



## 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. 2009 Metro Region Winner of the CML's "If I were Mayor..." Essay Contest
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. Financial Report for May 2009
  - B. 2008 Comprehensive Annual Financial Report
  - C. Golf Course Replacement Carts Contract Ratification
  - D. Public Safety Ruggedized Laptop Extended Warranty Purchase
  - E. Water Treatment Facility Site Fencing Purchase Contract Change Order Approval
  - F. Photovoltaic Solar Installation Pilot Program, Power Purchase Agreement with Mainstreet Power
  - G. Second Reading of Councillor's Bill No. 15 re Holy Trinity Catholic Church Property Rezone – R-1 to PUD
  - H. Second Reading of Councillor's Bill No. 16 re Lease/Purchase of City Hall Office Equipment Appropriation
  - I. Second Reading of Councillor's Bill No. 17 re Westminster Center Park Supplemental Appropriation
  - J. Second Reading of Councillor's Bill No. 18 re EECBG Project Supplemental Appropriation
9. Appointments and Resignations
10. Public Hearings and Other New Business
  - A. Resolution No. 34 re Hyland Village Service Commitment Awards Extension
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 – Discuss Northwest Corridor Transportation negotiations and strategy and provide direction and instructions to the City's negotiators, as allowed by WMC 1-11-3(C)(4) and (7) and CRS 24-6-4-2(4)(e).
13. Adjournment

**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 8, 2009 AT 7:00 P.M.

PLEDGE OF ALLEGIANCE

Scouts from Troop 33, who were in attendance to earn credit toward their Citizenship in the Community Merit Badges, led the Council, Staff and audience in the Pledge of Allegiance.

ROLL CALL

Mayor Nancy McNally and Councillors Bob Briggs, Mark Kaiser, Mary Lindsey, Scott Major, and Faith Winter were present at roll call. Mayor Pro Tem Chris Dittman was absent and excused. J. Brent McFall, City Manager, Jane Greenfield, Assistant City Attorney, and Linda Yeager, City Clerk, also were present.

ELECTION OF TEMPORARY CHAIRPERSON

With the absence of Mayor Pro Tem Dittman, it was moved by Councillor Briggs and seconded by Councillor Lindsey to elect Councillor Kaiser the Temporary Chairperson of the Council so that Mayor McNally could recuse herself because of a potential conflict of interest during the meeting. The motion passed unanimously.

CONSIDERATION OF MINUTES

Councillor Major moved, seconded by Kaiser, to approve the minutes of the regular meeting of May 18, 2009, as distributed. The motion passed unanimously.

CITY MANAGER'S REPORT

Mr. McFall reported that the City Council would host a Potential Candidate Forum at 6 p.m. on June 10 in the Council Chambers. Those interested in learning about municipal government, the time commitment associated with serving on Council, and the process of becoming a candidate for City Council were encouraged to attend.

Negotiations with the Jefferson County Assessor concerning the amount of possessory interest tax the City had paid for the Westin Conference Center over the past several years had come to a successful conclusion, and Mr. McFall was pleased to report the City would be receiving a refund of \$130,000 plus interest. He thanked the negotiating team, Marty McCullough and Steve Smithers.

At the conclusion of this Council meeting, the Westminster Economic Development Authority would meet. Following adjournment of that meeting, City Council would convene in executive session to discuss strategy and progress on negotiations related to the Westminster Urban Center Redevelopment and to provide instructions to the City's negotiators as authorized by Westminster Municipal Code §1-11-3(C)(4), Westminster Municipal Code §1-11-3(7) and §24-6-402(4)(e), Colorado Revised Statutes.

CITY COUNCIL COMMENTS

Councillor Briggs and Mayor McNally welcomed Adams County Commissioner Skip Fischer, who was in the audience.

CITIZEN COMMUNICATION

Patricia Moore, 7665 Hooker Street, expressed gratitude to Councillor Kaiser for having followed up to stop illegal vending in the vicinity of Holy Trinity Catholic Church.

CONSENT AGENDA

The following items were submitted for Council's consideration on the consent agenda: authorize the Finance Director/Trustee to sign a one-year contract, with four one-year renewal options, for investment consulting services with Innovest Portfolio Solutions, LLC, for the City of Westminster Pension Plans and City of Westminster

Deferred Compensation Plans; based on the City Manager's recommendation, find that the public interest would be best served by authorizing the City Manager to execute a contract with Olsson Associates in the amount of \$49,956 for completion of Phase I of the Reclaimed Water Salinity Management Plan project and authorize a 10% construction contingency in the amount of \$4,996; based on the City Manager's recommendation, find the public interest would best be served by authorizing the City Manager to execute a sole source professional services agreement with AMEC Earth and Environmental, Inc. for the continuation of work in utilizing the Water Quality Model for Standley Lake and the Clear Creek Watershed for a cost not to exceed \$59,818, with \$26,918 being Westminster's share of the total cost; based on the City Manager's report, find that the public interest would best be served by authorizing the purchase of thirty valve controllers and four valves from the sole source provider Municipal Treatment Equipment, Inc. in the amount of \$149,000 for aging equipment replacement at the Semper Water Treatment Facility; ratify the expenditure of \$5,859 to the previously approved contract with Innovative Interiors & construction, Inc for the renovation of the Oakhurst Park Shelter; authorize the City Manager to sign an agreement with Intergraph Corporation for a Computer Aided Dispatch (CAD) and Records Management System (RMS) software and database upgrade for a cost of \$57,100 and authorize the purchase of required Microsoft SQL database licenses through Insight Public Sector Inc. at a cost of \$29,410; authorize the City Manager to execute a contract with the low bidder, BT Construction Inc. in the amount of \$3,010,365 for construction services related to the Southern Pressure Zone One Water Pipeline and authorize a 10% construction contingency in the amount of \$301,037; authorize a Change Order in the amount of \$22,899 increasing Burns and McDonnell Engineering Company Inc., May 8, 2008 contract for design and construction engineering services to \$455,928; authorize the City Manager to execute a Permanent and Temporary Construction Easement Agreement with S.W. Sheridan Key LLC. for an acquisition amount of \$240,000 and authorize a 10% contingency for additional temporary easement time in the amount of \$24,000 for a total amount not to exceed \$264,000; authorize the City Manager to execute a Permanent and Temporary Construction Easement Agreement with Lowe's HIW Inc. for an acquisition amount of \$55,550 and authorize a 10% contingency for additional temporary easement time in the amount of \$5,555 for a total amount not to exceed \$61,105; final passage of Councillor's Bill No. 12 providing for supplemental appropriation of funds to the 2008 budget of the General, General Capital Outlay Replacement, Sales & Use Tax, Parks Open Space and Trails, and General Capital Improvement Funds; and final passage of Councillor's Bill No. 13 providing for supplemental appropriation of funds to the 2009 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. Councillor Lindsey moved to approve the consent agenda as presented. The motion was seconded by Councillor Major and passed unanimously.

#### PUBLIC HEARING ON HOLY TRINITY CATHOLIC CHURCH REZONE AND PDP

At 7:11 p.m. the Mayor opened a public hearing to consider rezoning of the Holy Trinity Catholic Church property from R-1 (single-family residential) to PUD (planned unit development). Mac Cummins, Planning Manager, summarized background information. The 11.328-acre parcel was located at the southwest corner of West 76<sup>th</sup> Avenue and Turnpike Drive and contained four parcels. Built on site now were a convent, sanctuary, school, gymnasium, and rectory. Development standards of a traditional single-family neighborhood were not conducive to traditional church development. Parishioners were interested in making improvements to the facilities, some of which conflicted with allowed design standards of the existing zone. Mr. Cummins entered the agenda memorandum and attached documents, the public notice that had been published in the *Westminster Window*, a photo of the property posting notifications, and advised that written notices had been mailed to property owners and homeowner's associations within 300 feet of the property under consideration. At the Planning Commission's hearing on this application, testimony had been received from neighboring residents objecting to the proposed bell tower and the amount of noise it would produce. Actual improvements to the property were not part of the consideration before Council.

Appearing on behalf of Holy Trinity Catholic Church was Adam Hermanson of Integration Design Group, 10754 Bell Creek Boulevard in Henderson, CO. He concurred with Mr. Cummins' comments. The PUD zone would best serve the community and the church. Three PUDs bordered the church property. While details of the proposed development were not part of this hearing, a 1,200-square foot addition at the west entrance to the church was planned. It would provide improved access, additional seating, and a bell tower.

Mr. Cummins added that the Planning Commission's review resulted in a unanimous recommendation for approval.

The Mayor opened the hearing for public input.

Phyllis Hassell, 7762 Meade Street, secretary of a nearby Homeowner's Association, Marilyn Thomas, 7730 James Way, vice president of the same Homeowner's Association, Patricia Moore, 7665 Hooker Street, and Carol Allen, a resident of Westminster Commons at 3180 West 76<sup>th</sup> Avenue, voiced concerns about the public notice that had been given, pointing out that while property owners had been notified, no one in the Westminster Commons had received notice. Additionally, there were questions about the initial placement of signs and the relocation of those signs. Ms. Thomas presented photographs showing where a sign had originally been placed as well as where it had been relocated for better visibility. They also voiced concern about the impact that the noise from ringing bells in the proposed bell tower would have on elderly residents of the Westminster Commons and young children residing in the neighborhood. No others wished to testify.

Responding to questions from Council, Mr. Cummins stated that written notices to property owners within 300 feet had been mailed approximately two weeks before the Planning Commission's May 26 hearing. The Westminster Municipal Code required that notices be mailed at least ten days in advance. Signs notifying passersby of the rezoning request had been posted on 76<sup>th</sup> Avenue and also along Turnpike Drive. After the Planning Commission hearing, where concern was raised about visibility of the sign on West 76<sup>th</sup> Avenue, that sign had been relocated to the other side of the driveway entrance to the church.

All questions were answered and the Mayor closed the public hearing at 7:29 p.m.

#### COUNCILLOR'S BILL NO. 15 TO REZONE HOLY TRINITY CATHOLIC CHURCH PROPERTY

It was moved by Councillor Major, seconded by Councillor Briggs, to pass Councillor's Bill No. 15 on first reading for the rezoning of the Holy Trinity Catholic Church property from R-1 (Single-family Residential) to Planned Unit Development based on finding that the criteria set forth in Section 11-5-14 of the Westminster Municipal Code had been met. At roll call, the motion passed unanimously.

#### HOLY TRINITY CATHOLIC CHURCH PLANNED UNIT DEVELOPMENT PDP APPROVED

Councillor Major moved, seconded by Councillor Briggs, to approve the Holy Trinity Catholic Church Preliminary Development Plan within the Holy Trinity Catholic Church Planned Unit Development based on a finding that the criteria set forth in Section 11-5-14 of the Westminster Municipal Code had been met. The motion carried with all Council members voting affirmatively.

#### RESOLUTION NO. 27 FOR LOWELL BOULEVARD R-O-W ACQUISITION FOR IMPROVEMENTS

Councillor Kaiser moved to adopt Resolution No. 27 authorizing City Staff to proceed with the acquisition of rights-of-way and easements necessary for the Lowell Boulevard Improvements, including the use of eminent domain, if necessary; and to authorize a total of \$20,000 to acquire the necessary property interests. The motion was seconded by Councillor Major and passed unanimously on roll call vote.

#### RESOLUTION NO. 28 RE TRAFFIC SIGNAL IGA WITH CDOT

It was moved by Councillor Briggs and seconded by Councillor Lindsey to adopt Resolution No. 28 approving a revised Intergovernmental Agreement with the Colorado Department of Transportation for the maintenance of traffic signals on a portion of the State Highway system. At roll call, the motion passed unanimously.

RESOLUTION NO. 29 TO PURCHASE SPRESSER PROPERTY FOR OPEN SPACE

Upon a motion by Councillor Lindsey, seconded by Councillor Major, the Council voted unanimously at roll call to adopt Resolution No. 29 authorizing the purchase of the .92-acre parcel located at 7490 Sheridan Boulevard for \$345,000; and authorizing the City Manager to execute all documents required to close on the purchase of the property.

RESOLUTION NO. 30 TO PURCHASE THE DE PALMA PROPERTY FOR OPEN SPACE

It was moved by Councillor Winter, seconded by Councillor Kaiser to adopt Resolution No. 30 authorizing the purchase of the 6.59-acre parcel located at 7370 Sheridan Boulevard for \$1,300,000; and authorizing the City Manager to execute all documents required to close on the purchase of the property. The motion passed unanimously at roll call.

Council extended appreciation to staff for successfully negotiating this and the preceding open space acquisition.

RESOLUTION NO. 31 APPROVING 2<sup>ND</sup> AMENDMENT TO SOUTH SHERIDAN URBAN RENEWAL PLAN

Mayor McNally recused herself citing a conflict of interest due to employment. She passed the gavel to Temporary Chair Kaiser and left the Council Chambers.

It was moved by Councillor Major and seconded by Councillor Lindsey to adopt Resolution No. 31 approving the Second Amendment to the South Sheridan Urban Renewal Plan. At roll call, the motion passed by a 5:1 margin with Mayor McNally abstaining.

RESOLUTION NO. 32 REFINANCING \$7.9 MILLION OF WEDA SERIES 2007 BONDS

It was moved by Councillor Briggs, seconded by Councillor Winter, to adopt Resolution No. 32 approving a Cooperation Agreement with WEDA and providing that the Council would consider requests to fund deficiencies in the WEDA reserve fund. The motion passed by a 5:1 margin at roll call with Mayor McNally abstaining.

Mayor McNally re-entered the Council Chambers, reclaimed the gavel, and resumed presiding over the meeting.

RESOLUTION NO. 33 RE FORMATION OF NORTH AREA TRANSPORTATION ALLIANCE

Councillor Winter moved to adopt Resolution No. 33 approving the City's participation in the North Area Transportation Alliance. Councillor Lindsey seconded the motion, which passed unanimously on roll call vote.

CITY'S MEMBERSHIP CONTRIBUTION TO NORTH AREA TRANSPORTATION ALLIANCE

Councillor Winter moved, seconded by Councillor Lindsey, to approve the City's membership contribution of \$3,000 to the North Area Transportation Alliance. The motion carried unanimously.

APPOINTMENT OF MEMBER AND ALTERNATE TO NORTH AREA TRANSPORTATION ALLIANCE

It was moved by Councillor Winter and seconded by Councillor Kaiser to appoint Mayor Nancy McNally as the City's representative to the North Area Transportation Alliance and Deputy City Manager Matt Lutkus as the alternate member. The motion passed with all Council members voting affirmatively.

COUNCILLOR’S BILL NO. 16 FOR LEASE/PURCHASE OF CITY HALL OFFICE EQUIPMENT

Councillor Kaiser moved to pass Councillor’s Bill No. 16 on first reading appropriating \$34,990 in the General Fund for the lease/purchase of three City Hall copiers equipped with fax machines. Councillor Major seconded the motion and it passed unanimously on roll call vote.

KEYBANK MASTER LEASE AGREEMENT AMENDED

Councillor Kaiser moved, seconded by Councillor Major, to authorize the City Manager to sign an agreement to add \$34,990 to the existing master lease with KeyBank. The motion carried unanimously.

CONTRACT FOR NEW CITY HALL OFFICE EQUIPMENT AWARDED

Upon a motion by Councillor Kaiser, seconded by Councillor Major, the Council voted unanimously to award a contract to CBS, Inc. in the amount of \$49,990, of which \$34,990 is funded through the master lease and \$15,000 is funded with City funds already budgeted for this purpose in the 2009 Budget, to purchase three color copiers equipped with fax machines based on price agreements reached through the U. S. Communities Purchasing Program pricing agreement and the City of Westminster procurement process. The motion passed unanimously.

COUNCILLOR’S BILL NO. 17 RE WESTMINSTER CENTER PARK SUPPLEMENTAL APPROPRIATION

It was moved by Councillor Lindsey and seconded by Councillor Major to pass Councillor’s Bill No. 17 on first reading authorizing a supplemental appropriation of \$543,592 reflecting the City’s receipt of an Adams County Open Space grant for Westminster Center Park. The motion passed unanimously at roll call.

COUNCILLOR’S BILL NO. 18 RE EECBG PROJECT SUPPLEMENTAL APPROPRIATION

It was moved by Councillor Winter and seconded by Councillor Lindsey to pass Councillor’s Bill No. 18 on first reading appropriating \$952,800 to the Energy Efficiency and Conservation Block Grant Project, funded by the American Recovery and Reinvestment Act. At roll call, the motion passed unanimously.

ADOPTION OF ENERGY EFFICIENCY AND CONSERVATION STRATEGY

Councillor Winter moved to approve in concept the Energy Efficiency and Conservation Strategy. Councillor Lindsey seconded the motion and it carried unanimously.

CITIZEN PRESENTATIONS

Marilyn Thomas, 7730 James Way, relayed her observations relative to hearing signage at Holy Trinity Catholic Church before and after the Planning Commission hearing.

ADJOURNMENT

There being no further business to come before the City Council, the Mayor adjourned the meeting at 7:46 p.m.

ATTEST:

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

\_\_\_\_\_  
Mayor



## Agenda Item 6 A

**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009

**SUBJECT:** 2009 Metro Region Winner of the Colorado Municipal League's "If I were Mayor..." Essay Contest

**Prepared By:** Mary Joy Barajas, Executive Secretary to the City Manager

**Recommended City Council Action**

Mayor McNally will recognize Tasha Sanger, Mandalay Middle School student for her winning essay in the 2009 Colorado Municipal League's (CML) "If I were Mayor..." essay contest.

**Summary Statement**

- Lisa White from CML will be in attendance to say a few words and present Tasha with a certificate in recognition of her winning essay for the Metro Region.
- Tasha's essay was chosen from over 600 entries received statewide and was chosen as the winner of the metro region.
- Tasha was invited to attend and read her essay at last weeks Elected Official's lunch held during the CML Conference in Vail, Colorado and was awarded a \$500 savings bond.

**Expenditure Required:** \$ 0

**Source of Funds:** N/A



**SUBJECT:** 2009 Metro Region Winner of CML's Essay Contest

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**Policy Issue**

None identified

**Alternative**

None identified

**Background Information**

For the past several years, the Colorado Municipal League has asked their membership to distribute information about their annual "If I were Mayor..." essay contest to the middle schools within their respective jurisdictions. Westminster sent a letter to each Westminster middle school signed by the mayor inviting students to participate in the contest. This year we were contacted by the 7<sup>th</sup> grade teachers of Mandalay Middle School and was asked to have someone come out to the school and give a brief presentation to the classes about the duties and expectations of the Mayor. Phil Jones, Management Analyst visited with approximately 300 7<sup>th</sup> graders on March 13<sup>th</sup> to talk to them about the duties of the Mayor.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment

Tasha Sanger

3/18/09

X Ms. Keodonexay

Period 4

Mandalay Middle School  
Westminster, CO

### I'm the Mayor

If I were mayor, I would explain the importance of municipal government by creating a website with an on-line role playing game as the main attraction. The game would be about being the municipal government. There would be different levels of difficulty depending on the student's grade level. As mayor, I would encourage the teachers to let elementary school students play the game, and since it is a free website, kids can play it at home or anywhere they have internet access. Students can just go to [www.imthemayor.com](http://www.imthemayor.com) and get to see how the municipal government works and the importance of having one. This game would be educational and entertaining.

In the 1<sup>st</sup> to 2<sup>nd</sup> grade difficulty, students would learn some of the things the municipal government does. They can decide where to put fire stations, police stations, and recreational areas. They also can approve or disapprove housing and retail permits. The only thing they have to watch is that they don't spend too much money and that they have enough city-bought buildings. Since they don't understand taxes yet, the sales and property taxes will be pre-set. The way to earn more money here is to allow permits for retail. The student will also get to enjoy creating, coloring, and designing their own buildings.

In the 3<sup>rd</sup> to 4<sup>th</sup> grade difficulty, students will have to now not only plan the city, but also keep citizens happy, set taxes, and approve or disapprove laws. They will also have a city council breathing down their necks. In order to do most anything, the council must approve of it first. To get in the council's favor, they can help people out in mini missions. Since they need money to grow the city, they have to set high enough taxes, but make sure that the taxes don't make the city unhappy. Citizens will also give suggestions for new laws like curfews and more.

In the 5<sup>th</sup> grade and up difficulty, you can do everything in the previous difficulty, and deal with

things not in your control, like weather, natural disasters, and economy collapse. This difficulty tests all their skills as part of the municipal government. Another thing they will have to work on is streets. You will now have to place streetlights where needed, clean the streets, and have the option of naming streets. The students will also have to get down and dirty in garbage collection and storage. Plus, their city will have wonderful Colorado weather. Snow in the winter and heat in the summer is not kind to streets and buildings, which will now need maintenance.

But, all play and no work makes Jack a dumb boy. In order for students to fully understand the reason for the game, there will be two things on the website. First of all, there could be an informative essay with a Q and A section at the end. This essay would cover topics about the municipal government, and include hints to succeeding in the game. The other feature would be a list of links to city pages, applying what they've learned to the real world.

This website would be a fantastic way to entertain and educate students. It is also playable at home and at school. The game would teach how much municipal government matters to the citizens of a city. I'm certain students would enjoy the website, and learn a lot about the importance of the municipal government.



WESTMINSTER  
COLORADO

Agenda Memorandum

City Council Meeting  
June 22, 2009



**SUBJECT:** Financial Report for May 2009  
**Prepared By:** Tammy Hitchens, Finance Director

**Recommended City Council Action**

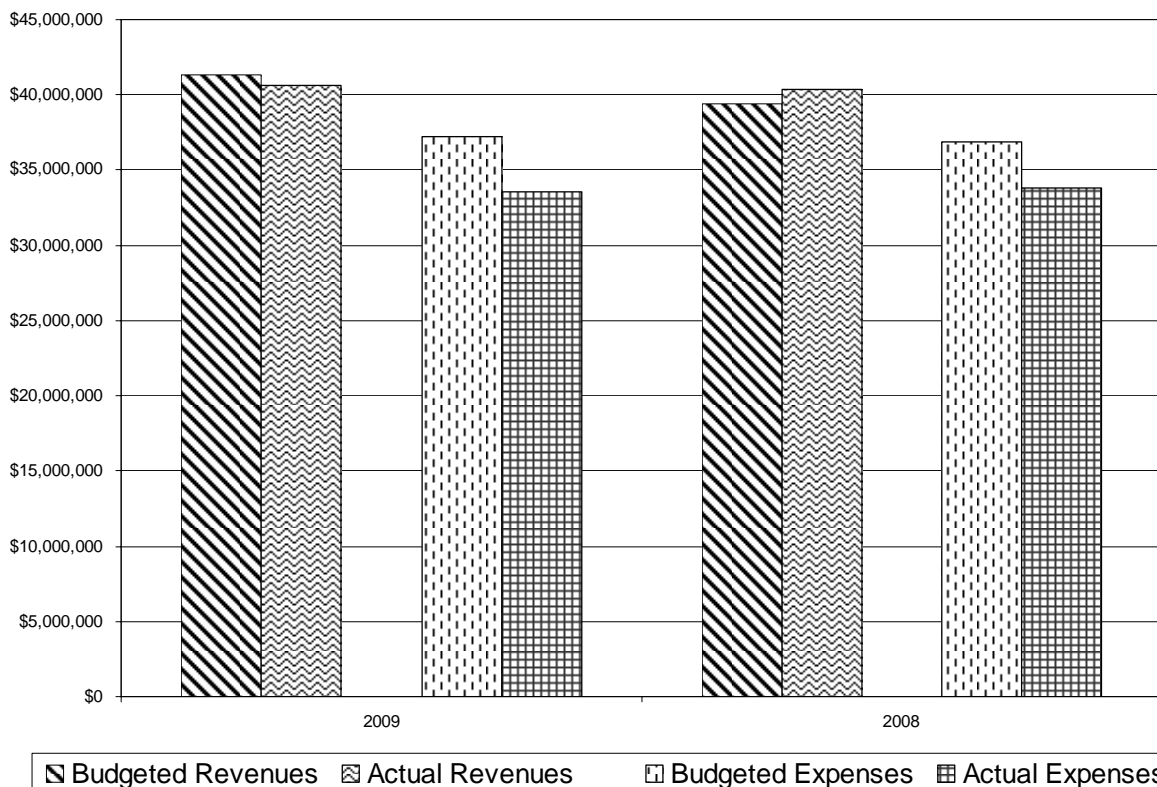
Accept the Financial Report for May as presented.

**Summary Statement**

City Council is requested to review and accept the attached monthly financial statement. The Shopping Center Report is also attached. Unless otherwise indicated, “budget” refers to the pro-rated budget. Revenues also include carryover where applicable. The revenues are pro-rated based on 10-year historical averages. Expenses are also pro-rated based on 5-year historical averages.

The General Fund revenues and carryover exceed expenditures by \$7,070,078. The following graph represents Budget vs. Actual for 2008 – 2009. There is currently \$1,078,960 in budgeted funds that have been put on hold from spending. As transfers from the Sales Tax Fund are reduced as part of the overall economic downturn management plan, revenues in the General Fund will decline, using up what appears to be a surplus at this point.

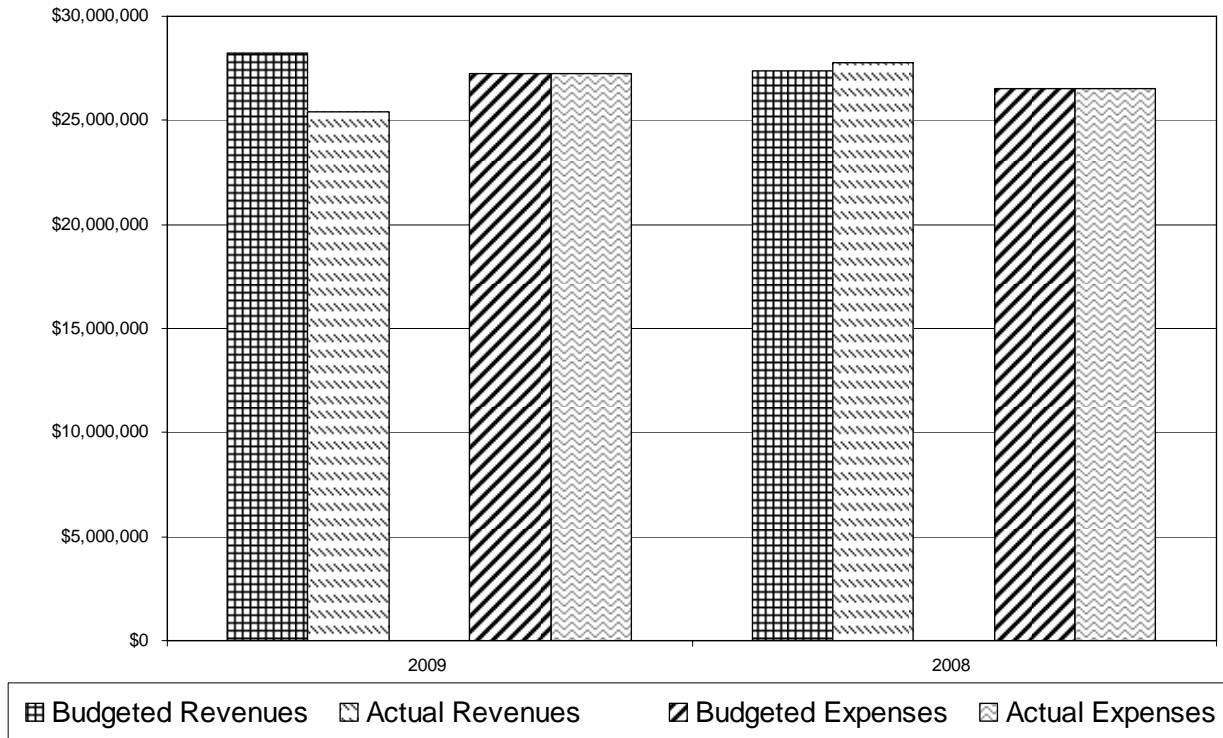
**General Fund  
Budget vs Actual**



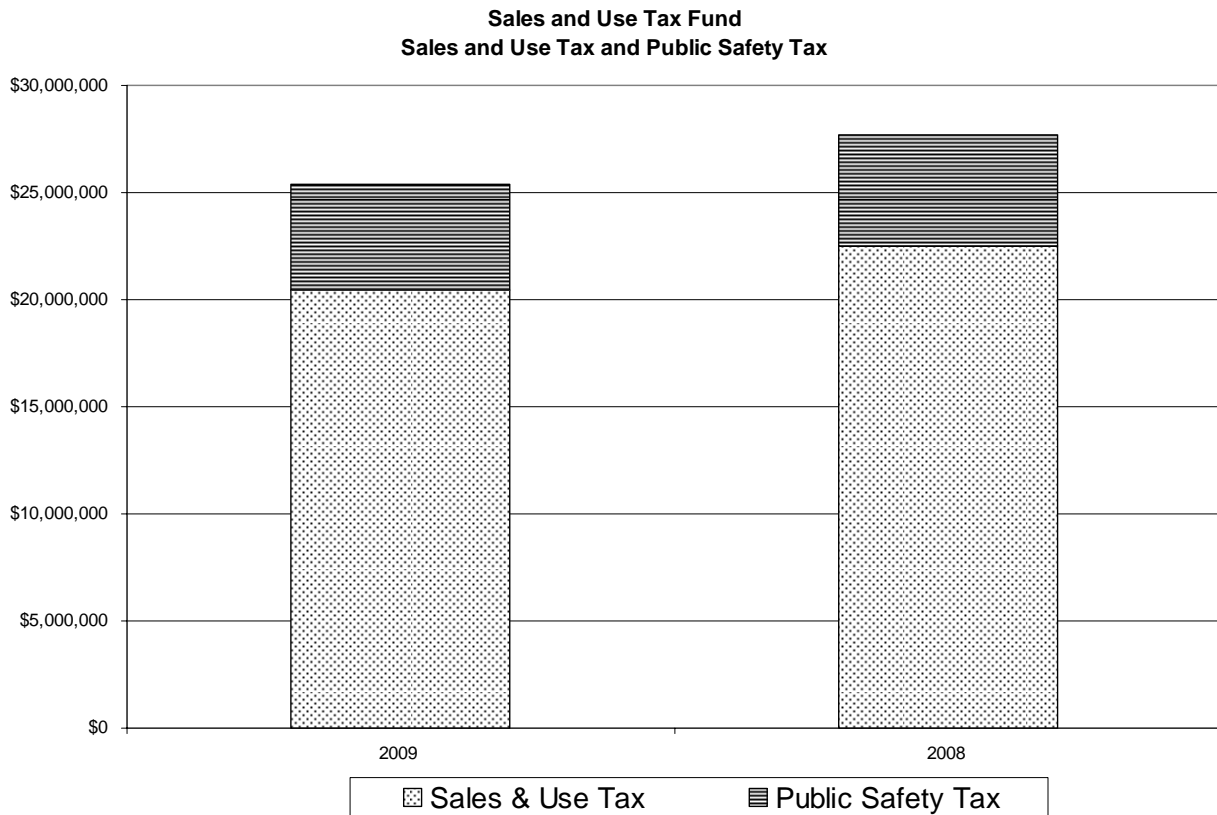
The Sales and Use Tax Fund revenues and carryover are less than expenditures by \$1,795,343.

- On a year-to-date cash basis, sales & use tax returns are down 6.0% from 2008.
- On a year-to-date basis, across the top 25 shopping centers, total sales & use tax receipts are up 3.0% from the prior year. This includes Urban Renewal Area money that is not available for General Fund use. Without Urban Renewal money, total sales and use tax receipts are down 1.9%.
- The top 50 sales taxpayers, who represent about 62% of all collections, were down 1.6% after adjusting for Urban Renewal Area money that is not available for General Fund use.
- The Westminster Mall is down 24.0% on a year-to-date basis.
- Building Use Tax is down 71.0% year-to-date from 2008.

