755,525	(21,221,685)	25,533,840	2,624,450	2,174,864	5.32	885,073	0	885,073	(237,444)	647,629	0	173,178	3.74	
2003	39,875,011	(20,835,380)	19,039,631	2,947,007	2,078,044	3.79	753,373	0	753,373	(240,964)	512,409	30,000	143,800	2.95	
2004	38,998,008	(24,955,155)	14,042,853	3,060,531	1,621,526	3.00	636,455	0	636,455	(1,186,496)	(550,041)	120,000	150,101	(2.04)	
2005	46,724,597	(23,011,461)	23,713,136	3,400,839	1,991,352	4.45	4,259,439	0	4,259,439	(240)	4,259,199	165,000	217,849	11.13	
2006	51,879,413	(29,305,618)	22,573,795	3,832,679	2,393,501	3.63	501,933	0	501,933	(3,115)	498,818	215,000	277,392	1.01	
2007	47,716,690	(30,278,159)	17,438,531	3,947,987	2,148,085	2.86	520,430	0	520,430	(80,113)	440,317	270,000	313,378	0.75	

\*Record interfund loan

\*\*Record write-off of portion of interfund loan and interest

Fiscal Year	Golf Course Enterprise Revenue Bonds							2006 Westminster Economic Development Authority (WEDA) Revenue Bonds							
	Applicable Revenues	Operating Expenses	Net Available Revenue	Debt Service			Coverage	Applicable Revenues	Capitalized Interest	Total Pledged Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage							Principal	Fees	Coverage
1998	\$1,752,279	(\$1,068,303)	\$683,976	\$0	\$127,276	5.37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	
1999	2,096,492	(1,511,477)	585,015	0	336,908	1.74	0	0	0	0	0	0	0	N/A	
2000	2,958,351	(2,127,655)	830,696	0	336,908	2.47	0	0	0	0	0	0	0	N/A	
2001	3,160,330	(2,569,223)	591,107	50,000	336,908	1.53	0	0	0	0	0	0	0	N/A	
2002	3,172,925	(2,324,672)	848,253	100,000	334,658	1.95	0	0	0	0	0	0	0	N/A	
2003	2,925,457	(2,328,521)	596,936	170,000	330,058	1.19	0	0	0	0	0	0	0	N/A	
2004	2,825,291	(2,711,319)	113,972	175,000	322,153	0.23	0	0	0	0	0	0	0	N/A	
2005	2,932,389	(2,461,158)	471,231	185,000	313,840	0.94	0	0	0	0	0	0	0	N/A	
2006	2,993,881	(2,587,855)	406,026	195,000	304,868	0.81	2,222,894	640,675	2,863,569	(8,130)	2,855,439	0	1,130,559	2.53	
2007	3,197,655	(2,625,270)	572,385	205,000	295,313	1.14	3,204,647	0	3,204,647	(14,067)	3,190,580	250,000	1,609,735	1.72	

**Sales and Use Tax Revenue Bonds**

**2003 Westminster Economic Development Authority (WEDA) Revenue Bonds**

Fiscal Year	Sales and Use Tax Collections		Less:		Pledged Revenue		Debt Service		Coverage
	Tax Collections	Operating Expenses	Operating Expenses	Less:	Revenue	Principal	Interest	Coverage	
1998	\$45,260,354	(\$265,766)	\$44,994,588	\$2,785,000	\$3,102,720			7.64	
1999	48,453,394	(288,537)	48,164,857	2,995,000	2,953,868			8.10	
2000	52,764,730	(299,043)	52,465,687	3,225,000	2,791,093			8.72	
2001	53,731,435	(308,218)	53,423,217	2,525,000	2,396,009			10.86	
2002	47,863,679	(335,176)	47,528,503	4,110,000	2,325,018			7.39	
2003	48,562,246	(342,094)	48,220,152	3,525,000	2,810,913			7.61	
2004	49,306,412	(289,190)	49,017,222	3,055,000	2,648,318			8.59	
2005	49,659,495	(279,048)	49,380,447	3,395,000	2,524,233			8.34	
2006	51,643,775	(315,515)	51,328,260	3,470,000	2,386,885			8.76	
2007	51,799,803	(393,333)	51,406,470	1,985,000	1,394,198			15.21	

**2003 Westminster Economic Development Authority (WEDA) Revenue Bonds**

Fiscal Year	Applicable Revenues	Capitalized Interest	Total Pledged Revenues	Less:		Net Available Revenue	Debt Service		Coverage
				Operating Expenses	Interest and Fees		Principal	Interest and Fees	
1998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
1999	0	0	0	0	0	0	0	0	N/A
2000	0	0	0	0	0	0	0	0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	10,963	195,438	206,401	0	206,401	0	195,438	0	1.06
2004	250,881	882,932	1,133,813	0	1,133,813	0	882,932	0	1.28
2005	1,513,135	1,569,189	3,082,324	(2,637)	3,079,687	0	1,569,189	0	1.96
2006	258,223	582,016	840,239	(8,130)	832,109	70,000	512,016	0	1.43
2007	0	0	0	0	0	0	0	0	N/A

**Parks Open Space Trails Sales and Use Tax Revenue Bonds**

**2005 Westminster Economic Development Authority (WEDA) Revenue Bonds**

Fiscal Year	Sales and Use Tax Collections		Less:		Pledged Revenue		Debt Service		Coverage
	Tax Collections	Operating Expenses	Operating Expenses	Less:	Revenue	Principal	Interest	Coverage	
1998	\$3,956,056	(\$22,140)	\$3,933,916	\$760,000	\$1,185,294			2.02	
1999	4,226,613	(24,045)	4,202,568	790,000	1,156,414			2.16	
2000	4,652,437	(24,920)	4,627,517	1,085,000	1,280,799			1.96	
2001	4,812,077	(25,685)	4,786,392	1,150,000	1,218,796			2.02	
2002	4,272,085	(27,931)	4,244,154	1,205,000	1,166,411			1.79	
2003	4,224,170	(28,508)	4,195,662	1,260,000	1,109,861			1.77	
2004	4,259,760	(24,084)	4,235,676	1,315,000	1,049,626			1.79	
2005	4,372,363	(23,239)	4,349,124	1,400,000	970,116			1.83	
2006	4,699,435	(26,276)	4,673,159	1,485,000	885,496			1.97	
2007	4,963,410	(32,757)	4,930,653	0	448,126			11.00	

**2005 Westminster Economic Development Authority (WEDA) Revenue Bonds**

Fiscal Year	Applicable Revenues	Capitalized Interest	Total Pledged Revenues	Less:		Net Available Revenue	Debt Service		Coverage
				Operating Expenses	Interest and Fees		Principal	Interest and Fees	
1998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
1999	0	0	0	0	0	0	0	0	N/A
2000	0	0	0	0	0	0	0	0	N/A
2001	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	N/A
2005	150,255	1,146,467	1,296,722	0	1,296,722	0	1,146,467	0	1.13
2006	898,979	2,685,796	3,584,775	0	3,584,775	0	2,685,796	0	1.33
2007	3,288,397	1,728,394	5,016,791	(6,103)	5,010,688	0	2,868,641	0	1.75

Table 11 Continued  
City of Westminster

Pledged Revenue Coverage  
Last ten fiscal years

	2007 Westminster Economic Development Authority (WEDA) Revenue Bonds									
	Applicable Revenues	Capitalized Interest	Total Pledged Revenues	Operating Expenses	Net Available Revenue	Debt Service		Interest and Fees	Coverage	
						Principal				
1998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	
1999	0	0	0	0	0	0	0	0	N/A	
2000	0	0	0	0	0	0	0	0	N/A	
2001	0	0	0	0	0	0	0	0	N/A	
2002	0	0	0	0	0	0	0	0	N/A	
2003	0	0	0	0	0	0	0	0	N/A	
2004	0	0	0	0	0	0	0	0	N/A	
2005	0	0	0	0	0	0	0	0	N/A	
2006	0	0	0	0	0	0	0	0	N/A	
2007	24,974	183,171	208,145	0	208,145	0	183,171	183,171	1.14	

Source: City's Treasury Division

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

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

2003 WEDA Revenue Bonds refunded with the 2006 WEDA Revenue Bonds

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

Fiscal Year	Population <sup>1</sup>	Personal Income (in 000's) <sup>1</sup>	Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>3</sup>
1998	92,713	\$ 1,548,863	\$ 16,706	2.8%
1999	96,000	1,680,864	17,509	3.0%
2000	100,940	1,860,324	18,430	4.0%
2001	100,940	1,948,546	19,304	3.6%
2002	104,948	2,217,866	21,133	5.8%
2003	101,278	2,131,497	21,046	4.7%
2004	106,312	2,261,150	21,269	4.4%
2005	108,351	2,344,391	21,637	4.7%
2006	109,671	2,794,636	25,482	4.0%
2007	109,724	2,803,119	25,547	3.9%

Source:

- <sup>1</sup> Population and Personal Income obtained from the City Economic Development Division
- <sup>2</sup> Per Capita Personal Income obtained from Metro Denver Economic Development Corporation and averaged for Adams County, Colorado and Jefferson County, Colorado
- <sup>3</sup> Unemployment Rate obtained from the U.S. Department of Labor - Bureau of Labor Statistics

**Table 13**  
**City of Westminster**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	Fiscal Year 2007			Fiscal Year 1998		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Avaya (Lucent/Bell Labs)	1,303	1	2.92%	4,000	1	12.47%
Ball Corporation	659	2	1.48%	750	2	2.34%
Centura Health / St. Anthony's North	655	3	1.47%	700	3	2.18%
Access Distribution Systems (GE)	390	4	0.88%	—	—	—
Alliance Data Systems	323	5	0.72%	—	—	—
Kaiser Permanente	340	6	0.76%	300	8	0.94%
Tri State Generation	355	7	0.80%	117	12	0
LaFarge North America	190	8	0.43%	—	—	—
Global Health Care Exchange	150	9	0.34%	—	—	—
Trimble Navigation	132	10	0.30%	—	—	—
Mobile Tool International, Inc.	—	—	—	450	5	1.40%
Level 3 Communications	—	—	—	350	6	1.09%
Respironics Inc.	—	—	—	309	7	0.96%
ConferTech International	—	—	—	544	4	1.70%
Cleo Wallace Center	—	—	—	300	9	0.94%
Western Gas Resources	—	—	—	289	10	0.90%
Match Logic	—	—	—	200	11	0.62%

Source: City Economic Development Division

**Table 14**  
**City of Westminster**  
**Full-time Equivalent City Employees by Function/Program**  
**Last six fiscal years**

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>General Government</b>						
City Attorney's Office	13.95	12.65	12.65	12.80	12.30	12.30
City Manager's Office	11.90	12.90	12.50	12.90	12.90	12.90
Finance	28.00	27.00	27.00	28.00	26.00	26.00
General Services	75.83	75.83	75.33	77.33	73.83	73.83
<b>Public Safety</b>						
Fire Department	141.50	140.00	140.00	139.50	104.50	101.50
Police Department	276.30	273.30	269.30	269.20	229.20	219.80
<b>Public Works</b>						
Street Maintenance	26.00	25.75	24.75	25.75	25.75	25.75
Infrastructure	0.00	4.00	4.00	4.00	4.00	4.00
<b>Community Development</b>						
Administration	7.60	7.10	7.10	7.10	7.10	7.60
Economic Development	4.00	3.50	2.50	2.50	2.50	2.00
Planning Division	14.70	15.20	15.20	14.20	14.20	14.20
Building Division	18.50	18.50	18.50	18.50	17.50	17.50
Engineering Division	16.00	16.50	16.50	17.00	17.00	16.00
Open Space	2.50	2.50	2.50	2.50	2.50	2.50
Westminster Housing Authority	1.00	1.00	1.00	1.00	1.00	1.00
<b>Culture and Recreation</b>						
Administration	10.20	10.20	11.00	11.00	10.00	16.00
Parks Services	49.40	49.40	49.40	52.00	50.00	48.00
Library Services	42.20	42.20	40.73	42.20	42.20	42.20
Recreation Programs	13.80	12.60	11.80	11.80	12.30	16.30
Recreation Facilities	65.80	66.00	63.00	69.50	72.00	68.00
<b>Utilities</b>						
Administration	45.20	40.45	36.85	36.25	33.75	33.75
Water Resources & Treatment	51.75	49.25	50.25	45.60	45.60	41.60
Field Operations	42.00	47.00	47.00	48.00	48.00	51.00
<b>Golf Courses</b>						
Legacy Ridge	10.50	10.50	10.50	11.00	11.00	11.00
The Heritage	10.50	10.50	10.50	11.00	11.00	11.00
<b>Total</b>	979.13	973.82	959.85	970.62	886.12	875.72

Source: City Annual Pay Plan  
 Note: Data prior to 2002 is not readily available and has been omitted.

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

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>Public Safety</b>						
Total Fire/EMS Incidents	8,147	8,277	7,883	7,312	7,514	7,448
EMS Transports by fire department	4,687	4,661	4,486	3,921	3,926	3,873
Police emergency responses	2,827	3,082	2,878	2,791	3,084	3,194
Traffic Citations (municipal)	11,897	15,666	16,684	14,843	12,538	15,681
<b>Public Works</b>						
Curb miles swept	6,166	7,306	7,634	7,379	7,379	7,282
Lane miles rehabilitated	77	160	112	103	98	85
<b>Community Development</b>						
Official Development Plans processed	242	191	186	150	153	117
Building Permits issued	3,986	3,992	3,908	4,239	4,535	4,491
<b>Culture and Recreation</b>						
Library circulation	1,435,330	1,464,817	1,472,460	1,399,389	1,249,686	1,207,707
Facility participants	811,064	805,880	698,826	671,037	733,565	619,579
Program registrants	90,652	80,972	78,160	66,237	76,779	87,918
<b>Utilities</b>						
Water gallons treated (in millions)	5,795	6,628	6,533	5,917	6,180	6,724
Water customers	31,519	31,245	31,127	31,484	31,272	29,927
Wastewater gallons treated (in millions)	2,552	2,359	2,417	2,251	2,252	2,256
Wastewater customers	30,145	29,992	29,806	30,113	29,929	28,651
<b>Golf Courses</b>						
Paid golf rounds played	58,678	55,220	50,210	49,498	49,997	51,285
Golf course acres maintained	414	414	414	414	414	414

Source: City's Performance Measures Team  
 Note: Data prior to 2002 is not readily available and has been omitted.