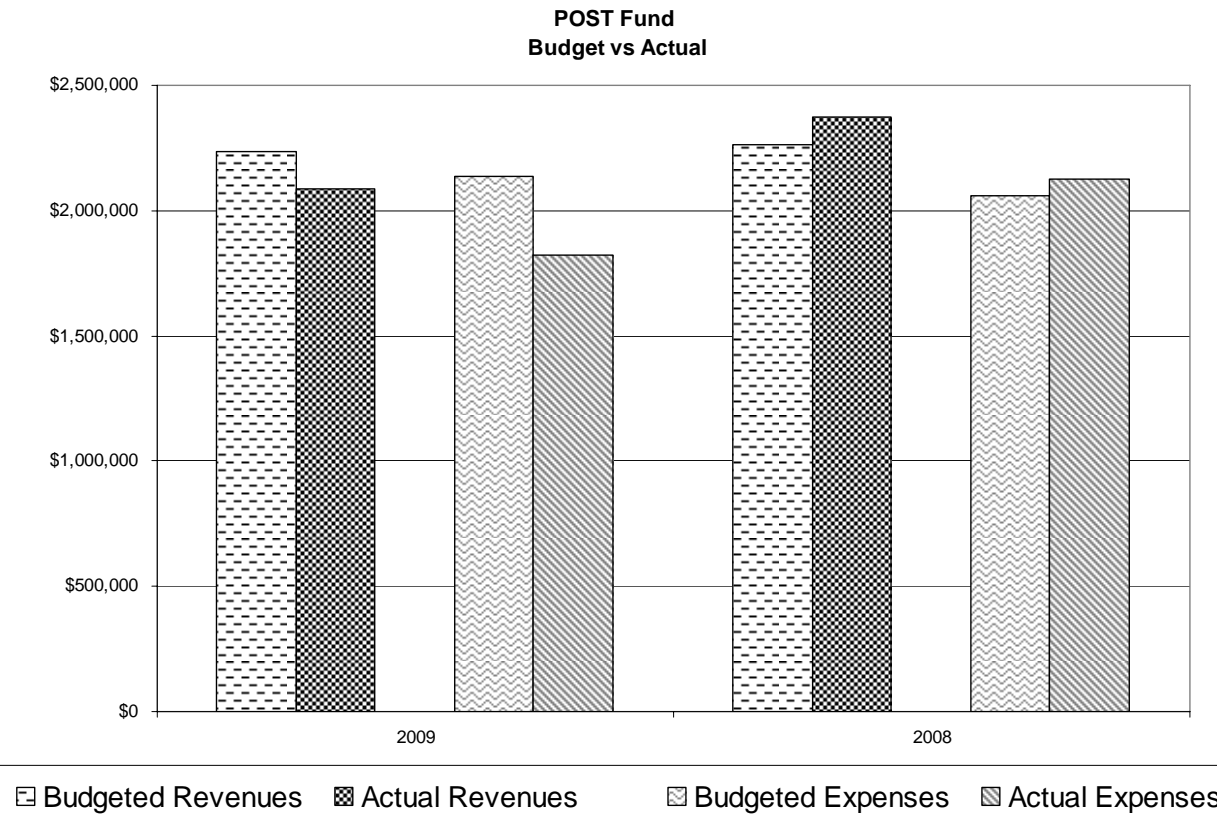
**Sales & Use Tax Fund  
Budget vs Actual**



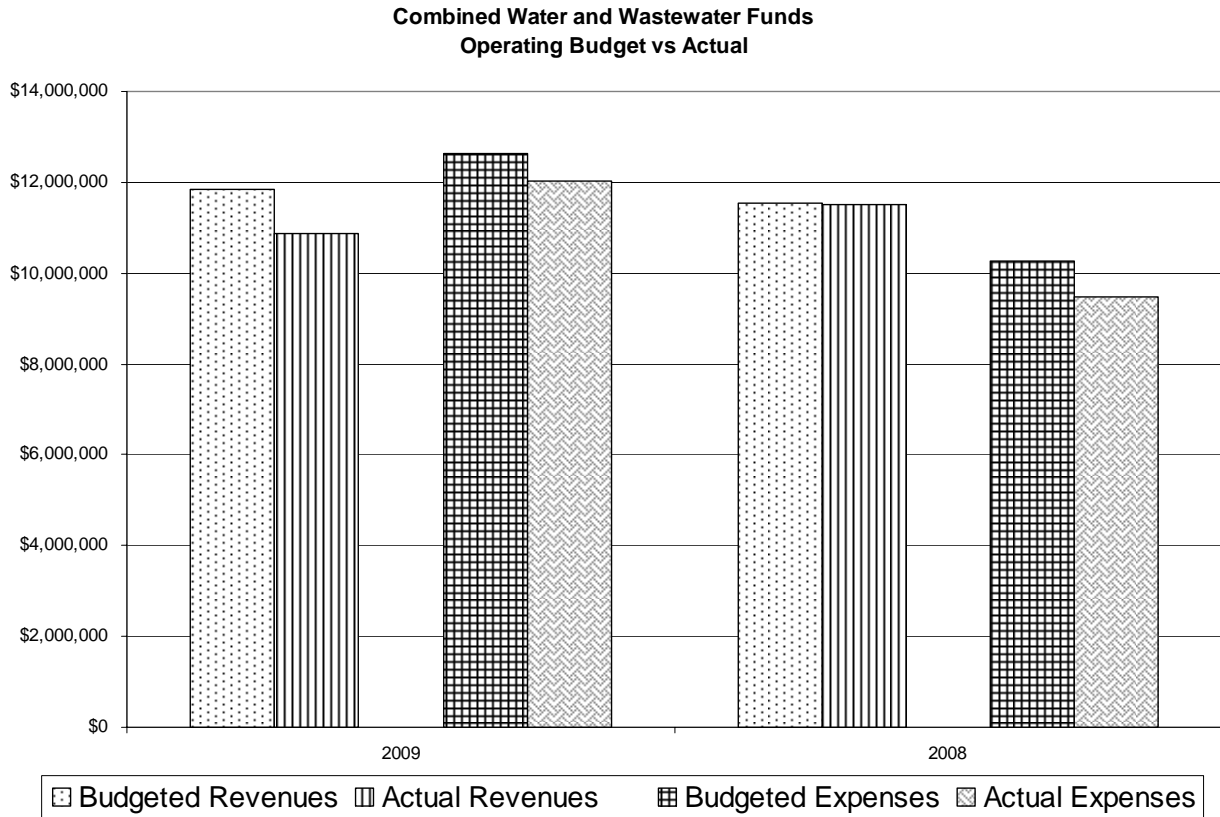
The graph below reflects the contribution of the Public Safety Tax to the overall Sales and Use Tax revenue.



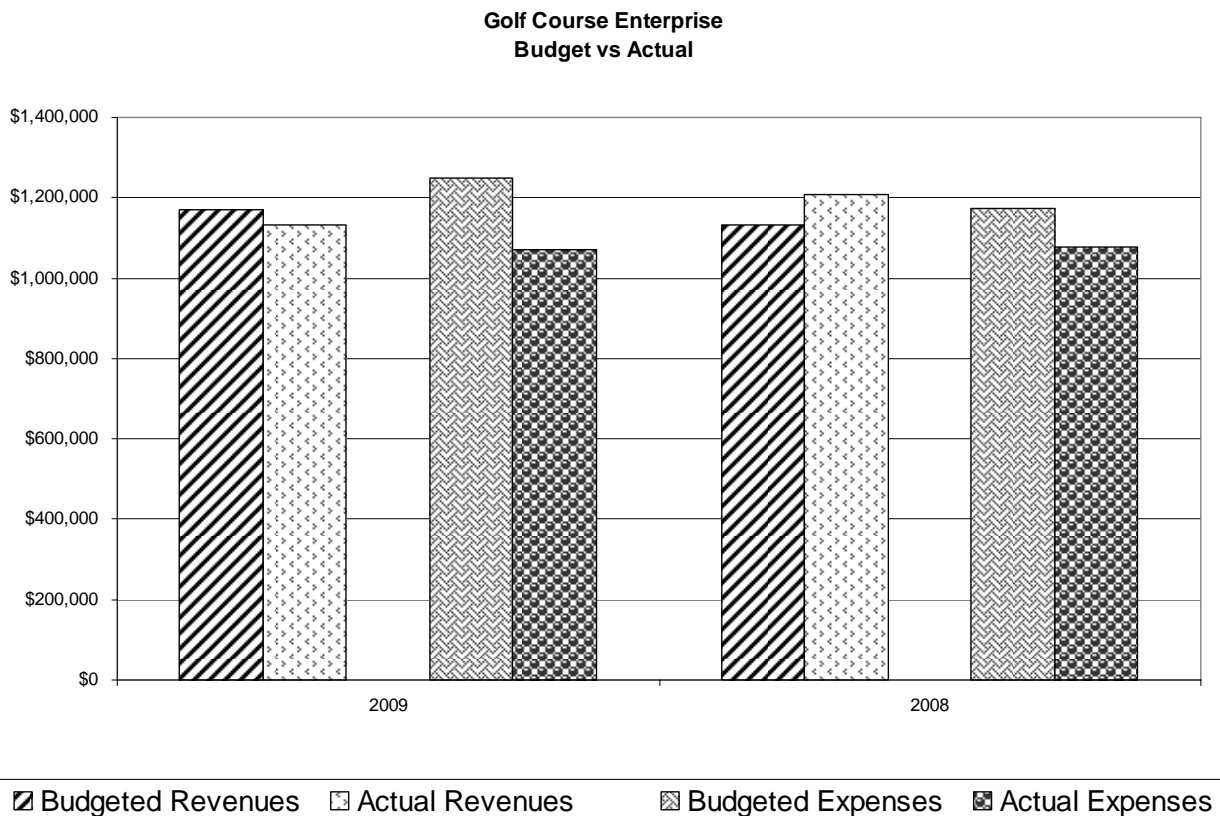
The Parks Open Space and Trails Fund revenues exceed expenditures by \$260,875.



The combined Water & Wastewater Fund revenues and carryover exceed expenses by \$8,153,081. \$23,883,469 is budgeted for capital projects and reserves.



The combined Golf Course Fund revenues exceed expenses by \$61,974.



**Policy Issue**

A monthly review of the City’s financial position is the standard City Council practice; the City Charter requires the City Manager to report to City Council on a quarterly basis.

**Alternative**

Conduct a quarterly review. This is not recommended, as the City’s budget and financial position are large and complex, warranting a monthly review by the City Council.

**Background Information**

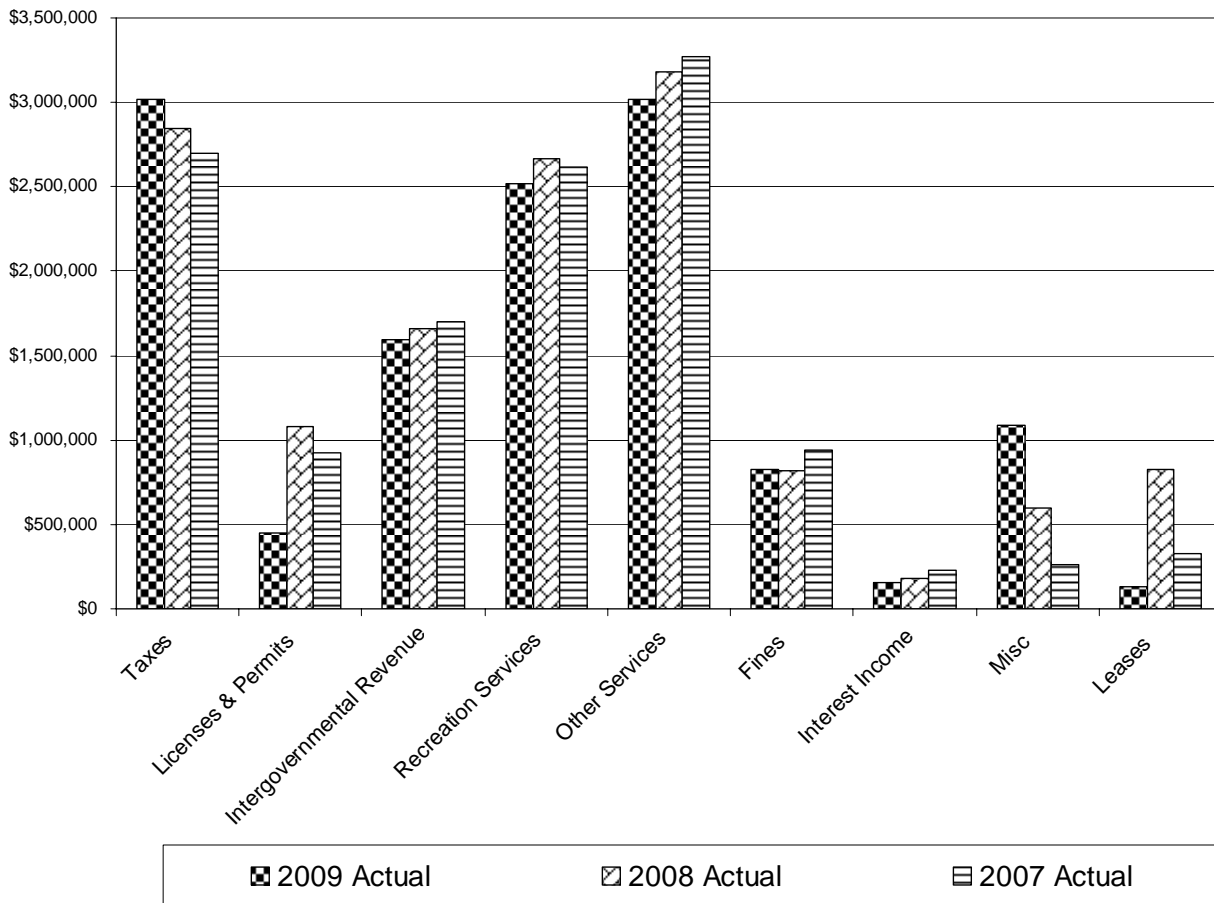
This section includes a discussion of highlights of each fund presented.

**General Fund**

This fund reflects the result of the City’s operating departments: Police, Fire, Public Works (Streets, etc.), Parks Recreation and Libraries, Community Development, and the internal service functions: City Manager, City Attorney, Finance, and General Services.

The following chart represents the trend in actual revenues from 2007 – 2009 year-to-date.

**General Fund Revenues without Transfers, Carryover, and Other Financing Sources  
2007 - 2009**



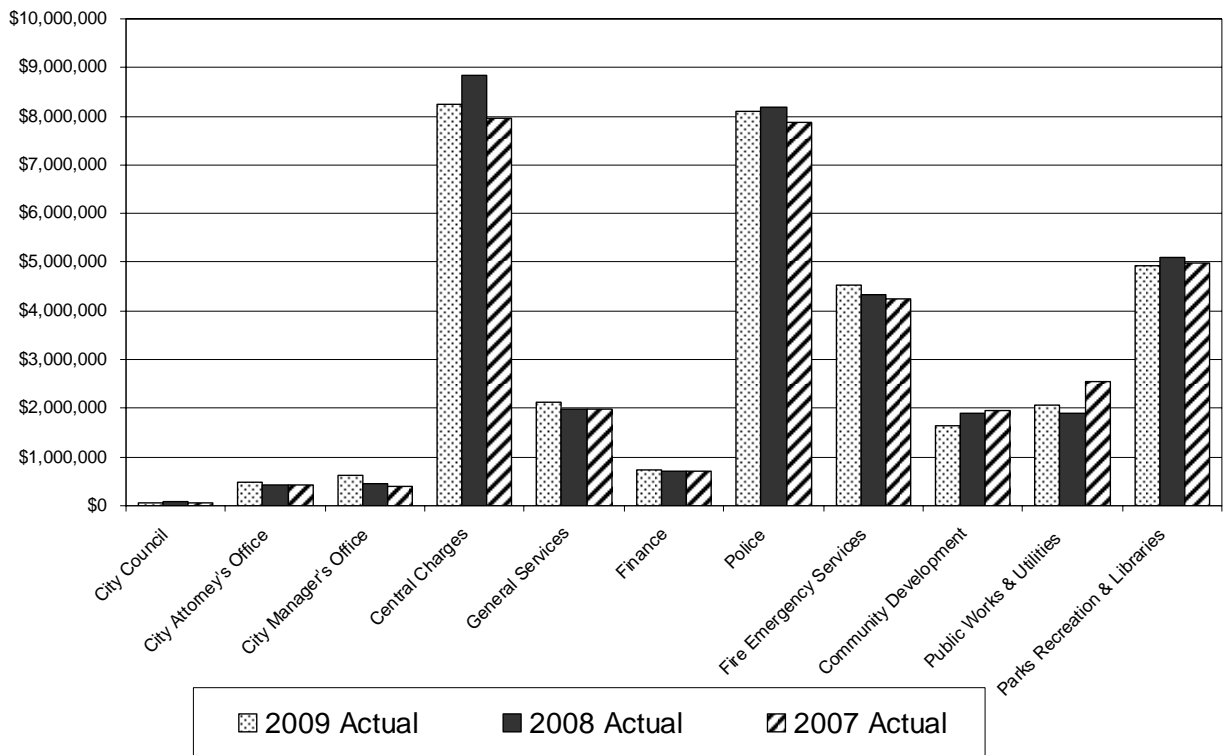


Significant variances in General Fund revenue categories are explained as follows:

- Increased Taxes reflect Accommodations Tax previously recorded in the General Capital Improvement Fund, now recorded in the General Fund.
- Decreased License and Permit revenue reflects commercial and residential building permit activity, primarily in Adams County.
- Decreased Recreation Services revenue is largely due to activity at the City Park Recreation Center.
- Decreased “Other Services” revenue reflects in large part passport, filing and recording, and XCEL franchise fees.
- Increased Miscellaneous revenue reflects reimbursements received from Thornton relating to the 144<sup>th</sup> Avenue bridge construction IGA.
- Decreased Lease revenue is due mostly to the Conference Center and Pavillion leases which were terminated in 2008.

The following chart identifies where the City is focusing its resources. The chart shows year-to-date spending for 2007 –2009.

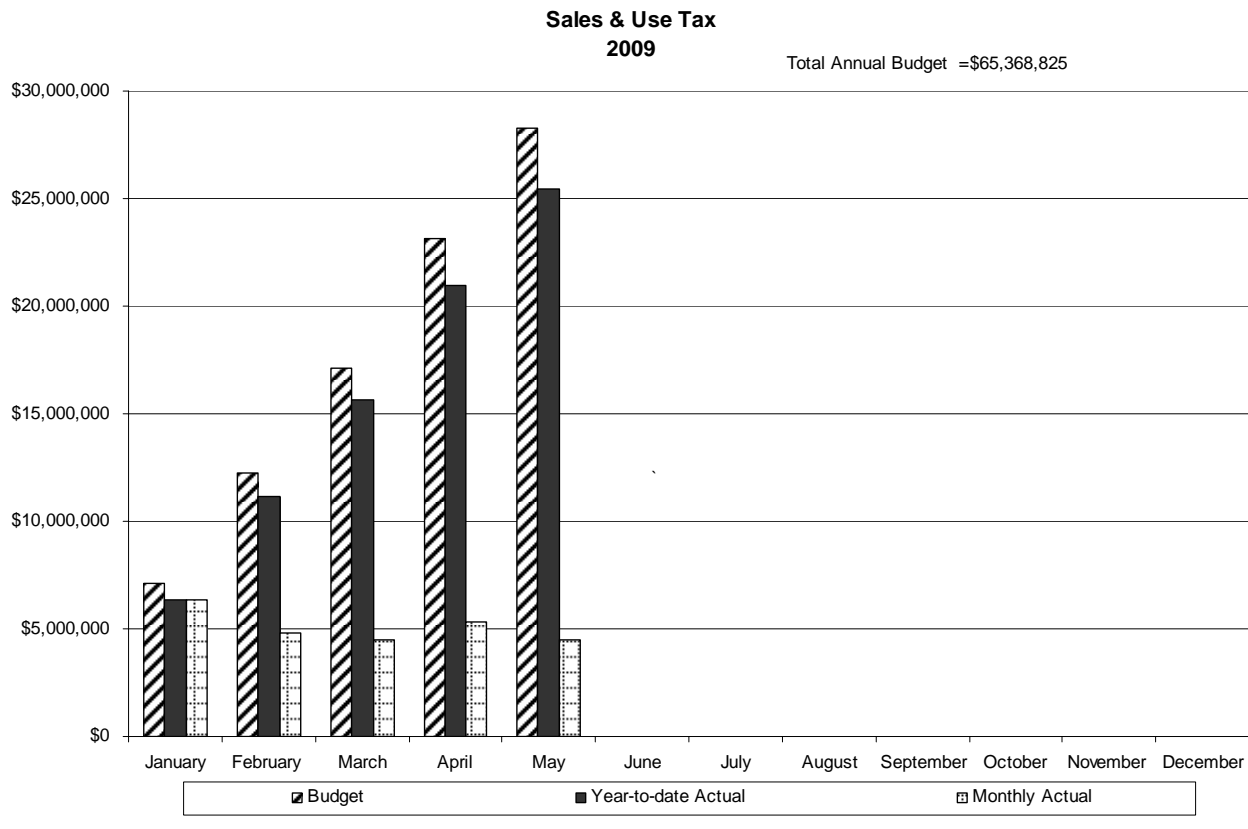
**Expenditures by Function, less Other Financing Uses  
2007- 2009**



**Sales and Use Tax Funds (Sales & Use Tax Fund and Parks Open Space and Trails Sales & Use Tax Fund)**

These funds are the repositories for the 3.85% City Sales & Use Tax for the City. The Sales & Use Tax Fund provides monies for the General Fund, the General Capital Improvement Fund, the Debt Service Fund and the Heritage Golf Course Fund. The Parks, Open Space, and Trails Sales & Use Tax Fund revenues are pledged to meet debt service on the POST bonds, buy open space land, and make park improvements on a pay-as-you-go basis. The Public Safety Tax (PST) is a 0.6% sales and use tax to be used to fund public safety-related expenses.

This chart indicates how the City's Sales and Use Tax revenues are being collected on a monthly basis. This chart does not include Open Space Sales & Use Tax.

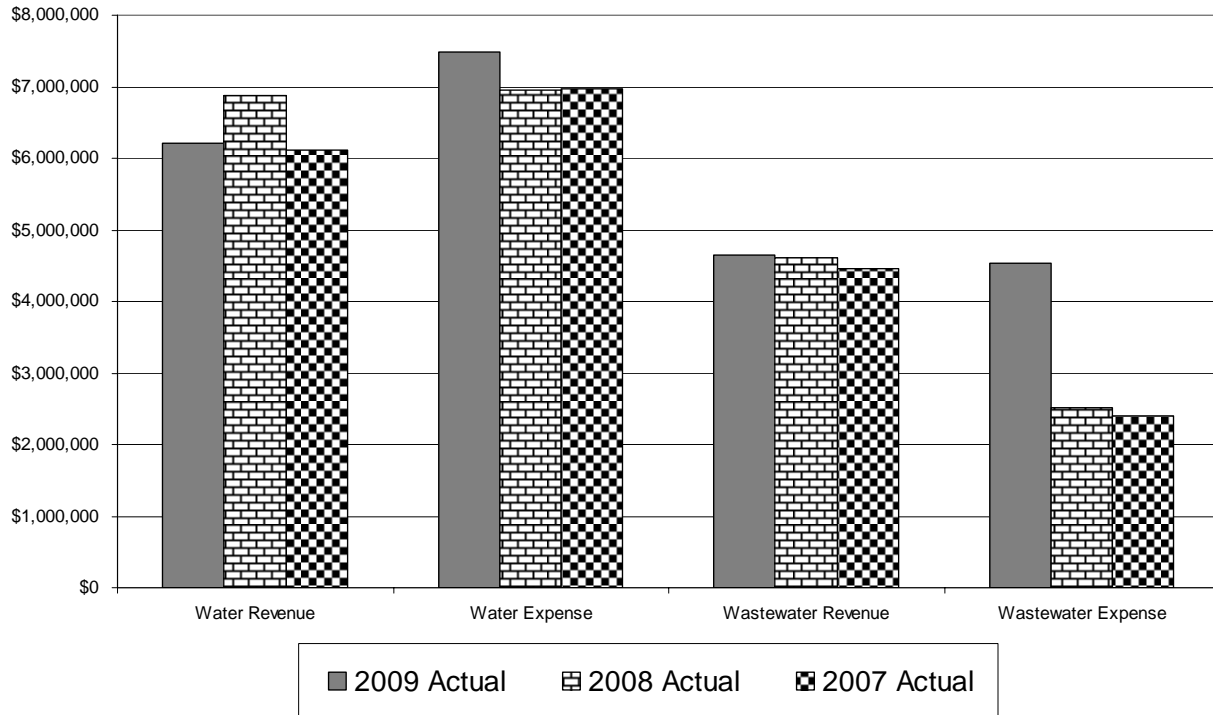


**Water, Wastewater and Storm Water Drainage Funds (The Utility Enterprise)**

This fund reflects the operating results of the City’s water, wastewater and storm water systems. It is important to note that net operating revenues are used to fund capital projects and reserves.

These graphs represent the segment information for the Water and Wastewater funds.

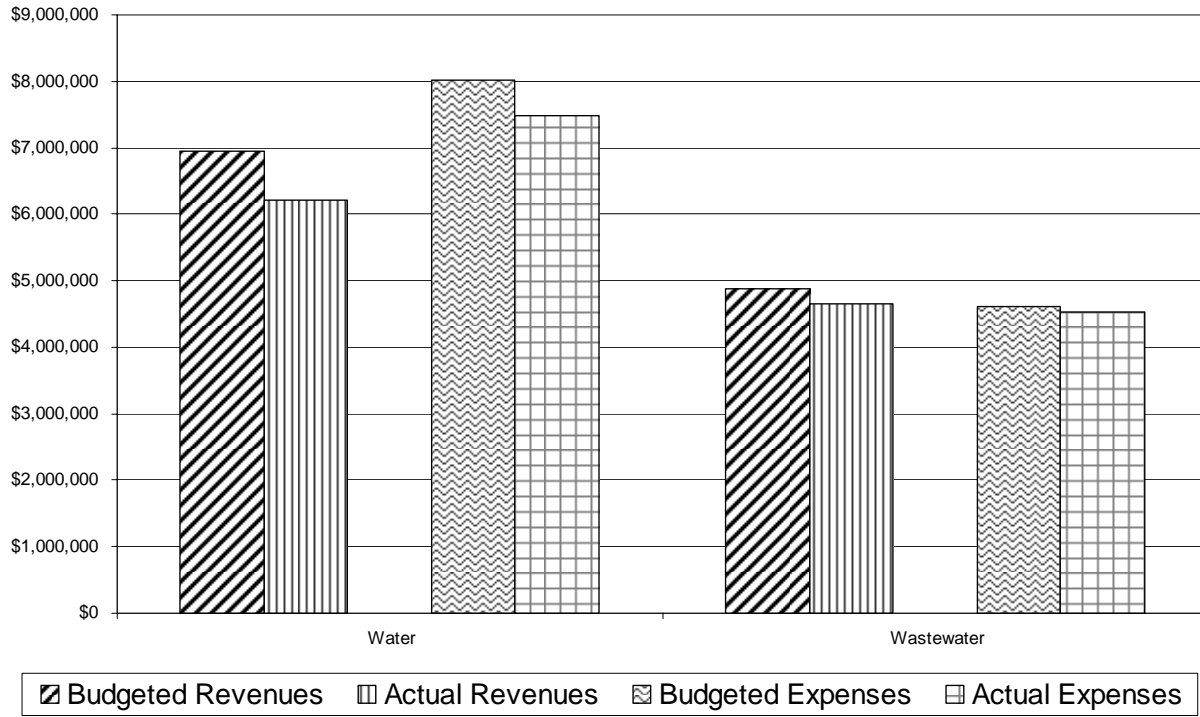
**Water and Wastewater Funds  
Operating Revenue and Expenses 2007-2009**



Fluctuation in Water revenue between years reflects the effect of weather variations on demand. The Water expenditure increase in 2009 is the effect of costs related to employee benefits, energy payments, contract services charges and Zebra Mussel control efforts.

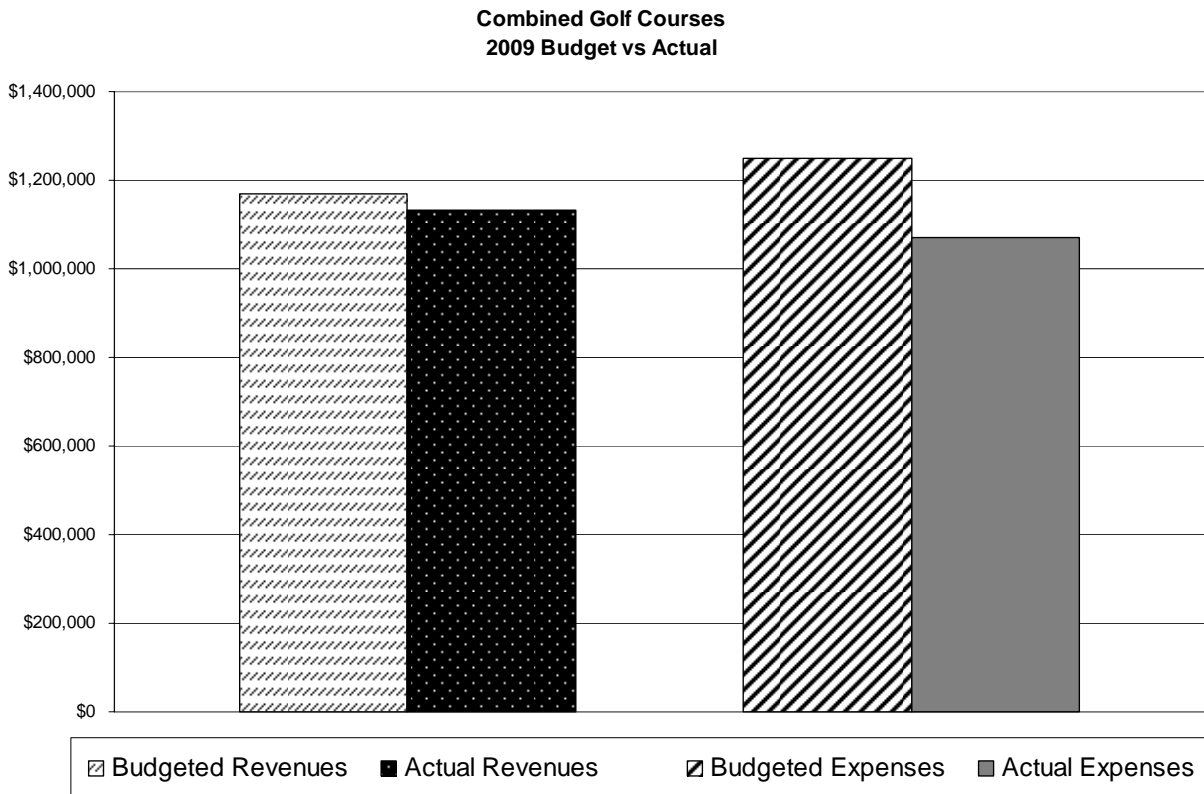
Expenses in the Wastewater Fund reflect a \$1.9M payment to Metro Wastewater Reclamation District to bring wastewater treatment in-house as approved by Council in March.

**Water and Wastewater Funds  
2009 Operating Budget vs Actual**

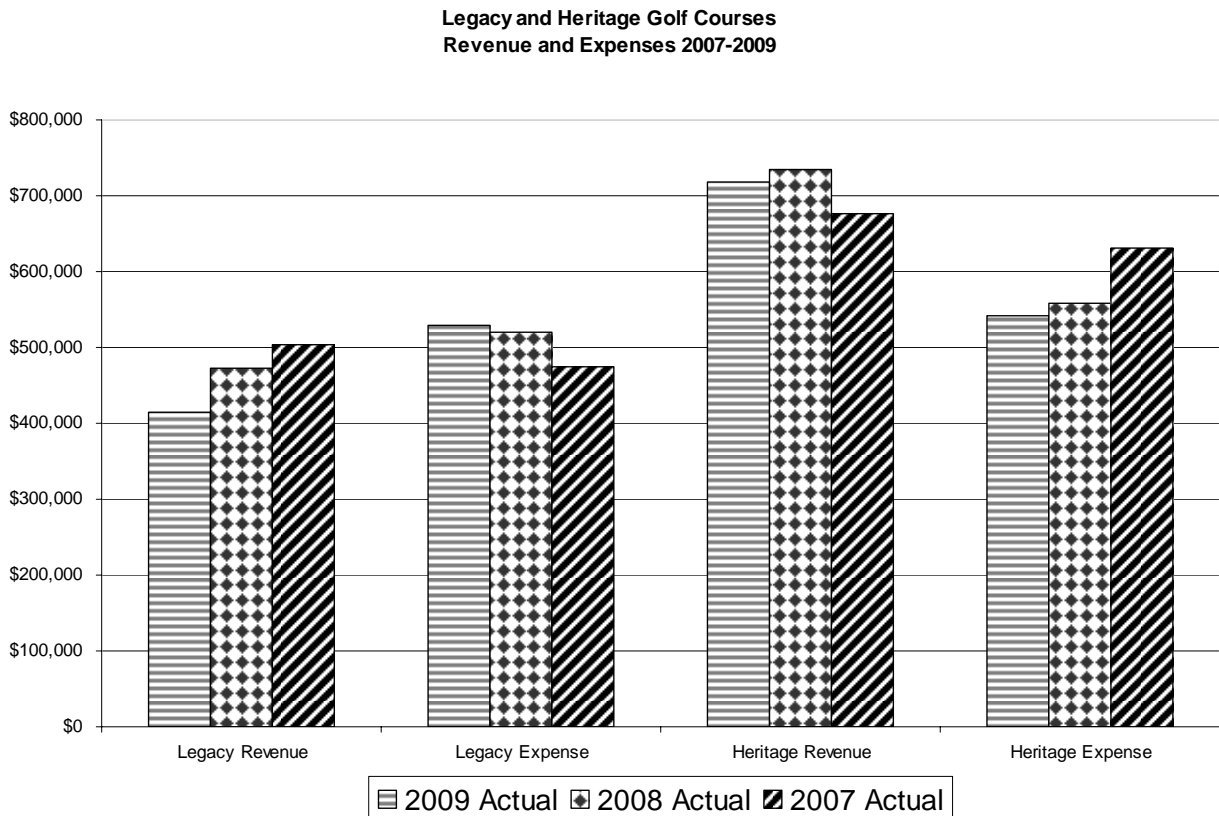


**Golf Course Enterprise (Legacy and Heritage Golf Courses)**

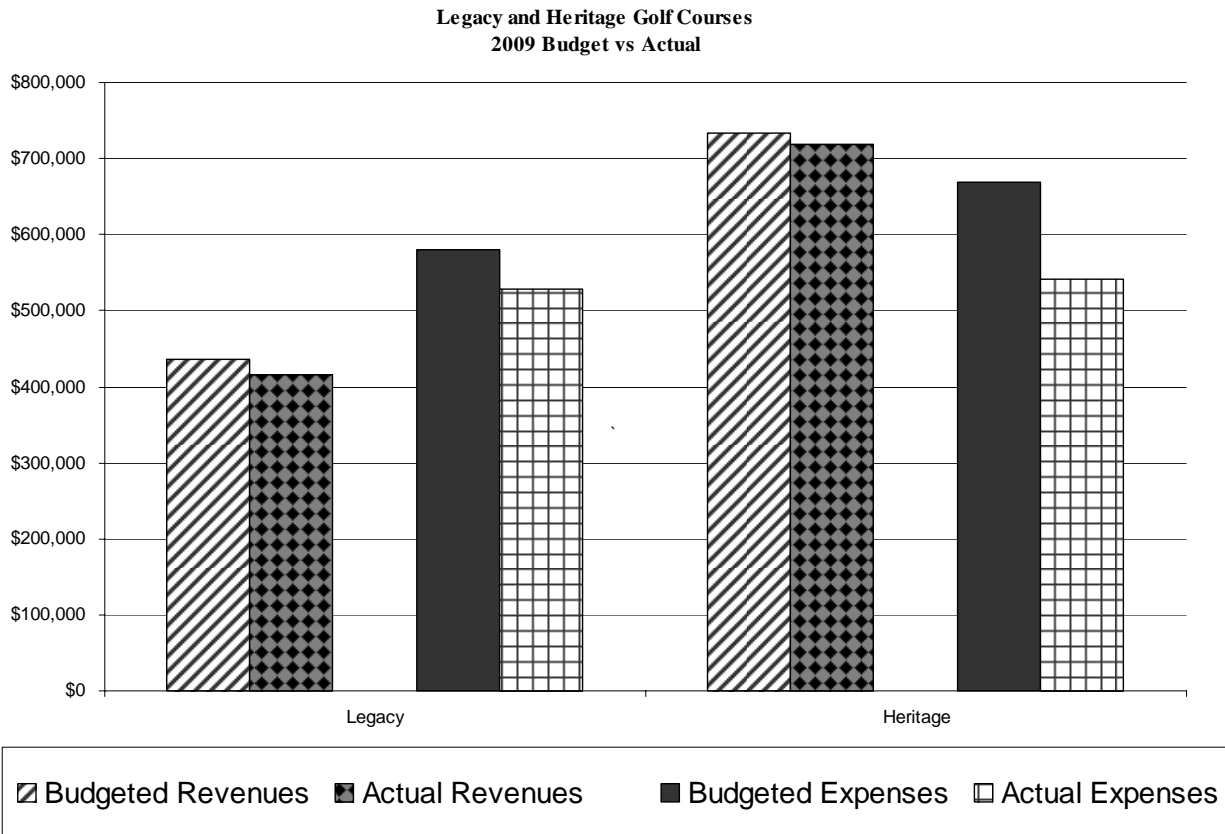
This enterprise reflects the operations of the City's two municipal golf courses.