**Table 16**  
**City of Westminster**  
**Capital Asset Statistics by Function/Program**  
**Last six fiscal years**

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
<b>Public Safety</b>						
Fire stations	6	6	6	6	6	6
Patrol Units	56	53	52	52	45	45
<b>Public Works</b>						
Total Lane Miles	1,054	1,053	1,025	1,021	1,013	988
<b>Community Development</b>						
Traffic Signals	103	102	92	90	87	84
<b>Culture and Recreation</b>						
Libraries	2	2	2	2	2	2
Open Space sites	153	132	126	125	119	106
Neighborhood, community & citywide parks	51	50	50	48	45	45
<b>Utilities</b>						
Water mains	509	492	481	478	492	449
Treatment plants (water & wastewater)	4	4	4	4	4	4
<b>Golf Courses</b>						
Golf Courses	2	2	2	2	2	2

Source: City's Performance Measures Team  
 Note: Data prior to 2002 is not readily available and has been omitted.

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

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated May 2, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Westminster's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Westminster's financial statements that is more than inconsequential will not be prevented or detected by the City of Westminster's internal control.

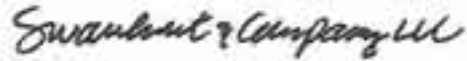
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Westminster's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

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

This report is intended solely for the information and use of the City Council, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



May 2, 2008



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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of the City of Westminster with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2007. The City of Westminster's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Westminster's management. Our responsibility is to express an opinion on the City of Westminster's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Westminster's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Westminster's compliance with those requirements.

In our opinion, the City of Westminster complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

**Internal Control Over Compliance**

The management of the City of Westminster is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Westminster's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Westminster's internal control over compliance.

A control deficiency in the City of Westminster's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Westminster's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the City of Westminster's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the City of Westminster's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



May 2, 2008

**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2007**

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
  
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?

yes  no

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified?  yes  no
  
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

yes  no

Identification of major program:

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?

yes  no

**Financial Statement Findings**

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, illegal acts, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

**Federal Awards Findings and Questioned Costs**

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

**CITY OF WESTMINSTER, COLORADO**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended December 31, 2007**

**2006-1 Construction in Progress Internal Controls**

Corrective action was taken regarding this prior audit finding.

**2006-2 Davis-Bacon Act Compliance**

Corrective action was taken regarding this prior audit finding.

**2006-3 Schedule of Expenditures of Federal Awards**

Corrective action was taken regarding this prior audit finding.





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

**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

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, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated May 2, 2008. These financial statements are the responsibility of the City of Westminster's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Swanhorst & Company LLC*

May 2, 2008

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**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

<u>Grant Program</u>	<u>Federal CFDA Number</u>	<u>Identification Number</u>	<u>Federal Expenditures</u>
<u>Department of Housing and Urban Development</u>			
Community Development Block Grant	14.218	B-06-MC-08-0010	\$ 229,008
Lower Income Housing Assistance Program	14.856		474,134
Subtotal			<u>703,142</u>
<u>Department of the Interior</u>			
Passed through the Colorado Department of Natural Resources, Division Wildlife-Sport fish Restoration Program	15.605	F-447-D-1	73,000
Subtotal			<u>73,000</u>
<u>Department of Justice</u>			
Missing Children's Assistance	16.543	1998-MC-CX-K013	3,622
Edward Byrne Memorial Justice Assistance Grant Program	16.738		67,705
Passed through the City of Thornton Local Law Enforcement Block Grants Program	16.592	2002-LB-BX-2924	29,498
Subtotal			<u>100,825</u>
<u>Department of Homeland Security</u>			
Passed through Colorado Department of Local Affairs, National Urban Search and Rescue (US&R) Response System	97.025	70-0711-0-1-999	6,232
Passed through Colorado Department of Local Affairs Urban Areas Security Initiative	97.008	70-0560-0-1-547	7,037
Passed through the Colorado Department of Local Affairs, Division of Emergency Management-Disaster Grants	97.036	70-0702-0-1-453	140,806
Passed through Colorado Department of Local Affairs, Division of Emergency Management	97.042	70-0519-0-1-999	25,000
Assistance to Firefighters	97.044	EMW-2006-FP-01440	8,812
Staffing for Adequate Fire and Emergency Response	97.083	70-0561-0-1-999	42,950
Subtotal			<u>230,837</u>
<u>Department of Transportation</u>			
Passed through the Colorado Department of Transportation Highway Planning and Construction	20.205	STU M356-021	1,478,875
Passed through the Colorado Department of Transportation Recreational Trails Program	20.219	STE 356-020	223,683
Subtotal			<u>1,702,558</u>
<u>Department of Agriculture</u>			
Passed through Colorado Department of Natural Resources, Division of Forest Service	10.664	12-1105-0-1-302	117,356
Subtotal			<u>117,356</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 2,927,718</u>

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

**NOTE 1:      BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

**NOTE 2:      SUBRECIPIENTS**

\$40,450 of federal awards relating to the Department of Housing and Urban Development Community Development Block Grant, Federal CFDA 14.218, was passed through to sub-recipients during 2007.



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

### INDEPENDENT AUDITORS' REPORT ON LOCAL HIGHWAY FINANCE REPORT

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, as of and for the year ended December 31, 2007, which collectively comprise the City of Westminster's basic financial statements, and have issued our report thereon dated May 2, 2008. These financial statements are the responsibility of the City of Westminster's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westminster's basic financial statements. The accompanying local highway finance report is presented for purposes of additional analysis as required by State of Colorado statutes and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

May 2, 2008

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Westminster
	YEAR ENDING : December 2007
This Information From The Records Of (example - City of _ or County of _ City of Westminster	Prepared By: Phone: Sherri Rickard 303-430-2400 extension 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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	11,591,803
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,901,197
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,893,193
2. General fund appropriations	12,866,111	b. Snow and ice removal	875,365
3. Other local imposts (from page 2)	3,502,549	c. Other	0
4. Miscellaneous local receipts (from page 2)	4,458,391	d. Total (a. through c.)	2,768,558
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,062,044
a. Bonds - Original Issues	6,140,160	6. Total (1 through 5)	21,323,601
b. Bonds - Refunding Issues	13,212,875	<b>B. Debt service on local obligations:</b>	
c. Notes	14,494,500	1. Bonds:	
d. Total (a. + b. + c.)	33,847,535	a. Interest	3,745,840
7. Total (1 through 6)	54,674,585	b. Redemption	3,542,500
<b>B. Private Contributions</b>	155,191	c. Total (a. + b.)	7,288,340
<b>C. Receipts from State government</b> (from page 2)	3,166,641	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	72,920	a. Interest	1,161,232
<b>E. Total receipts (A.7 + B + C + D)</b>	58,069,337	b. Redemption	833,900
		c. Total (a. + b.)	1,995,132
		3. Total (1.c + 2.c)	9,283,473
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	30,607,073

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	86,423,250	19,353,035	25,467,500	80,308,785
1. Bonds (Refunding Portion)		13,212,875	0	
<b>B. Notes (Total)</b>	26,789,600	14,494,500	9,504,600	31,779,500

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	55,350,001	58,069,337	30,607,073	82,812,266	0

**Notes and Comments:**

\$17,130,000 was incorrectly classified as bonds in prior years and was correctly classified as notes in 2007.

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 2007

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	1,459,361
b. Other local imposts:		b. Traffic Fines & Penalties	1,931,703
1. Sales Taxes	3,110,105	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	392,444	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,502,549	h. Other	1,067,327
c. Total (a. + b.)	3,502,549	i. Total (a. through h.)	4,458,391
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	2,808,501	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	72,920
c. Motor Vehicle Registrations	340,562	d. Federal Transit Admin	
d. Other Traffic Signal	17,578	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	358,140	g. Total (a. through f.)	72,920
4. Total (1. + 2. + 3.f)	3,166,641	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	87,515	133,392	220,907
b. Engineering Costs	395,761	1,089,729	1,485,490
c. Construction:			
(1). New Facilities	1,916,510		1,916,510
(2). Capacity Improvements		7,629,353	7,629,353
(3). System Preservation			0
(4). System Enhancement & Operation		339,543	339,543
(5). Total Construction (1) + (2) + (3) + (4)	1,916,510	7,968,896	9,885,406
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	2,399,786	9,192,017	11,591,803
			(Carry forward to page 1)

**Notes and Comments:**  
New Facilities, ROW and Engineering Costs on National Highway System are for the new 144th and I25 Interchange as well as some costs also related to the I25 at 136th interchange.

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*Spirit of full disclosure... Results that count*

*SERVICE \* PRIDE \* INTEGRITY \* RESPONSIBILITY \* INNOVATION \* TEAMWORK*



CITY OF WESTMINSTER

4800 WEST 92ND AVENUE WESTMINSTER, COLORADO 80031

[WWW.CI.WESTMINSTER.CO.US](http://WWW.CI.WESTMINSTER.CO.US)



WESTMINSTER



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Supplemental Financial Assistance Request for the Harris Park Townhouse Project

**Prepared By:** Tony Chacon, Senior Projects Coordinator

**Recommended City Council Action**

Approve an Amendment to the Development Agreement with Community Builders, Inc. regarding Phase II of the 73<sup>rd</sup> Avenue/Lowell Boulevard Area redevelopment project, in substantially the same form as the attached agreement, providing for up to \$180,000 of additional funds and an assignment of water tap credits to assist in completing the construction of the remaining 12 townhouse units of the Harris Park redevelopment project.

**Summary Statement**

- In its efforts to stimulate redevelopment activity in the South Westminster area, the City of Westminster entered into agreements with Community Builders, Inc. (Developer) in 2001 to redevelop the 73<sup>rd</sup> Avenue and Lowell Boulevard area, including the Aspen Care nursing home site.
- Per the agreements, the Developer completed the construction of 50 townhomes upon sites on Meade Street and Lowell Boulevard, and a 12,000 square foot, two-story commercial building on the northwest corner of 73<sup>rd</sup> Avenue and Lowell Boulevard.
- The Developer is interested in completing the construction of the 12 urban-style townhomes north of the commercial building to complement the emerging new street character along Lowell Boulevard.
- The Developer has been unable to proceed with the construction of the townhomes due to substantial construction cost increases and a weakened housing market, whereby the cost to deliver (land, construction, profit) the townhomes, based upon construction bids, is about \$210,000 per unit, but a market analysis for the project established a sales price of no more than \$185,000 per unit.
- The Developer is requesting the City consider providing financial assistance of up to \$15,000 per unit along with water tap credits, based upon availability, which will permit construction of the townhomes to proceed by the early Summer of 2008 with the units to be sale ready by Spring 2009.
- The Developer would agree to set the base sales price of the units at \$185,000 based upon a \$15,000 per unit contribution. Should the developer raise the base sales price, the level of City assistance would be reduced. A family of four earning 80% of the Denver metro area median household income (\$57,350 per year) could qualify to purchase a unit at \$185,000.
- The Developer would receive the funds only following the issuance of a certificate of occupancy for all of the units upon completion of construction.
- Without the funding, construction of the townhomes will likely not proceed until market conditions improve in the neighborhood. This could take several years, continuing the presence of an unsightly vacant lot detracting from the aesthetics of the streetscape improvements made to date along Lowell Boulevard.

**Expenditure Required:** Not to exceed \$180,000 plus water tap credits

**Source of Funds:** General Capital Improvement Fund-South Westminster Improvements Project and Water Tap Credits based upon availability

## **Policy Issue**

Should the City provide financial assistance to encourage housing development in the South Westminster revitalization area given similar assistance is unlikely to be available to housing development interests in other parts of the City?

## **Alternative**

City Council may choose not to provide the requested funding to assist in the development of the Harris Park Townhomes. Staff believes that such a decision would result in the construction of the units being put on hold until housing market conditions can command a sales price covering the high cost of developing the units. This could also result in lost momentum in attracting prospective homebuyers and businesses, as inactivity and an unsightly, vacant lot may counter an heightened awareness and interest that has been gradually emerging as the improvements along Lowell Boulevard have been completed.

## **Background Information**

In May 2001, the City issued a request-for-proposal (RFP) seeking a developer to work with the City in redeveloping property along Lowell Boulevard and Meade Street in the vicinity of 73<sup>rd</sup> Avenue. Upon accepting a proposal from Community Builders, Inc.(CBI), the City entered into a development agreement with CBI on December 23, 2002, which provided financial assistance towards the construction of 50 townhomes on the old Aspen Care nursing home site, along the west side of Lowell Boulevard, and on the 7200 block of Meade Street in an initial phase. Through a joint agreement of the City and the Westminster Housing Authority, an initial assistance package of \$1.085 million was provided to assist in acquiring the necessary property, including the Aspen Care Nursing Home property, and construction. This investment leveraged over \$7 million in private construction funding that in turn raised the property value from about \$600,000 to \$8.5 million.