The following graphs represent the information for each of the golf courses.



Allocation of \$80,130 in carryover from Legacy to Heritage and a transfer that Heritage receives to help pay outstanding bonds impacts this revenue representation. Elimination of these items would indicate a decrease in operating revenues from 2008 of \$26,657 at Legacy and \$47,031 at Heritage.



Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachments

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description General Fund	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Revenues and Carryover</b>						
Taxes	6,089,541	3,278,166		3,019,890	-258,276	92.1%
Licenses & Permits	1,597,600	665,130		450,556	-214,574	67.7%
Intergovernmental Revenue	5,034,622	1,729,128		1,594,269	-134,859	92.2%
Charges for Services						
Recreation Services	5,910,792	2,669,823		2,515,088	-154,735	94.2%
Other Services	9,231,219	3,498,371		3,014,988	-483,383	86.2%
Fines	2,211,050	913,056		827,093	-85,963	90.6%
Interest Income	515,000	181,670		151,342	-30,328	83.3%
Misc	1,641,905	452,181		1,091,493	639,312	241.4%
Leases	295,925	123,302		128,870	5,568	104.5%
Interfund Transfers	62,305,840	25,960,767	(1)	25,972,182	11,415	100.0%
Other Financing Sources	550,000	550,000		550,000	0	100.0%
Sub-total Revenues	<u>95,383,494</u>	<u>40,021,594</u>		<u>39,315,771</u>	<u>-705,823</u>	<u>98.2%</u>
Carryover	1,300,524	1,300,524		1,300,524	0	100.0%
Revenues and Carryover	<u>96,684,018</u>	<u>41,322,118</u>		<u>40,616,295</u>	<u>-705,823</u>	<u>98.3%</u>
<b>Expenditures</b>						
City Council	213,244	82,127		68,499	-13,628	83.4%
City Attorney's Office	1,174,235	493,907		467,696	-26,211	94.7%
City Manager's Office	1,625,634	672,219		609,380	-62,839	90.7%
Central Charges	24,388,381	8,321,737		8,250,684	-71,053	99.1%
General Services	5,892,442	2,403,673		2,121,432	-282,241	88.3%
Finance	1,984,987	829,696		740,036	-89,660	89.2%
Police	21,263,639	8,906,443		8,107,780	-798,663	91.0%
Fire Emergency Services	11,910,586	4,957,957		4,535,374	-422,583	91.5%
Community Development	4,353,877	1,830,441		1,652,866	-177,575	90.3%
Public Works & Utilities	7,650,782	2,332,706		2,054,825	-277,881	88.1%
Parks, Recreation & Libraries	16,226,211	6,358,081		4,937,645	-1,420,436	77.7%
Total Expenditures	<u>96,684,018</u>	<u>37,188,987</u>		<u>33,546,217</u>	<u>-3,642,770</u>	<u>90.2%</u>
Revenues and Carryover Over(Under) Expenditures	<u>0</u>	<u>4,133,131</u>		<u>7,070,078</u>	<u>2,936,947</u>	

(1) The Interfund Transfers variance reflects an unbudgeted payment from the 144th Avenue GID

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Sales and Use Tax Fund</b>						
<b>Revenues and Carryover</b>						
Sales Tax						
Sales Tax Returns	42,096,853	18,693,028		17,079,381	-1,613,647	91.4%
Sales Tx Audit Revenues	697,800	356,436		183,445	-172,991	51.5%
S-T Rev. STX	<u>42,794,653</u>	<u>19,049,464</u>		<u>17,262,826</u>	<u>-1,786,638</u>	<u>90.6%</u>
Use Tax						
Use Tax Returns	9,037,161	3,428,614		2,407,294	-1,021,320	70.2%
Use Tax Audit Revenues	777,018	372,969		803,496	430,527	215.4%
S-T Rev. UTX	<u>9,814,179</u>	<u>3,801,583</u>		<u>3,210,790</u>	<u>-590,793</u>	<u>84.5%</u>
Total STX and UTX	<u><u>52,608,832</u></u>	<u><u>22,851,047</u></u>		<u><u>20,473,616</u></u>	<u><u>-2,377,431</u></u>	<u><u>89.6%</u></u>
Public Safety Tax						
PST Tax Returns	12,401,153	5,259,122		4,717,898	-541,224	89.7%
PST Audit Revenues	128,840	48,977		197,314	148,337	402.9%
Total Rev. PST	<u>12,529,993</u>	<u>5,308,098</u>		<u>4,915,212</u>	<u>-392,887</u>	<u>92.6%</u>
Total Interest Income	230,000	95,833		52,839	-42,994	55.1%
Carryover	0	0		0	0	N/A
Total Revenues and Carryover	<u>65,368,825</u>	<u>28,254,979</u>		<u>25,441,667</u>	<u>-2,813,312</u>	<u>90.0%</u>
<b>Expenditures</b>						
Central Charges	<u>65,368,825</u>	<u>27,237,010</u>		<u>27,237,010</u>	<u>0</u>	<u>100.0%</u>
Revenues and Carryover Over(Under) Expenditures	<u>0</u>	<u>1,017,969</u>		<u>-1,795,343</u>	<u>-2,813,312</u>	



**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description POST Fund	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Revenues and Carryover</b>						
Sales & Use Tax	5,228,386	2,206,048		2,047,435	-158,613	92.8%
Interest Income	31,000	12,917		28,749	15,832	222.6%
Miscellaneous	88,832	19,416		8,934	-10,482	46.0%
Interfund Transfers	180,000	0		0	0	N/A
Sub-total Revenues	<u>5,528,218</u>	<u>2,238,380</u>		<u>2,085,118</u>	<u>-153,263</u>	<u>93.2%</u>
Carryover	0	0		0	0	N/A
Total Revenues and Carryover	<u><u>5,528,218</u></u>	<u><u>2,238,380</u></u>		<u><u>2,085,118</u></u>	<u><u>-153,263</u></u>	<u><u>93.2%</u></u>
<b>Expenditures</b>						
Central Charges	5,187,989	1,996,917		1,731,500	-265,417	86.7%
Park Services	340,229	142,272		92,743	-49,529	65.2%
	<u>5,528,218</u>	<u>2,139,188</u>		<u>1,824,243</u>	<u>-314,946</u>	<u>85.3%</u>
Over(Under) Expenditures	<u><u>0</u></u>	<u><u>99,192</u></u>		<u><u>260,875</u></u>	<u><u>161,683</u></u>	

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Water and Wastewater Fund-Combined</b>						
<b>Operating Revenues</b>						
License & Permits	75,000	31,250		37,680	6,430	120.6%
Rates and Charges	38,674,370	11,620,849		10,719,691	(901,158)	92.2%
Miscellaneous	435,000	181,250		103,113	(78,137)	56.9%
Total Operating Revenues	<u>39,184,370</u>	<u>11,833,349</u>		<u>10,860,484</u>	<u>(972,865)</u>	<u>91.8%</u>
<b>Operating Expenses</b>						
Central Charges	5,830,390	2,429,329		2,430,989	1,660	100.1%
Finance	671,815	258,649		259,827	1,178	100.5%
Public Works & Utilities	22,399,301	8,739,812		8,277,715	(462,097)	94.7%
Parks, Recreation & Libraries	157,226	65,511		30,164	(35,347)	46.0%
Information Technology	2,808,228	1,142,949		1,018,036	(124,913)	89.1%
Total Operating Expenses	<u>31,866,960</u>	<u>12,636,250</u>		<u>12,016,731</u>	<u>(619,519)</u>	<u>95.1%</u>
Operating Income (Loss)	<u>7,317,410</u>	<u>(802,901)</u>		<u>(1,156,247)</u>	<u>(353,346)</u>	
<b>Other Revenue and Expenses</b>						
Tap Fees	7,020,000	3,104,144		984,970	(2,119,174)	31.7%
Interest Income	1,600,000	666,667		515,740	(150,927)	77.4%
Interfund Transfers	14,394,824	7,953,964		7,953,964	0	100.0%
Carryover	(145,346)	(145,346)		(145,346)	0	100.0%
Debt Service	(6,303,419)	0		0	0	N/A
Total Other Revenue (Expenses)	<u>16,566,059</u>	<u>11,579,429</u>		<u>9,309,328</u>	<u>(2,270,101)</u>	<u>80.4%</u>
Increase (Decrease) in Net Assets	<u>23,883,469</u>	<u>10,776,528</u>	(1)	<u>8,153,081</u>	<u>(2,623,447)</u>	

(1) Increase in Net Assets available for Capital Projects and Reserves

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Water Fund</b>						
<b>Operating Revenues</b>						
License & Permits	75,000	31,250		37,680	6,430	120.6%
Rates and Charges	26,956,370	6,744,919		6,068,514	(676,405)	90.0%
Miscellaneous	425,000	177,083		101,113	(75,970)	57.1%
Total Operating Revenues	<u>27,456,370</u>	<u>6,953,252</u>		<u>6,207,307</u>	<u>(745,945)</u>	<u>89.3%</u>
<b>Operating Expenses</b>						
Central Charges	4,092,873	1,705,364		1,715,360	9,996	100.6%
Finance	671,815	258,649		259,827	1,178	100.5%
Public Works & Utilities	13,817,464	4,847,444		4,467,199	(380,245)	92.2%
Parks, Recreation & Libraries	157,226	65,511		30,164	(35,347)	46.0%
Information Technology	2,808,228	1,142,949		1,018,036	(124,913)	89.1%
Total Operating Expenses	<u>21,547,606</u>	<u>8,019,917</u>		<u>7,490,586</u>	<u>(529,331)</u>	<u>93.4%</u>
Operating Income (Loss)	<u>5,908,764</u>	<u>(1,066,665)</u>		<u>(1,283,279)</u>	<u>(216,614)</u>	
<b>Other Revenue and Expenses</b>						
Tap Fees	5,739,000	2,527,014		781,856	(1,745,158)	30.9%
Interest Income	900,000	375,000		385,629	10,629	102.8%
Interfund Transfers	10,859,076	5,334,865		5,334,865	0	100.0%
Carryover	(145,346)	(145,346)		(145,346)	0	100.0%
Debt Service	(4,798,025)	0		0	0	N/A
Total Other Revenues (Expenses)	<u>12,554,705</u>	<u>8,091,533</u>		<u>6,357,004</u>	<u>(1,734,529)</u>	<u>78.6%</u>
Increase (Decrease) in Net Assets	<u>18,463,469</u>	<u>7,024,868</u>	(1)	<u>5,073,725</u>	<u>(1,951,143)</u>	

(1) Increase in Net Assets available for Capital Projects and Reserves

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Wastewater Fund</b>						
<b>Operating Revenues</b>						
Rates and Charges	11,718,000	4,875,930		4,651,177	(224,753)	95.4%
Miscellaneous	10,000	4,167		2,000	(2,167)	48.0%
Total Operating Revenues	<u>11,728,000</u>	<u>4,880,097</u>		<u>4,653,177</u>	<u>(226,920)</u>	<u>95.4%</u>
<b>Operating Expenses</b>						
Central Charges	1,737,517	723,965		715,629	(8,336)	98.8%
Public Works & Utilities	8,581,837	3,892,368		3,810,516	(81,852)	97.9%
Total Operating Expenses	<u>10,319,354</u>	<u>4,616,333</u>		<u>4,526,145</u>	<u>(90,188)</u>	<u>98.0%</u>
Operating Income (Loss)	<u>1,408,646</u>	<u>263,764</u>		<u>127,032</u>	<u>(136,732)</u>	
<b>Other Revenue and Expenses</b>						
Tap Fees	1,281,000	577,130		203,114	(374,016)	35.2%
Interest Income	700,000	291,667		130,111	(161,556)	44.6%
Interfund Transfers	3,535,748	2,619,099		2,619,099	0	100.0%
Debt Service	(1,505,394)	0		0	0	N/A
Total Other Revenues (Expenses)	<u>4,011,354</u>	<u>3,487,896</u>		<u>2,952,324</u>	<u>(535,572)</u>	<u>84.6%</u>
Increase (Decrease) in Net Assets	<u>5,420,000</u>	<u>3,751,660</u>	(1)	<u>3,079,356</u>	<u>(672,304)</u>	

(1) Increase in Net Assets available for Capital Projects and Reserves

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Storm Drainage Fund</b>						
<b>Revenues and Carryover</b>						
Charges for Services	1,900,000	791,667		831,923	40,256	105.1%
Interest Income	0	0		32,617	32,617	N/A
Miscellaneous	0	0		918	918	N/A
Sub-total Storm Drainage Revenues	<u>1,900,000</u>	<u>791,667</u>		<u>865,458</u>	<u>73,791</u>	<u>109.3%</u>
Carryover	0	0		0	0	N/A
Total Revenues and Carryover	<u>1,900,000</u>	<u>791,667</u>		<u>865,458</u>	<u>73,791</u>	<u>109.3%</u>
<b>Expenses</b>						
General Services	92,000	20,700		17,703	(2,997)	85.5%
Community Development	140,000	59,640		35,314	(24,326)	59.2%
Park Services	200,000	83,333		28,780	(54,553)	34.5%
Public Works & Utilities	396,000	144,540		156,381	11,841	108.2%
Total Expenses	<u>828,000</u>	<u>308,213</u>		<u>238,178</u>	<u>(70,035)</u>	<u>77.3%</u>
Increase (Decrease) in Net Assets	<u>1,072,000</u>	<u>483,454</u>	(1)	<u>627,280</u>	<u>143,826</u>	

(1) Increase in Net Assets available for Capital Projects and Reserves

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Golf Courses Combined</b>						
<b>Revenues</b>						
Carryover	0	0		0	0	N/A
Charges for Services	3,336,142	975,252		929,051	(46,201)	95.3%
Interest Income	0	0		9,198	9,198	N/A
Interfund Transfers	467,272	194,697		194,697	0	100.0%
<b>Total Revenues</b>	<b>3,803,414</b>	<b>1,169,949</b>		<b>1,132,946</b>	<b>(37,003)</b>	<b>96.8%</b>
<b>Expenses</b>						
Central Charges	197,920	80,156		84,929	4,773	106.0%
Recreation Facilities	3,105,929	1,167,951		986,043	(181,908)	84.4%
<b>Total Expenses</b>	<b>3,303,849</b>	<b>1,248,107</b>		<b>1,070,972</b>	<b>(177,135)</b>	<b>85.8%</b>
Operating Income (Loss)	499,565	(78,158)		61,974	140,132	
Debt Service Expense	499,565	0		0	0	N/A
<b>Increase (Decrease) in Net Assets</b>	<b>0</b>	<b>(78,158)</b>		<b>61,974</b>	<b>140,132</b>	

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Pro rated Budget	% Budget
<b>Legacy Ridge Fund</b>						
<b>Revenues</b>						
Carryover	(192,312)	(80,130)		(80,130)	0	100.0%
Charges for Services	1,782,013	516,784		486,036	(30,748)	94.1%
Interest Income	0	0		9,198	9,198	N/A
Total Revenues	<u>1,589,701</u>	<u>436,654</u>		<u>415,104</u>	<u>(21,550)</u>	<u>95.1%</u>
<b>Expenses</b>						
Central Charges	98,780	40,302		45,334	5,032	112.5%
Recreation Facilities	1,490,921	539,713		483,935	(55,778)	89.7%
Total Expenses	<u>1,589,701</u>	<u>580,015</u>		<u>529,269</u>	<u>(50,746)</u>	<u>91.3%</u>
Increase (Decrease) in Net Assets	<u>0</u>	<u>(143,361)</u>		<u>(114,165)</u>	<u>29,196</u>	

**City of Westminster  
Financial Report  
For Five Months Ending May 31, 2009**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
<b>Heritage at Westmoor Fund</b>						
<b>Revenues</b>						
Carryover	192,312	80,130		80,130	0	100.0%
Charges for Services	1,554,129	458,468		443,015	(15,453)	96.6%
Interfund Transfers	467,272	194,697		194,697	0	100.0%
Total Revenues	<u>2,213,713</u>	<u>733,295</u>		<u>717,842</u>	<u>(15,453)</u>	<u>97.9%</u>
<b>Expenses</b>						
Central Charges	99,140	39,854		39,595	(259)	99.4%
Recreation Facilities	1,615,008	628,238		502,108	(126,130)	79.9%
Sub-Total Expenses	<u>1,714,148</u>	<u>668,092</u>		<u>541,703</u>	<u>(126,389)</u>	<u>81.1%</u>
Operating Income	499,565	65,203		176,139	110,936	
Debt Service Expense	<u>499,565</u>	<u>0</u>		<u>0</u>	<u>0</u>	N/A
Increase (Decrease) in Net Assets	<u>0</u>	<u>65,203</u>		<u>176,139</u>	<u>110,936</u>	



CITY OF WESTMINSTER  
 GENERAL RECEIPTS BY CENTER  
 MONTH and YEAR-TO-DATE MAY 2009

Center Location Major Tenant	/----- Current Month -----/			/----- Last Year -----/			/--- %Change ---/		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	300,808	6,252	307,060	366,538	2,090	368,628	-18	199	-17
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	259,227	15,469	274,697	225,112	83,840	308,952	15	-82	-11
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	213,539	687	214,226	194,573	27,958	222,531	10	-98	-4
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	182,484	3,109	185,593	174,079	352	174,432	5	782	6
SHOPS AT WALNUT CREEK 104TH & REED TARGET	179,576	2,890	182,466	193,053	1,352	194,404	-7	114	-6
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	173,388	1,820	175,208	197,810	896	198,705	-12	103	-12
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	165,978	0	165,978	222	330	552	74544	*****	29949
WESTMINSTER MALL 88TH & SHERIDAN 3 DEPARTMENT STORES	158,571	757	159,327	231,827	1,352	233,179	-32	-44	-32
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	153,974	793	154,768	192,458	5,513	197,971	-20	-86	-22
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	141,709	999	142,707	108,595	7,098	115,692	30	-86	23
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	113,068	10,099	123,167	113,611	9,385	122,996	0	8	0
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	98,171	97	98,268	99,123	124	99,248	-1	-22	-1
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	74,359	327	74,686	87,203	1,410	88,613	-15	-77	-16
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	68,592	992	69,585	77,892	118	78,010	-12	740	-11
NORTHVIEW 92ND AVE YATES TO SHERIDAN SALTGRASS	20,780	45,809	66,588	24,388	177	24,565	-15	25789	171

CITY OF WESTMINSTER  
 GENERAL RECEIPTS BY CENTER  
 MONTH and YEAR-TO-DATE MAY 2009

Center Location Major Tenant	Current Month			Last Year			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	64,945	144	65,089	65,719	2,895	68,614	-1	-95	-5
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	55,184	218	55,402	55,981	161	56,143	-1	35	-1
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	28,885	24,750	53,635	0	0	0	*****	*****	*****
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	47,950	309	48,259	52,856	4,995	57,851	-9	-94	-17
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	42,991	105	43,097	50,946	207	51,153	-16	-49	-16
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	42,443	110	42,553	44,638	4,085	48,723	-5	-97	-13
WILLOW RUN 128TH & ZUNI SAFEWAY	41,769	219	41,988	42,054	1,232	43,286	-1	-82	-3
LUCENT/KAISER CORRIDOR 112-120 HURON - FEDERAL LUCENT TECHNOLOGY	5,724	25,024	30,749	7,554	28,047	35,601	-24	-11	-14
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	21,600	209	21,809	27,166	147	27,312	-20	42	-20
MISSION COMMONS W SIDE WADSWORTH 88-90TH BIG 5 SPORTS	21,036	7	21,043	19,344	43	19,387	9	-85	9
	<u>2,676,752</u>	<u>141,195</u>	<u>2,817,947</u>	<u>2,652,743</u>	<u>183,806</u>	<u>2,836,549</u>	<u>1</u>	<u>-23</u>	<u>-1</u>

CITY OF WESTMINSTER  
 GENERAL RECEIPTS BY CENTER  
 MONTH and YEAR-TO-DATE MAY 2009

Center Location Major Tenant	YTD 2009			YTD 2008			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	1,821,431	45,889	1,867,320	2,142,954	11,392	2,154,346	-15	303	-13
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	1,430,809	80,532	1,511,341	843,383	143,342	986,726	70	-44	53
WESTMINSTER MALL 88TH & SHERIDAN 3 DEPARTMENT STORES	1,241,768	6,117	1,247,885	1,609,440	40,133	1,649,572	-23	-85	-24
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	1,162,326	15,950	1,178,276	1,033,802	72,330	1,106,132	12	-78	7
SHOPS AT WALNUT CREEK 104TH & REED TARGET	1,062,682	12,880	1,075,562	1,109,226	8,785	1,118,011	-4	47	-4
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	979,245	7,423	986,668	944,983	3,529	948,513	4	110	4
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	924,390	4,236	928,626	1,135,338	12,296	1,147,634	-19	-66	-19
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	886,875	5,221	892,097	1,207	330	1,537	73379	1482	57943
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	840,624	13,180	853,804	946,358	12,500	958,857	-11	5	-11
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	784,551	11,086	795,638	624,671	17,611	642,282	26	-37	24
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	612,381	70,598	682,978	676,890	185,762	862,652	-10	-62	-21
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	585,157	3,058	588,215	581,678	3,761	585,439	1	-19	0
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	444,252	2,145	446,397	496,797	2,839	499,636	-11	-24	-11
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	383,552	1,077	384,630	375,383	5,210	380,593	2	-79	1
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	294,263	1,448	295,711	311,139	1,754	312,893	-5	-17	-5

CITY OF WESTMINSTER  
 GENERAL RECEIPTS BY CENTER  
 MONTH and YEAR-TO-DATE MAY 2009

Center Location Major Tenant	/----- YTD 2009 -----/			/----- YTD 2008 -----/			/--- %Change ---/		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	283,639	4,798	288,436	293,997	2,165	296,162	-4	122	-3
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	248,873	1,276	250,149	274,612	12,331	286,943	-9	-90	-13
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	237,352	2,793	240,144	259,826	1,191	261,017	-9	135	-8
WILLOW RUN 128TH & ZUNI SAFEWAY	232,928	1,214	234,142	236,073	2,332	238,405	-1	-48	-2
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	208,142	1,338	209,480	214,053	6,519	220,571	-3	-79	-5
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	116,045	2,472	118,516	136,088	2,071	138,159	-15	19	-14
MISSION COMMONS W SIDE WADSWORTH 88-90TH BIG 5 SPORTS	115,203	547	115,750	101,797	1,747	103,544	13	-69	12
NORTHVIEW 92ND AVE YATES TO SHERIDAN SALTGRASS	110,322	47,028	157,350	119,833	2,386	122,219	-8	1871	29
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	108,021	24,750	132,771	0	0	0	*****	*****	*****
SUMMIT SQUARE NE CORNER 84TH & FED SAFEWAY	102,851	447	103,298	112,786	3,526	116,311	-9	-87	-11
	<u>15,217,682</u>	<u>367,502</u>	<u>15,585,184</u>	<u>14,582,313</u>	<u>555,842</u>	<u>15,138,156</u>	<u>4</u>	<u>-34</u>	<u>3</u>



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** 2008 Comprehensive Annual Financial Report

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

**Recommended City Council Action**

Accept the 2008 Comprehensive Annual Financial Report.

**Summary Statement**

- The 2008 Comprehensive Annual Financial Report (CAFR) represents the summary of the City's financial transactions that occurred during 2008 and its financial position as of December 31, 2008. 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 2008 CAFR include Accounting Manager Cherie Sanchez, Accountants Karen Creager, Gary Newcomb, Sherri Rickard, and Sam Trevino, Accounting Specialist Leslie Krough, and Retirement Administrator Kim McDaniel. Other Finance Staff that provided vital assistance include Senior Financial Analyst Bob Byerhof and Administrative Secretary Maggie Hunter. The hard work and dedication of this highly qualified team on the 2008 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 Providing Exceptional Services.
- Staff reviewed the CAFR with Council at the June 15, 2009 Study Session.

**Expenditure Required:** \$ 0

**Source of Funds:** N/A

**Policy Issue**

Should Council accept the 2008 Comprehensive Annual Financial Report as presented?

**Alternative**

Postpone acceptance of the 2008 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 2008 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 2008 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 2008 CAFR was presented to Council at the June 15, 2009 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 2008 Comprehensive Annual Financial Report as presented.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment

# COLORADO

## City of Westminster

Comprehensive Annual Financial Report for the Year Ended December 31, 2008



*Photo courtesy of Ashley Hahn-Severance*

ARMED FORCES TRIBUTE GARDEN  
dedicated May 17, 2008



**WESTMINSTER**  

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**COLORADO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2008

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

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



**On the front cover:**

*"Grieving Friends"*, sculpted by Bill Hueg, Elliot Summons, and Dave Parvin, depicts male and female United States Army soldiers, just after the ceremony of a fallen comrade. In his grief, the male soldier has lowered himself to one knee. The two grieve for their friend just as we, a nation, grieve for and honor those who have paid the ultimate price while serving the United States of America.

A highly visible location within Westminster's City Park was selected as an enduring place of respect to pay tribute to the commitment and patriotism of members of the armed forces, past, present, and future. This beautiful, contemplative destination garden is located east of US 36 on 104<sup>th</sup> Avenue between Christopher Fields and Big Dry Creek.

The Tribute Garden includes seating areas for rest and contemplation, granite pillars honoring those who serve or have served in the Army, Navy, Air Force, Marines, Coast Guard and Merchant Marine, extraordinary walkways with engraved pavers, beautiful landscaping, and a dramatic central water feature.

**On the back cover:**

Armed Forces Tribute Garden dedication ceremony, May 17, 2008: bagpipes and white dove release, the attending crowd, the central fountain, a visiting serviceman, and Mayor Nancy McNally with the Boy Scouts of America.

# CITY OF WESTMINSTER, COLORADO

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# CITY OF WESTMINSTER, COLORADO

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# Introduction





**WESTMINSTER**  
**COLORADO**

June 22, 2009

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

It is with great pride that we present to you the 2008 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**

2008 started off with a bang. The Orchard Town Center celebrated its grand opening on April 3, 2008. The Orchard Town Center is an open-air, entertainment and lifestyle center, which will ultimately include one million square feet of exclusive, outdoor, fashion-oriented retail including big boxes, department stores and smaller, upscale retailers. It is 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 will also include 500 housing units and office space. This development is providing critical resources to the City.

Infrastructure improvements related to the redevelopment of the South Sheridan Urban Renewal Area were completed and a Walmart Super Store opened in May. Infrastructure improvements included an architectural brick wall, widening of Sheridan Boulevard and improved landscaping.

Westminster tackled some big challenges in 2008. With the introduction of zebra and quagga mussels into the State of Colorado, Westminster staff was challenged with finding a way to protect our drinking water supply while still allowing recreational activities in Standley Lake Regional Park. Public Works and Utilities staff worked together with Parks, Recreation and Libraries staff to develop a plan that became the prototype for many other entities in the State.

The City is proud to have dedicated the Armed Forces Tribute Garden (shown on cover) on May 17th, 2008. Over 1,200 people showed up on Armed Forces Day to honor veterans. A second event on Veterans' day attracted another 800 people. The beautiful, contemplative destination garden is dedicated to those who have served 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.

Big Dry Creek Park was dedicated in September in conjunction with a Denver Broncos Fan Appreciation Event. The event featured the presentation of a Broncos Country flag to Mayor Nancy McNally. The new 18 acre park is a great addition to the City's park system. The playground, soccer fields, ball fields and off leash dog park are unbelievably popular. This is a great example of partnering with others as financial assistance was received from both Hyland Hills Park and Recreation District and Adams County.

In October, the City celebrated the re-grand opening of the Big Dry Creek Wastewater Treatment Plant after completion of an expansion and upgrade project. The project began in 2005 to allow the plant to address growth in the Big Dry Creek service area. The facility was expanded from an annual average daily flow of 7.5 million gallons per day to 9.8 million gallons per day. The cost of the project was approximately \$44.5 million dollars, making it the most expensive capital improvement project in city history.

A ceremony marking the completion of renovations to the City's Municipal Service Center was held in December. The Westminster Municipal Service Center was initially constructed in the mid-1970s and last renovated in 1984. It is the staging facility for the Fleet Maintenance, Street Operations and Utilities Operations divisions and now home to the Building Operations and Maintenance division. The facility now features a remodeled administration/operations building and annex building. The complex has been outfitted with a sand and salt storage facility, redesigned maintenance material storage yard, improved traffic flow, storm drainage control, and general landscaping. There is also a new heated storage building for fully equipped tandem axle trucks.

The Police Department participated in security for the Democratic National Convention. Westminster Police personnel were singled out by the Secret Service and the Denver Police Department for their professionalism and execution of mission. As a by-product, personnel received specialized training and are equipped and trained to deal with large scale crowd disturbances.

From the internal services perspective, the Human Resources division implemented a supervisor/management certification program which increases ownership and participation in championing the City's mission and values; broadens perspectives on citywide initiatives, improves collaboration and builds stronger partnerships across the city while improving supervisory and management skills and increasing consistency.

The Information Technology department reduced the number of computer servers from 82 to 52 through virtualization technology. Further virtualization in 2009 will reduce the number of servers to 32. The impact of this change in technology is reduced costs in server replacement, power consumption, computer room cooling and maintenance. It also provides for high availability and enhanced disaster recovery.

While 2008 started off with a bang, it ended with a thud. The economic crisis that hit late in 2008, had staff working to refinance variable rate bonds, re-evaluate the 2009/2010 budget and proactively identifying options to help the City weather a two year economic downturn.

### **Looking Forward**

The City is looking forward to new opportunities and meeting the challenges of 2009.

One of the City's main goals for 2009 is to continue to work on a redevelopment strategy for the Westminster Mall site. The City has created a concept plan for the area and is working with the current owner on redevelopment plans. The Westminster Center Urban Reinvestment Project was established as an Urban Renewal Project on April 13, 2009.

The City is actively pursuing federal stimulus money for many projects. The City was awarded approximately \$300,000 for the completion of a bicycle trail along US 36.



Staff will continue to pro-actively manage the current economic recession. Other top priorities include securing additional water, developing an environmental sustainability plan, and continued efforts related to US 36 and FasTrack funding and implementation.

Bond funds that were borrowed in late 2007 are being utilized to acquire additional open space, as well as upgrade and remodel the City Park Recreation Center and build Westminster Center Park, a new park across the street from City Hall. Improvements are also being made at the City golf courses, which include installing restrooms on both the front and back nine and purchasing new golf carts.

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

With a population of approximately 111,000, 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 human resources, finance, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA), 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, 2007. 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-five 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, Senior 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

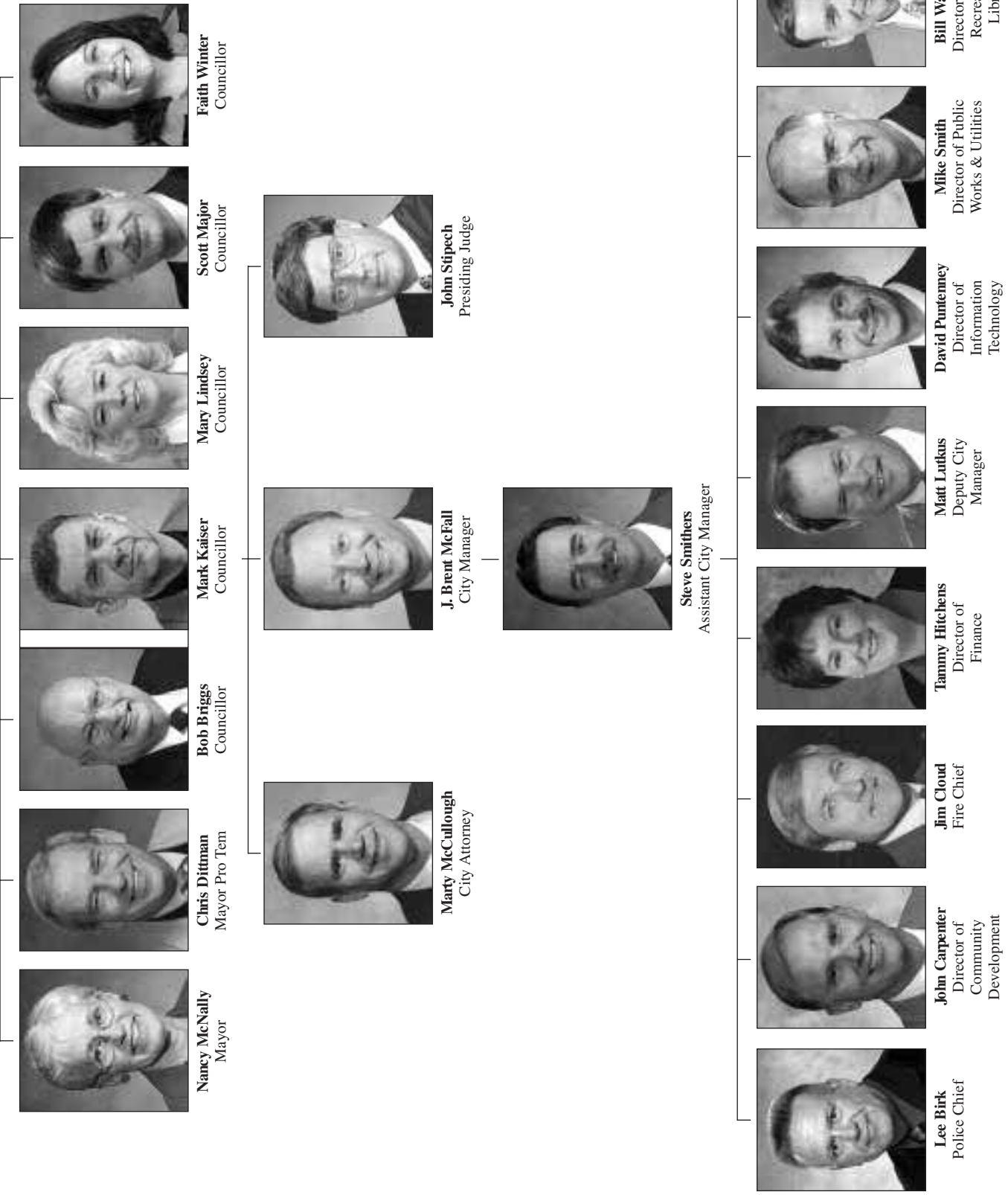
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WESTMINSTER  
COLORADO

# ORGANIZATIONAL CHART

Citizens



# 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, 2007

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.