Upon completion of the 50 townhomes, CBI and the City entered into an agreement on October 25, 2004 to proceed with a second phase of the project that envisioned construction of a 12,000 square foot, 2-story commercial building, along with 12 townhome units immediately to the north of the commercial building, on the northwest corner of 73<sup>rd</sup> Avenue and Lowell Boulevard. The City in partnership with the Westminster Housing Authority, provided \$410,000 in grant funds and an assignment of water tap credits with which to assist in the acquisition of the required property and construction of the commercial building. After several years and attempts to locate a buyer, CBI recently completed construction of the commercial building. The Colorado Rural Housing Development Corporation is due to close on the purchase of the building within the next few weeks.

With the commercial building nearing completion, CBI resurrected the plans to construct the 12 townhomes to the north of the building to accentuate completion of the new construction along Lowell Boulevard north of 73<sup>rd</sup> Avenue. Based upon plans approved by the City, CBI proceeded to get bids for construction and conducted a market study. Based upon the bids received it was determined that the units would need to sell at about \$210,000 based upon a 10% return to the developer. Yet, the market study indicated that the South Westminster market called for an upper-end sales price of \$185,000. Based on this disparity, CBI determined that it is financially infeasible to proceed immediately with the project without additional outside assistance. While it is financially infeasible for CBI to move forward without assistance, Staff and CBI believe it is in the City's interest to move forward and complete this project immediately given progress made to date along Lowell Boulevard and Meade Street. Accordingly, CBI is requesting the City give consideration to a financial assistance package of up to \$15,000 per unit along with an assignment of water tap credits, based upon availability. Discussions with City Staff have led to the proposed amendment to the development agreement that includes the following conditions.

Financial Assistance Proposal

- The City would agree to contribute a total of up to \$180,000 (\$15,000 per unit) to be paid upon completion of the development.
- The base sales price of the units would be set at \$185,000 based upon a \$15,000 per unit contribution.
- Should the Developer increase the base sales price for any of the units above \$185,000 the City's contribution would be reduced by 50% of the base price differential. For example, if the base sales price is increased by \$10,000 to \$195,000, the City's contribution would be reduced from \$15,000 to \$10,000 for that particular unit(s). The City would not provide funding for homes sold at a base price of \$215,000 or more.
- In addition to the \$15,000 requested subsidy, the City would provide water tap credits for up to 12 townhouse units if they are available from existing properties that no longer require their taps as long as the request is within 12 months of the last certificate of occupancy issued for this current phase of the project. To date the Harris Park redevelopment has received water tap credits for the first 50 townhouses, which used up the current supply of available credits. However, it is anticipated that more water tap credits will become available as development of the Harris Park Condominium project proceeds south of 73<sup>rd</sup> Avenue along Lowell on the Vehicle Service Center and adjoining property, and with the potential development on the corner of 72<sup>nd</sup> Avenue and Lowell Boulevard.

City Council approval of the amended agreement would provide significant benefits including:

- Construction activity during the upcoming warm months and stagnant housing development cycle will demonstrate continued development interest and activity in the neighborhood.
- The project would provide continued evidence to the community of the City's commitment to revitalization of the neighborhood;
- Construction of the buildings will complete the transformation of Lowell Boulevard north of 73<sup>rd</sup> Avenue providing a visually appealing scene for passing traffic, which will hopefully increase awareness and interest in the area.
- The townhouses would be affordable to households earning \$50,000 and above.
- WEDA could receive about \$12,000 to \$15,000 in property tax increment per year or about \$120,000 over a remaining 8 years of the urban renewal district after completion of construction in 2009.
- Property valuation on the site would increase from about \$100,000 to about \$2.2 million.
- Success on completing the townhomes would assist CBI in proceeding with marketing and construction of a condominium-over-commercial project planned for south of 73<sup>rd</sup> Avenue along the west side of Lowell Boulevard.
- Completion of the project could peak the interest of other developers to pursue new development within the immediate Harris Park area.

The requested financial assistance package constitutes a direct subsidy relative to supporting affordable housing construction. The City typically does not provide direct funding to assist in the construction of housing. However, since the earliest agreement with CBI, the City Council purposefully chose to provide financial assistance for redevelopment activity in South Westminster regardless of the type of development. Thus, funding on this project to date subsidized the first 50 townhomes. Further, a key goal in the South Westminster Strategic Revitalization Plan, adopted by City Council, specifically notes the importance of providing new housing as a means of attracting new households that would bring new wealth to the South Westminster neighborhood. Therefore, the financial assistance request is in accordance with the adopted strategic plan.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment: Proposed Amendment to Development Agreement

1<sup>st</sup> AMENDMENT TO THE DEVELOPMENT AGREEMENT  
Of November 15, 2004  
Between

The City of Westminster,  
The Westminster Housing Authority  
and  
Community Builders, Inc

For the

**73<sup>RD</sup> AVENUE / LOWELL BOULEVARD AREA  
REDEVELOPMENT PROJECT – PHASE II**

This Amendment to the Agreement is made and entered into this \_\_\_\_ day of June, 2008, by and between the CITY OF WESTMINSTER (City), The Westminster Housing Authority (WHA) and COMMUNITY BUILDERS, INC. (Developer).

WHEREAS, the City has indicated its desire to improve and redevelop the area in the immediate vicinity of Lowell Boulevard and 73rd Avenue, including the property along the West side of Lowell Boulevard between 73<sup>rd</sup> Avenue and Westminster Place; and,

WHEREAS, the City and WHA entered into a Development Agreement (Agreement) with the Developer on November 15, 2004 providing for the construction of approximately 12,000 square feet of commercial space and 12 urban townhouses on such property; and,

WHEREAS, the Developer has received City approval and has been granted building permits for the construction of 12 urban style townhouse units on such property in accordance with the Westminster Municipal Code, and,

WHEREAS, the Developer has successfully completed Phase I of the development project, including 50 residential units, but due to the nationwide and regional downturn in the housing market, and increased development costs, the Developer requires some additional assistance in completing the twelve (12) townhouses; and,

WHEREAS, it is in the interests of the City and WHA to provide additional funding to assist in constructing the 12 townhouses;

NOW, THEREFORE, in consideration of the above premises, covenants, promises, and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

A. The following Section of 3.4 is added to the Agreement:

**SECTION 3.4 City Financial Participation**

The City shall provide additional funding assistance towards the construction of 12 townhouses to be constructed along the west side of Lowell Boulevard between 73<sup>rd</sup> Avenue and Westminster Place as provided for below.

3.4.1 The City shall contribute a total of up to \$15,000 in cash for each townhouse unit built and receiving a Certificate of Occupancy (CO), not to exceed a total of \$180,000, subject to the following conditions:

3.4.1(a) The maximum City contribution of \$15,000 is based upon a base sales price of not more than \$185,000 per unit. The base sales price shall be defined as the listed sales price not inclusive of accessories or upgrades to amenities and fixtures.

3.4.1(b) Should the base sales price for a unit exceeds \$185,000 the City's contribution shall be reduced by 50% of the differential between \$185,000 and the base price at which the unit is sold. (As an example, if the base sales price is increased by \$10,000 to \$195,000, the City's contribution would be reduced from \$15,000 to \$10,000 for that particular unit.)

3.4.1(c) The City shall provide eligible payment to the Developer only upon completion of the entire townhouse portion of the project and issuance of a Certificate of Occupancy for all of the units.

B. SECTION 3.3 Water Tap Credits of the Agreement is replaced in its entirety with the following:

3.3 Water Tap Credits

The City will provide water tap credits for the 12 townhouses, if said credits become available, as established by the City's Water Utility policies, within 12 months of the date upon which the Certificate of Occupancy (CO) for the last (12<sup>th</sup>) townhouse unit is issued. If no credits become available in that timeframe, the Developer is responsible for paying the full cost of the water and sewer taps for any units not receiving tap credits.

C. In all other respects, the Agreement of November 15, 2004 remains in full force and effect.

WESTMINSTER HOUSING AUTHORITY

COMMUNITY BUILDERS, INC.

\_\_\_\_\_  
J. Brent McFall  
Executive Director

\_\_\_\_\_  
Steve Davis  
President

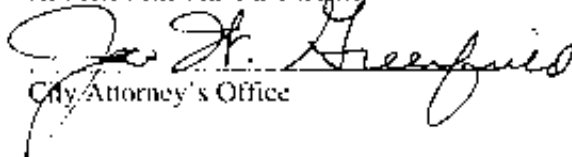
CITY OF WESTMINSTER

\_\_\_\_\_  
J. Brent McFall  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney's Office



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Gregory Hill and Kershaw Ditch Pump Station Rehabilitation Engineering Contract

**Prepared By:** Michael C. Wong, Senior Engineer

**Recommended City Council Action**

Authorize the City Manager to execute a contract with Stantec Consulting, Inc. in the amount of \$181,279 for engineering design and construction management services for the Gregory Hill and Kershaw Ditch Pump Stations Rehabilitation, and authorize a contingency in the amount of \$18,128 for a total design and construction management project budget of \$199,407.

**Summary Statement**

- Proposals for engineering design and construction management for the Gregory Hill and Kershaw Ditch Pump Station Rehabilitation were requested from ten consulting engineering firms in mid April 2008. Staff received four proposals on May 7, 2008. Upon evaluation, Stantec Consulting, Inc. was determined to be the most qualified consultant for the project.
- The scope of work includes engineering study, design, and construction management for major mechanical and electrical upgrade to the Gregory Hill and Kershaw Ditch Pump Stations to meet modern building codes, structural repair of the Gregory Hill Pump Station's south brick wall damaged in a pump station failure in late 2006, and provision of surface drainage control to both pump station sites.

**Expenditure Required:** \$199,407

**Source of Funds:** Utility Fund Capital Improvements – Gregory Hill Pump Station Improvements  
Kershaw Ditch Pump Station Rehabilitation

**Policy Issue**

Should the City execute a contract in the amount of \$181,279 with Stantec Consulting, Inc. for the design and construction management for the Gregory Hill and Kershaw Ditch Pump Station Rehabilitation project?

**Alternatives**

1. The City could choose to reject Staff’s recommendation to execute a contract with Stantec Consulting, Inc. and not to upgrade the Gregory Hill and Kershaw Ditch Pump Stations. By doing so, the Gregory Hill and Kershaw Ditch Pump Stations will not comply with current building codes, will have no standby electrical power, and could potentially damage adjacent residential property in the event of failure either at the Gregory Hill Pump Station or the Gregory Hill Water Storage Tanks.
2. Staff could accept a proposal from another engineering firm. Staff does not recommend this alternative since Stantec best understands the project scope and they have proposed a reasonable price.

Staff does not recommend any of these alternatives.

**Background Information**

The Gregory Hill Pump Station located in the vicinity of 81<sup>st</sup> Avenue and Newton Street currently is not operable as a pump station due to damage that occurred in late 2006.

The failure that occurred at the pump station in late 2006 caused the south brick wall to collapse, and flooded several residents to the south. The south wall has been boarded up since this accident. The access to the pump station is limited due to mature trees on the property, and emergency power and lighting are not available at the pump site. The City plans to address all existing physical deficiencies, repair the damaged brick wall, and upgrade the mechanical and electrical system of the Gregory Hill Pump Station, and put it back into service as intended to improved Zone 3 distribution pressures during high water demand. The pump station, after rehabilitation, will also be used seasonally for pumping the difference in water supply when the Thornton Interconnect is no longer used.

The Kershaw Ditch Pump Station located at 5500 Tennyson Street, while not part of the City’s potable water supply system, is considered an important facility in the City of Westminster’s water resources management. The facility diverts raw water from the Clear Creek-fed Sheets Lake and discharges into the Jim Baker Reservoir. The pump station does not operate during winter months. The existing Kershaw Ditch Pump Station has numerous safety and operational deficiencies, including obsolete equipment, no redundant pump capacity, non code compliant electrical system, and the existing pump station is in need of significant building repair.

The firms selected to receive Request for Proposals (RFPs) on the Gregory Hill and Kershaw Ditch Pump Station Rehabilitation project were based on the review of 63 engineering firms which submitted Statement of Qualification (SOQs) to the City for Public Works and Utilities CIP Projects. The firms were generally categorized by engineering specialty. Request for Proposals were sent on April 16, 2008 and a pre-proposal conference was held with four firms to clarify scope of work on April 29, 2008. The following is a tabulation of the proposals submitted by the consulting firms:

<u>Consulting Firms</u>	<u>Proposed Cost</u>
Stantec Consulting, Inc.	\$181,279
Farnsworth Group	\$185,271
Jacobson Satchell Consultants	\$198,690
The Engineering Co.	\$217,959



Upon evaluation of the proposals, Staff selected the firm of Stantec Consulting to be the most qualified firm for the pump station rehabilitation project. Staff's selection was based on Stantec Consulting's understanding of project scope of work, qualifications, and proposed cost of \$181,279. The firm has a good track record working on City CIP projects.

The current budget for both projects is currently \$280,000. Staff will be requesting additional funds during its 2009 CIP budget for construction of these two facilities. Previously funds were requested in the 5-year CIP for 2009 for the Gregory Hill Pump Station improvement. Staff anticipates the design being completed by late 2008 and construction occurring the first half of 2009.

The Gregory Hill and Kershaw Pump Station Rehabilitation project helps achieve the City Council's Strategic Plan goal of Financially Sustainable City Government by contributing to the objective of well-maintained and well-operated City infrastructure and facilities.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachments

# Gregory Hill Pump Station Location Map



# Kershaw Pump Station Location Map





**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Lowell Boulevard Streetscape Improvements, 75<sup>th</sup> Avenue to 78<sup>th</sup> Avenue--  
Construction Contracts

**Prepared By:** Stephen C. Baumann, Assistant City Engineer

**Recommended City Council Action**

Authorize the City Manager to award and execute a contract with Quality Paving Company in the amount of \$857,858 for the construction of the Lowell Boulevard Streetscape Improvements from 75<sup>th</sup> Avenue to 78<sup>th</sup> Avenue; authorize the City Manager to execute a contract with Short Elliot Hendrickson, Inc. in the amount of \$99,042 for construction engineering services; authorize the expenditure of \$115,000 for street lighting and authorize a project contingency of \$86,000.