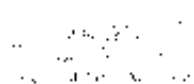


President

Executive Director

# Financial Section





## Swanhorst & Company LLC

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, 2008, 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 and the report of the other auditors provide 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, 2008, 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 on Note 3S to the financial statements, the City of Westminster adopted certain provisions of Governmental Accounting Standards Board Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, for the year ended December 31, 2008.

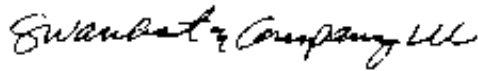
In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2009, on our consideration of the City of Westminster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements 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.



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.

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.



June 9, 2009

The background of the slide is a close-up, slightly blurred image of the American flag, showing the stars and stripes. The colors are somewhat muted and soft. A solid blue vertical bar is positioned on the right side of the slide, containing the title text.

# Management's Discussion and Analysis



**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, 2008 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 111,300, 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, 52 developed parks and 7 undeveloped 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 52.7% of the City's governmental activities revenues. Sales tax increment contributes an additional 4.6%. Property taxes comprise approximately 3.4% of the City's governmental activities revenues. Property tax increment contributes an additional 3.2%. 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 2008, as a result of the economic and banking crisis, two of the City's letter of credit (LOC) providers were downgraded. Although there was no change in the underlying credits, the downgrades of the LOC providers had a negative impact on the City's variable interest rate debt. This required the City to look for different alternatives for the variable rate debt. The City chose to redeem the outstanding 2002 Water/Wastewater variable interest rate bonds rather than risk the uncertainty of significant interest rate costs, which could escalate to a maximum rate of 15%. In addition, prior to the issuance of this report, the 2005 WEDA bonds were refinanced. Please see the subsequent event note on page 66 for more details.

The City sold its conference center and accompanying Lakeview Pavilion in 2008. These two assets were built as a component of the Westminster Promenade and were integral in attracting the Westin to build a hotel at the Promenade. The Westin had been making lease payments to the City for the use of the assets. The assets were sold to the Westin in exchange for the cancellation of an economic development agreement that provided the Westin future cash flows. This transaction resulted in a \$14.8 million book loss and is reflected as a special item.

The Orchard Town Center celebrated its grand opening in early April and Walmart celebrated its grand opening in early May. Each of these grand openings signaled the beginning of substantial revenues flowing into the Westminster Economic Development Authority.

The City made two prior period adjustments as identified in the notes on page 66. All analysis is made utilizing the restated numbers for 2007.

- The assets of the City exceed its liabilities at the close of 2008 by \$684.1 million (\$263.9 million in governmental activity net assets and \$420.2 million in business-type activity net assets). Of the governmental activities net asset total, \$72.3 million, or 27.4%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$73.2 million, or 17.4%, of business-type activities net assets are unrestricted.
- Total net assets of the City increased \$7.1 million, or 1%, compared to 2007. Net assets of the City's governmental activities decreased \$5.6 million, which represents a decrease of 2.1% from 2007. Net assets of the City's business-type activities increased \$12.7 million, or 3.1%, over 2007.
- The total cost of all the City's programs increased \$17 million, or 10.6%, compared to 2007. The cost of governmental activities program expenses increased \$11.6 million, or 10.1%, to \$126.7 million, while the cost of business-type activities increased \$5.4 million, or 11.9%, to \$50.7 million from 2007.
- Total revenues, excluding special items and transfers, increased \$9.9 million, or 5.3%, compared to 2007. Governmental activities revenues increased \$2.7 million, or 2%, to \$135.8 million, while revenues of business-type activities increased \$7.2 million, or 13.1%, to \$62.0 million compared to 2007.
- As of December 31, 2008, the City's governmental funds reported a combined ending fund balance of \$123.9 million. Approximately 55.8%, or \$69.1 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 \$17.3 million as of December 31, 2008, of which \$12.0 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 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, Police and Volunteer Fire pension plans are reported in the notes to the financial statements on pages 56-60. 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 supplementary 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 \$684.1 million at December 31, 2008. Governmental activities make up \$263.9 million (38.6%) of these assets, with business-type activities making up the remaining \$420.2 million (61.4%). Total net assets increased by \$7.1 million in 2008. The increase is comprised of the following:

- Total assets decreased \$9.3 million, or .9%, to \$1,045.3 million. This included an increase in capital assets of \$.9 million and a decrease in current and other assets of \$10.2 million. The decrease in current and other assets was primarily due to a decrease of \$9.9 million of restricted cash and investments related to the use of proceeds for the South Sheridan URA and the Parks, Open Space and Trails bond issues.
- Total liabilities decreased \$16.4 million, or 4.3%, to \$361.2 million. Debt decreased approximately \$19.9 million as a result of servicing the debt and redeeming the 2002 water and wastewater bond issue mentioned above. Unearned revenue increased \$3.0 million due primarily to an increase in the property taxes receivable in the urban renewal areas.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 174.9	\$ 172.9	\$ 84.6	\$ 96.8	\$ 259.5	\$ 269.7
Capital Assets	391.1	401.1	394.7	383.8	785.8	784.9
<b>Total Assets</b>	<b>566.0</b>	<b>574.0</b>	<b>479.3</b>	<b>480.6</b>	<b>1,045.3</b>	<b>1,054.6</b>
Current and other liabilities	27.2	22.2	4.0	6.2	31.2	28.4
Long-term liabilities	274.9	282.3	55.1	66.9	330.0	349.2
<b>Total liabilities</b>	<b>302.1</b>	<b>304.5</b>	<b>59.1</b>	<b>73.1</b>	<b>361.2</b>	<b>377.6</b>
<b>Net assets:</b>						
Invested in capital assets, net of debt	161.0	177.0	343.6	321.3	504.6	498.3
Restricted	30.6	30.4	3.4	3.5	34.0	33.9
Unrestricted	72.3	62.1	73.2	82.7	145.5	144.8
<b>Total net assets</b>	<b>\$ 263.9</b>	<b>\$ 269.5</b>	<b>\$ 420.2</b>	<b>\$ 407.5</b>	<b>\$ 684.1</b>	<b>\$ 677.0</b>

By far the largest portion of the City's assets (75%) reflects its investment of \$785.8 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, \$34.0 million (4.9%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted assets, \$145.5 million (21.3%) may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$73.2 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 \$7.1 million during 2008. This increase is explained in the governmental and business-type activities discussion below.

#### **Governmental Activities**

Net assets of governmental activities decreased by \$5.6 million compared to 2007. This was \$22.5 million less than the increase of \$16.9 million in 2007. This difference can be attributed to a decrease in the amount of Capital Grants & Contributions as the City did not receive as many Open Space grants or cash-in-lieu payments as it did in 2007. Economic Development Agreements (EDA) and Intergovernmental Agreements (IGA) and the corresponding revenues from which they are paid are now being shown at gross values. Property tax and sales tax increment are now shown separately from the property tax and sales tax.

Governmental revenues increased \$2.7 million (2%) compared to 2007. This increase was due primarily to an increase in the property tax increment and sales and use tax increment.

Governmental expenses increased \$11.6 million (10%) from 2007. Most of the increase is attributable to the change in the EDA and IGA representation reflected in General Government and an increase in expenses in Community Development.



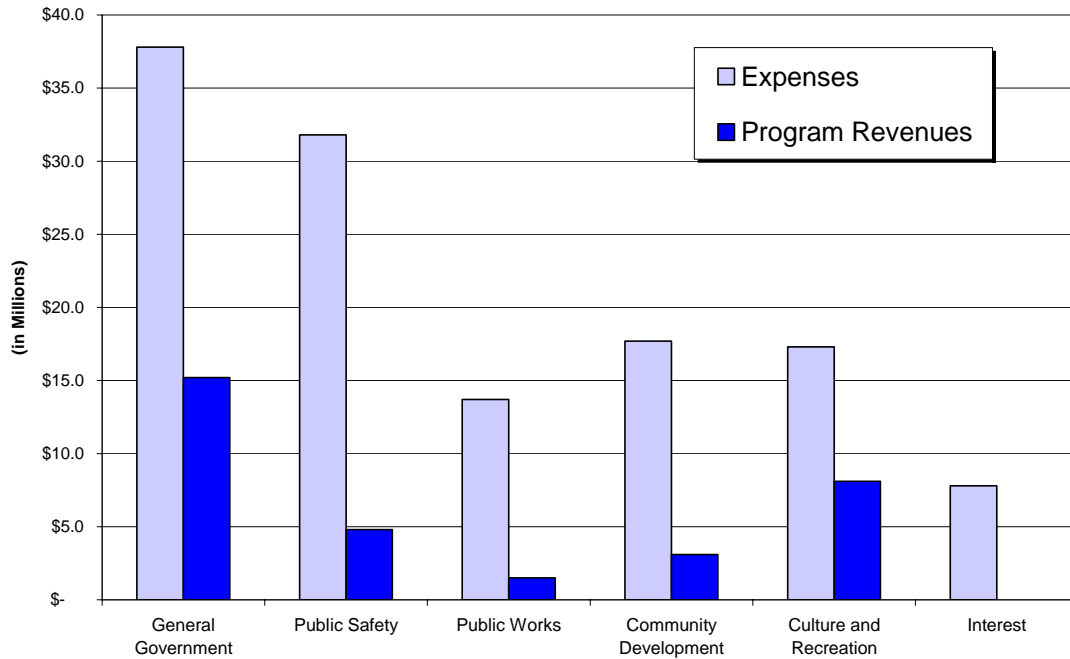
Table 2: Changes in Net Assets (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
Program Revenues						
Charges for Service	\$ 18.5	\$ 17.3	\$ 45.4	\$ 41.1	\$ 63.9	\$ 58.4
Operating Grants and Contributions	5.5	5.7	-	-	5.5	5.7
Capital Grants and Contributions	8.7	14.3	12.6	7.8	21.3	22.1
General Revenues						
Property Taxes	4.6	6.3	-	-	4.6	6.3
Sales Taxes	59.1	58.6	-	-	59.1	58.6
Use Taxes	12.4	8.7	-	-	12.4	8.7
Property Tax Increment	4.4	1.8	-	-	4.4	1.8
Sales Tax Increment	6.3	4.9	-	-	6.3	4.9
Business Fees and Other Taxes	5.1	4.6	-	-	5.1	4.6
Accommodations Taxes	2.6	1.4	-	-	2.6	1.4
Intergovernmental	1.1	1.0	-	-	1.1	1.0
Interest	6.1	6.5	4.0	5.9	10.1	12.4
Other	1.4	2.0	-	-	1.4	2.0
<b>Total Revenues</b>	<b>135.8</b>	<b>133.1</b>	<b>62.0</b>	<b>54.8</b>	<b>197.8</b>	<b>187.9</b>
Program Expenses						
General Government	37.8	30.1	-	-	37.8	30.1
Public Safety	31.8	30.1	-	-	31.8	30.1
Public Works	13.7	14.5	-	-	13.7	14.5
Community Development	17.7	14.1	-	-	17.7	14.1
Culture and Recreation	17.3	17.8	-	-	17.3	17.8
Utility	-	-	45.6	40.9	45.6	40.9
Golf	-	-	4.1	3.4	4.1	3.4
Housing Authority	-	-	1.0	1.0	1.0	1.0
Interest and Fiscal Charges	7.9	7.4	-	-	7.9	7.4
Unallocated Depreciation	0.5	1.1	-	-	0.5	1.1
<b>Total Expenses</b>	<b>126.7</b>	<b>115.1</b>	<b>50.7</b>	<b>45.3</b>	<b>177.4</b>	<b>160.4</b>
<b>Excess (Deficiency) before Special Items and Transfers</b>		-		-		
Special Items and Transfers	9.1	18.0	11.3	9.5	20.4	27.5
Gain (loss on sale of land)	0.6	-	0.9	-	1.5	-
Special Items	(14.8)	-	-	-	(14.8)	-
Transfers	(0.5)	(1.1)	0.5	1.1	-	-
<b>Increase (decrease) in Net Assets</b>	<b>\$ (5.6)</b>	<b>\$ 16.9</b>	<b>\$ 12.7</b>	<b>\$ 10.6</b>	<b>\$ 7.1</b>	<b>\$ 27.5</b>

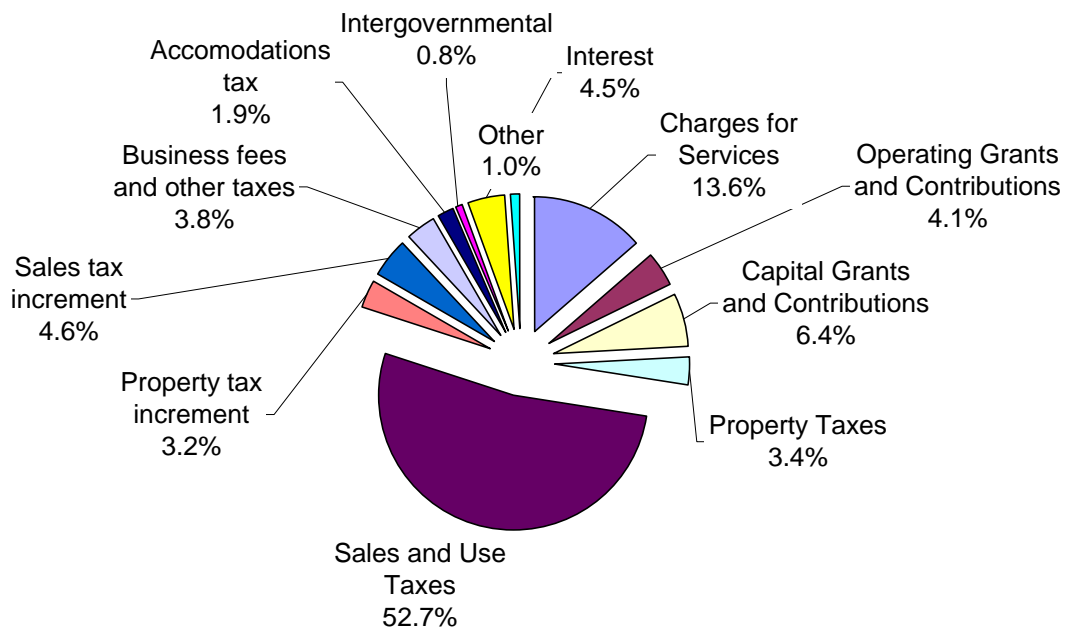
Charts 2 and 3 illustrate the City's governmental expenses and revenues by function and its revenues by source. As can be seen in Chart 2, Public Safety expenditures accounted for 25.1% of expenditures net of depreciation. General Government, which includes all benefits, insurances and lease payments 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 29.8% of the expenditures, and Culture and Recreation accounted for 13.7% 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 (52.7%), followed by charges for services (13.6%).

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



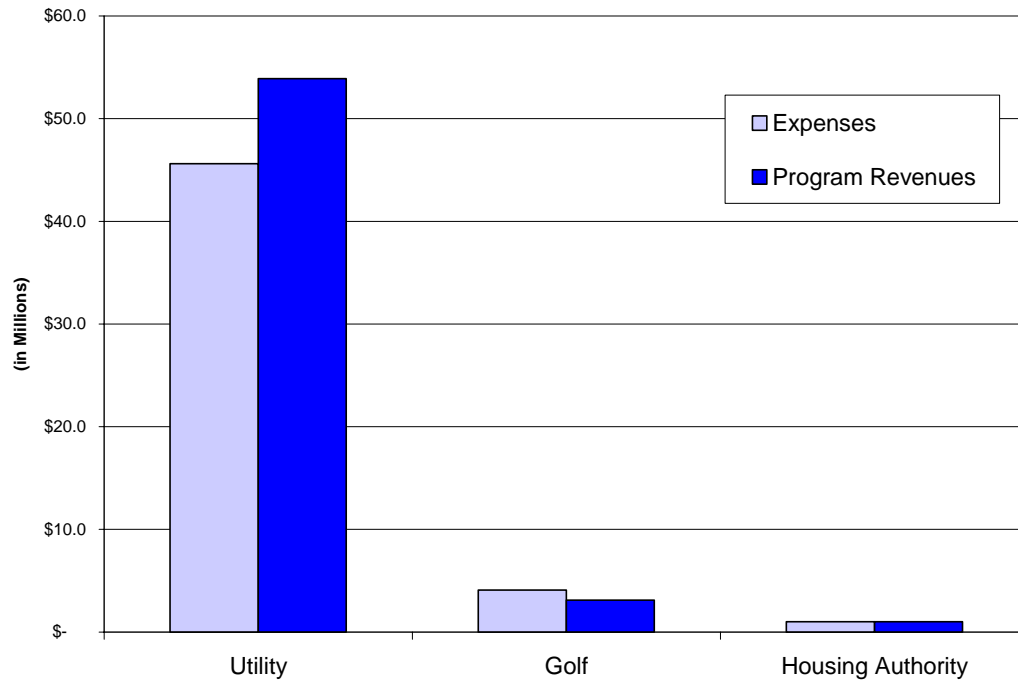
**Chart 3: Revenues by Source - Governmental Activities**



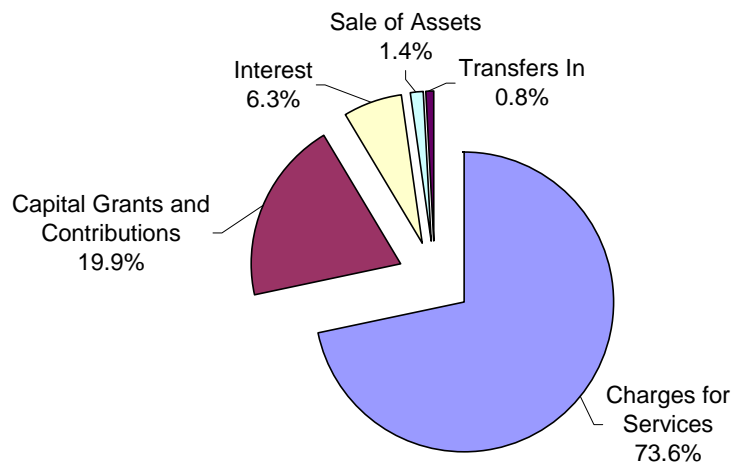
## Business-type Activities

Net assets in business-type activities increased \$12.7 million over 2007. This is \$2.1 million, or 19.8%, more than the increase of \$10.6 million in 2007. In 2008, the City received \$4.7 million more in tap fees and contributed lines, as well as, for \$4.3 million more for charges for services.

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



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



Total business-type revenues increased \$7.2 million, or 13.1%, compared to 2007. This increase was due primarily to an increase of \$4.8 million, or 61.2%, in Capital Grants and Contributions, and a \$4.3 million, or 10.5%, increase in charges for services, netted against a \$1.9 million, or 32.2% loss in interest earnings.

Expenses of business-type activities increased \$5.4 million, or 11.9%, compared to 2007. 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 89.9% of total business-type expenses. Charges for services provide the largest share of revenues (71.6%), followed by Capital Grants and Contributions (19.9%).

### **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, 2008, the City's governmental funds reported a combined ending fund balance of \$123.9 million, a decrease of \$1.6 million, or 1.3%, compared to 2007. The reserved fund balance for capital projects decreased \$13.4 million which reflects the spend down of bond proceeds. The fund balances reserved for debt service increased \$6.4 million from pledged revenues primarily collected to pay back debt issued for urban renewal projects.

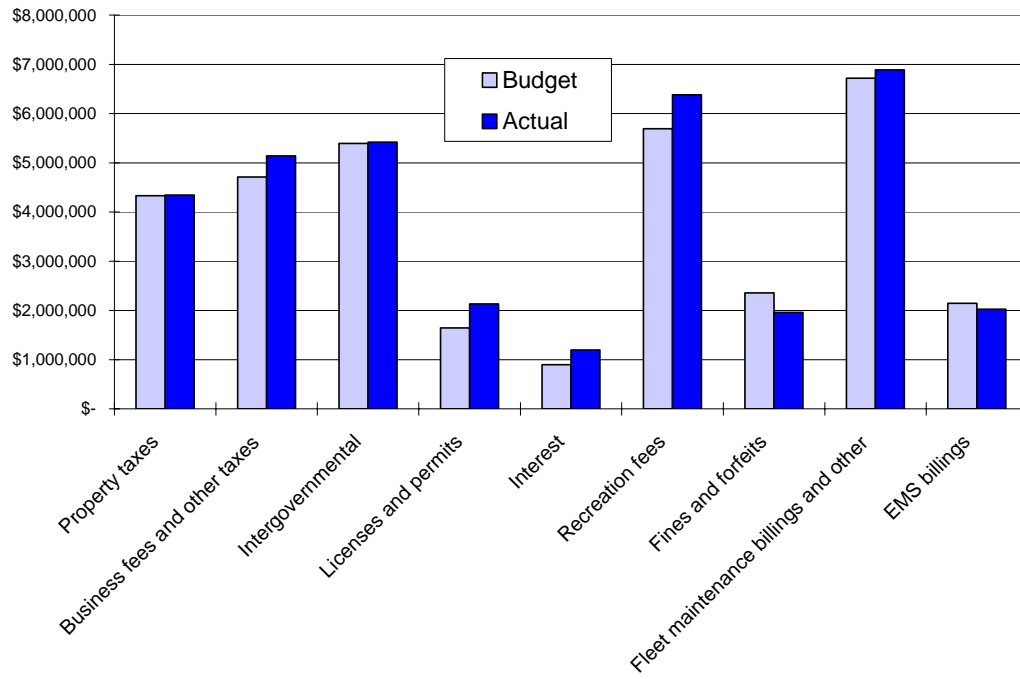
The unreserved fund balance increased \$5.5 million, or 8.6%, to \$69.1 million compared to 2007. The increase is predominately in the General Capital Improvement Fund and reflects the pay-as-you-go money that is being used for capital projects. Unreserved fund balance is available for spending at the 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 2008, the unreserved fund balance of the General Fund was \$12.0 million, while total fund balance was \$17.3 million. Total fund balance increased in the General Fund by \$2.3 million, or 15.1%, compared to 2007. The unreserved fund balance represents 13.0% of General Fund expenditures and transfers out. The City's goal is to maintain a 10% fund balance.

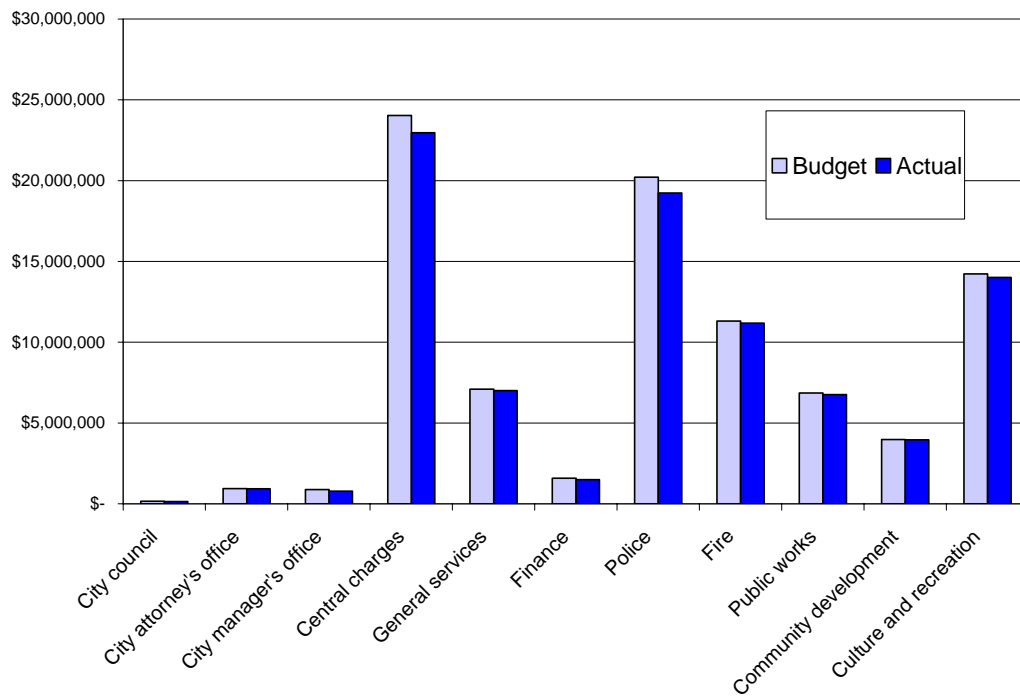
The original budget in the General Fund was \$91.5 million and was adopted in late 2006, with modifications in late 2007. Supplemental appropriations of \$4.9 million, consisting primarily of carryover from 2007 (\$2.9 million) and \$0.8 million from project savings that were transferred to the General Fund were approved to create the final budget of \$96.4 million. Actual General Fund expenditures and transfers out totaled \$92.6 million. There is a \$1.1 million variance in Central Charges. Included in the variance is a \$0.8 million savings on a debt service payment as project savings were used to make the payment.

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**



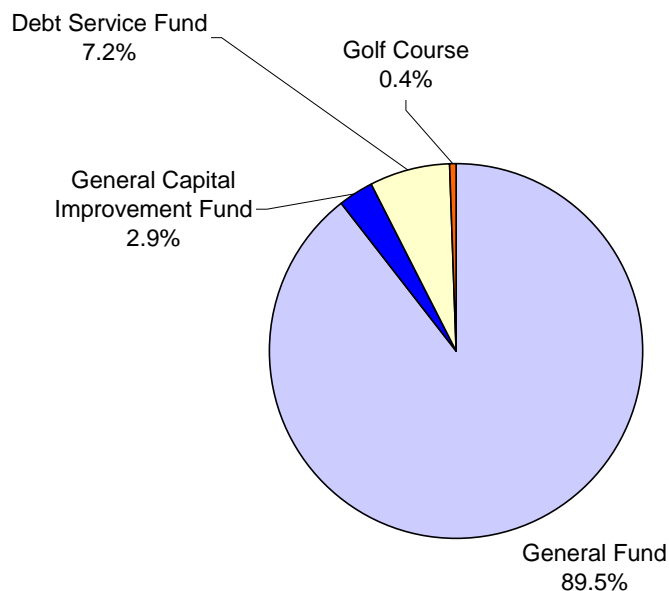
**Chart 7: Budget and Actual Expenditures by Department, less Transfers - General Fund**



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 (89.5%) of the sales and use tax is transferred to the General Fund.

Sales and use tax decreased \$.6 million, or 1%, compared to 2007.

**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, 2008, the fund had a fund balance of \$54.2 million.

The General Capital Improvement Fund revenues include accommodations taxes, interest, revenues from other governments, and transfers from other funds. The fund's revenues decreased by \$0.1 million. Intergovernmental revenues increased \$1.5 million, primarily from grants, and accommodation taxes increased \$1.2 million due to a change in Accounting procedure for recording EDA transactions. These increases helped offset a decrease of \$3.6 million in contributions. Expenditures totaling \$18 million were \$0.5 million less than 2007.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance decreased 2.5 million from 2007. As of December 31, 2008, Fund Balance was \$30.1 million.

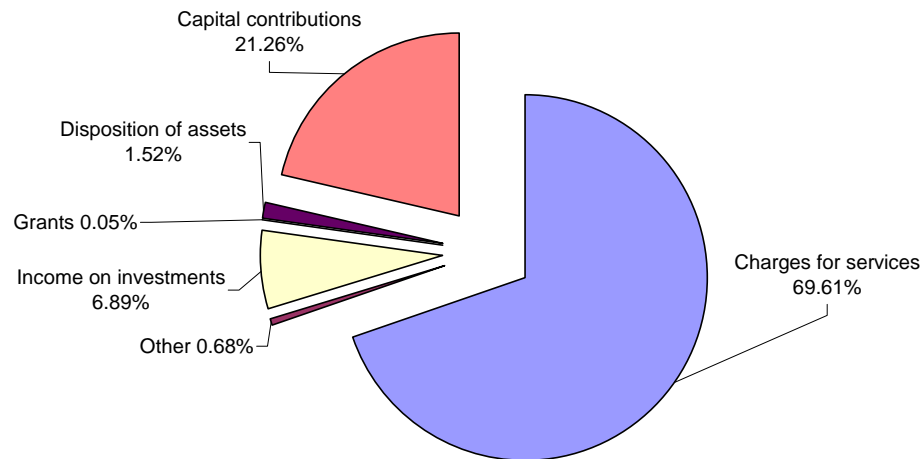
Revenue for the Westminster Economic Development Authority increased by \$3.3 million, or 37.8%, compared to 2007. This was primarily because of an increase in both property and sales tax increment.

**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 2008 with net assets equal to \$408.5 million. Of that amount, \$73.2 million is unrestricted. Net assets increased \$13.3 million, or 3.4%, compared to 2007.

Operating revenues increased \$4.3 million, or 11.7%, compared to 2007. Chart 9 illustrates both operating and non-operating revenues by source.

Chart 9: Utility Fund Revenues by Source



Utility Fund operating expenses increased \$4.5 million, or 11.7%, compared to 2007. The primary reason is an increase in the expensing of costs associated with capital projects that did not meet the criteria to capitalize and the increase in the cost of contractual services.

The Golf Course Fund accounts for the City's two championship golf courses. Operating expenses exceeded operating revenues by \$.3 million. The Golf Course Fund's net assets decreased \$.6 million, or 4.9%, to \$11.2 million.

## 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, 2008, amounts to \$785.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and utility plants, improvements, parks, infrastructure, water rights, machinery and equipment, joint venture assets and construction work in progress. The total increase in the City's investment in capital assets was \$0.9 million, or .1%. Net capital assets of governmental activities decreased \$10.0 million, or 2.5%, and business-type activities increased \$10.9 million, or 2.8%.

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

	Governmental Activities		Business-type Activities		Totals	
	2008	Restated	2008	2007	2008	Restated
		2007				2007
Land and Property Rights	\$ 104.1	\$ 100.0	\$ 93.8	\$ 95.1	\$ 197.9	\$ 195.1
Buildings	40.9	58.1	138.5	133.1	179.4	191.2
Improvements Other than Buildings	27.0	24.2	146.8	139.3	173.8	163.5
Machinery	11.2	10.6	7.0	6.8	18.2	17.4
Parks	29.6	26.8	0.9	0.9	30.5	27.7
Ice Center	5.5	5.6	-	-	5.5	5.6
Construction in Progress	5.1	14.5	7.7	8.6	12.8	23.1
Infrastructure	167.7	161.3	-	-	167.7	161.3
Totals	<u>\$ 391.1</u>	<u>\$ 401.1</u>	<u>\$ 394.7</u>	<u>\$ 383.8</u>	<u>\$ 785.8</u>	<u>\$ 784.9</u>

Major capital asset activity during 2008 included the following:

#### Governmental Activities

- \$6.6 million for improvements at 72<sup>nd</sup> Avenue and Sheridan Boulevard
- \$3.0 million for improvements at 104<sup>th</sup> Avenue and Sheridan Boulevard
- \$2.5 for the renovation of the Municipal Service Center
- \$1.9 million for the Big Dry Creek Park at 128<sup>th</sup> and Huron
- \$1.8 million for the architectural brick wall at 72<sup>nd</sup> and Sheridan
- \$(14.8) million for the sale of the Conference Center & Lakeview Pavilion
- \$1.4 million for the Armed Forces Tribute Garden

#### Business-type activities

- \$9.6 million for Big Dry Creek wastewater plant expansion
- \$7.8 million for the Expansion of the Municipal Service Center
- \$1.3 million for water meter transponder replacement

Additional information on the City's capital assets can be found in Note 2E on page 45-46.



## Debt Administration

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

<u>Bond Issue</u>	<u>Standard &amp; Poors</u>	<u>Fitch Ratings</u>	<u>Moody's</u>
Sales Tax Revenue	AA+	AA	Not Requested
Sales Tax Revenue - POST	AA-	A+	Not Requested
General Obligation	Not Requested	Not Requested	Not Requested
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 \$389.7 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	
	2008	2007	2008	2007	2008	2007
Revenue Bonds (backed by specific tax and fee revenues)	\$ 69.7	\$ 74.3	\$ 16.0	\$ 23.9	\$ 85.7	\$ 98.2
WEDA Tax Increment Revenue Bonds	120.2	120.5	-	-	120.2	120.5
Leases	80.6	83.9	0.8	2.5	81.4	86.4
Notes and Mortgages	-	-	35.9	38.1	35.9	38.1
<b>Total</b>	<b>\$270.5</b>	<b>\$ 278.7</b>	<b>\$ 52.7</b>	<b>\$ 64.5</b>	<b>\$ 323.2</b>	<b>\$ 343.2</b>

Additional information on significant debt activity is disclosed in Management's Discussion and Analysis, Financial Highlights on page 1. Further information on the City's debt can be found in Note 2G on pages 47-49.

## NEXT YEAR'S BUDGETS AND RATES

**Budgets and Plans for 2009.** In April, 2008, 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, 2009-2013.
  1. Safe and Secure Community
  2. Financially Sustainable City Government Providing Exceptional Services
  3. Vibrant Neighborhoods and Commercial Areas
  4. Strong, Balanced Local Economy
  5. Beautiful and Environmentally Sensitive City

In addition, City Council met in September, 2008 to review adjustments to the 2009-2010 budget presented by staff. The product of the City Council's budget review was adoption of the 2009 and 2010 budgets on October 27, 2008. Highlights of the 2009 budget include the following:

- The 2009 General Fund operating expenditures are budgeted at \$97.4 million (including contingencies).
- The 2009 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$59.7 million, which is a 3.6% increase over the 2008 transfer payment of \$57.6 million.
- In 2009, the Contingency account is \$1 million in the General Fund. The 2009 General Reserve Fund is projected to reach \$9,8 million and the Utility Reserve Fund is projected to reach \$39,3 million by the end of 2009.
- The total number of full-time equivalent (FTE) staffing in 2009 is 983.924 FTE, a net increase of 1.6 FTE.
- In order to ensure reliable infrastructure throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is recommended as a key component of the 2009 Budget. The total capital improvements for 2009 are \$34.4 million. 94% of the 2009 CIP will be funded on a “pay-as-you-go” basis. City streets and traffic improvements are funded for 2009 at \$1.6 million; facilities and infrastructure improvements at \$2.3 million; public safety capital improvements at \$.7 million; park improvements at \$4.2 million; wastewater, water and stormwater improvements at \$25.6 million, with \$1.9 million being debt financed.