**Summary Statement**

- The revitalization strategy for South Westminster includes improvements to Lowell Boulevard, an important collector street serving the area. A first phase of these improvements, from 73<sup>rd</sup> Avenue to 75<sup>th</sup> Avenue, was completed in 2006. Using a combination of funding from Community Development Block Grants and the City’s General Capital Improvement Fund, the project focused on enhancement of pedestrian facilities and the upgrading of landscaping while still retaining the character of the neighborhood. The underground placement of primary electrical and communication facilities has been another important part of upgrading Lowell Boulevard.
- Plans for the next phase of Lowell Boulevard improvements, from 75<sup>th</sup> Avenue to just north of 77<sup>th</sup> Avenue, were recently completed and advertised for bid. Seven general contractors submitted bids, including a low bid of \$857,858 from Quality Paving Company. A review of Quality Paving Company’s work and experience confirms that they meet the requirements for acceptance of their bid, and staff is recommending award of the contract to them. Work could begin as soon as mid-July and is expected to take approximately four months to complete.
- In addition to the construction contract, Staff is requesting approval of a contract with Short Elliot Hendrickson Inc. (SEH) in the amount of \$99,042 for construction engineering services for the Lowell Boulevard work. SEH prepared the plans for Lowell Boulevard and is intimately familiar with the project. Xcel Energy has estimated the cost of providing and installing decorative street lighting in the project area at \$115,000. An overall contingency amount of \$86,000 is also recommended, bringing the total requested authorization to \$1,157,900.

**Expenditure Required:** \$1,157,900

<b>Source of Funds:</b>	General Capital Improvement Fund –	
	Lowell Boulevard Corridor Enhancement Project	\$105,540
	General Capital Improvement Fund –	
	South Westminster Revitalization Account	\$213,000
	Community Development Block Grant Fund	\$839,360

**Policy Issue**

Should the City enter into contracts for the next phase of reconstruction of Lowell Boulevard?

**Alternative**

The alternative is to postpone or abandon construction of the phase of Lowell Boulevard from 75<sup>th</sup> Avenue to 78<sup>th</sup> Avenue and direct those funds to other projects in South Westminster. This is not recommended given Council’s commitment to enhancements in the area, particularly to the Lowell Boulevard corridor. Other phases of improvement to Lowell Boulevard north from this phase are also being planned in accordance with priorities established earlier.

**Background Information**

Lowell Boulevard is a primary collector street that is an integral part of South Westminster, both in terms of transportation and history of the area. Revitalization strategies developed over the past few years have focused on the enhancement of Lowell Boulevard to improve its appearance, the attraction for redevelopment/reinvestment, and pedestrian facilities. A previous phase of improvements from 73<sup>rd</sup> Avenue to 75<sup>th</sup> Avenue was performed in 2006 in conjunction with several redevelopment efforts and has been generally well-received by the neighborhood.

The next phase of the project picks up at 75<sup>th</sup> Avenue and extends to between 77<sup>th</sup> and 78<sup>th</sup> Avenues. Like the previous phase, it will reconstruct the street in a narrower configuration to create safe space for pedestrian facilities, including an eight-foot wide sidewalk detached from the new curb along the east side of the street. Although several trees will need to be removed to accommodate this reconfiguration, the net change will be positive since new street trees will be installed to take their place. Operationally, Lowell will be only slightly changed. On-street parking, now allowed at a few select locations and times, will be eliminated, but the street will continue to carry north and southbound traffic in two lanes with left-turn lanes at the signalized intersection with 76<sup>th</sup> Avenue.

Prior to the street improvements work, Xcel Energy and other utility providers will start the underground relocation of the primary facilities now on overhead poles along Lowell Boulevard. Funding from the City and Xcel’s Overhead Conversion Fund will pay for a portion of that effort.

The proposed street project was advertised in the Daily Journal and the Westminster Window and bids were received from seven contractors with to the following results.

<b><u>Contractor</u></b>	<b><u>Submitted Bid</u></b>
Quality Paving Company	\$857,857.61
Goodland Construction, Inc.	\$942,399.50
New Design Construction Co.	\$967,635.85
Keene Concrete, Inc.	\$1,026,131.95
Concrete Express, Inc.	\$1,054,042.55
K.E.C.I. Colorado, Inc.	\$1,086,274.00
Technology Constructors, Inc.	\$1,093,903.00
Engineer’s Estimate	\$1,111,832.00

Quality Paving Company is the lowest bidder and meets the requirements established in the contract documents. Their experience is aligned well with the primary aspects of the Lowell Boulevard project, and they have been in business in the region for 30 years. It is recommended that Quality Paving Company be awarded the contract for the Lowell Boulevard Streetscape Improvements, 75<sup>th</sup> Avenue to 78<sup>th</sup> Avenue.

Along with the construction contract amount of \$857,858, it will be necessary to authorize \$99,042 for construction engineering services to be provided by the consulting engineering firm of Short Elliot Hendrickson Inc. (SEH). SEH designed the Lowell improvements so they bring with them sound knowledge of the project. The fee structure in the contract will be set up as a not-to-exceed amount, allowing staff to direct the consultant's efforts to respond accordingly to the progress of the project. A contingency amount of \$86,000 is also recommended. In addition, Xcel Energy will provide and install decorative street lighting to match that installed along Lowell Boulevard south of 75<sup>th</sup> Avenue. Xcel has provided a preliminary estimate of \$115,000 for this phase of the project. A total authorization of \$1,157,900 is being requested and will come from the Lowell Boulevard Corridor Enhancement and South Westminster Revitalization accounts in the General Capital Improvement Fund, and from funds received as Community Development Block Grants 2006, 2007 and in 2008.

Respectfully submitted,

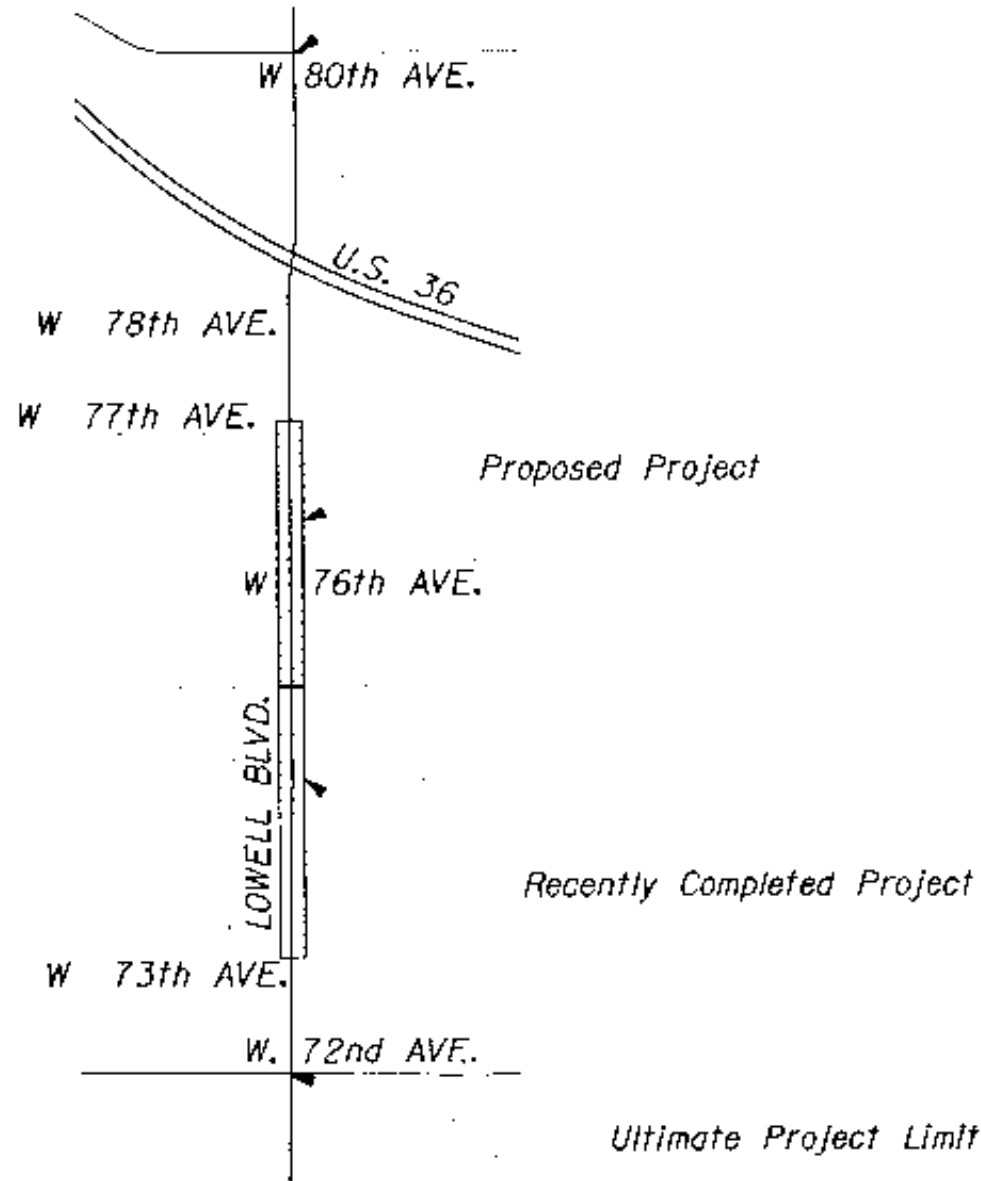
J. Brent McFall  
City Manager

Attachment

# LOWELL BOULEVARD

75TH TO 78TH AVENUE

*Ultimate Project Limit*





**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Second Reading of Councillor's Bill No. 22 re 2008 1st Quarter Budget Supplemental Appropriation

**Prepared By:** Gary Newcomb, Accountant

**Recommended City Council Action**

Pass Councillor's Bill No. 22 on second reading providing for supplementary appropriations to the 2008 budget of the General, Water, and General Capital Improvement Funds.

**Summary Statement**

- City Council action is requested to adopt the attached Councillor's Bill on Second reading authorizing a supplemental appropriation to the 2008 budget of the General, Water, and General Capital Improvement Funds.
  - General Fund amendments total: \$2,780
  - Water Fund amendments total: \$1,414
  - General Capital Improvement Fund amendments total: \$569,335
- This Councillor's Bill was passed on first reading May 12, 2008.

**Expenditure Required:** \$573,529

**Source of Funds:** The funding sources for these expenditures include sale proceeds, IGA participation funds, and grants.

Respectfully submitted,

J. Brent McFall  
City Manager  
Attachment



BY AUTHORITY

ORDINANCE NO. **3417**

COUNCILLOR'S BILL NO. **22**

SERIES OF 2008

INTRODUCED BY COUNCILLORS  
**Lindsey - Kaiser**

**A BILL**

**FOR AN ORDINANCE AMENDING THE 2008 BUDGETS OF THE GENERAL, WATER, AND  
GENERAL CAPITAL IMPROVEMENT FUNDS AND AUTHORIZING A SUPPLEMENTAL  
APPROPRIATION FROM THE 2008 ESTIMATED REVENUES IN THE FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2008 appropriation for the General, Water, and General Capital Improvement Funds, initially appropriated by Ordinance No. 3316 are hereby increased in aggregate by \$573,529. This appropriation is due to the receipt of sale proceeds, IGA participation funds, and grants.

Section 2. The \$573,529 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item #10D dated May 12, 2008 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Fund	\$2,780
Water Fund	1,414
General Capital Improvement Fund	<u>569,335</u>
Total	<u>\$573,529</u>

Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. This ordinance shall take effect upon its passage after the second reading.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 12<sup>th</sup> day of May, 2008.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 9<sup>th</sup> day of June, 2008.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk



## Agenda Item 9 A

**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Metro Wastewater Reclamation District Board of Directors Re-Appointment

**Prepared By:** Tim Woodard, Big Dry Creek Wastewater Treatment Superintendent

**Recommended City Council Action**

Reappoint Curtis Aldstadt to the Metro Wastewater Reclamation District's Board of Directors, with a term of office effective through June 30, 2010.

**Summary Statement:**

- City Council action is requested to reappoint Curtis Aldstadt to the Metro Wastewater Reclamation District Board of Directors. Mr. Aldstadt has represented the City of Westminster on the Metro Board of Directors since April 12, 1999.
- The Metro District Bylaws and State Statute require that in order to become a member of the Board of Directors, one must live within the member municipality and within the Metro District service area.
- At this time, there is not a City Staff member to fill the vacancy based on these requirements. Therefore, the recommendation of Staff is to fill the vacancy with Curtis Aldstadt, a City resident and business owner who currently works closely with the Department of Public Works and Utilities on a variety of issues and has represented Westminster's interest extremely well.
- Ann Ragsdale is currently the City's other representative. Mrs. Ragsdale's term of office will expire on June 30, 2011.

**Expenditure Required:** \$0

**Source of Funds:** N/A

**Policy Issue**

Metro Wastewater Reclamation District policy requires the elected body of each connector jurisdiction to appoint board of director representatives to the District governing board. Does Council wish to reappoint Mr. Aldstadt or open up the recruitment to fill this seat?

**Alternative**

As an alternative, Staff could solicit additional names of interested citizens who may wish to represent the City on the Metro Wastewater Reclamation Board. The value of Mr. Aldstadt's appointment is that he is currently involved with the Department of Public Works and Utilities on a number of projects that make him a valuable asset to this Department's team. In addition, Mr. Aldstadt's involvement in the water and wastewater industry provides the City with a citizen who will protect its interest on the Metro Board of Directors and ensure representation of the City.

**Background Information**

The Metro Wastewater Reclamation District treats approximately 40 percent of the total wastewater generated in Westminster, with the District serving the area south of approximately 97th Avenue.

Over the past nine years since Mr. Aldstadt's appointment to the Metro Wastewater Reclamation District Board of Directors he has kept City Staff informed of pertinent activities occurring at the Metro District, while also representing the City's interests very well with the Metro District.

The Metro Wastewater Reclamation District Board of Directors meets at 7:00 p.m. on the third Tuesday of each month. In addition, all Board Members serve on one operations committee, which meets monthly either in the morning or at noon. Mr. Aldstadt currently serves on the Operations Committee, Audit Committee, fills the position of Secretary, and also serves on the Executive Committee.

The re-appointment of Mr. Aldstadt supports Council's goals of a financially sustainable city government by providing efficient and cost-effective internal and external services.

Respectfully submitted,

J. Brent McFall  
City Manager



## Agenda Item 10 A

**WESTMINSTER**  
**COLORADO**

### Agenda Memorandum

City Council Meeting  
June 9, 2008



**SUBJECT:** Public Meeting on 2009 and 2010 City Budget

**Prepared By:** Barbara Opie, Budget and Special Projects Manager

#### **Recommended City Council Action**

Hold a public meeting on the 2009 and 2010 City Budget and receive citizen comments.

#### **Summary Statement**

- City Staff is currently preparing budget information for both 2009 and 2010, and this meeting is intended to focus on both 2009 and 2010 citizen requests, comments and suggestions. The public meeting is an informal opportunity for the public to provide input to the City Council on the City Budget.
- City Council officially adopted the City's third two-year budget with the 2007/2008 Budget in October 2006; a mid-year review and amendment process occurred in October 2007. Departments prepare their proposed 2009 and 2010 Budgets through the summer, working to reflect the current economic conditions and community needs. The Departments' efforts culminate in the distribution of the Proposed Budget to City Council at the beginning of September.
- A second public meeting is scheduled for July 28 and a public hearing is scheduled for September 8 so that citizens will have two more opportunities to comment and provide feedback on the 2009 and 2010 City Budget. City Council must adopt the budget by the October 27 City Council meeting, in accordance with the City Charter.

**Expenditure Required:** \$0

**Source of Funds:** N/A

**Policy Issue**

Listen to citizen requests, comments and suggestions as they pertain to the 2009 and 2010 budget.

**Alternative**

Council could choose to not conduct a public meeting at this time. This is not recommended as providing citizens an opportunity for input early on in the budget process plays an important role in assuring that the budget reflects community needs.

**Background Information**

In April, City Council reviewed the goals for 2009 and 2010. The City Council Strategic Plan Goals are listed below:

- Safe and Secure Community
- Financially Sustainable City Government Providing Exceptional Services
- Vibrant Neighborhoods and Commercial Areas
- Strong, Balanced Local Economy
- Beautiful and Environmentally Sensitive City

The direction provided by City Council assists City Staff as they develop the 2009 and 2010 City Budget. Other considerations that go into developing a comprehensive budget are department priorities that strive to achieve Council goals identified in the Strategic Plan, maintain existing service levels and citizen or neighborhood input.

In November of 2000, Westminster voters approved a City Charter amendment that allows the City Council to adopt a formal two-year budget. City Council officially adopted the City's first two-year budget with the 2003/2004 Budget. The Proposed 2009/2010 Budget will represent the fourth iteration of biennial budgeting in the City of Westminster.

A Proposed Budget will be submitted to City Council at the beginning of September for review. After reviewing the Proposed Budget for several weeks, City Council is scheduled to conduct a full-day Budget Retreat on Saturday, September 27. City Council will deliberate on final funding decisions on staffing levels, programs, services, and capital projects at this Budget Retreat.

Two public meetings and one formal public hearing will be held on the Proposed 2009 and 2010 City Budget to solicit citizen input. The public meetings are scheduled for June 9 and July 28 and a public hearing is scheduled for September 8.

Monday's public meeting was advertised in the *Westminster Window*, *Westsider* and *Weekly Edition*; and on cable Channel 8 and the City's website.

Respectfully submitted,

J. Brent McFall  
City Manager



## Agenda Item 10 B

**WESTMINSTER**  
**COLORADO**

### Agenda Memorandum

City Council Meeting  
June 9, 2008



**SUBJECT:** Councillor's Bill No. 23 re 2008 Community Development Block Grant Fund Appropriation

**Prepared By:** Vicky Bunsen, Community Development Programs Coordinator

#### **Recommended City Council Action:**

Pass Councillor's Bill No. 23 on first reading appropriating 2008 Community Development Block Grant funds in the amount of \$553,850.

#### **Summary Statement**

- City Council action is requested to pass the attached Councillor's Bill on first reading appropriating the City's 2008 Community Development Block Grant (CDBG) funds in the amount of \$553,850, awarded by the U.S. Department of Housing and Urban Development (HUD).
- The 2008 CDBG allocation was designated to fund the 2008 CDBG projects, pursuant to City Council approval on November 26, 2007.
- CDBG funding has been decreasing for several years, from \$696,000 in 2003 to \$575,303 in 2007. The 2008 allocation is \$21,453 less than the 2007 amount.

**Expenditure Required:** \$553,850

**Source of Funds:** 2008 Community Development Block Grant Funds

**Policy Issue**

Should the 2008 CDBG funds in the amount of \$553,850 be appropriated to the 2008 CDBG projects as previously approved by City Council on November 26, 2007?

**Alternative**

Do not appropriate the 2008 CDBG funds in the amount of \$553,850. This alternative is not recommended because this funding is needed for proposed 2008 projects.

**Background Information**

The 2008 CDBG budget and projects were developed from input provided by Westminster residents and City Staff. Public notices and citizen comment periods were used to solicit community input on the development of the 2008 CDBG Action Plan. CDBG funds are used for community development projects that primarily benefit the City's low- to moderate-income populations.

When City Council approved the 2008 projects on November 26, 2007, it was expected that the City's grant would be reduced to \$546,538 for 2008. The award is \$553,850, which provides another \$1,462 for staff salaries and \$5,850 that has not yet been assigned by City Council to a CDBG project. In recent years, excess amounts of CDBG funding have been accumulated to continue future street improvement projects in South Westminster. It is recommended that the unassigned amount of \$5,850 be used to complete the Lowell Boulevard improvements.

The projects approved for 2008 are as follows:

<b>Project</b>	<b>Estimate</b>	<b>Actual</b>
Program Administration (20% - Salaries)	\$109,308	\$110,770
Lowell Boulevard Enhancements	437,230	\$443,080
<b>TOTAL</b>	<b>\$546,538</b>	<b>\$553,850</b>

**2008 CDBG Program Administration \$110,770**

Federal regulations allow grantees to utilize up to 20% of the CDBG funding for administration and planning expenses. Program administration funds cover the salaries of the Community Development Programs Coordinator and one full-time CDBG Technician. In the past, the 20% administrative portion has been sufficient to cover salaries, as well as costs such as professional/consultant fees, meeting expenses, professional training, supplies and materials, studies, and environmental reviews. Due to the annual reductions in CDBG, the grant is no longer sufficient to cover the two staff salaries. The financial gap is being paid out of City General Fund revenues, estimated in 2008 to be \$12,134. No other costs of administration can be paid for with CDBG funding and are being covered by the General Fund, such as supplies, career development, etc. HUD requires the City to provide a number of services that require a significant amount of staff time. Those duties include submission of the five-year Consolidated Plan, preparation of the annual action and performance reports, hosting citizen participation activities and community meetings, monitoring minority business contract reports, conducting environmental reviews, compliance with the Davis-Bacon Wage Act, national objective and eligibility review, and contracting and procurement regulatory procedures.

**Lowell Boulevard Streetscape Improvements**

**\$443,080**

The amount of \$443,080 is assigned to finish this long-term project from 75<sup>th</sup> to 77<sup>th</sup> Avenues, including street-lawn area improvements, landscaping, undergrounding of overhead utilities, decorative lighting, new sidewalk/bicycle trail construction, and repaving the street.

This appropriation will amend CDBG Fund revenue and expense accounts as follows:

**REVENUES**

Description	Account Number	Current Budget	Amendment	Revised Budget
Block Grant-CDBG	7600.40610.0025	\$0	<u>\$553,850</u>	\$553,850
Total Change to Revenues			<u>\$553,850</u>	\$553,850

**EXPENSES**

Description	Account Number	Current Budget	Amendment	Revised Budget
Salaries	76030350.60200.0000	\$0	\$110,770	\$110,770
CDBG-08 Block Grant	80576030722.80400.8888	0	<u>\$443,080</u>	443,080
Total Change to Expenses			<u>\$553,850</u>	\$553,850

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment



BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **23**

SERIES OF 2008

INTRODUCED BY COUNCILLORS

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**A BILL  
FOR AN ORDINANCE INCREASING THE 2008 BUDGET OF THE COMMUNITY  
DEVELOPMENT BLOCK GRANT FUND AND AUTHORIZING A SUPPLEMENTAL  
APPROPRIATION FROM THE 2008 ESTIMATED REVENUES IN THIS FUND**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2008 appropriation for the CDBG Fund, initially appropriated by Ordinance No. 3316 is hereby increased by \$553,850. This appropriation is amount approved by the U.S. Department of Housing and Urban Development (HUD) for the City for 2008.

Section 2. The \$553,850 increase in the CDBG Fund shall be allocated to City revenue and expense accounts as described in the City Council Agenda Item 10B, dated June 9, 2008 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

CDBG Fund	<u>\$553,850</u>
Total	<u>\$553,850</u>

Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. This ordinance shall take effect upon its passage after the second reading.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 9<sup>th</sup> day of June, 2008

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 23<sup>rd</sup> day of June, 2008.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Councillor’s Bill No. 24 re Right-of-Way Vacation of Bradburn Boulevard - South of 120<sup>th</sup> Avenue

**Prepared By:** Mikele Wright, Senior Civil Engineer

**Recommended City Council Action**

Pass Councillor’s Bill No. 24 on first reading, vacating a portion of the center median in Bradburn Boulevard, south of 120<sup>th</sup> Avenue.

**Summary Statement**

- City Council action is requested to pass on first reading the attached Councilor’s Bill to vacate a small portion of the center median in Bradburn Boulevard, south of 120<sup>th</sup> Avenue as shown on the attached vicinity map. State statute requires that the vacation of all rights-of-way be accomplished by Ordinance.
- The owner of the surrounding property, Bradburn Commercial Owners Association, is requesting the right-of-way vacation to allow them to construct a monument sign in the center median of Bradburn Boulevard. Per Section 11-11-5, W.M.C, a permanent, private sign cannot be placed within the public rights-of-way.
- No utility easements will need to be retained since there are no public or private utility lines within this portion of the existing right-of-way of Bradburn Boulevard.
- A legal description of the right-of-way is included in Exhibit A.
- The proposed monument sign has been reviewed and approved by the City’s Planning Division contingent upon the vacation of this portion of the center median within Bradburn Boulevard.
- Staff has determined that the subject right-of-way is not needed by the City. Bradburn Commercial Owners Association will be responsible for maintaining this portion of the center median and the monument sign.

**Expenditure Required:** \$0

**Source of Funds:** N/A

**Policy Issue**

Should the City Council vacate this right-of-way for the purpose of allowing the installation of a private monument sign?

**Alternative**

Do not vacate the right-of-way. This alternative is not recommended because Staff agrees with the owner's position that additional monument signage is appropriate at this location and Staff has determined that the right-of-way is not needed by the City.

**Background Information**

Bradburn Commercial Owners Association has requested permission to construct a monument sign at the entrance into their commercial property within the right-of-way of Bradburn Boulevard. The Planning Division Staff support this request as a means to enhance signage for the Bradburn development. The extra wide right-of-way for 120<sup>th</sup> Avenue along with the drainage channel next to Bradburn severely limit where signs can be installed and still be visible from 120<sup>th</sup> Avenue. City Staff has reviewed and approved an Administrative Amendment to the Bradburn Official Development Plan for the proposed monument sign contingent upon this right-of-way vacation.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachments – Exhibit A  
Vicinity Map

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **24**

SERIES OF 2008

INTRODUCED BY COUNCILLORS

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**A BILL  
FOR AN ORDINANCE VACATING A PORTION OF THE CENTER MEDIAN IN BRADBURN  
BOULEVARD, SOUTH OF 120<sup>TH</sup> AVENUE**

WHEREAS, certain roadways were dedicated on the final plat for Bradburn Subdivision Filing No. 1 (recorded in the Adams County Clerk and Recorder Office on August 6, 2002, in File No. 18, Map No. 749 at Reception No. 1007109); and

WHEREAS, the vacation is being requested to allow the Bradburn Commercial Owners Association to construct a monument sign within the center median of Bradburn Boulevard; and

WHEREAS, there are no existing utility lines within the right-of-way; and

THE CITY OF WESTMINSTER ORDAINS:

Section 1. City Council finds and determines that the public convenience and welfare require the vacation of the roadway described in Section 2 and the same is hereby vacated.

Section 2. Legal Description for vacation: See attached legal description in Exhibit A.

Section 3. This ordinance shall take effect upon its passage after second reading. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

Section 4. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 9<sup>th</sup> day of June, 2008.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 23<sup>rd</sup> day of June, 2008.