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

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

City of Westminster  
 4800 W. 92<sup>nd</sup> Ave  
 Westminster, CO 80031  
 303-658-2036  
 thitchen@cityofwestminster.us

The background of the slide is a close-up, slightly blurred image of the American flag, showing the stars and stripes. The colors are somewhat muted and soft. A solid blue vertical bar is positioned on the right side of the slide, containing the title text.

# Basic Financial Statements

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2008**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,291,020	\$ 7,284,506	\$ 16,575,526
Investments	80,958,222	63,194,437	144,152,659
Receivables:			
Taxes	18,148,496	-	18,148,496
Accounts	5,303,010	3,540,182	8,843,192
Note and leases	5,202,347	411,894	5,614,241
Grants	1,699,858	-	1,699,858
Interest	874,138	716,997	1,591,135
Internal balances	(2,082,653)	2,082,653	-
Inventory	1,438,020	951,380	2,389,400
Bond costs and other prepaid items	3,361,453	1,660,898	5,022,351
Restricted assets:			
Cash and cash equivalents	229,357	613,100	842,457
Cash and cash equivalents with fiscal agent	33,616,642	-	33,616,642
Investments	1,997,403	3,313,403	5,310,806
Investments with fiscal agent	14,299,125	-	14,299,125
Capital assets:			
Non-depreciable assets	109,094,244	101,483,542	210,577,786
Depreciable assets, net	281,972,561	293,190,638	575,163,199
Other assets	-	884,562	884,562
Investment in joint venture	590,410	-	590,410
Total assets	<u>565,993,653</u>	<u>479,328,192</u>	<u>1,045,321,845</u>
<b>LIABILITIES</b>			
Accounts payable and other	12,278,967	3,452,364	15,731,331
Accrued liabilities	1,593,057	279,397	1,872,454
Unearned revenue	11,147,770	66,089	11,213,859
Accrued interest	710,490	211,510	922,000
Estimated claims	1,414,062	-	1,414,062
Non-current liabilities:			
Due within one year:	20,908,571	4,687,943	25,596,514
Due in more than one year:	253,999,430	50,413,466	304,412,896
Total liabilities	<u>302,052,347</u>	<u>59,110,769</u>	<u>361,163,116</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	160,998,545	343,627,745	504,626,290
Restricted for:			
Emergencies	3,671,500	-	3,671,500
Capital projects	2,032,909	-	2,032,909
Open space conservation and improvements	12,158,281	-	12,158,281
Debt service	12,640,216	3,192,122	15,832,338
Other purposes	183,379	232,631	416,010
Unrestricted	72,256,476	73,164,925	145,421,401
Total net assets	<u>\$ 263,941,306</u>	<u>\$ 420,217,423</u>	<u>\$ 684,158,729</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

Function/Program Activities	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 37,827,492	\$ 5,666,074	\$ 3,759,643	\$ 5,761,911
Public safety	31,797,184	4,096,692	654,088	-
Public works	13,748,911	1,527,937	-	-
Community development	17,656,461	246,084	1,072,751	1,803,619
Culture and recreation	17,307,667	6,908,729	-	1,170,855
Interest and fiscal charges	7,845,618	-	-	-
Unallocated depreciation (excludes direct depreciation of various programs)	488,012	-	-	-
<b>Total governmental activities</b>	<u>126,671,345</u>	<u>18,445,516</u>	<u>5,486,482</u>	<u>8,736,385</u>
Business-type activities:				
Utility	45,569,405	41,355,962	-	12,534,524
Golf	4,128,726	3,137,704	-	-
Westminster Housing Authority	969,722	901,313	-	56,037
<b>Total business-type activities</b>	<u>50,667,853</u>	<u>45,394,979</u>	<u>-</u>	<u>12,590,561</u>
<b>Total primary government</b>	<u>\$ 177,339,198</u>	<u>\$ 63,840,495</u>	<u>\$ 5,486,482</u>	<u>\$ 21,326,946</u>

**GENERAL REVENUES**

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

**SPECIAL ITEM**

**TRANSFERS**

**Total general revenues and transfers**

**Change in net assets**

**Net assets - beginning, as restated**

**Net assets - ending**

Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (22,639,864)	\$ -	\$ (22,639,864)
(27,046,404)	-	(27,046,404)
(12,220,974)	-	(12,220,974)
(14,534,007)	-	(14,534,007)
(9,228,083)	-	(9,228,083)
(7,845,618)	-	(7,845,618)
<u>(488,012)</u>	-	<u>(488,012)</u>
<u>(94,002,962)</u>	-	<u>(94,002,962)</u>
-	8,321,081	8,321,081
-	(991,022)	(991,022)
-	(12,372)	(12,372)
<u>-</u>	<u>7,317,687</u>	<u>7,317,687</u>
<u>(94,002,962)</u>	<u>7,317,687</u>	<u>(86,685,275)</u>
4,602,735	-	4,602,735
59,053,019	-	59,053,019
12,436,326	-	12,436,326
4,417,684	-	4,417,684
6,316,734	-	6,316,734
5,137,132	-	5,137,132
2,627,010	-	2,627,010
1,079,951	-	1,079,951
6,043,261	3,978,172	10,021,433
1,420,276	-	1,420,276
604,571	895,150	1,499,721
(14,825,447)	-	(14,825,447)
<u>(507,121)</u>	<u>507,121</u>	<u>-</u>
<u>88,406,131</u>	<u>5,380,443</u>	<u>93,786,574</u>
<u>(5,596,831)</u>	<u>12,698,130</u>	<u>7,101,299</u>
<u>269,538,137</u>	<u>407,519,293</u>	<u>677,057,430</u>
<u>\$ 263,941,306</u>	<u>\$ 420,217,423</u>	<u>\$ 684,158,729</u>

**CITY OF WESTMINSTER, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2008**

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,039,865	\$ 505,280	\$ 4,770,627	\$ 212,003
Investments	17,540,295	4,400,352	41,546,141	2,115,779
Receivables:				
Taxes	4,480,846	6,648,395	-	6,209,288
Accounts	3,161,761	-	1,394,766	1,130
Notes and leases	5,007,500	-	194,847	-
Grants	-	-	749,858	-
Interest	169,438	27,824	456,699	50,320
Due from other funds	709,994	-	-	-
Inventory	588,020	-	-	850,000
Prepaid items	20,842	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	86,266
Cash and cash equivalents with fiscal agent	915,810	-	424,473	31,956,507
Investments	-	-	-	751,265
Investments with fiscal agent	-	-	6,622,680	-
Loans to other funds	120,000	-	1,125,000	-
Total assets	<u>\$ 34,754,371</u>	<u>\$ 11,581,851</u>	<u>\$ 57,285,091</u>	<u>\$ 42,232,558</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and other	\$ 5,098,970	\$ 2,170,908	\$ 2,070,547	\$ 2,225,545
Accrued liabilities	1,553,098	-	24,760	-
Due to other funds	-	-	-	-
Accrued interest	-	-	-	6,156
Loans from other funds	-	-	-	3,645,000
Deferred revenue	10,758,000	-	939,101	6,209,288
Total liabilities	<u>17,410,068</u>	<u>2,170,908</u>	<u>3,034,408</u>	<u>12,085,989</u>
Fund balances:				
Reserved for:				
Emergencies	3,654,390	-	-	-
Debt service	915,810	-	-	21,241,116
Capital projects	-	-	7,046,585	9,548,449
Loans to other funds	120,000	-	1,125,000	-
Inventory and prepaids	608,862	-	-	850,000
Unreserved, reported in:				
General fund	12,045,241	-	-	-
Special revenue funds	-	9,410,943	-	(1,492,996)
Capital project funds	-	-	46,079,098	-
Total fund balances	<u>17,344,303</u>	<u>9,410,943</u>	<u>54,250,683</u>	<u>30,146,569</u>
Total liabilities and fund balances	<u>\$ 34,754,371</u>	<u>\$ 11,581,851</u>	<u>\$ 57,285,091</u>	<u>\$ 42,232,558</u>

Other Governmental Funds	Total Governmental Funds
\$ 283,368	\$ 7,811,143
2,467,785	68,070,352
809,967	18,148,496
727,443	5,285,100
-	5,202,347
950,000	1,699,858
32,772	737,053
-	709,994
-	1,438,020
-	20,842
143,091	229,357
319,852	33,616,642
1,246,138	1,997,403
7,676,445	14,299,125
-	1,245,000
<u>\$ 14,656,861</u>	<u>\$ 160,510,732</u>
\$ 293,399	\$ 11,859,369
8,060	1,585,918
392,647	392,647
-	6,156
-	3,645,000
1,256,701	19,163,090
<u>1,950,807</u>	<u>36,652,180</u>
17,110	3,671,500
389,782	22,546,708
9,216,065	25,811,099
-	1,245,000
-	1,458,862
-	12,045,241
3,057,481	10,975,428
25,616	46,104,714
<u>12,706,054</u>	<u>123,858,552</u>
<u>\$ 14,656,861</u>	<u>\$ 160,510,732</u>



**CITY OF WESTMINSTER, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2008**

Fund balances - total government funds \$ 123,858,552

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	\$ 614,710,381	
Less accumulated depreciation	<u>(229,245,892)</u>	385,464,489

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

Bond costs	3,337,911	
Investment in joint venture	<u>590,410</u>	3,928,321

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

Accrued interest	(693,719)	
Premiums/Discounts on long term debt payable	430,148	
Governmental long term debt payable	(269,062,894)	
Compensated absences	(4,346,978)	
Post employment benefits	<u>(447,411)</u>	(274,120,854)

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		8,015,320
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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>16,795,478</u>
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Net assets of governmental activities		<u><u>\$ 263,941,306</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, 2008**

	General	Sales and Use Tax	General Capital Improvement	Westminster Economic Development Authority
<b>REVENUES</b>				
Property taxes	\$ 4,342,974	\$ -	\$ -	\$ -
Sales taxes	-	54,778,736	-	-
Use taxes	-	11,629,869	-	-
Property tax increment	-	-	-	4,417,684
Sales tax increment	-	-	-	6,316,734
Business fees and other taxes	5,137,132	-	-	-
Accommodations taxes	-	-	2,627,010	-
Intergovernmental	5,418,351	-	6,930,258	-
Assessments	-	-	40,886	-
Licenses and permits	2,133,832	-	-	-
Interest	1,196,165	212,158	2,649,817	1,210,756
Contributions	-	-	771,595	-
Recreation fees	6,379,855	-	-	-
Fines and forfeitures	1,960,602	-	-	-
Fleet maintenance billings and other	6,886,037	-	-	-
EMS billings	2,026,555	-	-	-
Other	-	-	877,903	41
<b>Total revenues</b>	<b>35,481,503</b>	<b>66,620,763</b>	<b>13,897,469</b>	<b>11,945,215</b>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	33,310,456	3,027,064	1,021,024	1,524,702
Public safety	30,409,137	-	-	-
Public works	6,753,727	-	-	-
Community development	3,953,471	-	-	-
Culture and recreation	14,009,673	-	-	-
Capital projects	-	-	16,994,324	9,024,185
Debt service:				
Principal	-	-	-	330,000
Interest and fiscal charges	-	-	-	4,105,305
<b>Total expenditures</b>	<b>88,436,464</b>	<b>3,027,064</b>	<b>18,015,348</b>	<b>14,984,192</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(52,954,961)</b>	<b>63,593,699</b>	<b>(4,117,879)</b>	<b>(3,038,977)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of leases	32,792	-	-	-
Sale of capital asset	972,230	-	-	-
Transfers in	58,428,272	-	7,800,627	755,544
Transfers (out)	(4,196,482)	(64,419,517)	(989,971)	(173,887)
<b>Total other financing sources (uses):</b>	<b>55,236,812</b>	<b>(64,419,517)</b>	<b>6,810,656</b>	<b>581,657</b>
<b>Net change in fund balances</b>	<b>2,281,851</b>	<b>(825,818)</b>	<b>2,692,777</b>	<b>(2,457,320)</b>
<b>Fund balances, beginning, as restated</b>	<b>15,062,452</b>	<b>10,236,761</b>	<b>51,557,906</b>	<b>32,603,889</b>
<b>Fund balances, ending</b>	<b>\$ 17,344,303</b>	<b>\$ 9,410,943</b>	<b>\$ 54,250,683</b>	<b>\$ 30,146,569</b>

Other Governmental Funds	Total Governmental Funds
\$ 259,761	\$ 4,602,735
4,274,283	59,053,019
806,457	12,436,326
-	4,417,684
-	6,316,734
-	5,137,132
-	2,627,010
1,967,420	14,316,029
2,000	42,886
-	2,133,832
833,928	6,102,824
-	771,595
-	6,379,855
16,863	1,977,465
-	6,886,037
-	2,026,555
95,995	973,939
<u>8,256,707</u>	<u>136,201,657</u>
98,531	38,981,777
2,764	30,411,901
-	6,753,727
5,853,675	9,807,146
-	14,009,673
-	26,018,509
4,590,000	4,920,000
3,414,367	7,519,672
<u>13,959,337</u>	<u>138,422,405</u>
<u>(5,702,630)</u>	<u>(2,220,748)</u>
-	32,792
99,295	1,071,525
8,349,125	75,333,568
(6,060,832)	(75,840,689)
<u>2,387,588</u>	<u>597,196</u>
(3,315,042)	(1,623,552)
16,021,096	125,482,104
<u>\$ 12,706,054</u>	<u>\$ 123,858,552</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, 2008**

Changes in fund balances - total government funds \$ (1,623,552)

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	\$ 19,648,849	
Less current year depreciation	<u>(15,727,834)</u>	3,921,015

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	(1,071,525)	
Gain on sale of capital assets	604,571	
Special item - loss on sale of Conference Center and Lakeview Pavillion	<u>(14,825,447)</u>	(15,292,401)

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 lease	(32,792)	
Principal payments	<u>8,786,164</u>	8,753,372

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	(995,158)	
Fines and forfeitures	12,617	
Recreation fees	<u>1,289</u>	(981,252)

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	(379,558)	
Accrual of interest expense	53,612	
Adjustment to long-term compensated absences liability	(316,455)	
Adjustment to post employment benefit obligation	<u>(313,718)</u>	(956,119)

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.

582,106

Change in net assets of governmental activities \$ (5,596,831)

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2008**

	Business-type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Utility Enterprise	Golf	Westminster Housing Authority	Total	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 7,219,458	\$ 3,000	\$ 62,048	\$ 7,284,506	\$ 1,479,877
Investments	62,872,375	-	322,062	63,194,437	12,887,870
Receivables	4,240,753	9,874	418,446	4,669,073	154,995
Inventory	680,282	271,098	-	951,380	-
Bond costs and other prepaid items	1,566,735	64,058	30,105	1,660,898	2,700
Total current assets	<u>76,579,603</u>	<u>348,030</u>	<u>832,661</u>	<u>77,760,294</u>	<u>14,525,442</u>
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	328,789	51,680	232,631	613,100	-
Investments	2,863,333	450,070	-	3,313,403	-
Loans to other funds	2,400,000	-	-	2,400,000	-
Capital assets:					
Non-depreciable assets	90,016,836	11,101,327	365,379	101,483,542	-
Depreciable assets, net	285,145,813	5,760,801	2,284,024	293,190,638	5,602,316
Other assets	873,012	-	11,550	884,562	-
Total non-current assets	<u>381,627,783</u>	<u>17,363,878</u>	<u>2,893,584</u>	<u>401,885,245</u>	<u>5,602,316</u>
Total assets	<u>458,207,386</u>	<u>17,711,908</u>	<u>3,726,245</u>	<u>479,645,539</u>	<u>20,127,758</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other	3,361,572	36,121	54,671	3,452,364	419,598
Accrued liabilities	249,468	29,929	-	279,397	7,139
Due to other funds	-	317,347	-	317,347	-
Deferred revenues	-	66,089	-	66,089	-
Bonds payable, current portion	1,696,554	225,000	-	1,921,554	-
Notes payable, current portion	2,306,751	-	178,000	2,484,751	-
Lease payable, current portion	-	152,846	-	152,846	306,667
Other liabilities, current portion	117,798	10,994	-	128,792	1,637
Accrued interest	167,607	31,014	12,889	211,510	10,615
Estimated claims	-	-	-	-	1,414,062
Total current liabilities	<u>7,899,750</u>	<u>869,340</u>	<u>245,560</u>	<u>9,014,650</u>	<u>2,159,718</u>
Non-current liabilities:					
Bonds payable	9,548,465	4,780,000	-	14,328,465	-
Notes payable	31,076,093	-	2,956,913	34,033,006	-
Leases payable	-	682,454	-	682,454	1,153,156
Other liabilities	1,174,515	195,026	-	1,369,541	19,406
Total non-current liabilities	<u>41,799,073</u>	<u>5,657,480</u>	<u>2,956,913</u>	<u>50,413,466</u>	<u>1,172,562</u>
Total liabilities	<u>49,698,823</u>	<u>6,526,820</u>	<u>3,202,473</u>	<u>59,428,116</u>	<u>3,332,280</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	332,100,163	11,587,636	(60,054)	343,627,745	4,142,493
Restricted for:					
Debt service	3,192,122	-	-	3,192,122	-
Other purposes	-	-	232,631	232,631	-
Unrestricted	73,216,278	(402,548)	351,195	73,164,925	12,652,985
Total net assets	<u>\$ 408,508,563</u>	<u>\$ 11,185,088</u>	<u>\$ 523,772</u>	<u>\$ 420,217,423</u>	<u>\$ 16,795,478</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Business-type Activities Enterprise Funds				Governmental Activities
	Utility Enterprise	Golf	Westminster Housing Authority	Total	Internal Service Funds
<b>Operating revenues</b>					
Charges for services	\$ 40,954,349	\$ 3,137,419	\$ 901,313	\$ 44,993,081	\$ 13,012,742
Other	401,613	285	-	401,898	-
<b>Total operating revenues</b>	<u>41,355,962</u>	<u>3,137,704</u>	<u>901,313</u>	<u>45,394,979</u>	<u>13,012,742</u>
<b>Operating expenses</b>					
Personnel services	14,175,426	1,574,576	146,810	15,896,812	227,362
Contractual services	11,254,070	713,932	267,398	12,235,400	1,744,677
Commodities	1,854,139	550,941	180,944	2,586,024	4,513
Insurance and other expenses	5,235,508	9,282	35,731	5,280,521	10,464,002
Depreciation expense	10,595,905	551,158	193,107	11,340,170	1,012,405
<b>Total operating expenses</b>	<u>43,115,048</u>	<u>3,399,889</u>	<u>823,990</u>	<u>47,338,927</u>	<u>13,452,959</u>
<b>Operating income (loss)</b>	<u>(1,759,086)</u>	<u>(262,185)</u>	<u>77,323</u>	<u>(1,943,948)</u>	<u>(440,217)</u>
<b>Non-operating revenues (expenses)</b>					
Income on investments	4,052,284	(96,327)	22,215	3,978,172	751,688
Interest expense	(2,060,098)	(288,837)	(144,826)	(2,493,761)	(49,858)
Grants	28,035	-	-	28,035	-
Gain (loss) on disposition of capital assets	895,150	-	-	895,150	31,123
Other	(394,259)	(440,000)	(906)	(835,165)	-
<b>Total non-operating revenues (expenses)</b>	<u>2,521,112</u>	<u>(825,164)</u>	<u>(123,517)</u>	<u>1,572,431</u>	<u>732,953</u>
<b>Income (loss) before contributions and transfers</b>	762,026	(1,087,349)	(46,194)	(371,517)	292,736
Capital contributions	12,506,489	-	56,037	12,562,526	289,370
Transfers in	-	507,121	-	507,121	-
<b>Change in net assets</b>	13,268,515	(580,228)	9,843	12,698,130	582,106
<b>Net assets - beginning , as restated</b>	395,240,048	11,765,316	513,929	407,519,293	16,213,372
<b>Net assets - ending</b>	<u>\$ 408,508,563</u>	<u>\$ 11,185,088</u>	<u>\$ 523,772</u>	<u>\$ 420,217,423</u>	<u>\$ 16,795,478</u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Business-type Activities			Governmental Activities	
	Enterprise Funds				
	Utility Fund	Golf Course	Westminster Housing Authority		Total
Cash flows from operating activities:					
Cash received from customers	\$ 40,988,682	\$ 3,137,961	\$ 901,666	\$ 45,028,309	\$ 13,005,843
Cash payments to employees for services	(14,312,800)	(1,533,840)	-	(15,846,640)	(215,610)
Cash payments to suppliers for goods and services	(20,189,781)	(1,320,775)	(650,463)	(22,161,019)	(11,822,357)
Other operating revenues (expenses)	401,614	-	-	401,614	-
Net cash provided by (used in) operating activities	<u>6,887,715</u>	<u>283,346</u>	<u>251,203</u>	<u>7,422,264</u>	<u>967,876</u>
Cash flows from noncapital financing activities:					
Payment on interfund loans	-	(16,883)	-	(16,883)	-
Transfer in	-	507,121	-	507,121	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>490,238</u>	<u>-</u>	<u>490,238</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	(9,913,353)	(387,361)	(138,953)	(10,439,667)	(230,954)
Interest paid on long term debt	(2,160,131)	(286,894)	(137,794)	(2,584,819)	(46,783)
Acquisition and construction of capital assets	(21,606,738)	(5,848)	-	(21,612,586)	(2,099,913)
Proceeds from sale of capital assets	24,431	-	-	24,431	100,508
Contributions	9,563,540	-	-	9,563,540	-
Proceeds from sale of water rights	1,157,902	-	-	1,157,902	-
Proceeds from grant/notes	28,035	-	-	28,035	-
Proceeds from lease	-	-	-	-	819,925
Net cash used in capital and related financing activities	<u>(22,906,314)</u>	<u>(680,103)</u>	<u>(276,747)</u>	<u>(23,863,164)</u>	<u>(1,457,217)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	14,554,204	21,575	70,933	14,646,712	441,363
Interest received on investments	4,341,553	(98,819)	22,567	4,265,301	752,080
Net cash provided by (used in) investing activities	<u>18,895,757</u>	<u>(77,244)</u>	<u>93,500</u>	<u>18,912,013</u>	<u>1,193,443</u>
Net increase (decrease) in cash and cash equivalents	2,877,158	16,237	67,956	2,961,351	704,102
Cash and cash equivalents - beginning of year	<u>4,671,089</u>	<u>38,443</u>	<u>226,723</u>	<u>4,936,255</u>	<u>775,775</u>
Cash and cash equivalents - end of year	<u>\$ 7,548,247</u>	<u>\$ 54,680</u>	<u>\$ 294,679</u>	<u>\$ 7,897,606</u>	<u>\$ 1,479,877</u>

(Continued)



**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(Continued)**

	Business-type Activities Enterprise Funds				Governmental Activities
	Utility Fund	Golf Course	Westminster Housing Authority	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (1,759,086)	\$ (262,185)	\$ 77,323	\$ (1,943,948)	\$ (440,217)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	10,595,905	551,158	193,107	11,340,170	1,012,405
(Increase) decrease in accounts receivable	34,333	257	353	34,943	(6,901)
(Increase) decrease in inventory	95,490	(6,044)	-	89,446	-
(Increase) decrease in prepaid items	(790)	-	(20,930)	(21,720)	(2,700)
Increase (decrease) in deferred revenue	-	(11,624)	-	(11,624)	-
Increase (decrease) in accounts payable and other	(1,886,126)	(28,952)	1,350	(1,913,728)	120,883
Increase (decrease) in accrued liabilities	(192,011)	40,736	-	(151,275)	5,392
Increase (decrease) in estimated claims	-	-	-	-	279,014
Total adjustments	8,646,801	545,531	173,880	9,366,212	1,408,093
Net cash provided by (used in) operating activities	<u>\$ 6,887,715</u>	<u>\$ 283,346</u>	<u>\$ 251,203</u>	<u>\$ 7,422,264</u>	<u>\$ 967,876</u>

Non-cash investing, capital, and financing activities:

- Developers contributed capital assets consisting of water and sewer lines of \$2,584,491
- A contribution of \$358,458 was reported in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority
- The unrecognized gain (loss) recorded to value the non-cash investments of the City's enterprise funds to fair value was \$1,979,924
- A note payable in the amount of \$180,000 was entered into for the purchase of an asset; payments will commence in 2009
- A capital lease in the amount of \$1,500,000 was reclassified to an operating lease
- A capital contribution of \$56,037 was received by the Westminster Housing Authority from the General Government

**CITY OF WESTMINSTER, COLORADO  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
DECEMBER 31, 2008**

	Volunteer Fire <u>Pension</u>
<b>ASSETS</b>	
Investments with fiscal agent	<u>\$ 2,258,414</u>
<b>NET ASSETS</b>	
Held in trust for pension benefits	<u><u>\$ 2,258,414</u></u>

**CITY OF WESTMINSTER, COLORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Volunteer Fire Pension
<b>ADDITIONS</b>	
Net investment income (loss)	\$ (942,780)
Total additions	<u>(942,780)</u>
 <b>DEDUCTIONS</b>	
Benefits	212,940
Administrative expense	23,697
Total deductions	<u>236,637</u>
 <b>Change in net assets</b>	 (1,179,417)
 <b>Net assets - beginning</b>	 3,437,831
 <b>Net assets - ending</b>	 <u>\$ 2,258,414</u>

**CITY OF WESTMINSTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008**

**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, 2008.

**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, 2008**

**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

**CITY OF WESTMINSTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008**

statements into the governmental activities column of the government-wide presentation.

**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.

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

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

The City reports the following major governmental funds:

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

**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)

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of the committee on accounting procedures issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

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



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collection in the following year. The respective counties bill and collect the City's property taxes.

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

**Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as 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 generally over the following estimated useful lives:

<b><u>Capital Asset</u></b>	<b><u>Life Months</u></b>
Buildings and plants	360-480
Machinery and equipment	36-240
Improvements other than buildings	240-600
Parks	240
Infrastructure	120-600

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**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.

**Other Long Term Liabilities**

Compensated absences, post employment benefits other than pension (OPEB), and pollution remediation obligations are reported as Other Liabilities in the proprietary fund financial statements. In proprietary funds and in the government-wide statements, these liabilities are accrued when incurred.

In governmental funds, compensated absences and OPEB are considered long-term and therefore are not accrued as fund liabilities. Pollution remediation obligations are accrued when extinguishable with current financial resources; otherwise, they are not accrued.

Compensated absences and OPEB are liquidated by the fund in which an employee works. Governmental funds typically used to liquidate these liabilities include the General; Parks, Open Space & Trails; General Capital Improvement; Community Development Block Grant; Medical Dental Self Insurance; and Property & Liability Self Insurance Funds. Pollution remediation obligations are liquidated by the fund responsible for the remediation activity.

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

**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.

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

**A. Deposits and Investments**

**Deposits**

The bank balance of the City's cash deposits at December 31, 2008 was \$3,540,170, of which \$750,000 was covered by Federal Deposit Insurance and \$2,790,170 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.

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, 2008, 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 A by Standard and Poor's and A2 by Moody's Investors Services. Commercial Paper is rated at least A-1+ by Standard and Poor's and P1 by Moody's Investors Services.

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

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securities. Percentage limitations used for measurements are based on the percentage of cost value of the portfolio.

**Local Government Investment Pools.** At December 31, 2008, the City had invested \$1,230,377 in the Colorado Government Liquid Asset Trust (COLOTRUST) and \$1,159,394 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.

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 comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits, and Money Market Funds.

Cash and Investments as reported on the financial statements at December 31, 2008.

Cash and cash equivalents	\$ 16,575,526
Investments	144,152,659
Restricted cash and cash equivalents	842,457
Restricted cash with agent	33,616,642
Restricted investments	5,310,806
Restricted investments with agent	14,299,125
Total per Statement of Net Assets:	<u>\$ 214,797,215</u>

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Credit Quality Distribution for Securities as a Percentage of Total Investments

Investment Type	S & P Rating	% of Total
Local Investment - CSAFE	AAA	0.55%
Local Investment - COLOTRUST	AAA	0.58%
Commercial Paper	A-1+	1.74%
Corporate GE Capital	AAA	2.67%
Corporate Citigroup	A	0.70%
Corporate Metropolitan Life Global Funding	AA	2.29%
Corporate Walmart	AA	0.49%
Corporate John Hancock GLOB FDG II	AAA	1.22%
US Treasury Securities	N/A	12.09%
Federal Farm Credit Banks	AAA	17.19%
Federal Home Loan Bank System	AAA	23.27%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AAA	8.84%
Fannie Mae (Federal National Mortgage Association)	AAA	12.53%
First American Money Market Fund	AAA	15.56%
First American Treasury Obligation	AAA	0.28%

Investment Type	Fair Value	Weighted Average to Maturity (years)
Colorado Liquid Asset Trust (COLOTRUST)	\$ 1,230,377	-
Colorado Surplus Asset Fund (CSAFE)	1,159,394	-
Repurchase Agreements (FHLB)	12,556,514	-
Commercial Paper	3,702,154	0.05
US Treasuries	25,654,138	2.02
US Instrumentalities	106,596,479	1.32
Domestic Corporate Securities	15,636,568	0.76
First American	33,622,785	-
US Instrumentalities with Fiscal Agent	12,090,568	0.50
Total Investments controlled by City	<u>\$ 212,248,977</u>	
Portfolio weighted average maturity		1.60

**B. Disaggregation of Receivables**

	Taxes	Accounts	Leases and Notes	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 4,480,846	\$ 3,989,782	\$ 5,007,500	\$ -	\$ 169,438	\$ 13,647,566
Sales and Use Tax	6,648,395	-	-	-	27,824	6,676,219
GCIF	-	1,394,766	194,847	749,858	456,699	2,796,170
WEDA	6,209,288	1,130	-	-	50,320	6,260,738
Other Governmental	809,967	727,443	-	950,000	32,772	2,520,182
Less: Allowance for Doubtful Accounts	-	(828,021)	-	-	-	(828,021)
Subtotal	18,148,496	5,285,100	5,202,347	1,699,858	737,053	31,072,854
Reconciliation of balances in fund financial statements to government wide financial statements	-	17,910	-	-	137,085	154,995
Total - Governmental Activities	\$ 18,148,496	\$ 5,303,010	\$ 5,202,347	\$ 1,699,858	\$ 874,138	\$ 31,227,849
Business-type Activities:						
Utilities	\$ -	\$ 3,535,184	\$ -	\$ -	\$ 705,569	\$ 4,240,753
Golf Course	-	-	1,894	-	7,980	9,874
Housing Authority	-	4,998	410,000	-	3,448	418,446
Total - Business-type Activities:	\$ -	\$ 3,540,182	\$ 411,894	\$ -	\$ 716,997	\$ 4,669,073

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**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	2009
Hyland Hills Park and Recreation District	Ice Centre	6,997,500	5,007,500	semi-annually	Dec-2022
Total Governmental Activities		<u>\$ 7,192,347</u>	<u>\$ 5,202,347</u>		

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 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.

**Annual Leases and Notes Payment Schedule**

Capital Leases and Notes Receivable			
Year Ending	Catellus	Hyland Hills	Total
2009	\$ 194,847	\$ 252,500	\$ 447,347
2010	-	265,000	265,000
2011	-	277,500	277,500
2012	-	292,500	292,500
2013	-	307,500	307,500
2014-2018	-	1,795,000	1,795,000
2019-2022	-	1,817,500	1,817,500
	<u>\$ 194,847</u>	<u>\$ 5,007,500</u>	<u>\$ 5,202,347</u>

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**D. Interfund Receivables and Payables**

The composition of interfund balances as of December 31, 2008, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Due to/from other funds:		
General Fund	Golf Course	\$ 317,347
General Fund	CDBG	392,647
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>2,400,000</u>
	Total	<u><u>\$ 4,354,994</u></u>

At December 31, 2008, the General Fund covered the overdrawn cash balance of the Golf Course Fund.

At December 31, 2008, the General Fund covered the overdrawn cash balance of the Community Development Block Grant Fund.

The loans to the WEDA Fund of \$3,645,000 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 the 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 as Restated	Additions	Deletions	
Governmental Activities				
Land	\$ 94,656,730	\$ 5,384,215	\$ (1,355,723)	\$ 98,685,222
Joint Venture	5,361,000	-	-	5,361,000
Construction in progress	14,509,042	15,161,086	(24,622,106)	5,048,022
Total non-depreciable assets	<u>114,526,772</u>	<u>20,545,301</u>	<u>(25,977,829)</u>	<u>109,094,244</u>
Buildings	92,997,480	-	(18,565,005)	74,432,475
Machinery and equipment	33,736,945	3,464,834	(1,349,635)	35,852,144
Improvements other than buildings	34,511,916	4,650,476	(8,037)	39,154,355
Parks	46,487,714	4,944,857	(48,000)	51,384,571
Ice Center	6,972,384	-	-	6,972,384
Infrastructure	297,136,082	14,439,509	(420,000)	311,155,591
Total depreciable assets	<u>511,842,521</u>	<u>27,499,676</u>	<u>(20,390,677)</u>	<u>518,951,520</u>
Less accumulated depreciation for:				
Buildings	(34,864,532)	(2,399,536)	3,739,548	(33,524,520)
Machinery and equipment	(23,147,506)	(2,712,472)	1,250,207	(24,609,771)
Improvements other than buildings	(10,309,976)	(1,798,561)	-	(12,108,537)
Parks	(19,689,930)	(2,092,487)	-	(21,782,417)
Ice Center	(1,381,602)	(70,978)	-	(1,452,580)
Infrastructure	(135,865,040)	(7,666,205)	30,111	(143,501,134)
Total accumulated depreciation	<u>(225,258,586)</u>	<u>(16,740,239)</u>	<u>5,019,866</u>	<u>(236,978,959)</u>
Net total depreciable assets	<u>286,583,935</u>	<u>10,759,437</u>	<u>(15,370,811)</u>	<u>281,972,561</u>
Governmental activities capital assets, net	<u>\$ 401,110,707</u>	<u>\$ 31,304,738</u>	<u>\$ (41,348,640)</u>	<u>\$ 391,066,805</u>
Business-type activities:				
Land	\$ 23,169,266	\$ -	\$ (1,940,000)	\$ 21,229,266
Water rights	71,912,023	874,500	(261,126)	72,525,397
Construction in progress	8,595,553	20,904,556	(21,771,230)	7,728,879
Total non-depreciable assets	<u>103,676,842</u>	<u>21,779,056</u>	<u>(23,972,356)</u>	<u>101,483,542</u>
Buildings and plants	191,703,921	8,154,252	-	199,858,173
Improvements other than buildings	191,857,047	14,430,990	-	206,288,037
Parks	1,503,253	48,000	-	1,551,253
Machinery and equipment	13,934,956	1,792,050	(188,729)	15,538,277
Total depreciable assets	<u>398,999,177</u>	<u>24,425,292</u>	<u>(188,729)</u>	<u>423,235,740</u>
Less accumulated depreciation for:				
Buildings and plants	(58,579,000)	(2,781,137)	-	(61,360,137)
Improvements other than buildings	(52,512,382)	(6,999,212)	-	(59,511,594)
Parks	(597,363)	(76,370)	-	(673,733)
Machinery and equipment	(7,178,856)	(1,483,451)	162,669	(8,499,638)
Total accumulated depreciation	<u>(118,867,601)</u>	<u>(11,340,170)</u>	<u>162,669</u>	<u>(130,045,102)</u>
Net total depreciable assets	<u>280,131,576</u>	<u>13,085,122</u>	<u>(26,060)</u>	<u>293,190,638</u>
Business-type activities capital assets, net	<u>\$ 383,808,418</u>	<u>\$ 34,864,178</u>	<u>\$ (23,998,416)</u>	<u>\$ 394,674,180</u>
Depreciation expense was charged to governmental functions as follows:				
General government				\$ 1,262,519
Public safety				2,120,097
Public works				6,578,511
Community development				1,655,927
Culture and Recreation				4,635,173
Unallocated depreciation-Internal Service Funds				488,012
Total Depreciation expense				<u>\$ 16,740,239</u>
Depreciation expense was charged to business-type functions as follows:				
Utility				\$ 10,595,905
Golf				551,158
Westminster Housing Authority				193,107
Total Depreciation expense				<u>\$ 11,340,170</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, 2008.

	Cost	Accumulated Depreciation	Net Carrying Value
General Government	\$ 2,895,789	\$ (459,595)	\$ 2,436,194
General Capital Outlay Replacement	2,530,454	(321,924)	2,208,530
Golf Course Enterprise	1,180,933	(415,395)	765,538
Utility Enterprise	4,920,000	-	4,920,000
<b>Total</b>	<b>\$ 11,527,176</b>	<b>\$ (1,196,914)</b>	<b>\$ 10,330,262</b>

**F. Disaggregation of Payables**

Payables at December 31, 2008, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
<b>Governmental Activities:</b>					
General	\$ 2,803,115	\$ 2,295,855	\$ 1,553,098	\$ -	\$ 6,652,068
Sales and Use Tax	-	2,170,908	24,760	-	2,195,668
GCIF	1,910,558	159,989	-	-	2,070,547
WEDA	1,561,163	664,382	-	6,156	2,231,701
Other Governmental	293,399	-	8,060	-	301,459
Subtotal	6,568,235	5,291,134	1,585,918	6,156	13,451,443
Reconciliation of balances in fund financial statements to government wide financial statements					
Internal service funds	419,598	-	7,139	704,334	1,131,071
<b>Total - Governmental Activities</b>	<b>\$ 6,987,833</b>	<b>\$ 5,291,134</b>	<b>\$ 1,593,057</b>	<b>\$ 710,490</b>	<b>\$ 14,582,514</b>
<b>Business-type Activities:</b>					
Utilities	\$ 3,205,331	\$ 156,241	\$ 249,468	\$ 167,607	\$ 3,778,647
Golf Course	32,535	3,586	29,929	31,014	97,064
Housing Authority	54,671	-	-	12,889	67,560
<b>Total - Business-type Activities</b>	<b>\$ 3,292,537</b>	<b>\$ 159,827</b>	<b>\$ 279,397</b>	<b>\$ 211,510</b>	<b>\$ 3,943,271</b>

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**G. Long Term Debt**

Long-term liability activity for the year ended December 31, 2008 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds and leases payable:					
Revenue bonds	\$ 74,330,000	\$ -	\$ (4,590,000)	\$ 69,740,000	\$ 4,785,000
Tax increment bonds	120,485,000	-	(330,000)	120,155,000	11,862,500
Capital leases	83,852,128	872,707	(4,097,118)	80,627,717	4,259,244
	<u>278,667,128</u>	<u>872,707</u>	<u>(9,017,118)</u>	<u>270,522,717</u>	<u>20,906,744</u>
Add:					
Bond premium	3,797,141	-	(328,799)	3,468,342	300,082
Bond discount and deferred amount on refundings	(4,306,099)	-	407,609	(3,898,490)	(359,402)
	<u>278,158,170</u>	<u>872,707</u>	<u>(8,938,308)</u>	<u>270,092,569</u>	<u>20,847,424</u>
Total bonds and leases payable					
Other liabilities:					
Compensated absences	4,047,832	6,516,888	(6,197,869)	4,366,851	61,147
OPEB	134,043	314,538	-	448,581	-
Total other liabilities	<u>4,181,875</u>	<u>6,831,426</u>	<u>(6,197,869)</u>	<u>4,815,432</u>	<u>61,147</u>
Governmental activities long-term liabilities	<u>\$ 282,340,045</u>	<u>\$ 7,704,133</u>	<u>\$ (15,136,177)</u>	<u>\$ 274,908,001</u>	<u>\$ 20,908,571</u>
	Beginning Balance as restated	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Business-Type Activities:</b>					
Bonds, notes and leases payable:					
Revenue bonds	\$ 23,880,000	\$ -	\$ (7,935,000)	\$ 15,945,000	\$ 1,870,000
Capital leases	2,507,662	-	(1,672,362)	835,300	152,846
Notes	38,068,147	180,000	(2,332,305)	35,915,842	2,449,754
	<u>64,455,809</u>	<u>180,000</u>	<u>(11,939,667)</u>	<u>52,696,142</u>	<u>4,472,600</u>
Add:					
Bond/Notes premium	1,082,419	-	(93,229)	989,190	93,229
Bond discount and deferred amount on refundings	(88,934)	-	6,678	(82,256)	(6,678)
	<u>65,449,294</u>	<u>180,000</u>	<u>(12,026,218)</u>	<u>53,603,076</u>	<u>4,559,151</u>
Total bonds, notes and leases payable					
Other liabilities:					
Compensated absences	800,748	1,280,337	(1,161,748)	919,337	14,292
OPEB	24,991	58,643	-	83,634	-
Pollution Remediation	550,000	-	(54,638)	495,362	114,500
Total other liabilities	<u>1,375,739</u>	<u>1,338,980</u>	<u>(1,216,386)</u>	<u>1,498,333</u>	<u>128,792</u>
Business-type activities long-term liabilities	<u>\$ 66,825,033</u>	<u>\$ 1,518,980</u>	<u>\$ (13,242,604)</u>	<u>\$ 55,101,409</u>	<u>\$ 4,687,943</u>

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Description of Individual Debt Issues Outstanding - Summarized below are the City's debt issues outstanding at December 31, 2008.

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	\$ 4,095,000	4.0% - 5.0%	12/01/21
Sales and Use Tax Revenue Series 2002	136th Avenue & I-25 Interchange	15,090,000	12,605,000	3.25% - 5.25%	12/01/22
Sales and Use Tax Revenue Series 2007A	Refunding/Street Improvements	10,715,000	10,110,000	4.0% - 5.5%	12/01/16
Sales and Use Tax POST Series 2007B	Refunding/Open Space Purchases	13,680,000	12,540,000	4.0% - 5.5%	12/01/16
Sales and Use Tax Refunding Series 2007C	Refunding/Street Improvements	10,910,000	10,390,000	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>69,740,000</u>		
Water/Wastewater Revenue Series 2001	Refunding	20,990,000	10,940,000	3.6% - 5.5%	12/01/14
Golf Course Revenue Bonds Series 1998	Heritage Golf Course Construction	6,300,000	5,005,000	5.0% - 5.55%	12/01/23
Total Business-type Activities			<u>15,945,000</u>		
Total Revenue bonds			<u>\$ 85,685,000</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
2009	\$ 4,785,000	\$ 3,241,959	\$ 8,026,959	\$ 1,870,000	\$ 766,315	\$ 2,636,315
2010	4,655,000	3,050,404	7,705,404	1,945,000	689,040	2,634,040
2011	4,835,000	2,862,929	7,697,929	2,030,000	607,950	2,637,950
2012	5,040,000	2,666,221	7,706,221	2,115,000	523,250	2,638,250
2013	5,260,000	2,438,659	7,698,659	2,205,000	430,315	2,635,315
2014-2018	21,735,000	8,346,004	30,081,004	3,650,000	979,925	4,629,925
2019-2023	11,075,000	4,477,300	15,552,300	2,130,000	367,965	2,497,965
2024-2028	7,180,000	2,286,575	9,466,575	-	-	-
2029-2033	5,175,000	499,225	5,674,225	-	-	-
Total	<u>\$ 69,740,000</u>	<u>\$ 29,869,276</u>	<u>\$ 99,609,276</u>	<u>\$ 15,945,000</u>	<u>\$ 4,364,760</u>	<u>\$ 20,309,760</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	\$ 5,330,000	(1)	12/01/17
WEDA Revenue Bonds Series 2005	North Huron Urban Renewal	68,300,000	68,300,000	(2)	12/01/18
WEDA Revenue Refunding Bonds Series 2006	Mandalay Gardens Urban Renewal	38,455,000	38,205,000	(3)	12/01/18
WEDA Revenue Bonds Series 2007	South Sheridan Urban Renewal	8,320,000	8,320,000	(2)	12/01/18
Total Governmental Activities			<u>\$ 120,155,000</u>		

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

Year	Governmental Activities		
	Principal	Interest	Total
2009	\$ 11,862,500	\$ 4,421,741	\$ 16,284,241
2010	11,932,500	4,779,180	16,711,680
2011	12,007,500	4,226,876	16,234,376
2012	12,087,500	3,673,373	15,760,873
2013	12,172,500	3,118,589	15,291,089
2014-2018	60,092,500	7,257,150	67,349,650
Total	<u>\$ 120,155,000</u>	<u>\$ 27,476,909</u>	<u>\$ 147,631,909</u>

(1) The Series 1997 WEDA bonds bear interest at a variable weekly rate based on the BMA Index. The interest rate as of 12/31/08 is 1.6%.

(2) The Series 2005 and 2007 WEDA bonds became bank bonds in October, 2008. The variable interest rate is based on DEPFA Bank prime. The interest rate as of 12/31/08 is 4.75%

(3) The Series 2006 WEDA refunding bonds became bank bonds in October, 2008. The variable interest rate is based on DEPFA Bank prime. The interest rate as of 12/31/08 is 4.75%

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Capital Leases	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Capital lease	05 Energy Saving Equipment	\$ 2,262,993	\$ 1,698,938	4.029%	10/15/16
Capital lease	03 Fire truck	288,476	145,806	3.20%	10/15/10
Capital lease	05 Fire truck	472,039	241,191	4.27%	10/15/12
Capital lease	07 Fire truck	396,932	292,286	4.10%	01/15/14
Capital lease	07 Bobcat	40,626	26,165	4.64%	04/15/11
Capital lease	08 Fire truck	603,450	544,074	3.52%	01/15/15
Capital lease	08 Pumper Truck	216,475	216,475	3.48%	10/15/15
Capital lease	Asphalt paver	52,782	52,782	0.00%	02/28/09
Capital lease - Certificates of Participation 99	Various Street Improvements	19,720,000	950,000	5.0% - 5.625%	08/15/09
Capital lease - Certificates of Participation 98	Ice Centre	13,995,000	10,015,000	4.65% - 5.4%	01/15/23
Capital lease - Certificates of Participation 01	Public Safety Building	18,740,000	14,635,000	4.15% - 5.25%	11/15/22
Capital lease - Certificates of Participation 05	144th & I-25 interchange	17,130,000	15,870,000	3.25% - 5.0%	11/15/25
Capital lease - Broomfield/Westminster Foundation	Metzger Farm Open Space	4,920,000	3,730,000	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 Governmental Activities			<u>80,627,717</u>		
Golf Course capital lease	06 Maintenance Equipment	582,144	394,014	4.32%	04/15/13
Golf Course capital lease	07 Maintenance Equipment	547,000	441,286	4.85%	04/15/14
Total Business-type Activities			<u>835,300</u>		
Total Capital Leases			<u>\$ 81,463,017</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
2009	\$ 4,259,244	\$ 3,662,915	\$ 7,922,159	\$ 152,846	\$ 35,911	\$ 188,757
2010	4,878,145	3,485,084	8,363,229	159,965	28,793	188,758
2011	4,990,841	3,278,953	8,269,794	167,416	21,341	188,757
2012	5,202,926	3,068,840	8,271,766	175,216	13,541	188,757
2013	5,354,211	2,840,206	8,194,417	134,712	5,638	140,350
2014-2018	28,017,350	10,594,185	38,611,535	45,145	826	45,971
2019-2023	22,375,000	4,257,886	26,632,886	-	-	-
2024-2028	5,550,000	385,125	5,935,125	-	-	-
Total	<u>\$ 80,627,717</u>	<u>\$ 31,573,194</u>	<u>\$ 112,200,911</u>	<u>\$ 835,300</u>	<u>\$ 106,050</u>	<u>\$ 941,350</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	\$ 7,414,888	4.54%	06/01/17
Colorado Water Power Authority Note 98	Reclamation Facility	4,085,697	2,083,221	3.96%	06/01/17
Colorado Water Power Authority Note 00	Northwest Water Treatment Plant	14,998,357	9,726,092	4.40%	06/01/20
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	13,330,000	3.32%	06/01/25
Housing Authority Mortgage	Refinance/Capital Projects	3,600,000	2,768,641	(1)	01/09/22
Brownfields Note	Remediation of South Westminster Property	413,000	413,000	2%	02/01/16
Rehfeld Note	Purchase of water shares	180,000	180,000	4%	03/31/23
Total Business-type Activities			<u>\$ 35,915,842</u>		

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

Year	Business-Type Activities		
	Principal	Interest	Total
2009	\$ 2,449,754	\$ 1,425,147	\$ 3,874,901
2010	2,532,316	1,345,722	3,878,038
2011	2,612,140	1,258,856	3,870,996
2012	2,697,446	1,172,095	3,869,541
2013	2,788,157	1,081,783	3,869,940
2014-2018	14,308,189	3,748,432	18,056,621
2019-2023	6,980,340	1,309,442	8,289,782
2024-2028	1,547,500	136,151	1,683,651
Total	<u>\$ 35,915,842</u>	<u>\$ 11,477,628</u>	<u>\$ 47,393,470</u>

(1) The Housing Authority Mortgage bears interest at a variable yearly rate based on the Prime Rate. The interest rate as of 12/31/08 is 5.363%.

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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.

**Governmental activities:**

Issue	Amount Outstanding	Premiums/ (Discounts)/ (Deferred Loss on Refunding)	Exclude			Net Capital Related Debt	
			Unamortized Issuance Costs	Reserve	Unspent Proceeds		
Capital Assets							\$ 391,066,805
Related Debt							
2001 sales tax revenue bond	\$ 4,095,000	\$ 144,301	\$ 103,481	\$ -	\$ -	\$ 4,135,820	
2002 sales tax revenue bond	12,605,000	295,113	188,099	-	-	12,712,014	
2007A sales tax revenue refunding bond	10,110,000	(38,539)	112,750	-	-	9,958,711	
2007B open space sales tax refunding	12,540,000	9,650	135,123	-	-	12,414,527	
2007C sales tax revenue refunding bond	10,390,000	(102,465)	118,164	-	-	10,169,371	
2007D open space revenue bond	20,000,000	395,282	349,033	-	14,894,284	5,151,965	
2005 WEDA	68,300,000	-	399,413	5,101,200	7,584,876	55,214,511	
2006 WEDA refunding bond	38,205,000	(419,924)	280,080	3,160,000	-	34,344,996	
2007 WEDA	8,320,000	-	149,551	634,411	-	7,536,038	
2005 Energy Audit Equip	1,698,938	-	-	-	-	1,698,938	
Capital Lease	78,928,779	(713,568)	1,360,215	-	123,627	76,731,369	
Total Governmental Activities	\$ 265,192,717	\$ (430,150)	\$ 3,195,909	\$ 8,895,611	\$ 22,602,787		230,068,260
<b>Invested in capital assets, net of related debt</b>							<b>\$ 160,998,545</b>

**Business-type activities:**

Capital Assets							\$ 394,674,180
Related Debt							
2001 Utility Refunding Revenue Bonds	10,940,000	305,019	1,061,111	\$ -	\$ -	10,183,908	
1998 Golf Course Revenue Bonds	5,005,000	-	64,058	501,750	-	4,439,192	
Water Notes	32,734,201	648,643	504,266	-	-	32,878,578	
Capital Leases	835,300	-	-	-	-	835,300	
2002 Mortgage Note	2,768,641	(46,728)	12,456	-	-	2,709,457	
Total Business Type Activities	\$ 52,283,142	\$ 906,934	\$ 1,641,891	\$ 501,750	\$ -		51,046,435
<b>Invested in capital assets, net of related debt</b>							<b>\$ 343,627,745</b>

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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	Golf Course Fund	
General Fund	\$ -	\$ 3,996,482	\$ 200,000	\$ -	\$ -	\$ 4,196,482
Sales Tax Fund	57,626,572	1,878,778	-	4,629,167	285,000	64,419,517
General Capital Improvement Fund	800,000	-	-	150,000	39,971	989,971
Westminster Economic Development Authority	-	-	-	173,887	-	173,887
Non-Major Governmental Funds	1,700	1,925,367	555,544	3,396,071	182,150	6,060,832
<b>Totals</b>	<b>\$ 58,428,272</b>	<b>\$ 7,800,627</b>	<b>\$ 755,544</b>	<b>\$ 8,349,125</b>	<b>\$ 507,121</b>	<b>\$ 75,840,689</b>

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

From the General Fund to the Golf Course Fund for relief of interfund loans	\$ (39,971)
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	(182,150)
<b>Total transfers between Governmental and Business Type Activities Funds</b>	<b>\$ (507,121)</b>

**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 \$8,000,189 were paid from sales and use tax revenue totaling \$56,062,143. Total principal and interest payments remaining on the bonds is \$99,609,276 payable through December 2031.

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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 \$4,435,305 were paid with incremental net pledged revenues totaling \$9,382,972. Total principal and interest remaining on the bonds is \$147,631,909 payable through December 1, 2018.

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

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 \$12,072,914 and \$18,711,415, respectively. Total principal and interest payments remaining on the bonds and notes is \$56,043,316 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.

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

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were \$500,165 and \$288,973, respectively. Total principal and interest payments remaining on the bonds is \$7,488,310, 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 2007 to 2008. 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 \$150,000 per individual per year. The City has recorded a liability in this fund totaling \$458,000 for open and estimated claims not yet reported at December 31, 2008.

**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 \$671,823 for open claims and estimated claims not yet reported at December 31, 2008.

**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 including boiler and machinery, the program covers automobile liability, general liability, police professional, error and omissions, crime, fiduciary liability.



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Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$284,239 for open claims at December 31, 2008.

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

<u>Year</u>	<u>Beginning Balance</u>		<u>Incurring Claims</u>	<u>Cumulative</u>		<u>Ending Balance</u>	
	<u>Unpaid Claims</u>			<u>Claim Payments</u>	<u>Unpaid Claims</u>		
2007	\$ 1,731,484	\$	6,551,659	\$ 7,148,094	\$	1,135,049	
2008	1,135,049		8,144,334	7,865,321		1,414,062	

**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, 2008, there were 196 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 2008 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 Government Immunity Act up to \$500,000,000 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 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

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

Various suits and claims are pending against the City as of December 31, 2008. 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, 2008, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

Funding of these future expenditures for the capital projects funds has been provided for through investment earnings; operating transfers from the General, Sales & Use Tax, Parks, Open Space & Trails Sales & Use Tax, Conservation Trust funds; sales and use tax revenue bond proceeds; tax increment variable rate bond proceeds; 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 12/31/2008	Cumulative Expenditures 12/31/2008	Authorized Available 12/31/2008
Governmental activities:			
General Capital Improvement Fund	\$ 52,746,880	\$ 5,048,022	\$ 47,698,858
Westminster Economic Development Authority	9,734,325	-	9,734,325
Non-major governmental funds	13,382,404	3,921,082	9,461,322
General Capital Outlay Replacement Fund	3,497,682	-	3,497,682
Total Governmental activities	<u>\$ 79,361,291</u>	<u>\$ 8,969,104</u>	<u>\$ 70,392,187</u>
Business-type activities			
Utility Fund	<u>\$ 33,618,180</u>	<u>\$ 7,728,879</u>	<u>\$ 25,889,301</u>

**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 2008 annual lease cost based on this rate was \$425,202.

**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, 2008, was \$3.18 per thousand gallons for an annual cost of \$2,100,000.

**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.

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,

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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 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, 2008, contributions actually made to the two plans equaled required contributions and were as follows:

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

	Police Pension Plan	General Employee Pension Plan	Total
City contributions at 10.25%	\$ 1,083,739	\$ 3,082,921	\$ 4,166,660
Mandatory employee contributions at 10%	1,141,551	3,405,995	4,547,546
Voluntary employee contributions up to 10%	10,015	88,980	98,995
Rollover contributions	20,214	114,231	134,445

**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

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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	2006	2007	2008	Total
Employee Contribution 10%	\$ 606,809	\$ 588,171	\$ 606,866	\$ 1,801,846
Employee Contribution 8%	148,400	178,893	206,765	534,058
Employee Drop Program 10% *	3,569	13,865	10,353	27,787
Employer Contribution 10%	606,809	588,171	606,866	1,801,846
Employer Contribution 8%	148,400	178,893	206,765	534,058
Total	\$ 1,513,987	\$ 1,547,993	\$ 1,637,615	\$ 4,699,595

\*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, 2008, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	33
Terminated volunteers entitled to benefits but not receiving them	0
Active plan members	<u>0</u>
Total	<u>33</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
- d) Inflation rate 3.5%

**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

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transferred to the Fire and Police Pension Association of Colorado (FPPA) as allowed by C.R.S., 31-31-705. This statute allows FPPA to manage the funds of the plan and pay beneficiaries. Administrative costs and fees of the plan are netted against investment earnings on a prorated basis. The City of Westminster retains responsibility for administration and the liability of the plan. Investments of the funds are invested under the concept of an agent multiple-employer plan. 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.

**Funded Status and 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 dollar 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.

The schedule of funding progress presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

	2007	2005	2003
Actuarial Value of Assets	\$3,213,932	\$2,910,768	\$3,012,526
Actuarial Accrued Liability (AAL)	2,100,669	2,259,116	2,343,745
Excess/(Shortfall) of Assets over AAL	1,113,263	651,652	668,781
Funded Ratio	153%	129%	129%

The following exhibit shows a history of Annual Required Contributions (ARC) and Actual Contributions made to the plan:

Year Ended 31-Dec	Required Contribution	Actual Contribution	Percentage Contributed
2003	\$ -	\$ -	100%
2004	-	-	100%
2005	-	-	100%
2006	-	-	100%
2007	-	-	100%
2008	-	-	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

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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 \$235,233 during 2008. Program members receiving benefits contributed \$216,531 in actual premiums equal to 100% of the equivalent premium recognized for active employees. The City's pay-as-you-go program funding totaled \$18,702 during the year.

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

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover current year costs plus amortization for a portion of the unfunded accrued actuarial liability for Program benefits. The 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	\$ 391,882
Contributions made	<u>(18,702)</u>
Increase in net OPEB obligation	373,180
Net OPEB obligation - beginning of year	<u>159,035</u>
Net OPEB obligation - end of year	<u><u>\$ 532,215</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Program, and the net OPEB obligation for 2008 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2008	\$ 391,882	4.80%	\$ 532,215

**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.



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**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 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, 2008, amounts required as Emergency Reserves in compliance with the Amendment total \$3,654,390 for the general government and an aggregate of \$17,110 for applicable component units. These amounts are shown as reservations of

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fund balance in the General and respective non-major funds as well as 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. The Cities of Northglenn, Westminster, and Thornton participate equally in the administration and operation of the Authority. Each City appoints one member of the three-member board of directors for the Authority. The Authority has no employees.

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

**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

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valued at \$4,920,000. At December 31, 2008, the City's fifty percent equity interest in the Foundation is \$590,410.

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 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, 2008, Industrial Revenue Bonds outstanding aggregated \$14,675,000.

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**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 \$150,244 exists.

**R. Property Held for Resale**

WEDA acquired the abandoned portions of a townhome project within the Holly Park urban renewal area with the intention to clean-up the abandoned areas and ready the land for sale. The demolition of the uncompleted buildings and re-grading as well as improving the landscaping, restoring the irrigation system and general maintenance and upkeep of the property has yielded a redevelopment site of approximately 5.7 acres. At December 31, 2008, the property was reported as inventory in the financial statements at the fair market value of \$850,000.

**S. Pollution Remediation**

The City implemented Governmental Accounting Standards Board (GASB), Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* on January 1, 2008, and as required by the GASB, restated beginning net assets of the Utility Enterprise Fund to reflect an obligation to remediate contamination of an underground gas leak that was discovered in 1986.

The State of Colorado, Department of Labor and Employment, Division of Oil and Public Safety recognizes the City of Westminster as the sole responsible party for the pollution remediation of a leak from underground gas storage tanks at the Municipal Service Center. A feasibility study performed by a consultant estimated the value of recovery costs on January 1, 2008 at \$550,000 for the remediation method selected by the City, Mobil Enhanced Fluid Recovery.

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 13-15 year period. At December 31, 2008, the pollution remediation liability was \$495,362. Changes in the cost elements are likely to occur as a result of new information and data collected. The cost estimation is between -30% and +50%.

**T. Special Item**

On October 27, 2008, City Council authorized a purchase and sale agreement for the Westminster Conference Center and Lakeview Pavilion Banquet facility. The agreement, providing for termination of facility operating leases in exchange for the sale of the Conference Center and Pavilion to hotel owner Westminster Boulevard LLC, was executed later that month.

A loss of \$14,825,447 resulting from the transaction was recognized as a Special Item in the Statement of Activities, Governmental Activities. Various economic development concessions included in the purchase and sale agreement are expected to produce an economic gain of approximately \$1.9 million over the remaining terms of the former agreements as a result of expected expenditure savings.

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**U. Subsequent Event**

On May 8, 2009 the Westminster Economic Development Authority (WEDA) entered into a \$62,375,000 loan with a bank, the proceeds of which in part were used to refinance all of the \$64,885,000 outstanding WEDA Series 2005 bonds. The provisions of this loan call for WEDA to pay a variable rate of interest calculated as 65% of the one month London Interbank Borrowing Rate plus a margin of 2.30%. WEDA then entered into a rate exchange agreement (“interest rate swap”) to convert the variable interest rate paid under the loan agreement into a fixed rate of 4.51%.

WEDA issued variable rate bonds in 1997 to help finance the redevelopment of the Westminster Plaza. These bonds were supported by a direct pay letter of credit issued by Allied Irish Bank. Given the current tight credit market conditions Allied Irish decided to withdraw as the credit enhancement provider. WEDA decided to redeem the 1997 Bonds instead of finding a substitute letter of credit bank. On June 5, 2009, WEDA issued Series 2009 tax increment revenue refunding bonds in the amount of \$5,330,000 to refund the \$5,330,000 WEDA Series 1997 revenue bonds. The Series 2009 bond has an annual interest rate of 3.8% and matures December 2017. The City of Westminster is the bond holder.

**V. Restatements**

Beginning Fund Balance for the Westminster Economic Development Authority Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds has been restated for adjustments relating to prior year transactions as follows:

Fund Balance – Westminster Economic Development Authority December 31, 2007, as originally stated	\$ 31,588,214
Decrease construction expense	<u>1,015,675</u>
Fund Balance – Westminster Economic Development Authority December 31, 2007, as restated	<u>\$ 32,603,889</u>

Beginning Net Assets for the Utility Enterprise, Statement of Revenues, Expenses, and Changes in Net Assets, Proprietary Funds has been restated for adjustments relating to prior year transactions as follows:

Net Assets – Utility Enterprise December 31, 2007, as originally stated	\$ 395,790,048
Addition of pollution remediation liability	<u>(550,000)</u>
Net Assets – Utility Enterprise December 31, 2007, as restated	<u>\$ 395,240,048</u>

Beginning Net Assets for the Government-wide, Statement of Activities, Business-type activities has been restated for adjustments relating to prior year transactions as follows:

Net Assets – Business-type activities December 31, 2007, as originally stated	\$ 408,069,293
Addition of pollution remediation liability	<u>(550,000)</u>
Net Assets – Business-type activities December 31, 2007, as restated	<u>\$ 407,519,293</u>

A close-up, slightly blurred image of the American flag, showing the stars and stripes. The flag is the background for the entire page.

## Required Supplementary Information

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 4,330,710	\$ 4,330,710	\$ 4,342,974	\$ 12,264
Business fees and other taxes	4,707,489	4,707,489	5,137,132	429,643
Intergovernmental	4,840,000	5,392,328	5,418,351	26,023
Licenses and permits	1,575,000	1,644,582	2,133,832	489,250
Interest	891,156	898,671	1,196,165	297,494
Recreation fees	5,689,173	5,689,173	6,379,855	690,682
Fines and forfeits	2,353,275	2,353,275	1,960,602	(392,673)
Fleet maintenance billings and other	6,288,219	6,718,829	6,886,037	167,208
EMS billings	2,143,693	2,143,693	2,026,555	(117,138)
<b>Total revenues</b>	<u>32,818,715</u>	<u>33,878,750</u>	<u>35,481,503</u>	<u>1,602,753</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government				
City council	155,896	158,320	134,333	23,987
City attorney's office	921,639	936,639	935,720	919
City manager's office	850,403	882,403	781,369	101,034
Central charges	22,750,900	24,032,667	22,965,122	1,067,545
General services	6,962,381	7,095,106	7,003,840	91,266
Finance	1,569,778	1,578,089	1,490,072	88,017
Public safety				
Police	19,814,832	20,210,083	19,229,981	980,102
Fire	10,961,056	11,312,686	11,179,156	133,530
Public works				
Community development	3,895,000	3,986,775	3,953,471	33,304
Culture and recreation	14,218,034	14,236,457	14,009,673	226,784
<b>Total governmental activities</b>	<u>88,818,992</u>	<u>91,289,090</u>	<u>88,436,464</u>	<u>2,852,626</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(56,000,277)</u>	<u>(57,410,340)</u>	<u>(52,954,961)</u>	<u>4,455,379</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of leases	-	32,792	32,792	-
Sale of capital asset	30,000	36,000	972,230	936,230
Transfers in	57,516,433	58,426,572	58,428,272	1,700
Transfers (out)	(2,655,000)	(5,114,482)	(4,196,482)	918,000
<b>Total other financing sources (uses):</b>	<u>54,891,433</u>	<u>53,380,882</u>	<u>55,236,812</u>	<u>1,855,930</u>
<b>Net change in fund balance</b>	(1,108,844)	(4,029,458)	2,281,851	6,311,309
<b>Fund balances, beginning</b>	1,108,844	4,029,458	15,062,452	11,032,994
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,344,303</u>	<u>\$ 17,344,303</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 SALES AND USE TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales taxes	\$ 52,012,942	\$ 54,935,060	\$ 54,778,736	\$ (156,324)
Use taxes	11,438,491	11,543,437	11,629,869	86,432
Interest	150,000	150,000	212,158	62,158
<b>Total revenues</b>	<u>63,601,433</u>	<u>66,628,497</u>	<u>66,620,763</u>	<u>(7,734)</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	-	3,027,064	3,027,064	-
<b>Total expenditures</b>	<u>-</u>	<u>3,027,064</u>	<u>3,027,064</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(63,601,433)	(64,840,350)	(64,419,517)	420,833
<b>Total other financing sources (uses):</b>	<u>(63,601,433)</u>	<u>(64,840,350)</u>	<u>(64,419,517)</u>	<u>420,833</u>
<b>Net change in fund balance</b>	-	(1,238,917)	(825,818)	413,099
<b>Fund balances, beginning</b>	-	1,238,917	10,236,761	8,997,844
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,410,943</u>	<u>\$ 9,410,943</u>



**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Property tax increment	\$ 4,036,398	\$ 4,317,141	\$ 4,417,684	\$ 100,543
Sales tax increment	6,441,253	6,939,809	6,316,734	(623,075)
Interest	48,813	643,230	1,210,756	567,526
Other	-	-	41	41
<b>Total revenues</b>	<u>10,526,464</u>	<u>11,900,180</u>	<u>11,945,215</u>	<u>45,035</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	2,692,865	3,833,977	1,524,702	2,309,275
Capital projects	18,159,478	18,571,698	9,024,185	9,547,513
Debt service:				
Principal	3,165,000	3,165,000	330,000	2,835,000
Interest and fiscal charges	5,403,834	5,584,332	4,105,305	1,479,027
<b>Total expenditures</b>	<u>29,421,177</u>	<u>31,155,007</u>	<u>14,984,192</u>	<u>16,170,815</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(18,894,713)</u>	<u>(19,254,827)</u>	<u>(3,038,977)</u>	<u>16,215,850</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital asset	184,466	-	-	-
Transfers in	64,145	448,611	755,544	306,933
Transfers (out)	-	(173,887)	(173,887)	-
<b>Total other financing sources (uses):</b>	<u>248,611</u>	<u>274,724</u>	<u>581,657</u>	<u>306,933</u>
<b>Net change in fund balance</b>	(18,646,102)	(18,980,103)	(2,457,320)	16,522,783
<b>Fund balances, beginning</b>	28,840,247	25,306,513	32,603,889	7,297,376
<b>Fund balances, ending</b>	<u>\$ 10,194,145</u>	<u>\$ 6,326,410</u>	<u>\$ 30,146,569</u>	<u>\$ 23,820,159</u>

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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) - Projected Unit Credit Cost Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2007 (a)	\$ -	\$ 3,198,000	\$ 3,198,000	0%	\$ 48,655,116	6.6%

(a) 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) - Entry Age Actuarial Cost Method	Overfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2003	\$ 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
12/31/2007	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.

**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2008**

**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, Parks, Open Space and Trails Fund, Conservation Trust 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.

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

See the disclosure on Construction and Other Significant Commitments, pages 55 and 56, for detail on the continuing appropriations for capital project and project length budgets.

Westminster Housing Authority expenses exceeded the adopted budget by \$23,323 as indicated on page 95. The negative variance is primarily due to greater than expected expenses for personnel, utility, insurance, and other contractual services.

A close-up, slightly blurred image of the American flag, showing the stars and stripes. The flag is oriented vertically, with the stars in the upper left and stripes extending downwards. The colors are vibrant, with a deep blue field for the stars and bright red and white stripes. The overall effect is patriotic and formal.