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Mayor

ATTEST:

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City Clerk

APPROVED AS TO LEGAL FORM:

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City Attorney's Office

# Vigil Land Consultants

SURVEYORS

Exhibit A

480 Yuma Street ■ Denver, Colorado 80204  
Off: (303) 436-9233 ■ Fax: (303) 436-9235

Date 02-19-08

Job No. 99064

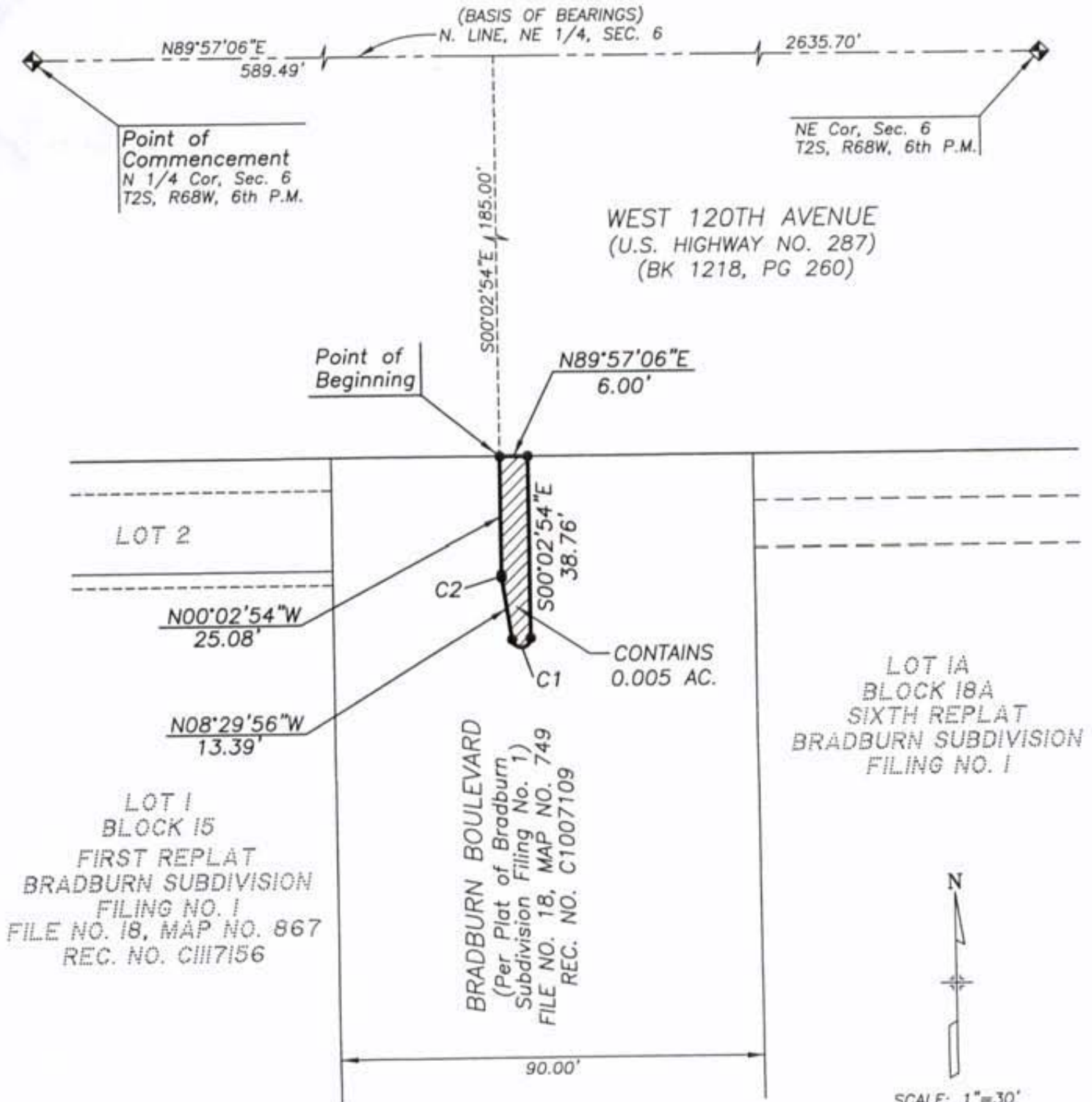
## LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF WESTMINSTER, COUNTY OF ADAMS, STATE OF COLORADO, BEING A PORTION OF BRADBURN BOULEVARD AS SHOWN ON THE PLAT OF BRADBURN SUBDIVISION FILING NO. 1, RECORDED IN FILE NO. 18, MAP NO. 749 AT RECEPTION NO. C1007109, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 6, WHENCE THE NORTHEAST CORNER THEREOF BEARS N89°57'06"E, A DISTANCE OF 2635.70 FEET; THENCE N89°57'06"E, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 6, A DISTANCE OF 589.49 FEET; THENCE S00°02'54"E, A DISTANCE OF 185.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF WEST 120<sup>th</sup> AVENUE, BEING THE POINT OF BEGINNING; THENCE N89°57'06"E, ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 6.00 FEET; THENCE S00°02'54"E, A DISTANCE OF 38.76 FEET TO A POINT OF CURVE; THENCE ALONG A CURVE TO THE RIGHT HAVING A DELTA OF 171°32'57", A RADIUS OF 2.00 FEET AND AN ARC LENGTH OF 5.99 FEET TO A POINT OF TANGENT; THENCE N08°29'56"W, ALONG SAID TANGENT, A DISTANCE OF 13.39 FEET TO A POINT OF CURVE; THENCE ALONG A CURVE TO THE RIGHT HAVING A DELTA OF 08°27'03", A RADIUS OF 5.00 FEET AND AN ARC LENGTH OF 0.74 FEET TO A POINT OF TANGENT; THENCE N00°02'54"W, ALONG SAID TANGENT, A DISTANCE OF 25.08 FEET TO THE POINT OF BEGINNING. CONTAINING 226 SQUARE FEET OR 0.005 ACRES MORE OR LESS.



ATTACHMENT TO LEGAL DESCRIPTION - NOT A SURVEY



CURVE TABLE					
CURVE	RADIUS	LENGTH	CHORD	BEARING	DELTA
C1	2.00'	5.99'	3.99'	S85°43'35"W	171°32'57"
C2	5.00'	0.74'	0.74'	N04°16'25"W	8°27'03"



120th Ave

Bradburn Blvd

Main St

4257

4257

11961

11970

11950

11940

4185

4185

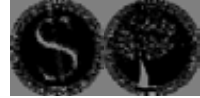
4147



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 9, 2008



**SUBJECT:** Resolution No. 34 re Amended Intergovernmental Agreement with the Colorado Department of Transportation – Old Wadsworth/Big Dry Creek Trail Project

**Prepared By:** David W. Loseman, Senior Projects Engineer

**Recommended City Council Action:**

Adopt Resolution No. 34 authorizing the City Manager to execute an amendment to the Intergovernmental Agreement (IGA) with the Colorado Department of Transportation for the design and construction of the Old Wadsworth/Big Dry Creek Trail project.

**Summary Statement:**

- The City was awarded federal funds for the Old Wadsworth/Big Dry Creek Trail project as part of the 2005-2010 Transportation Improvement Program (TIP) administered by the Denver Regional Council of Governments (DRCOG) and the Colorado Department of Transportation (CDOT). The City entered into an IGA with CDOT on April 11, 2006 to establish all of the terms, conditions and agreements and to secure the design portion of these funds.
- The proposed amendment revises the funding provisions to obligate the remaining federal funds and does not change any of the other terms and conditions of the original IGA. This obligation will allow the project to proceed to construction. In excess of \$2.1 million in federal funds have been secured by the City for this project.
- This project will commence construction in August of this year and should be completed in 2009.

**Expenditure Required:** \$0

**Source of Funds:** N/A



**Policy Issue**

Should the City continue with the effort to improve the pedestrian trail crossing of Old Wadsworth Boulevard at Big Dry Creek and enter into an amended intergovernmental agreement with the Colorado Department of Transportation so that the project can proceed to construction?

**Alternative**

Do not authorize the execution of the amendment to the existing intergovernmental agreement. This is not recommended because the City has an opportunity to construct a grade separated pedestrian crossing at this major roadway with significant contributions of federal funds.

**Background Information**

The Big Dry Creek Trail at Wadsworth Boulevard Project is an important link in the Big Dry Creek Trail system. The current trail crossing of Wadsworth Boulevard is the only location where the Big Dry Creek Trail crosses a major street “at-grade” rather than through an underpass. The major element of this project will be the construction of a new bridge on Wadsworth Boulevard to provide the necessary vertical clearance for the trail to pass under the street and to accommodate the flow of 100-year storm waters under the bridge structure to prevent flooding of the area. To meet these requirements, the roadway will need to be raised approximately nine feet above its current elevation at Big Dry Creek. Wadsworth Boulevard will be reconstructed from approximately 99<sup>th</sup> Place to a point south of 98<sup>th</sup> Avenue. The new section of trail installed as part of this project will tie into the existing trail on the east side of Wadsworth Boulevard and 99<sup>th</sup> Avenue to the west. The 99<sup>th</sup> Avenue roadway is currently used as the Big Dry Creek Trail in this vicinity.

The original intergovernmental agreement between the City and the Colorado Department of Transportation was authorized by Council and executed on April 11, 2006. The key elements of the original IGA are as follows:

- Right-of-way acquisition. The IGA obligates the City to provide evidence that the property interests necessary for construction have been acquired prior to advertising for construction bids.
- Project management/construction services. The IGA stipulates that the City will provide project management to oversee the construction of the project.
- CDOT Reimbursement. The IGA provides that the City does not pay any CDOT reimbursements for this particular project since it is an “Enhancement Pool” project. This provision is different than other past Federal-aid projects where the City was required to reimburse CDOT for their work on the project.
- Maintenance. The IGA obligates the City to maintain the improvements once they are completed. This road is a currently maintained by the City so this not an added obligation.

The purpose of this amendment to the IGA is to secure the remaining federal funds necessary to construct the project.

The advertisement for the construction of this project will occur immediately after the amended IGA is executed with CDOT. Council will be requested to authorize the construction contract at the July 14 Council meeting.

Respectfully submitted

J. Brent McFall  
City Manager

Attachment

RESOLUTION

RESOLUTION NO. **34**

INTRODUCED BY COUNCILLORS

SERIES OF 2008

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**A RESOLUTION  
APPROVING AN AMENDED INTERGOVERNMENTAL AGREEMENT BETWEEN THE  
CITY OF WESTMINSTER AND THE COLORADO DEPARTMENT OF TRANSPORTATION  
FOR THE DESIGN, CONSTRUCTION OVERSIGHT AND MAINTENANCE OF THE  
IMPROVEMENTS TO BE CONSTRUCTED FOR THE BIG DRY CREEK TRIAL UNDER  
WADSWORTH BOULEVARD**

WHEREAS, Section 18(2)(a) of Article XIV of the Colorado Constitution, as well as Section 29-1-201, et seq., and 29-20-205 of the Colorado Revised Statutes authorize and encourage governments to cooperate by contracting with one another for their mutual benefit; and

WHEREAS, the agreement identifies funding obligations of the City of Westminster and of the Federal government;

NOW, THEREFORE, be it resolved that the Westminster City Council resolves that:

1. The amended agreement between the City of Westminster and the Colorado Department of Transportation pertaining to the design, construction oversight and maintenance of the Big Dry Creek Trail under Wadsworth Boulevard Project, a copy of which is attached hereto and incorporated herein by this reference, is hereby approved
2. The City Manager is hereby authorized to execute and the City Clerk to attest the attached amended agreement

PASSED AND ADOPTED this 9<sup>th</sup> day of June, 2008.

ATTEST:

\_\_\_\_\_  
Mayor

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

*Eugene Mc*  
*5.22-08*

**CONTRACT AMENDMENT #1**

THIS AMENDMENT, is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the State of Colorado for the use and benefit of the Colorado Department of Transportation, hereinafter referred to as the "State", and the CITY OF WESTMINSTER, 4800 West 92<sup>nd</sup> Avenue, Westminster, Colorado, 80031, CDOT Vendor #: 2000053, hereinafter referred to as the "Contractor" or the "Local Agency".

**FACTUAL RECITALS**

1. Authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for this Project as set forth below; and,
2. Required approval, clearance, and coordination has been accomplished from and with appropriate agencies; and,
3. The Parties entered into the contract dated April 11, 2006, routing number 06 HA6 00041, known hereafter as "the Basic Contract"; and,
4. The Basic Contract is an intergovernmental agreement between the State and the Contractor consisting of construction of a bridge on Old Wadsworth Boulevard over Big Dry Creek to provide for a grade separated Big Dry Creek Trail crossing in Westminster, Colorado; and,
5. The Basic Contract is still in effect and provides for changes to its terms and conditions by written supplement or contract amendment; and,
6. The Parties also now desire to amend the Basic Contract to fund the construction phase by revising Recital 1 and Exhibit C and updating the Special Provisions; and,
7. The Parties enter into this Amendment pursuant to the provisions of Colorado Revised Statutes, Sections 24-30-1401 et seq., Section 43-1-106, and Section 43-1-110, as amended.

**NOW THEREFORE, it is hereby agreed that:**

Consideration for this Amendment consists of the payments that shall be made pursuant to this Amendment and the promises and agreements herein set forth.

1. This Amendment is supplemental to the Basic Contract, which is, by this reference, incorporated herein and made a part hereof, and all terms, conditions, and provisions thereof, unless specifically modified herein, are to apply to this Amendment as though they were expressly rewritten, incorporated, and included herein.
2. The Basic Contract is and shall be modified, altered, and changed in the following respects only:

- a. Recital Number I shall be amended to read as follows:

Authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient uncommitted balance thereof remains available for payment of project and Local Agency costs in Fund Number 400, Appropriation Code 010, Organization Number 9991, Program 2000, Functions 3020 and 3301, GL Acct. 4231200011, WBS Elements 14966.10.40 and 14966.10.35, (Contract Encumbrance Amount: D-Phase \$476,250.00; C-Phase \$4,137,149.00; Total Encumbrance Amount \$4,613,399.00). This amendment increases the original contract encumbrance amount of \$766,250.00 by \$3,847,149.00 to a new encumbrance amount of \$4,613,399.00.

- b. Exhibit C to the Basic Contract shall be removed and replaced in its entirety by Exhibit C-1, which is attached hereto and incorporated herein by this reference. All references in the Basic Contract to Exhibit C shall be removed and replaced by Exhibit C-1, as appropriate.
- c. The Special Provisions to the Basic Contract shall be removed and replaced in its entirety by the following:

## SPECIAL PROVISIONS

The Special Provisions apply to all contracts except where noted in *italics*.

1. **CONTROLLER'S APPROVAL. CRS 24-30-202 (1).** This contract shall not be deemed valid until it has been approved by the Colorado State Controller or designee.
2. **FUND AVAILABILITY. CRS 24-30-202(5.5).** Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
3. **INDEMNIFICATION.** Contractor shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Contractor, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.  
*[Applicable Only to Intergovernmental Contracts]* No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.
4. **INDEPENDENT CONTRACTOR. 4 CCR 801-2.** Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither contractor nor any agent or employee of contractor shall be or shall be deemed to be an agent or employee of the state. Contractor shall pay when due all required employment taxes and income taxes and local head taxes on any monies paid by the state pursuant to this contract. Contractor acknowledges that contractor and its employees are not entitled to unemployment insurance benefits unless contractor or a third party provides such coverage and that the state does not pay for or otherwise provide such coverage. Contractor shall have no authorization, express or implied, to bind the state to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall provide and keep in force workers' compensation (and provide proof of such insurance when requested by the state) and unemployment compensation insurance in the amounts required by law and shall be solely responsible for its acts and those of its employees and agents.
5. **NON-DISCRIMINATION.** Contractor agrees to comply with the letter and the spirit of all applicable State and federal laws respecting discrimination and unfair employment practices.
6. **CHOICE OF LAW.** The laws of the State of Colorado, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision of this contract, whether or not incorporated herein by reference, which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules, and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract, to the extent that this contract is capable of execution. At all times during the performance of this contract, Contractor shall strictly adhere to all applicable federal and State laws, rules, and regulations that have been or may hereafter be established.
7. *[Not Applicable to Intergovernmental Contracts]* **VENDOR OFFSET. CRS 24-30-202 (1) and 24-30-202.4.** The State Controller may withhold payment of certain debts owed to State agencies under the vendor offset intercept system for: (a) unpaid child support debt or

child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in Article 21, Title 39, CRS; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State or its agencies, as a result of final agency determination or reduced to judgment, as certified by the State Controller.

**8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.** No State or other public funds payable under this contract shall be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies that, for the term of this contract and any extensions, Contractor has in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this paragraph, the State may exercise any remedy available at law or equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**9. EMPLOYEE FINANCIAL INTEREST. CRS 24-18-201 and 24-50-507.** The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract.

**10. [Not Applicable to Intergovernmental Contracts]. ILLEGAL ALIENS – PUBLIC CONTRACTS FOR SERVICES AND RESTRICTIONS ON PUBLIC BENEFITS. CRS 8-17.5-101 and 24-76.5-101.** Contractor certifies that it shall comply with the provisions of CRS 8-17.5-101 et seq. Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor represents, warrants, and agrees that it (i) has verified that it does not employ any illegal aliens, through participation in the Basic Pilot Employment Verification Program administered by the Social Security Administration and Department of Homeland Security, and (ii) otherwise shall comply with the requirements of CRS 8-17.5-102(2)(b). Contractor shall comply with all reasonable requests made in the course of an investigation under CRS 8-17.5-102 by the Colorado Department of Labor and Employment. Failure to comply with any requirement of this provision or CRS 8-17.5-101 et seq., shall be cause for termination for breach and Contractor shall be liable for actual and consequential damages.

Contractor, if a natural person eighteen (18) years of age or older, hereby swears or affirms under penalty of perjury that he or she (i) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of CRS 24-76.5-101 et seq., and (iii) shall produce one form of identification required by CRS 24-76.5-103 prior to the effective date of this contract.

Revised October 25, 2006

**Effective Date of Special Provisions: August 7, 2006**

**THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT**

**CONTRACTOR:**

**STATE OF COLORADO:  
BILL RITTER, JR., GOVERNOR**

City of Westminster  
Legal Name of Contracting Entity

By \_\_\_\_\_  
For Executive Director  
Department of Transportation

200053  
CDOT Vendor Number

**LEGAL REVIEW:  
JOHN W. SUTHERS, ATTORNEY GENERAL**

\_\_\_\_\_  
Signature of Authorized Officer

By \_\_\_\_\_

\_\_\_\_\_  
Print Name & Title of Authorized Officer

CORPORATIONS:  
(A corporate attestation is required.)

Attest (Seal) By \_\_\_\_\_  
(Corporate Secretary or Equivalent, or Town/City/County Clerk) (Place Corporate Seal here, if available.)

**ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER**

CRS 24-30-202 requires that the State Controller approve all state contracts. This contract is not valid until the State Controller, or such assistant as he may delegate, has signed it. The contractor is not authorized to begin performance until the contract is signed and dated below. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the goods and/or services provided.

**STATE CONTROLLER:  
LESLIE M. SHENEFELT**

By \_\_\_\_\_

Date \_\_\_\_\_

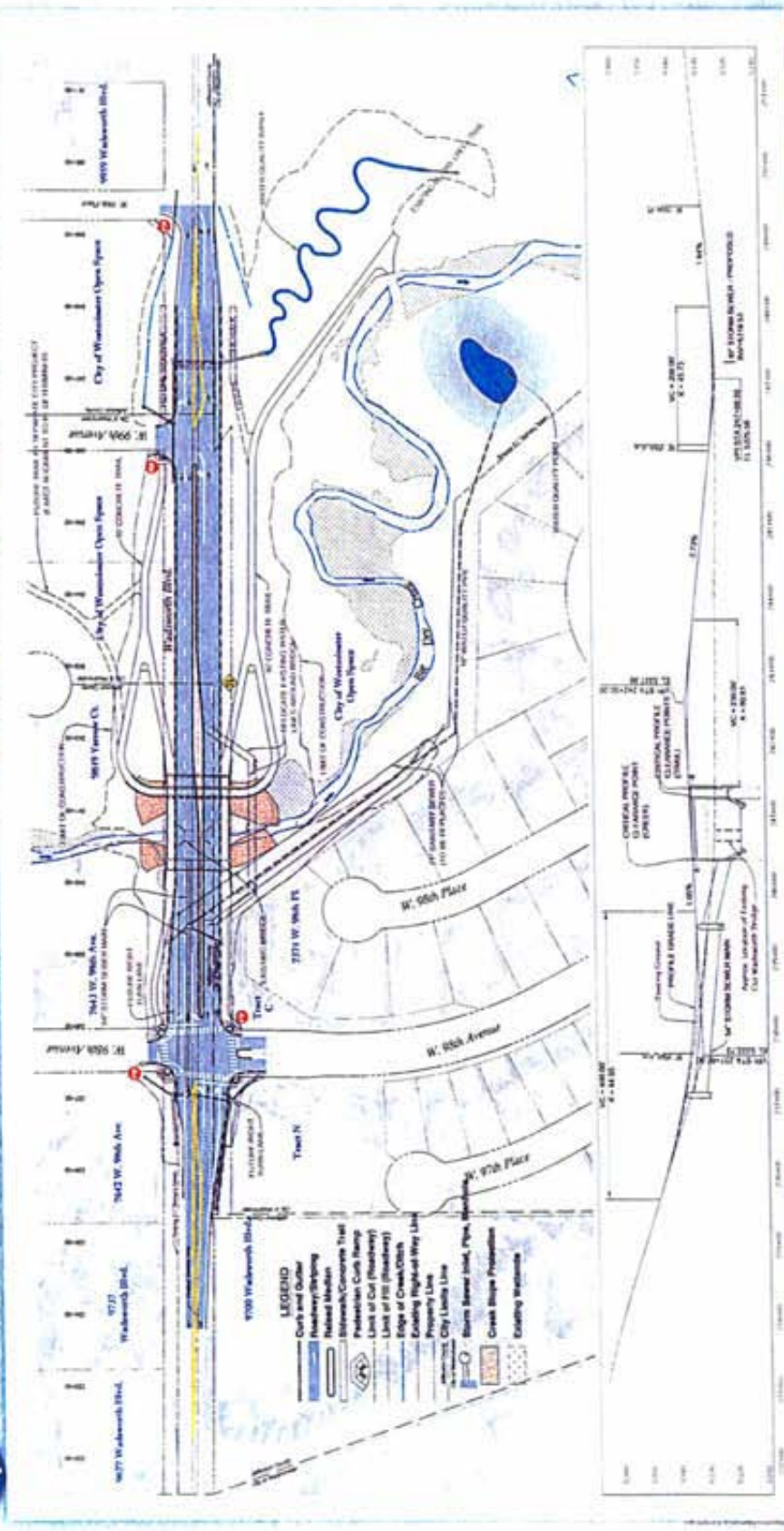
A. The Local Agency has estimated the total cost the Work to be \$4,613,399.00 which is to be funded as follows:

<b>1 BUDGETED FUNDS</b>				
a. Federal Funds (FY 06 Enhancement @ 80%)	\$381,000.00			
b. Federal Funds (FY 08 Enhancement @ 80%)	<u>\$1,763,800.00</u>			
Total Federal Funds				\$2,144,800.00
c. Local Match (FY 06 Enhancement @ 20%)	\$95,250.00			
d. Local Match (FY 06 Enhancement @ 20%)	<u>\$440,950.00</u>			
Total Local Agency Matching Funds				\$536,200.00
e. Local Agency Overmatch				\$1,932,399.00
Local Agency Matching for CDOT- Incurred Non-Participating Costs				
f. (Including Non-Participating Indirects)				\$0.00
<b>TOTAL BUDGETED FUNDS</b>				<b>\$4,613,399.00</b>
<b>2 ESTIMATED CDOT-INCURRED COSTS</b>				
a. Federal Share				\$0.00
b. Local Share				
Local Agency Share of Participating Costs	\$0.00			
Non-Participating Costs (Including Non- Participating Indirects)	\$0.00			
Estimated to be Billed to Local Agency				\$0.00
<b>TOTAL ESTIMATED CDOT-INCURRED COSTS</b>				<b>\$0.00</b>
<b>3 ESTIMATED PAYMENT TO LOCAL AGENCY</b>				
a. Federal Funds Budgeted (1a)				\$2,144,800.00
b. Less Estimated Federal Share of CDOT-Incurred Costs (2a)				\$0.00
<b>TOTAL ESTIMATED PAYMENT TO LOCAL AGENCY</b>				<b>\$2,144,800.00</b>
<b>FOR CDOT ENCUMBRANCE PURPOSES</b>				
Total Encumbrance Amount				\$4,613,399.00
Less ROW Acquisition 3111 and/or ROW Relocation 3109				0.00
Net to be encumbered as follows:				\$4,613,399.00
WBS Element 14966.10.40	Design	3020		\$476,250.00
WBS Element 14966.10.35	Const	3301		\$4,137,149.00

- B. The matching ratio for the federal participating funds for this project is 80% federal-aid funds (CFDA #20 2050) to 20% Local Agency funds, it being understood that such ratio applies only to the \$2,681,000.00 (\$2,144,800.00 Federal Funds and \$536,200.00 Local Agency Matching Funds) that is eligible for federal participation, it being further understood that all non-participating costs are borne by the Local Agency at 100%. If the total participating cost of performance of the Work exceeds \$2,681,000.00, and additional federal funds are made available for the project, the Local Agency shall pay 20% of all such costs eligible for federal participation and 100% of all non-participating costs; if additional federal funds are not made available, the local agency shall pay all such excess costs. If the total participating cost of performance of the Work is less than \$2,681,000.00, then the amounts of Local Agency and federal-aid funds will be decreased in accordance with the funding ratio described herein. The performance of the Work shall be at no cost to the State.
- C. The maximum amount payable to the Local Agency under this contract shall be \$2,144,800.00 (For CDOT accounting purposes, the federal funds of \$2,144,800.00, local matching funds of \$536,200.00 and local agency overmatch of \$1,932,399.00 will be encumbered for a total encumbrance of \$4,613,399.00), unless such amount is increased by an appropriate written modification to this contract executed before any increased cost is incurred. It is understood and agreed by the parties hereto that the total cost of the Work stated hereinbefore is the best estimate available, based on the design data as approved at the time of execution of this contract, and that such cost is subject to revisions (in accord with the procedure in the previous sentence) agreeable to the parties prior to bid and award.
- D. The parties hereto agree that this contract is contingent upon all funds designated for the project herein being made available from federal and/or state and/or Local Agency sources, as applicable. Should these sources, either federal or Local Agency, fail to provide necessary funds as agreed upon herein, the contract may be terminated by either party, provided that any party terminating its interest and obligations herein shall not be relieved of any obligations which existed prior to the effective date of such termination or which may occur as a result of such termination.