# Combining Statements

## 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, 2008**

	Special Revenue Funds			
	Parks Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID
<b>ASSETS</b>				
Cash and cash equivalents	\$ 145,061	\$ 68,889	\$ 16,661	\$ 6,954
Investments	1,263,295	599,938	145,100	60,564
Receivables:				
Taxes	547,178	99,551	62,780	20,697
Accounts	-	544	342	1,094
Grants	950,000	-	-	-
Interest	13,181	6,398	1,546	645
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Cash and cash equivalents with fiscal agent	319,852	-	-	-
Investments	-	-	-	-
Investments with fiscal agent	7,676,445	-	-	-
Total assets	<u>\$ 10,915,012</u>	<u>\$ 775,320</u>	<u>\$ 226,429</u>	<u>\$ 89,954</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and other	\$ 36,663	\$ 169	\$ 1,413	\$ -
Accrued liabilities	3,962	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	950,000	99,551	62,780	20,697
Total liabilities	<u>990,625</u>	<u>99,720</u>	<u>64,193</u>	<u>20,697</u>
Fund balances:				
Reserved for:				
Emergencies	-	4,295	2,301	6,721
Debt service	-	-	-	35,854
Capital projects	9,216,065	-	-	-
Unreserved, reported in:				
Special revenue funds	708,322	671,305	159,935	26,682
Capital project funds	-	-	-	-
Total fund balances	<u>9,924,387</u>	<u>675,600</u>	<u>162,236</u>	<u>69,257</u>
Total liabilities and fund balances	<u>\$ 10,915,012</u>	<u>\$ 775,320</u>	<u>\$ 226,429</u>	<u>\$ 89,954</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Avenue GID	Conservation Trust	Investigation Recovery	Total
\$ 44	\$ 1,633	\$ 1,524	\$ -	\$ 8,044	\$ 248,810
383	14,218	13,275	-	70,056	2,166,829
168	47,781	31,812	-	-	809,967
-	2,976	922	-	138	6,016
-	-	-	-	-	950,000
4	150	140	6,829	615	29,508
-	-	-	143,091	-	143,091
-	-	-	-	-	319,852
-	-	-	1,246,138	-	1,246,138
-	-	-	-	-	7,676,445
<u>\$ 599</u>	<u>\$ 66,758</u>	<u>\$ 47,673</u>	<u>\$ 1,396,058</u>	<u>\$ 78,853</u>	<u>\$ 13,596,656</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,245
-	-	-	-	-	3,962
-	-	-	-	-	-
168	47,781	31,812	-	-	1,212,789
168	47,781	31,812	-	-	1,254,996
5	2,651	1,137	-	-	17,110
426	-	14,724	-	-	51,004
-	-	-	-	-	9,216,065
-	16,326	-	1,396,058	78,853	3,057,481
-	-	-	-	-	-
431	18,977	15,861	1,396,058	78,853	12,341,660
<u>\$ 599</u>	<u>\$ 66,758</u>	<u>\$ 47,673</u>	<u>\$ 1,396,058</u>	<u>\$ 78,853</u>	<u>\$ 13,596,656</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2008**

(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	Total
		Community Development	Other Governmental
	Debt Service	Block Grant	Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 34,558	\$ -	\$ 283,368
Investments	300,956	-	2,467,785
Receivables:			
Taxes	-	-	809,967
Accounts	-	721,427	727,443
Grants	-	-	950,000
Interest	3,264	-	32,772
Restricted assets:			
Cash and cash equivalents	-	-	143,091
Cash and cash equivalents with fiscal agent	-	-	319,852
Investments	-	-	1,246,138
Investments with fiscal agent	-	-	7,676,445
Total assets	<u>\$ 338,778</u>	<u>\$ 721,427</u>	<u>\$ 14,656,861</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and other	\$ -	\$ 255,154	\$ 293,399
Accrued liabilities	-	4,098	8,060
Due to other funds	-	392,647	392,647
Deferred revenue	-	43,912	1,256,701
Total liabilities	<u>-</u>	<u>695,811</u>	<u>1,950,807</u>
Fund balances:			
Reserved for:			
Emergencies	-	-	17,110
Debt service	338,778	-	389,782
Capital projects	-	-	9,216,065
Unreserved, reported in:			
Special revenue funds	-	-	3,057,481
Capital project funds	-	25,616	25,616
Total fund balances	<u>338,778</u>	<u>25,616</u>	<u>12,706,054</u>
Total liabilities and fund balances	<u>\$ 338,778</u>	<u>\$ 721,427</u>	<u>\$ 14,656,861</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, 2008**

	Special Revenue Funds			
	Parks Open Space & Trails	Sheridan Crossing GID	Amherst GID	136th Ave GID
<b>REVENUES</b>				
Property taxes	\$ -	\$ 99,740	\$ 62,947	\$ 27,050
Sales taxes	4,274,283	-	-	-
Use taxes	806,457	-	-	-
Intergovernmental	-	8,365	5,256	16,812
Assessments	-	-	-	-
Interest	570,298	35,048	8,487	6,292
Fines and forfeits	-	-	-	-
Other	95,995	-	-	-
Total revenues	<u>5,747,033</u>	<u>143,153</u>	<u>76,690</u>	<u>50,154</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	-	23,548	33,363	10,405
Public safety	-	-	-	-
Community development	4,740,592	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>4,740,592</u>	<u>23,548</u>	<u>33,363</u>	<u>10,405</u>
<b>Excess of revenues over (under) expenditures</b>	<u>1,006,441</u>	<u>119,605</u>	<u>43,327</u>	<u>39,749</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital asset	99,295	-	-	-
Transfers in	150,000	-	-	173,887
Transfers (out)	(5,176,687)	-	-	(195,000)
Total other financing sources (uses):	<u>(4,927,392)</u>	<u>-</u>	<u>-</u>	<u>(21,113)</u>
<b>Net change in fund balance</b>	(3,920,951)	119,605	43,327	18,636
<b>Fund balances - beginning</b>	13,845,338	555,995	118,909	50,621
<b>Fund balances - ending</b>	<u>\$ 9,924,387</u>	<u>\$ 675,600</u>	<u>\$ 162,236</u>	<u>\$ 69,257</u>

Special Revenue Funds

Promenade Parking Garage GID	Mandalay Town Center GID	144th Ave GID	Conservation Trust	Investigation Recovery	Total
\$ 168	\$ 47,052	\$ 22,804	\$ -	\$ -	\$ 259,761
-	-	-	-	-	4,274,283
-	-	-	-	-	806,457
-	39,760	14,180	812,296	-	896,669
-	-	-	-	-	-
5	1,542	918	59,563	16,771	698,924
-	-	-	-	16,863	16,863
-	-	-	-	-	95,995
<u>173</u>	<u>88,354</u>	<u>37,902</u>	<u>871,859</u>	<u>33,634</u>	<u>7,048,952</u>
167	10,706	20,342	-	-	98,531
-	-	-	-	2,764	2,764
-	-	-	-	-	4,740,592
-	-	-	-	-	-
-	-	-	-	-	-
<u>167</u>	<u>10,706</u>	<u>20,342</u>	<u>-</u>	<u>2,764</u>	<u>4,841,887</u>
6	77,648	17,560	871,859	30,870	2,207,065
-	-	-	-	-	99,295
-	-	-	-	-	323,887
-	(62,445)	(1,700)	(625,000)	-	(6,060,832)
-	<u>(62,445)</u>	<u>(1,700)</u>	<u>(625,000)</u>	<u>-</u>	<u>(5,637,650)</u>
6	15,203	15,860	246,859	30,870	(3,430,585)
425	3,774	1	1,149,199	47,983	15,772,245
<u>\$ 431</u>	<u>\$ 18,977</u>	<u>\$ 15,861</u>	<u>\$ 1,396,058</u>	<u>\$ 78,853</u>	<u>\$ 12,341,660</u>

(Continued)

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
(Continued)

	<u>Debt Service</u>	<u>Capital Project</u>	
		Community Development	Total Other Governmental
	Debt Service	Block Grant	Funds
<b>REVENUES</b>			
Property taxes	\$ -	\$ -	\$ 259,761
Sales taxes	-	-	4,274,283
Use taxes	-	-	806,457
Intergovernmental	-	1,070,751	1,967,420
Assessments	2,000	-	2,000
Interest	135,004	-	833,928
Fines and forfeits	-	-	16,863
Other	-	-	95,995
Total revenues	<u>137,004</u>	<u>1,070,751</u>	<u>8,256,707</u>
<b>EXPENDITURES</b>			
Governmental activities:			
General government	-	-	98,531
Public safety	-	-	2,764
Community development	-	1,113,083	5,853,675
Debt service:			
Principal	4,590,000	-	4,590,000
Interest and fiscal charges	3,414,367	-	3,414,367
Total expenditures	<u>8,004,367</u>	<u>1,113,083</u>	<u>13,959,337</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(7,867,363)</u>	<u>(42,332)</u>	<u>(5,702,630)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>			
Sale of asset	-	-	99,295
Transfers in	8,025,238	-	8,349,125
Transfers (out)	-	-	(6,060,832)
Total other financing sources (uses):	<u>8,025,238</u>	<u>-</u>	<u>2,387,588</u>
<b>Net change in fund balance</b>	157,875	(42,332)	(3,315,042)
<b>Fund balances - beginning</b>	180,903	67,948	16,021,096
<b>Fund balances - ending</b>	<u>\$ 338,778</u>	<u>\$ 25,616</u>	<u>\$ 12,706,054</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, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Sales taxes	\$ 4,074,500	\$ 4,074,500	\$ 4,274,283	\$ 199,783
Use taxes	822,690	822,690	806,457	(16,233)
Intergovernmental	-	950,000	-	(950,000)
Interest	60,000	459,002	570,298	111,296
Other	88,832	122,407	95,995	(26,412)
<b>Total revenues</b>	<u>5,046,022</u>	<u>6,428,599</u>	<u>5,747,033</u>	<u>(681,566)</u>
<b>EXPENDITURES</b>				
Governmental activities:				
Community development	13,127,865	14,660,713	4,740,592	9,920,121
<b>Total expenditures</b>	<u>13,127,865</u>	<u>14,660,713</u>	<u>4,740,592</u>	<u>9,920,121</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(8,081,843)</u>	<u>(8,232,114)</u>	<u>1,006,441</u>	<u>9,238,555</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital asset	150,000	-	99,295	99,295
Transfers in	-	150,000	150,000	-
Transfers (out)	(4,092,221)	(5,176,687)	(5,176,687)	-
<b>Total other financing sources (uses):</b>	<u>(3,942,221)</u>	<u>(5,026,687)</u>	<u>(4,927,392)</u>	<u>99,295</u>
<b>Net change in fund balance</b>	(12,024,064)	(13,258,801)	(3,920,951)	9,337,850
<b>Fund balances, beginning</b>	12,024,064	13,258,801	13,845,338	586,537
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,924,387</u>	<u>\$ 9,924,387</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 99,954	\$ 99,954	\$ 99,740	\$ (214)
Intergovernmental	9,060	9,060	8,365	(695)
Interest	14,701	14,701	35,048	20,347
<b>Total revenues</b>	<u>123,715</u>	<u>123,715</u>	<u>143,153</u>	<u>19,438</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	47,141	47,141	23,548	23,593
<b>Total expenditures</b>	<u>47,141</u>	<u>47,141</u>	<u>23,548</u>	<u>23,593</u>
<b>Net change in fund balance</b>	76,574	76,574	119,605	43,031
<b>Fund balances, beginning</b>	534,600	534,600	555,995	21,395
<b>Fund balances, ending</b>	<u>\$ 611,174</u>	<u>\$ 611,174</u>	<u>\$ 675,600</u>	<u>\$ 64,426</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 62,795	\$ 62,795	\$ 62,947	\$ 152
Intergovernmental	5,880	5,880	5,256	(624)
Interest	3,072	3,072	8,487	5,415
<b>Total revenues</b>	<u>71,747</u>	<u>71,747</u>	<u>76,690</u>	<u>4,943</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	61,842	61,842	33,363	28,479
<b>Total expenditures</b>	<u>61,842</u>	<u>61,842</u>	<u>33,363</u>	<u>28,479</u>
<b>Net change in fund balance</b>	9,905	9,905	43,327	33,422
<b>Fund balances, beginning</b>	111,726	111,726	118,909	7,183
<b>Fund balances, ending</b>	<u>\$ 121,631</u>	<u>\$ 121,631</u>	<u>\$ 162,236</u>	<u>\$ 40,605</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 202,057	\$ 28,170	\$ 27,050	\$ (1,120)
Intergovernmental	5,400	5,400	16,812	11,412
Interest	2,600	2,600	6,292	3,692
<b>Total revenues</b>	<u>210,057</u>	<u>36,170</u>	<u>50,154</u>	<u>13,984</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	15,057	15,057	10,405	4,652
<b>Total expenditures</b>	<u>15,057</u>	<u>15,057</u>	<u>10,405</u>	<u>4,652</u>
<b>Excess of revenues over (under) expenditures</b>	<u>195,000</u>	<u>21,113</u>	<u>39,749</u>	<u>18,636</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	173,887	173,887	-
Transfers (out)	(195,000)	(195,000)	(195,000)	-
<b>Total other financing sources (uses):</b>	<u>(195,000)</u>	<u>(21,113)</u>	<u>(21,113)</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	18,636	18,636
<b>Fund balances, beginning</b>	9,113	9,113	50,621	41,508
<b>Fund balances, ending</b>	<u>\$ 9,113</u>	<u>\$ 9,113</u>	<u>\$ 69,257</u>	<u>\$ 60,144</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 PROMENADE PARKING GARAGE GENERAL IMPROVEMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 168	\$ 168	\$ 168	\$ -
Interest	-	-	5	5
<b>Total revenues</b>	<u>168</u>	<u>168</u>	<u>173</u>	<u>5</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	168	168	167	1
<b>Total expenditures</b>	<u>168</u>	<u>168</u>	<u>167</u>	<u>1</u>
<b>Net change in fund balance</b>	-	-	6	6
<b>Fund balances, beginning</b>	407	407	425	18
<b>Fund balances, ending</b>	<u>\$ 407</u>	<u>\$ 407</u>	<u>\$ 431</u>	<u>\$ 24</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 47,051	\$ 47,051	\$ 47,052	\$ 1
Intergovernmental	25,000	25,000	39,760	14,760
Interest	1,100	1,100	1,542	442
<b>Total revenues</b>	<u>73,151</u>	<u>73,151</u>	<u>88,354</u>	<u>15,203</u>
<b>EXPENDITURES</b>				
Governmental activities:				
General government	10,706	10,706	10,706	-
<b>Total expenditures</b>	<u>10,706</u>	<u>10,706</u>	<u>10,706</u>	<u>-</u>
<b>Excess of revenues over (under) expenditures</b>	<u>62,445</u>	<u>62,445</u>	<u>77,648</u>	<u>15,203</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(62,445)	(62,445)	(62,445)	-
<b>Total other financing sources (uses):</b>	<u>(62,445)</u>	<u>(62,445)</u>	<u>(62,445)</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	15,203	15,203
<b>Fund balances, beginning</b>	3,273	3,273	3,774	501
<b>Fund balances, ending</b>	<u>\$ 3,273</u>	<u>\$ 3,273</u>	<u>\$ 18,977</u>	<u>\$ 15,704</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**144TH AVENUE GENERAL IMPROVEMENT DISTRICT**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 22,898	\$ 22,898	\$ 22,804	\$ (94)
Intergovernmental	-	-	14,180	14,180
Interest	282	282	918	636
<b>Total revenues</b>	<u>23,180</u>	<u>23,180</u>	<u>37,902</u>	<u>14,722</u>
Governmental activities:				
General government	<u>20,780</u>	<u>20,780</u>	<u>20,342</u>	<u>438</u>
<b>Total expenditures</b>	<u>20,780</u>	<u>20,780</u>	<u>20,342</u>	<u>438</u>
<b>Excess of revenues over (under) expenditures</b>	<u>2,400</u>	<u>2,400</u>	<u>17,560</u>	<u>15,160</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>(1,700)</u>	<u>(1,700)</u>	<u>(1,700)</u>	<u>-</u>
<b>Total other financing sources (uses):</b>	<u>(1,700)</u>	<u>(1,700)</u>	<u>(1,700)</u>	<u>-</u>
<b>Net change in fund balance</b>	700	700	15,860	15,160
<b>Fund balances, beginning</b>	2	2	1	(1)
<b>Fund balances, ending</b>	<u>\$ 702</u>	<u>\$ 702</u>	<u>\$ 15,861</u>	<u>\$ 15,159</u>

**CITY OF WESTMINSTER, COLORADO  
 BUDGETARY COMPARISON SCHEDULE  
 CONSERVATION TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 625,000	\$ 625,000	\$ 812,296	\$ 187,296
Interest	-	-	59,563	59,563
<b>Total revenues</b>	<u>625,000</u>	<u>625,000</u>	<u>871,859</u>	<u>246,859</u>
<b>EXPENDITURES</b>				
Capital projects	-	219,165	-	219,165
<b>Total expenditures</b>	<u>-</u>	<u>219,165</u>	<u>-</u>	<u>219,165</u>
<b>Excess of revenues over (under) expenditures</b>	<u>625,000</u>	<u>405,835</u>	<u>871,859</u>	<u>466,024</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(625,000)	(625,000)	(625,000)	-
<b>Total other financing sources (uses):</b>	<u>(625,000)</u>	<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	-	(219,165)	246,859	466,024
<b>Fund balances, beginning</b>	-	219,165	1,149,199	930,034
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,396,058</u>	<u>\$ 1,396,058</u>



**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Assessments	\$ -	\$ -	\$ 2,000	\$ 2,000
Interest	75,000	75,000	135,004	60,004
<b>Total revenues</b>	<u>75,000</u>	<u>75,000</u>	<u>137,004</u>	<u>62,004</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	4,810,000	4,590,000	4,590,000	-
Interest and fiscal charges	3,490,354	3,710,354	3,414,367	295,987
<b>Total expenditures</b>	<u>8,300,354</u>	<u>8,300,354</u>	<u>8,004,367</u>	<u>295,987</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(8,225,354)</u>	<u>(8,225,354)</u>	<u>(7,867,363)</u>	<u>357,991</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	8,446,071	8,446,071	8,025,238	(420,833)
<b>Total other financing sources (uses):</b>	<u>8,446,071</u>	<u>8,446,071</u>	<u>8,025,238</u>	<u>(420,833)</u>
<b>Net change in fund balance</b>	220,717	220,717	157,875	(62,842)
<b>Fund balances, beginning</b>	(220,717)	(220,717)	180,903	401,620
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,778</u>	<u>\$ 338,778</u>

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**UTILITY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Operating revenues</b>				
Charges for services	\$ 39,501,877	\$ 39,501,877	\$ 40,954,349	\$ 1,452,472
Other	380,000	392,574	401,613	9,039
<b>Total operating revenues</b>	<u>39,881,877</u>	<u>39,894,451</u>	<u>41,355,962</u>	<u>1,461,511</u>
<b>Operating expenses</b>				
Personnel services	14,401,973	14,451,343	14,175,427	275,916
Contractual services	12,226,477	12,129,285	11,254,070	875,215
Commodities	1,979,330	2,022,465	1,854,138	168,327
Capital outlay	51,944,502	56,847,639	26,825,576	30,022,063
Insurance and other expenses	-	-	16,670	(16,670)
<b>Total operating expenses</b>	<u>80,552,282</u>	<u>85,450,732</u>	<u>54,125,881</u>	<u>31,324,851</u>
<b>Operating income (loss)</b>	<u>(40,670,405)</u>	<u>(45,556,281)</u>	<u>(12,769,919)</u>	<u>32,786,362</u>
<b>Non-operating revenues (expenses)</b>				
Income on investments	3,350,000	3,350,000	4,052,284	702,284
Debt service	(6,308,662)	(12,133,662)	(11,873,987)	259,675
Grants	-	50,000	28,035	(21,965)
Disposition of assets	-	1,157,901	1,182,333	24,432
<b>Total Non-operating revenues (expenses)</b>	<u>(2,958,662)</u>	<u>(7,575,761)</u>	<u>(6,611,335)</u>	<u>964,426</u>
<b>Income (loss) before contributions and transfers</b>	<u>(43,629,067)</u>	<u>(53,132,042)</u>	<u>(19,381,254)</u>	<u>33,750,788</u>
Capital contributions	9,925,000	9,925,000	9,517,822	(407,178)
Transfers in	6,421,076	15,985,069	19,085,297	3,100,228
Transfers (out)	(6,421,076)	(19,085,297)	(19,085,297)	-
<b>Change in net assets</b>	<u>\$ (33,704,067)</u>	<u>\$ (46,307,270)</u>	<u>(9,863,432)</u>	<u>\$ 36,443,838</u>
<b>Adjustments to GAAP basis</b>				
<b>Debt</b>				
Principal payments			9,913,353	
Amortization of prepaid bond sale expense			(394,259)	
Amortization of premiums and discounts			(90,216)	
Accrued interest adjustment			(9,248)	
<b>Capital assets</b>				
Acquisitions			21,606,738	
Net book value of disposals			(287,183)	
Capital contributions			2,988,667	
Depreciation			(10,595,905)	
<b>Change in net assets, GAAP basis</b>			<u>\$ 13,268,515</u>	

**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
GOLF COURSE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues</b>				
Charges for services	\$ 3,226,101	\$ 3,226,101	\$ 3,137,419	\$ (88,682)
Other	-	-	285	285
<b>Total operating revenues</b>	<u>3,226,101</u>	<u>3,226,101</u>	<u>3,137,704</u>	<u>(88,397)</u>
<b>Operating Expenses</b>				
Personnel services	1,640,377	1,610,477	1,574,576	35,901
Contractual services	1,037,431	998,106	887,872	110,234
Commodities	515,128	574,328	550,941	23,387
Capital outlay	-	10,025	15,130	(5,105)
<b>Total operating expenses</b>	<u>3,192,936</u>	<u>3,192,936</u>	<u>3,028,519</u>	<u>164,417</u>
<b>Operating income (loss)</b>	<u>33,165</u>	<u>33,165</u>	<u>109,185</u>	<u>76,020</u>
<b>Non-operating revenues (expenses)</b>				
Income on investments	-	-	(96,327)	(96,327)
Debt service	(500,315)	(500,315)	(500,315)	-
<b>Total non-operating revenues (expenses)</b>	<u>(500,315)</u>	<u>(500,315)</u>	<u>(596,642)</u>	<u>(96,327)</u>
<b>Income (loss) before transfers</b>	(467,150)	(467,150)	(487,457)	(20,307)
Transfers in	467,150	467,150	507,121	39,971
<b>Change in net assets</b>	<u>\$ -</u>	<u>\$ -</u>	19,664	<u>\$ 19,664</u>
<b>Adjustments to GAAP basis</b>				
<b>Debt</b>				
Principal payments			387,361	
Amortization of premiums and discounts			(4,418)	
Accrued interest adjustment			2,475	
<b>Capital assets</b>				
Acquisitions			5,848	
Net book value of disposals			(440,000)	
Depreciation			(551,158)	
<b>Change in net assets, GAAP basis</b>			<u>\$ (580,228)</u>	

**CITY OF WESTMINSTER, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
WESTMINSTER HOUSING AUTHORITY  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues</b>				
Charges for services	\$ 887,160	\$ 887,160	\$ 901,313	\$ 14,153
<b>Total operating revenues</b>	<u>887,160</u>	<u>887,160</u>	<u>901,313</u>	<u>14,153</u>
<b>Operating expenses</b>				
Personnel services	179,628	179,628	146,810	32,818
Contractual services	255,756	263,756	267,398	(3,642)
Commodities	131,080	131,080	180,944	(49,864)
Insurance and other expenses	33,096	33,096	35,731	(2,635)
<b>Total operating expenses</b>	<u>599,560</u>	<u>607,560</u>	<u>630,883</u>	<u>(23,323)</u>
<b>Operating income (loss)</b>	<u>287,600</u>	<u>279,600</u>	<u>270,430</u>	<u>(9,170)</u>
<b>Non-operating revenues (expenses)</b>				
Income on investments	5,412	13,412	22,215	8,803
Debt service	(284,694)	(284,694)	(270,890)	13,804
Other	(906)	(906)	(906)	-
<b>Total non-operating revenues (expenses)</b>	<u>(280,188)</u>	<u>(272,188)</u>	<u>(249,581)</u>	<u>22,607</u>
<b>Change in net assets</b>	<u>\$ 7,412</u>	<u>\$ 7,412</u>	20,849	<u>\$ 13,437</u>
<b>Adjustments to GAAP basis</b>				
<b>Debt</b>				
Principal payments			138,953	
Accrued interest adjustment			(12,889)	
<b>Capital assets</b>				
Capital contributions			56,037	
Depreciation			(193,107)	
<b>Change in net assets, GAAP basis</b>			<u>\$ 9,843</u>	

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2008**

	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	\$ 458,449	\$ 331,777	\$ 298,885	\$ 390,766	\$ 1,479,877
Investments	3,992,514	2,889,362	2,602,915	3,403,079	12,887,870
Receivables:					
Accounts	-	17,910	-	-	17,910
Interest	44,073	30,824	27,842	34,346	137,085
Prepaid items	-	2,700	-	-	2,700
Total current assets	<u>4,495,036</u>	<u>3,272,573</u>	<u>2,929,642</u>	<u>3,828,191</u>	<u>14,525,442</u>
Non-current assets:					
Capital assets:					
Depreciable assets, net	-	-	-	5,602,316	5,602,316
Total assets	<u>4,495,036</u>	<u>3,272,573</u>	<u>2,929,642</u>	<u>9,430,507</u>	<u>20,127,758</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other	223,936	19,507	133,544	42,611	419,598
Accrued liabilities	3,358	-	3,781	-	7,139
Lease payable, current portion	-	-	-	306,667	306,667
Other liabilities, current portion	1,637	-	-	-	1,637
Accrued interest	-	-	-	10,615	10,615
Estimated claims	458,000	671,823	284,239	-	1,414,062
Total current liabilities	<u>686,931</u>	<u>691,330</u>	<u>421,564</u>	<u>359,893</u>	<u>2,159,718</u>
Non-current liabilities:					
Leases payable	-	-	-	1,153,156	1,153,156
Other liabilities	16,765	-	2,641	-	19,406
Total non-current liabilities	<u>16,765</u>	<u>-</u>	<u>2,641</u>	<u>1,153,156</u>	<u>1,172,562</u>
Total liabilities	<u>703,696</u>	<u>691,330</u>	<u>424,205</u>	<u>1,513,049</u>	<u>3,332,280</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	-	-	-	4,142,493	4,142,493
Unrestricted	3,791,340	2,581,243	2,505,437	3,774,965	12,652,985
Total net assets	<u>\$ 3,791,340</u>	<u>\$ 2,581,243</u>	<u>\$ 2,505,437</u>	<u>\$ 7,917,458</u>	<u>\$ 16,795,478</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, 2008**

	Governmental Activities				Total
	Internal Service Funds				
	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	\$ 9,158,858	\$ 1,127,547	\$ 1,329,542	\$ 1,396,795	\$ 13,012,742
<b>Total operating revenues</b>	<u>9,158,858</u>	<u>1,127,547</u>	<u>1,329,542</u>	<u>1,396,795</u>	<u>13,012,742</u>
<b>Operating expenses</b>					
Personnel services	88,886	3,827	134,649	-	227,362
Contractual services	1,074,787	157,884	512,006	-	1,744,677
Commodities	-	3,770	743	-	4,513
Insurance and other expenses	8,667,318	903,038	666,843	226,803	10,464,002
Depreciation	-	-	-	1,012,405	1,012,405
<b>Total operating expenses</b>	<u>9,830,991</u>	<u>1,068,519</u>	<u>1,314,241</u>	<u>1,239,208</u>	<u>13,452,959</u>
<b>Operating income (loss)</b>	<u>(672,133)</u>	<u>59,028</u>	<u>15,301</u>	<u>157,587</u>	<u>(440,217)</u>
<b>Non-operating revenues (expenses)</b>					
Income on investments	227,840	167,214	150,325	206,309	751,688
Interest expense	-	-	-	(49,858)	(49,858)
Gain (loss) on disposition of capital assets	-	-	-	31,123	31,123
<b>Total non-operating revenues (expenses)</b>	<u>227,840</u>	<u>167,214</u>	<u>150,325</u>	<u>187,574</u>	<u>732,953</u>
<b>Income (loss) before contributions and transfers</b>	<u>(444,293)</u>	<u>226,242</u>	<u>165,626</u>	<u>345,161</u>	<u>292,736</u>
Capital contributions	-	-	-	289,370	289,370
<b>Change in net assets</b>	(444,293)	226,242	165,626	634,531	582,106
<b>Net assets - beginning</b>	4,235,633	2,355,001	2,339,811	7,282,927	16,213,372
<b>Net assets - ending</b>	<u>\$ 3,791,340</u>	<u>\$ 2,581,243</u>	<u>\$ 2,505,437</u>	<u>\$ 7,917,458</u>	<u>\$ 16,795,478</u>

**CITY OF WESTMINSTER, COLORADO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Governmental Activities Internal Service Funds				Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	
Cash flows from operating activities:					
Cash received from customers	\$ 9,158,858	\$ 1,111,710	\$ 1,338,480	\$ 1,396,795	\$ 13,005,843
Cash payments to employees for services	(84,085)	-	(131,525)	-	(215,610)
Cash payments to suppliers for goods and services	(9,609,235)	(759,290)	(1,269,640)	(184,192)	(11,822,357)
Net cash provided by (used in) operating activities	<u>(534,462)</u>	<u>352,420</u>	<u>(62,685)</u>	<u>1,212,603</u>	<u>967,876</u>
Cash flows from capital and related financing activities:					
Principal paid on long term debt	-	-	-	(230,954)	(230,954)
Interest paid on long term debt	-	-	-	(46,783)	(46,783)
Acquisition and construction of capital assets	-	-	-	(2,099,913)	(2,099,913)
Proceeds from sale of capital assets	-	-	-	100,508	100,508
Proceeds from lease	-	-	-	819,925	819,925
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,457,217)</u>	<u>(1,457,217)</u>
Cash flow from investing activities:					
(Purchase) sale of investments	501,270	(332,238)	56,850	215,481	441,363
Interest received on investments	230,098	162,768	149,919	209,295	752,080
Net cash provided by (used in) investing activities	<u>731,368</u>	<u>(169,470)</u>	<u>206,769</u>	<u>424,776</u>	<u>1,193,443</u>
Net increase (decrease) in cash and cash equivalents	196,906	182,950	144,084	180,162	704,102
Cash and cash equivalents - beginning of year	<u>261,543</u>	<u>148,827</u>	<u>154,801</u>	<u>210,604</u>	<u>775,775</u>
Cash and cash equivalents - end of year	<u>\$ 458,449</u>	<u>\$ 331,777</u>	<u>\$ 298,885</u>	<u>\$ 390,766</u>	<u>\$ 1,479,877</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	<u>\$ (672,133)</u>	<u>\$ 59,028</u>	<u>\$ 15,301</u>	<u>\$ 157,587</u>	<u>\$ (440,217)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	1,012,405	1,012,405
(Increase) decrease in accounts receivable	-	(15,838)	8,937	-	(6,901)
(Increase) decrease in prepaid items	-	(2,700)	-	-	(2,700)
Increase (decrease) in accounts payable and other	42,416	(2,493)	38,349	42,611	120,883
Increase (decrease) in accrued liabilities	4,255	-	1,137	-	5,392
Increase (decrease) in estimated claims	91,000	314,423	(126,409)	-	279,014
Total adjustments	<u>137,671</u>	<u>293,392</u>	<u>(77,986)</u>	<u>1,055,016</u>	<u>1,408,093</u>
Net cash provided by (used in) operating activities	<u>\$ (534,462)</u>	<u>\$ 352,420</u>	<u>\$ (62,685)</u>	<u>\$ 1,212,603</u>	<u>\$ 967,876</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 \$378,548
- Capital assets contributed from governmental activities to the General Capital Outlay Replacement Internal Service Fund totaled \$289,370
- A lease payable in the amount of \$19,990 was entered into for the purchase of an asset; payments will commence in 2009

**CITY OF WESTMINSTER, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL CAPITAL OUTLAY REPLACEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Operating revenues</b>				
Charges for services	\$ 1,120,878	\$ 1,120,878	\$ 1,396,795	\$ 275,917
<b>Total operating revenues</b>	<u>1,120,878</u>	<u>1,120,878</u>	<u>1,396,795</u>	<u>275,917</u>
<b>Operating expenses</b>				
Capital outlay	4,667,562	5,771,198	2,326,716	3,444,482
<b>Total operating expenses</b>	<u>4,667,562</u>	<u>5,771,198</u>	<u>2,326,716</u>	<u>3,444,482</u>
<b>Operating income (loss)</b>	<u>(3,546,684)</u>	<u>(4,650,320)</u>	<u>(929,921)</u>	<u>3,720,399</u>
<b>Non-operating revenues (expenses)</b>				
Income on investments	-	11,010	206,309	195,299
Debt service	-	-	(283,887)	(283,887)
Disposition of assets	-	-	100,508	100,508
Issuance of leases	-	819,925	839,915	19,990
<b>Total Non-operating revenues (expenses)</b>	<u>-</u>	<u>830,935</u>	<u>862,845</u>	<u>31,910</u>
<b>Change in net assets</b>	<u>\$ (3,546,684)</u>	<u>\$ (3,819,385)</u>	<u>(67,076)</u>	<u>\$ 3,752,309</u>
<b>Adjustments to GAAP basis</b>				
<b>Debt</b>				
Principal payments			230,954	
Issuance of leases			(839,915)	
Accrued interest adjustment			3,075	
<b>Capital assets</b>				
Acquisitions			2,099,913	
Net book value of disposals			(69,385)	
Capital contributions			289,370	
Depreciation			(1,012,405)	
<b>Change in net assets, GAAP basis</b>			<u>\$ 634,531</u>	



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# Statistics



## 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
Changes in Net Assets	2
Fund Balance of Governmental Funds	3
Changes in Fund Balances of Governmental Funds	4

#### **Revenue Capacity Information**

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

Sales and Use Tax Revenue	5
Direct and Overlapping Sales and Use Tax Rates	6
Principal Sales and Use Taxpayers by 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
Direct and Overlapping Governmental Activities Debt	9
Legal Debt Margin Information	10
Pledged Revenue Coverage	11