# Wadsworth Boulevard Bridge and Big Dry Creek Trail



**WESTMINSTER HOUSING AUTHORITY  
WESTMINSTER CITY HALL, 4800 W. 92ND AVENUE  
MONDAY, June 9, 2008  
7:00 P.M.**

1. Roll Call
2. Minutes of Previous Meeting (March 31, 2008)
3. New Business
  - A. Supplemental Financial Assistance Request for the Harris Park Townhouse Project
4. Adjournment

CITY OF WESTMINSTER, COLORADO  
MINUTES OF THE WESTMINSTER HOUSING AUTHORITY  
MONDAY, JUNE 9, 2008 AT 7:34 P.M.

ROLL CALL:

Present at roll call were Housing Authority Chairperson McNally, Vice Chairperson Dittman and Authority members Briggs, Kaiser, Lindsey, Major, and Winter. Also present were Stephen P. Smithers, Acting Executive Director, Martin McCullough, Attorney for the Authority, and Linda Yeager, Secretary.

MINUTES OF PRECEEDING MEETING:

Member Briggs moved, seconded by Kaiser, to accept the minutes of the meeting of March 31, 2008 as written and distributed. The motion carried unanimously.

SUPPLEMENTAL ASSISTANCE FOR HARRIS PARK TOWNHOUSE PROJECT

It was moved by Member Major, seconded by Kaiser, to approve an amendment to the development agreement with Community Builders, Inc. regarding Phase II of the 73<sup>rd</sup> Avenue/Lowell Boulevard Area redevelopment project, in substantially the same form as the agreement attached to the agenda memorandum. The motion carried with all Board members voting yes.

ADJOURNMENT:

There being no further business to conduct, the meeting was adjourned at 7:35 p.m.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Secretary

# WHA Agenda Item 3 A

## Agenda Memorandum

Westminster Housing Authority Meeting  
June 9, 2008



**SUBJECT:** Supplemental Financial Assistance Request for the Harris Park Townhouse Project

**Prepared By:** Tony Chacon, Senior Projects Coordinator

### Recommended Board Action

Approve an Amendment to the Development Agreement with Community Builders, Inc. regarding to Phase II of the 73<sup>rd</sup> Avenue/Lowell Boulevard Area redevelopment project, in substantially the same form as the attached agreement.

### Summary Statement

- In its efforts to stimulate redevelopment activity in the South Westminster area, the City of Westminster and the Westminster Housing Authority (WHA) entered into agreements with Community Builders, Inc. (Developer) in 2001 to redevelop the 73<sup>rd</sup> Avenue and Lowell Boulevard area, including the Aspen Care nursing home site.
- Per the agreements, the Developer completed the construction of 50 townhomes upon sites on Meade Street and Lowell Boulevard, and a 12,000 square foot, two-story commercial building on the northwest corner of 73<sup>rd</sup> Avenue and Lowell Boulevard.
- The Developer is interested in completing the construction of the 12 urban-style townhomes north of the commercial building to complement the emerging new street character along Lowell Boulevard.
- The Developer has been unable to proceed with the construction of the townhomes due to substantial construction cost increases and a weakened housing market, whereby the cost to deliver (land, construction, profit) the townhomes, based upon construction bids, is about \$210,000 per unit, but a market analysis for the project established a sales price of no more than \$185,000 per unit.
- The Developer is requesting the City consider providing financial assistance of up to \$15,000 per unit along with water tap credits, based upon availability, which will permit construction of the townhomes to proceed by the early Summer of 2008 with the units to be sale ready by Spring 2009.
- The Developer would agree to set the base sales price of the units at \$185,000 based upon a \$15,000 per unit contribution. Should the developer raise the base sales price, the level of City assistance would be reduced. A family of four earning 80% of the Denver metro area median household income (\$57,350 per year) could qualify to purchase a unit at \$185,000.
- The Developer would receive the funds only following the issuance of a certificate of occupancy for all of the units upon completion of construction.

**Expenditure Required:** \$0

**Source of Funds:** N/A

**Policy Issue**

Should the existing development agreement be amended to provide additional financial assistance to encourage housing development in the South Westminster revitalization area given similar assistance is unlikely to be available to housing development interests in other parts of the City?

**Alternative**

The WHA may choose not to modify the existing agreement to assist in the development of the Harris Park Townhomes. Staff believes that this alternative should not be pursued as the changes to the agreement should lead to additional affordable housing opportunities in Westminster.

**Background Information**

In May 2001, the City issued a request-for-proposal (RFP) seeking a developer to work with the City in redeveloping property along Lowell Boulevard and Meade Street in the vicinity of 73<sup>rd</sup> Avenue. Upon accepting a proposal from Community Builders, Inc.(CBI), the City and the WHA entered into a development agreement with CBI on December 23, 2002, which provided financial assistance towards the construction of 50 townhouses on the old Aspen Care nursing home site, along the west side of Lowell Boulevard, and on the 7200 block of Meade Street in an initial phase. Through the joint agreement of the City and the Westminster Housing Authority, an initial assistance package of \$1.085 million was provided to assist in acquiring the necessary property, including the Aspen Care Nursing Home property, and construction. This investment leveraged over \$7 million in private construction funding that in turn raised the property value from about \$600,000 to \$8.5 million.

Upon completion of the 50 townhomes, CBI, the City, and the WHA entered into an agreement on October 25, 2004 to proceed with a second phase of the project that envisioned construction of a 12,000 square foot, 2-story commercial building, along with 12 townhome units immediately to the north of the commercial building, on the northwest corner of 73<sup>rd</sup> Avenue and Lowell Boulevard. The City in partnership with the Westminster Housing Authority, provided \$410,000 in grant funds and an assignment of water tap credits with which to assist in the acquisition of the required property and construction of the commercial building. After several years and attempts to locate a buyer, CBI recently completed construction of the commercial building. The Colorado Rural Housing Development Corporation is due to close on the purchase of the building within the next few weeks.

With the commercial building nearing completion, CBI resurrected the plans to construct the 12 townhomes to the north of the building to accentuate completion of the new construction along Lowell Boulevard north of 73<sup>rd</sup> Avenue. Based upon plans approved by the City, CBI proceeded to get bids for construction and conducted a market study. Based upon the bids received it was determined that the units would need to sell at about \$210,000 based upon a 10% return to the developer. Yet, the market study indicated that the South Westminster market called for an upper-end sales price of \$185,000. Based on this disparity, CBI determined that it is financially infeasible to proceed immediately with the project without additional outside assistance. While it is financially infeasible for CBI to move forward without assistance, Staff and CBI believe it is in the City's interest to move forward and complete this project immediately given progress made to date along Lowell Boulevard and Meade Street.. Accordingly, CBI is requesting the City give consideration to a financial assistance package of up to \$15,000 per unit along with an assignment of water tap credits, based upon availability. Discussions with City staff have led to the proposed amendment to the development agreement that includes the following conditions.

Financial Assistance Proposal

- The City would agree to contribute a total of up to \$180,000 (\$15,000 per unit) to be paid upon completion of the development.
- The base sales price of the units would be set at \$185,000 based upon a \$15,000 per unit contribution.
- Should the Developer increase the base sales price for any of the units above \$185,000 the City's contribution would be reduced by 50% of the base price differential. For example, if the base sales price is increased by \$10,000 to \$195,000, the City's contribution would be reduced from \$15,000 to \$10,000 for that particular unit(s). The City would not provide funding for homes sold at a base price of \$215,000 or more.
- In addition to the \$15,000 requested subsidy, the City would provide water tap credits for up to 12 townhouse units if they are available from existing properties that no longer require their taps as long as the request is within 12 months of the last certificate of occupancy issued for the current phase of the project. To date the Harris Park redevelopment has received water tap credits for the first 50 townhouses, which used up the current supply of available credits. However, it is anticipated that more water tap credits will become available as development of the Harris Park Condominium project proceeds south of 73<sup>rd</sup> Avenue along Lowell on the Vehicle Service Center and adjoining property, and with the potential development on the corner of 72<sup>nd</sup> Avenue and Lowell Boulevard.
- The WHA would provide no additional financial assistance to the project.

Approval of the amended agreement and modification to the existing development agreement would provide significant benefits including:

- Construction activity during the upcoming warm months and stagnant housing development cycle will demonstrate continued development interest and activity in the neighborhood.
- The project would provide continued evidence to the community of the City's commitment to revitalization of the neighborhood;
- Construction of the buildings will complete the transformation of Lowell Boulevard north of 73<sup>rd</sup> Avenue providing a visually appealing scene for passing traffic, which will hopefully increase awareness and interest in the area.
- The townhouses would be affordable to households earning \$50,000 and above.
- WEDA could receive about \$12,000 to \$15,000 in property tax increment per year or about \$120,000 over a remaining 8 years of the urban renewal district after completion of construction in 2009.
- Property valuation on the site would increase from about \$100,000 to about \$2.2 million.
- Success on completing the townhomes would assist CBI in proceeding with marketing and construction of a condominium-over-commercial project planned for south of 73<sup>rd</sup> Avenue along the west side of Lowell Boulevard.
- Completion of the project could peak the interest of other developers to pursue new development within the immediate Harris Park area.

The requested financial assistance package constitutes a direct subsidy relative to supporting affordable housing construction. The City typically does not provide direct funding to assist in the construction of housing. However, since the earliest agreement with CBI, the City Council purposefully chose to provide financial assistance for redevelopment activity in South Westminster regardless of the type of development. Thus, City and WHA funding on this project to date subsidized the first 50 townhomes. Further, a key goal in the South Westminster Strategic Revitalization Plan, adopted by City Council, specifically notes the importance of providing new housing as a means of attracting new households that would bring new wealth to the South Westminster neighborhood.

Respectfully submitted,

J. Brent McFall  
Executive Director

Attachment: Proposed Amendment to Development Agreement

1<sup>ST</sup> AMENDMENT TO THE DEVELOPMENT AGREEMENT  
Of November 15, 2004  
Between

The City of Westminster,  
The Westminster Housing Authority  
and  
Community Builders, Inc

For the

**73<sup>RD</sup> AVENUE / LOWELL BOULEVARD AREA  
REDEVELOPMENT PROJECT – PHASE II**

This Amendment to the Agreement is made and entered into this \_\_\_\_ day of June, 2008, by and between the CITY OF WESTMINSTER (City), The Westminster Housing Authority (WHA) and COMMUNITY BUILDERS, INC. (Developer).

WHEREAS, the City has indicated its desire to improve and redevelop the area in the immediate vicinity of Lowell Boulevard and 73rd Avenue, including the property along the West side of Lowell Boulevard between 73<sup>rd</sup> Avenue and Westminster Place; and,

WHEREAS, the City and WHA entered into a Development Agreement (Agreement) with the Developer on November 15, 2004 providing for the construction of approximately 12,000 square feet of commercial space and 12 urban townhouses on such property; and,

WHEREAS, the Developer has received City approval and has been granted building permits for the construction of 12 urban style townhouse units on such property in accordance with the Westminster Municipal Code, and,

WHEREAS, the Developer has successfully completed Phase I of the development project, including 50 residential units, but due to the nationwide and regional downturn in the housing market, and increased development costs, the Developer requires some additional assistance in completing the twelve (12) townhouses; and,

WHEREAS, it is in the interests of the City and WHA to provide additional funding to assist in constructing the 12 townhouses;

NOW, THEREFORE, in consideration of the above premises, covenants, promises, and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree to amend the Agreement as follows:

A. The following Section of 3.4 is added to the Agreement:

**SECTION 3.4 City Financial Participation**

The City shall provide additional funding assistance towards the construction of 12 townhouses to be constructed along the west side of Lowell Boulevard between 73<sup>rd</sup> Avenue and Westminster Place as provided for below.

3.4.1 The City shall contribute a total of up to \$15,000 in cash for each townhouse unit built and receiving a Certificate of Occupancy (CO), not to exceed a total of \$180,000, subject to the following conditions:

3.4.1(a) The maximum City contribution of \$15,000 is based upon a base sales price of not more than \$185,000 per unit. The base sales price shall be defined as the listed sales price not inclusive of accessories or upgrades to amenities and fixtures.

3.4.1(b) Should the base sales price for a unit exceeds \$185,000 the City's contribution shall be reduced by 50% of the differential between \$185,000 and the base price at which the unit is sold. (As an example, if the base sales price is increased by \$10,000 to \$195,000, the City's contribution would be reduced from \$15,000 to \$10,000 for that particular unit.)

3.4.1(c) The City shall provide eligible payment to the Developer only upon completion of the entire townhouse portion of the project and issuance of a Certificate of Occupancy for all of the units.

B. SECTION 3.3 Water Tap Credits of the Agreement is replaced in its entirety with the following:

3.3 Water Tap Credits

The City will provide water tap credits for the 12 townhouses, if said credits become available, as established by the City's Water Utility policies, within 12 months of the date upon which the Certificate of Occupancy (CO) for the last (12<sup>th</sup>) townhouse unit is issued. If no credits become available in that timeframe, the Developer is responsible for paying the full cost of the water and sewer taps for any units not receiving tap credits.

C. In all other respects, the Agreement of November 15, 2004 remains in full force and effect.

WESTMINSTER HOUSING AUTHORITY

COMMUNITY BUILDERS, INC.

\_\_\_\_\_  
J. Brent McFall  
Executive Director

\_\_\_\_\_  
Steve Davis  
President

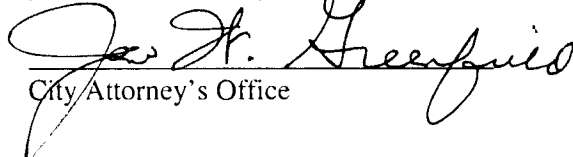
CITY OF WESTMINSTER

\_\_\_\_\_  
J. Brent McFall  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney's Office