#### **Demographic and Economic Information**

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

Demographic and Economic Statistics	12
Principal Employers	13

#### **Operating Information**

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

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

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**Table 1**  
**City of Westminster**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>Net Assets by Component</b>							
<b>Last seven fiscal years</b>							
<b>Governmental activities</b>							
Invested in capital assets, net of related debt	\$160,998,545	\$177,034,028	\$174,180,185	\$198,949,426	\$182,883,693	\$188,252,570	\$194,284,140
Restricted	29,960,568	30,387,925	45,756,100	3,978,822	3,275,792	4,427,178	4,588,769
Unrestricted	72,982,193	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>\$263,941,306</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	\$343,624,080	\$321,320,685	\$296,968,005	\$288,116,734	\$280,402,901	\$276,220,697	\$265,141,364
Restricted	3,424,753	3,406,636	3,384,483	3,371,769	3,939,139	690,739	854,757
Unrestricted	73,168,590	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>\$420,217,423</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	\$504,622,625	\$498,354,713	\$471,148,190	\$487,066,160	\$463,286,594	\$464,473,267	\$459,425,504
Restricted	33,385,321	33,794,561	49,140,583	7,350,591	7,214,931	5,117,917	5,443,526
Unrestricted	146,150,783	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>\$684,158,729</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 seven fiscal years**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>Expenses</b>							
Governmental activities:							
General government	\$37,827,492	\$30,083,440	\$26,755,382	\$28,375,433	\$27,373,824	\$23,149,819	\$16,535,561
Public safety	31,797,184	30,077,636	29,526,569	28,211,005	25,188,099	21,748,704	20,257,253
Public works	13,748,911	14,501,794	14,385,925	7,793,659	6,669,236	6,259,809	6,434,332
Community development	17,656,461	14,059,071	24,290,269	14,849,423	20,668,261	3,492,112	3,853,280
Culture and recreation	17,307,667	17,829,533	11,481,246	13,498,043	13,487,779	12,773,283	13,462,288
Capital projects	0	0	0	0	7,761,325	2,556,076	9,017,184
Interest and fiscal charges	7,845,618	7,394,096	9,052,813	2,964,876	4,721,589	3,621,023	4,149,821
Unallocated depreciation	488,012	1,095,078	1,099,897	11,354,543	11,885,480	10,327,198	9,502,822
Total governmental activities expenses	126,671,345	115,040,648	116,592,101	107,046,982	117,755,593	83,928,024	83,212,541
Business-type activities:							
Utility	45,569,405	40,329,042	37,840,442	30,937,189	31,668,693	30,161,907	29,375,900
Golf	4,128,726	3,410,562	3,301,699	3,171,327	3,534,028	3,170,192	3,181,173
Westminster Building Authority	0	0	0	68,559	120,821	149,035	82,313
Westminster Housing Authority	969,722	995,606	947,135	1,325,012	996,062	818,719	791,391
Total business-type activities expenses	50,667,853	44,735,210	42,089,276	35,502,087	36,319,604	34,299,853	33,430,777
Total primary government expenses	\$177,339,198	\$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	\$5,666,074	\$7,432,044	\$5,319,186	\$5,591,578	\$6,297,375	\$2,821,007	\$1,881,594
Public safety	4,096,692	4,053,890	4,498,935	4,195,334	3,692,640	3,223,216	3,381,639
Public works	1,527,937	0	0	0	0	159,478	148,593
Community development	246,084	77,884	117,934	178,163	228,753	295,462	203,494
Culture and recreation	6,908,729	5,753,903	6,297,123	5,913,673	5,649,992	5,873,713	5,951,419
Operating grants and contributions	5,486,482	5,748,908	5,329,834	4,165,796	4,716,909	5,210,404	4,847,307
Capital grants and contributions	8,736,385	14,261,659	10,067,149	10,400,100	9,012,841	7,334,926	9,160,429
Total governmental activities revenues	32,668,383	37,328,288	31,630,161	30,444,644	29,598,510	24,918,206	25,574,475

<b>Business-type activities:</b>									
Charges for services:									
Utility	41,355,962	37,009,477	37,639,880	34,574,051	29,890,164	31,528,197	33,425,886		
Golf	3,137,704	3,197,655	2,993,881	2,932,389	2,825,291	2,925,457	3,172,925		
Westminster Building Authority	0	0	0	15,655	17,020	17,847	464,451		
Westminster Housing Authority	901,313	902,899	887,721	878,870	835,157	794,098	780,092		
Operating grants and contributions	0	0	0	0	0	0	0		
Capital grants and contributions	12,590,561	7,809,021	15,704,276	14,934,514	11,002,884	9,305,522	15,459,049		
Total business-type activities revenues	57,985,540	48,919,052	57,225,758	53,335,479	44,570,516	44,571,121	53,302,403		
Total primary government revenues	\$90,653,923	\$86,247,340	\$88,855,919	\$83,780,123	\$74,169,026	\$69,489,327	\$78,876,878		

<b>Net (expense)/revenue</b>									
Governmental activities	(\$94,002,962)	(\$77,712,360)	(\$84,961,940)	(\$76,602,338)	(\$88,157,083)	(\$59,009,818)	(\$57,638,066)		
Business-type activities	7,317,687	4,183,842	15,136,482	17,833,392	8,250,912	10,271,268	19,871,626		
Total primary government net expense	(\$86,685,275)	(\$73,528,518)	(\$69,825,458)	(\$58,768,946)	(\$79,906,171)	(\$48,738,550)	(\$37,766,440)		

<b>General revenues and other changes in net assets</b>									
Governmental activities:									
Taxes									
Property taxes	\$9,020,419	\$6,348,656	\$5,272,024	\$4,600,304	\$4,331,501	\$4,185,561	\$3,957,730		
Sales taxes	65,369,753	60,290,173	56,725,466	54,419,354	52,568,207	42,803,354	42,351,380		
Use taxes	12,436,326	13,610,159	12,634,095	11,683,748	11,422,307	10,454,839	10,409,135		
Business fees and other taxes	5,137,132	4,556,637	4,300,682	4,185,604	3,950,630	3,828,966	3,362,214		
Accommodations taxes	2,627,010	1,425,434	1,239,740	1,078,023	945,908	914,662	984,772		
Intergovernmental not restricted to a specific purpose	1,079,951	1,052,427	1,060,315	818,642	1,086,271	1,071,316	2,932,758		
Interest	6,043,261	6,496,200	5,760,231	3,087,962	1,043,447	1,242,606	1,984,889		
Other	1,420,276	1,980,122	2,152,680	991,884	434,985	(11,042,785)	883,813		
Gain on Sale of Assets	604,571	0	0	0	0	0	0		
Special Item	(14,825,447)	0	0	0	0	0	0		
Transfers	(507,121)	(1,059,672)	(1,035,000)	5,521,091	2,181,901	6,039,079	421,459		
Total governmental activities	88,406,131	94,700,136	88,110,233	86,386,612	77,965,157	59,497,598	67,288,150		
Business-type activities:									
Interest	3,978,172	5,899,913	4,325,952	1,802,480	822,480	1,597,971	2,278,365		
Other	0	0	0	17,546	584,271	0	0		
Gain on Sale of Assets	895,150	0	4,093,643	0	0	0	0		
Transfers	507,121	1,059,672	1,035,000	(5,521,091)	(2,181,901)	(6,039,079)	(421,459)		
Total business-type activities	5,380,443	6,959,585	9,454,595	(3,701,065)	(775,150)	(4,441,108)	1,856,906		
Total primary government	\$93,786,574	\$101,659,721	\$97,564,828	\$82,685,547	\$77,190,007	\$55,056,490	\$69,145,056		

<b>Change in net assets</b>									
Governmental activities	(\$5,596,831)	\$16,987,776	\$3,148,293	\$9,784,274	(\$10,191,926)	\$487,780	\$9,650,084		
Business-type activities	12,698,130	11,143,427	24,591,077	14,132,327	7,475,762	5,830,160	21,728,532		
Total primary government	\$7,101,299	\$28,131,203	\$27,739,370	\$23,916,601	(\$2,716,164)	\$6,317,940	\$31,378,616		

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

**Table 3**  
**Fund Balances, Governmental Funds**  
**City of Westminster**  
**Last seven fiscal years**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>General fund</b>							
Reserved	\$5,299,062	\$5,203,223	\$6,539,253	\$7,623,125	\$7,387,538	\$5,277,981	\$4,544,041
Unreserved	12,045,241	9,859,229	11,015,978	10,172,500	11,058,947	10,154,348	8,928,901
<b>Total general fund</b>	<b>\$17,344,303</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	\$49,434,107	\$55,624,752	\$41,493,854	\$51,749,047	\$13,894,852	\$32,396,047	\$16,042,228
Unreserved, reported in:							
Special revenue funds	10,975,428	12,304,218	7,472,186	14,949,783	3,161,386	4,821,194	5,388,104
Capital project funds	46,104,714	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>\$106,514,249</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 seven fiscal years**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>Revenues</b>							
Taxes and business fees	\$94,590,640	\$86,231,059	\$80,172,007	\$76,079,765	\$73,218,549	\$61,979,807	\$60,886,283
Intergovernmental	14,316,029	12,626,793	14,815,789	9,821,702	9,891,407	10,262,233	12,453,039
Assessments	42,886	149,199	160,425	932,647	629,422	807,875	930,306
Licenses and permits	2,133,832	2,654,027	2,616,662	2,101,468	2,321,833	2,293,599	1,971,068
Interest	6,102,824	6,554,612	5,781,155	3,119,849	1,043,728	1,248,030	1,976,892
Contributions	771,595	4,349,528	1,460,160	4,850,163	3,128,934	1,320,656	2,596,908
Recreation fees	6,379,855	5,735,111	5,867,809	5,311,991	5,072,051	5,352,397	5,360,607
Fines and forfeits	1,977,465	2,164,544	2,512,044	2,222,848	1,991,265	1,634,836	1,727,538
Fleet maintenance billings and other	6,886,037	5,058,804	3,699,601	3,425,398	2,988,540	2,330,473	2,185,566
EMS billings	2,026,555	2,020,583	1,937,237	1,814,699	1,492,350	1,435,730	1,357,273
Miscellaneous and other	973,939	80,040	10,737	376,850	254,296	382,841	909,050
<b>Total revenues</b>	<b>136,201,657</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	38,981,777	32,017,213	29,101,545	29,270,288	29,781,843	23,558,895	20,005,285
Public safety	30,411,901	28,794,062	28,183,148	27,315,730	24,067,713	20,913,186	21,176,733
Public works	6,753,727	7,238,076	7,071,716	6,506,687	6,635,754	6,208,225	6,418,668
Community development	9,807,146	6,634,975	15,393,627	6,608,216	8,168,892	6,157,124	7,479,348
Culture and recreation	14,009,673	13,456,076	12,868,421	12,407,022	11,683,528	11,417,127	11,843,837
Capital projects	26,018,509	29,413,964	49,866,552	45,506,648	51,364,097	42,732,128	33,809,251
Debt service:							
Principal	4,920,000	5,480,000	5,240,000	14,411,670	4,910,000	4,960,000	5,840,000
Interest and fiscal charges	7,519,672	8,836,684	8,706,148	7,570,896	4,309,524	3,893,883	4,010,977
<b>Total expenditures</b>	<b>138,422,405</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>(\$2,220,748)</b>	<b>(\$4,246,750)</b>	<b>(\$37,397,531)</b>	<b>(\$39,539,777)</b>	<b>(\$38,888,976)</b>	<b>(\$30,792,091)</b>	<b>(\$18,229,569)</b>
<b>Other financing Sources (Uses)</b>							
Issuance of bonds	0	29,485,488	0	68,300,000	9,000,000	38,525,000	15,513,231
Issuance of notes	0	0	0	0	0	260,000	0
Issuance of leases	32,792	40,626	5,045,733	20,651,235	488,414	250,523	354,785
Sale of capital asset	1,071,525	702,109	1,140,880	5,484,526	8,213,870	1,739,299	0
Transfers in	75,333,568	72,740,073	71,995,567	85,070,154	67,737,574	59,112,666	60,553,119
Transfers (out)	(75,840,689)	(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>597,196</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: Write-off of note receivable</b>						(3,443,361)	
<b>Net change in fund balances</b>	<b>(1,623,552)</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	11.1%	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
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	56,966,362	11,927,367	5,006,603	3.85%
2008	60,528,509	12,196,830	5,080,740	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		Open Space Sales and Use Tax <sup>2</sup>	Adams County	
		Sales and Use Tax <sup>1</sup>	Sales and Use Tax		County Sales Tax	RTD/CD/FD Sales Tax
1999	3.00%	-	0.25%	0.50%	0.50%	0.80%
2000	3.00%	-	0.25%	0.70%	0.50%	0.80%
2001	3.00%	-	0.25%	0.70%	0.50%	0.80%
2002	3.00%	-	0.25%	0.70%	0.50%	0.80%
2003	3.00%	-	0.25%	0.70%	0.50%	0.80%
2004	3.00%	0.60%	0.25%	0.70%	0.50%	0.80%
2005	3.00%	0.60%	0.25%	0.70%	0.50%	1.20%
2006	3.00%	0.60%	0.25%	0.70%	0.50%	1.20%
2007	3.00%	0.60%	0.25%	0.70%	0.50%	1.20%
2008	3.00%	0.60%	0.25%	0.75%	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 2008			Fiscal Year 1999		
	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	\$19,969,042	1	26.7%	\$10,995,787	1	20.4%
Utility	8,619,013	2	11.5%	4,788,148	4	8.9%
Restaurants	8,155,959	3	10.9%	4,154,248	5	7.7%
Automobile Use	5,321,156	4	7.1%	5,250,146	2	9.7%
Grocery Stores	4,499,936	5	6.0%	5,120,317	3	9.5%
Home Improvement/Hardware Stores	2,973,549	6	4.0%	948,441	7	1.8%
Building Use	2,461,834	7	3.3%	1,820,638	6	3.4%

Source: City Sales Tax Division

Note: Due to requirements under the City Code, 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**  
**City of Westminster**  
**Ratios of Outstanding Debt by Type**  
**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 Increment Bonds	Special Assessment Bonds	Capital Leases	Notes	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes			
1999	\$555,000	\$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	6.4%	\$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	5.8%	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	6.1%	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	6.3%	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	7.4%	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	6.7%	2,386
2005		64,730,000	112,970,000		85,369,906			27,850,000	1,939,127	42,281,591	335,140,624	8.4%	3,093
2006		59,775,000	112,685,000		86,810,539			25,900,000	2,250,782	40,327,316	327,748,637	7.8%	2,988
2007		74,330,000	120,485,000		83,852,128			23,880,000	2,507,662	38,068,147	343,122,937	7.9%	3,127
2008		69,740,000	120,155,000		80,627,717			15,945,000	835,300	35,915,842	323,218,859	7.2%	2,905

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, 2008**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County School District # 12	\$421,415,610	26.71%	\$112,560,109
Adams County School District # 50	104,535,000	47.64%	49,800,474
Apex Park & Recreation District	14,920,000	6.57%	980,244
Arvada Fire Protection District	5,405,000	0.01%	541
Bradburn Metro # 2	5,262,000	100.00%	5,262,000
Bradburn Metro # 3	6,630,000	100.00%	6,630,000
Church Ranch Metro District	3,230,000	99.99%	3,229,677
Countrydale Highlands Metro District	2,055,000	100.00%	2,055,000
Countrydale Metropolitan District	2,675,000	100.00%	2,675,000
Hunnington Trail Metropolitan District	3,000,000	100.00%	3,000,000
Hyland Hills Park & Recreation	14,910,000	55.24%	8,236,284
Jefferson County School District # R-1	609,750,000	7.96%	48,521,772
NBC Metropolitan District	9,100,000	100.00%	9,100,000
North Metro Fire and Rescue	24,425,000	0.23%	56,178
Southwest Adams Fire Protection District	1,545,570	0.07%	1,082
Westglenn Metro District	2,240,000	99.53%	2,229,472
Subtotal, overlapping debt			<u>\$254,337,833</u>
City Direct debt			<u>328,218,659</u>
Total direct and overlapping debt			<u><u>\$582,556,492</u></u>

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**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt limit	\$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	\$389,694,751
Total net debt applicable to limit	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	85,685,000
Legal debt margin	\$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	\$304,009,751
Total net debt applicable to the limit	31.01%	30.30%	31.21%	29.72%	27.78%	24.31%	28.85%	19.61%	18.02%	21.99%
as a percentage of debt limit										

<b>Legal Debt Margin Calculation for Fiscal Year 2008</b>	
Assessed value - 2007 for 2008 taxes <sup>1</sup>	
Adams County portion of the City	\$664,901,670
Jefferson County portion of the City	585,236,940
Total assessed value	<u>\$1,250,138,610</u>
Debt limit (3% of actual value <sup>2</sup> )	\$471,157,768
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>81,463,017</u>
	<u>81,463,017</u>
Less deductions allowed by law:	<u>0</u>
Total net debt applicable to limit	<u>81,463,017</u>
Legal debt margin	<u>\$389,694,751</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

Fiscal Year	1997 Westminster Economic Development Authority (WEDA) Revenue Bonds													
	Utilities Revenue Bonds					Debt Service								
	Applicable Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Coverage
1999	\$35,941,790	(\$17,970,429)	\$17,971,361	\$1,581,588	\$2,041,353	4.96	\$690,745	(\$682,000)	\$8,745	\$0	\$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	(382,565)	298,904	0	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	(218,474)	570,210	0	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	(237,444)	647,629	0	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	(240,964)	512,409	0	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	(1,186,496)	(550,041)	0	(550,041)	120,000	150,101	(2.04)
2005	46,724,597	(23,011,461)	23,713,136	3,400,839	1,931,352	4.45	4,259,439	(240)	4,259,199	0	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	(3,115)	498,818	0	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	(80,113)	440,317	0	440,317	270,000	313,378	0.75
2008	52,890,292	(34,178,877)	18,711,415	9,913,352	2,159,562	1.55	514,306	(364,424)	149,882	0	149,882	330,000	206,828	0.28

\*Record interfund loan

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

Fiscal Year	2006 Westminster Economic Development Authority (WEDA) Revenue Bonds													
	Golf Course Enterprise Revenue Bonds					Debt Service								
	Applicable Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Coverage
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	(8,130)	2,214,764	640,675	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	(14,067)	3,190,580	0	3,190,580	250,000	1,609,735	1.72
2008	3,137,704	(2,848,731)	288,973	215,000	285,165	0.58	3,126,504	(23,084)	3,103,420	0	3,103,420	-	1,298,745	2.39



2003 Westminster Economic Development Authority (WEDA) Revenue Bonds														
Fiscal Year	Sales and Use Tax Revenue Bonds				Less:									
	Tax Collections	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Coverage
1999	\$48,453,394	(\$288,537)	\$48,164,857	\$2,995,000	\$2,953,868	8.10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2000	52,764,730	(299,043)	52,465,687	3,225,000	2,791,093	8.72	0	0	0	0	0	0	0	N/A
2001	53,731,435	(308,218)	53,423,217	2,525,000	2,396,009	10.86	0	0	0	0	0	0	0	N/A
2002	47,863,679	(335,176)	47,528,503	4,110,000	2,325,018	7.39	0	0	0	0	0	0	0	N/A
2003	48,562,246	(342,094)	48,220,152	3,525,000	2,810,913	7.61	10,963	10,963	195,438	206,401	0	0	195,438	1.06
2004	49,306,412	(289,190)	49,017,222	3,055,000	2,648,318	8.59	250,881	250,881	882,932	1,133,813	0	0	882,932	1.28
2005	49,659,495	(279,048)	49,380,447	3,395,000	2,524,233	8.34	1,513,135	1,510,498	1,569,189	3,079,687	0	0	1,569,189	1.96
2006	51,643,775	(315,515)	51,328,260	3,470,000	2,366,885	8.76	258,223	250,093	582,016	832,109	70,000	0	512,016	1.43
2007	51,799,803	(393,333)	51,406,470	1,985,000	1,394,198	15.21	0	0	0	0	0	0	0	N/A
2008	51,438,718	(410,638)	51,028,080	3,450,000	1,896,409	9.54	0	0	0	0	0	0	0	N/A

2005 Westminster Economic Development Authority (WEDA) Revenue Bonds														
Fiscal Year	Parks Open Space Trails Sales and Use Tax Revenue Bonds				Less:									
	Tax Collections	Operating Expenses	Net Pledged Revenue	Principal	Interest	Coverage	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees	Coverage
1999	\$4,226,613	(\$24,045)	\$4,202,568	\$790,000	\$1,156,414	2.16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2000	4,652,437	(24,920)	4,627,517	1,085,000	1,280,799	1.96	0	0	0	0	0	0	0	N/A
2001	4,812,077	(25,685)	4,786,392	1,150,000	1,218,796	2.02	0	0	0	0	0	0	0	N/A
2002	4,272,085	(27,931)	4,244,154	1,205,000	1,166,411	1.79	0	0	0	0	0	0	0	N/A
2003	4,224,170	(28,508)	4,195,662	1,260,000	1,109,861	1.77	0	0	0	0	0	0	0	N/A
2004	4,259,760	(24,084)	4,235,676	1,315,000	1,049,626	1.79	0	0	0	0	0	0	0	N/A
2005	4,372,363	(23,239)	4,349,124	1,400,000	970,116	1.83	150,255	150,255	1,146,467	1,296,722	0	0	1,146,467	1.13
2006	4,699,435	(26,276)	4,673,159	1,485,000	885,496	1.97	898,979	898,979	2,685,796	3,584,775	0	0	2,685,796	1.33
2007	4,963,410	(32,757)	4,930,653	0	448,126	11.00	3,288,397	(6,103)	3,282,294	5,010,688	0	0	2,868,641	1.75
2008	5,068,261	(34,198)	5,034,063	1,140,000	1,513,780	1.90	6,073,876	(116,079)	5,957,797	0	5,957,797	0	2,316,866	2.57

	2007 Westminster Economic Development Authority (WEDA) Revenue Bonds										Coverage
	Less:					Debt Service					
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Capitalized Interest	Total Revenues Available for Debt Service	Principal	Interest and Fees				
1999	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
2000	0	0	0	0	0	0	0	0	0	0	N/A
2001	0	0	0	0	0	0	0	0	0	0	N/A
2002	0	0	0	0	0	0	0	0	0	0	N/A
2003	0	0	0	0	0	0	0	0	0	0	N/A
2004	0	0	0	0	0	0	0	0	0	0	N/A
2005	0	0	0	0	0	0	0	0	0	0	N/A
2006	0	0	0	0	0	0	0	0	0	0	N/A
2007	24,974	0	24,974	183,171	208,145	0	183,171	0	183,171	0	1.14
2008	722,502	(550,629)	171,873	282,866	454,739	0	282,866	0	282,866	0	1.61

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; Parks Open Space Sales and Use Tax; and WEDA 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>	Total Personal Income <sup>2</sup>	Per Capita Personal Income (Weighted Avg.) <sup>3</sup>	Unemployment Rate <sup>4</sup>
1999	96,000	\$2,933,746,149	\$30,560	3.0%
2000	100,940	3,383,925,644	33,524	4.0%
2001	100,940	3,487,975,928	34,555	3.6%
2002	104,948	3,548,890,279	33,816	5.8%
2003	101,278	3,421,865,455	33,787	4.7%
2004	106,312	3,772,383,228	35,484	4.4%
2005	108,351	3,988,361,227	36,810	4.7%
2006	109,671	4,205,211,476	38,344	4.0%
2007	109,724	4,328,502,076	39,449	3.9%
2008	111,257	4,476,759,166	40,238	5.6%

Source:

<sup>1</sup> Population - City of Westminster Planning Dept.

<sup>2</sup> Total Personal Income - Product of Per Capita Personal Income by Population

<sup>3</sup> Per Capita Personal Income - US Bureau of Economic Analysis 1998 - 2006 weighted average for Adams and Jefferson  
 2007 and 2008 estimated using CPI-U.

<sup>4</sup> Unemployment Rate obtained from the U.S. Department of Labor - Bureau of Statistics

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

Employer	Fiscal Year 2008			Fiscal Year 1999		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Avaya (Lucent/Bell Labs)	1,318	1	3.23%	4,000	1	12.14%
Ball Corporation	800	2	1.96%	750	2	2.28%
Centura Health / St. Anthony's North	750	2	1.84%	700	3	2.13%
McKesson Information Systems	430	4	1.05%	?	?	?
Alliance Data Systems	400	5	0.98%	?	?	?
Tri State Generation	400	6	0.98%	?	?	?
LPS Asset Management Solutions (F	400	7	0.98%	?	?	?
Kaiser Permanente (Huron)	307	8	0.75%	300	8	0.91%
Trimble Navigation	277	9	0.68%	?	?	?
Kaiser Permanente (Sheridan)	240	10	0.59%	?	?	?
Frontier ConferTech				544	4	1.65%
Mobile Tool International				450	5	1.37%
Level 3 Communications				405	6	1.23%
Respironics Inc.				315	7	0.96%
Cleo Wallace Center				300	9	0.91%
Western Gas Resources				280	10	0.85%

Source: City Economic Development Division

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

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>General Government</b>							
City Attorney's Office	13.95	13.95	12.65	12.65	12.80	12.30	12.30
City Manager's Office	11.90	11.90	12.90	12.50	12.90	12.90	12.90
Finance	28.00	28.00	27.00	27.00	28.00	26.00	26.00
General Services	75.83	75.83	75.83	75.33	77.33	73.83	73.83
<b>Public Safety</b>							
Fire Department	142.50	141.50	140.00	140.00	139.50	104.50	101.50
Police Department	277.30	276.30	273.30	269.30	269.20	229.20	219.80
<b>Public Works</b>							
Street Maintenance	26.00	26.00	25.75	24.75	25.75	25.75	25.75
Infrastructure	0.00	0.00	4.00	4.00	4.00	4.00	4.00
<b>Community Development</b>							
Administration	7.60	7.60	7.10	7.10	7.10	7.10	7.60
Economic Development	4.00	4.00	3.50	2.50	2.50	2.50	2.00
Planning Division	14.70	14.70	15.20	15.20	14.20	14.20	14.20
Building Division	18.50	18.50	18.50	18.50	18.50	17.50	17.50
Engineering Division	14.50	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	2.50
Westminster Housing Authority	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Culture and Recreation</b>							
Administration	10.20	10.20	10.20	11.00	11.00	10.00	16.00
Parks Services	49.40	49.40	49.40	49.40	52.00	50.00	48.00
Library Services	42.20	42.20	42.20	40.73	42.20	42.20	42.20
Recreation Programs	15.30	13.80	12.60	11.80	11.80	12.30	16.30
Recreation Facilities	65.30	65.80	66.00	63.00	69.50	72.00	68.00
<b>Utilities</b>							
Administration	45.70	45.20	40.45	36.85	36.25	33.75	33.75
Water Resources & Treatment	51.75	51.75	49.25	50.25	45.60	45.60	41.60
Field Operations	42.00	42.00	47.00	47.00	48.00	48.00	51.00
<b>Golf Courses</b>							
Legacy Ridge	10.50	10.50	10.50	10.50	11.00	11.00	11.00
The Heritage	10.50	10.50	10.50	10.50	11.00	11.00	11.00
<b>Total</b>	981.12	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 seven fiscal years**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>Public Safety</b>							
Total Fire/EMS Incidents	8,058	8,147	8,277	7,883	7,312	7,514	7,448
EMS Transports by fire department	4,622	4,687	4,661	4,486	3,921	3,926	3,873
Police emergency responses	1,858	2,827	3,082	2,878	2,791	3,084	3,194
Traffic Citations (municipal)	9,771	11,897	15,666	16,684	14,843	12,538	15,681
<b>Public Works</b>							
Curb miles swept	7,361	6,166	7,306	7,634	7,379	7,379	7,282
Lane miles rehabilitated	133	77	160	112	103	98	85
<b>Community Development</b>							
Official Development Plans processed	176	242	191	186	150	153	117
Building Permits issued	4,244	3,986	3,992	3,908	4,239	4,535	4,491
<b>Culture and Recreation</b>							
Library circulation	1,475,611	1,435,330	1,464,817	1,472,460	1,399,389	1,249,686	1,207,707
Facility participants	924,843	811,064	805,880	698,826	671,037	733,565	619,579
Program registrants	88,483	90,652	80,972	78,160	66,237	76,779	87,918
<b>Utilities</b>							
Water gallons treated (in millions)	6,241	5,795	6,628	6,533	5,917	6,180	6,724
Water customers	31,730	31,519	31,245	31,127	31,484	31,272	29,927
Wastewater gallons treated (in millions)	2,345	2,552	2,359	2,417	2,251	2,252	2,256
Wastewater customers	30,296	30,145	29,992	29,806	30,113	29,929	28,651
<b>Golf Courses</b>							
Paid golf rounds played	58,300	58,678	55,220	50,210	49,498	49,997	51,285
Golf course acres maintained	414	414	414	414	414	414	414

Source: City's Performance Measures Team

Notes:

Data prior to 2002 is not readily available and has been omitted.

Police Emergency Response number for 2008 shows variance from 2007 due to new data extracting and cleaning process.

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

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
<b>Public Safety</b>							
Fire stations	6	6	6	6	6	6	6
Patrol Units	59	56	53	52	52	45	45
<b>Public Works</b>							
Total Lane Miles	1,057	1,054	1,053	1,025	1,021	1,013	988
<b>Community Development</b>							
Traffic Signals	105	103	102	92	90	87	84
<b>Culture and Recreation</b>							
Libraries	2	2	2	2	2	2	2
Open Space sites	157	153	132	126	125	119	106
Neighborhood, community & citywide parks	52	51	50	50	48	45	45
<b>Utilities</b>							
Water mains	504	509	492	481	478	492	449
Treatment plants (water & wastewater)	4	4	4	4	4	4	4
<b>Golf Courses</b>							
Golf Courses	2	2	2	2	2	2	2

Source: City's Performance Measures Team

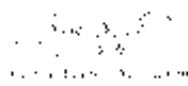
Note: Data prior to 2002 is not readily available and has been omitted.

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# Compliance Section





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, 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, 2008, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated June 9, 2009. Our report was modified to include a reference to 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. Other auditors audited the financial statements of the Volunteer Firefighter Pension Fund, a pension trust fund of the City of Westminster, as described in our report on the City of Westminster's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the report of the other auditors.

**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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 2008-1 to be a significant deficiency in internal control over financial reporting.

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.

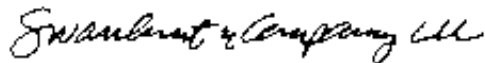
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, the significant deficiency described above as item 2008-1 is considered to be a material weakness.

#### **Compliance and Other Matters**

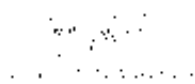
As part of obtaining reasonable assurance about whether the City of Westminster's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and 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*.

The City of Westminster's response to the finding identified in our audit is described in the accompanying management's response to findings and questioned costs. We did not audit the City of Westminster's response and, accordingly, we express no opinion on it.

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.



June 9, 2009



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, 2008. 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, 2008.

**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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-2 to be a significant deficiency.

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. The significant deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-2 is considered to be a material weakness.

The City of Westminster's response to the finding identified in our audit is described in the accompanying management's response to findings and questioned costs. We did not audit the City of Westminster's response and, accordingly, we express no opinion on it.

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.

*S. W. Lambert & Company LLP*

June 9, 2009

**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2008**

**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 programs:

- 14.218 Community Development Block Grant
- 14.856 Lower Income Housing Assistance Program

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

Auditee qualified as low-risk auditee?  yes  no

(Continued)

**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2008**

**Financial Statement Findings**

**2008-1 Financial Reporting**

Criteria	The City is responsible to implement internal controls designed to ensure that financial information is accurate and timely.
Condition	The City reported significant adjustments to prior period financial statements, totaling \$1,565,675.
Context	The City identified several transactions that occurred in prior years but were incorrectly reported in the accounting records. One of these transactions involved a significant amount related to land being held for resale, and was reported as an adjustment to prior period financial statements.
Effect	The City was required to restate prior year financial statements. In addition, other transactions that occurred in prior years were corrected in the current year financial statements.
Cause	The City enters into various significant transactions initiated by different City departments. Financial information and other details of these transactions are not always communicated to the Finance Department, where responsibility for the accounting records resides.
Recommendation	We recommend that the City continue to evaluate the current process for communicating information related to significant transactions between departments, and the evaluation of these transactions for the proper accounting treatment.

**Views of Responsible Officials and Planned Corrective Actions**

See accompanying management's response to findings and questioned costs.

(Continued)

**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2008**

**Federal Awards Findings and Questioned Costs**

**2008-2** Schedule of Expenditures of Federal Awards

Criteria	The City is required to have adequate internal controls in place to identify and report federal awards.
Condition	The City was unable to timely identify federal awards and measure the related revenues and expenditures.
Context	Based on our review of the schedule of expenditures of federal awards prepared by the City and inquiries of City personnel, supporting documentation was not available to support certain amounts, identifying numbers, and grant titles reported on the schedule. Other federal awards were incorrectly excluded from the schedule. In addition, the City could not measure expenditures related to certain federal awards on a timely basis.
Effect	Federal awards were not properly identified and reported. The lack of adequate internal control over federal awards could lead to noncompliance with federal regulations and grant agreements.
Cause	The City has a decentralized system of monitoring federal awards. City personnel responsible for preparation of the schedule of expenditures of federal awards were unaware that certain grant funding was provided by state and local sources rather than federal sources. City staff did not adequately investigate grant agreements to determine the federal funding included in the award.
Recommendation	We recommend that the City strengthen its internal control over federal awards. This could be partially achieved by centralizing grant administration. City personnel in all departments should receive ongoing training on the identification and monitoring of federal awards. Additional oversight may be effective to provide more timely information.

Views of Responsible Officials and Planned Corrective Actions

See accompanying management's response to findings and questioned costs.



**CITY OF WESTMINSTER, COLORADO**  
**MANAGEMENT'S RESPONSE TO FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2008**

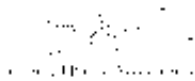
**2008-1:        FINANCIAL REPORTING**

In 2006, land purchased by the Westminster Economic Development Authority was reported as a capital asset in the Statement of Net Assets, Governmental Activities. In 2008, staff noted GAAP requirements to report assets as inventory if being held for resale versus as capital assets if being utilized to conduct governmental operations. The 2006 land purchase was always intended to be sold to an outside developer for redevelopment; therefore, the land was reclassified to inventory and the Westminster Economic Development Authority Fund net assets were restated by \$1,015,675.

Staff recognizes the importance of effective communication and will evaluate the process in place for communicating information between departments relative to significant accounting transactions to ensure accurate and timely financial information.

**2008-2:        SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The City implemented internal controls around grant administration in December 2008 to address known and potential control deficiencies. Policy and procedural directives were put in place to address organizational expectations for grant administration and to provide explicit procedures on internal compliance. A formalized authorization and acceptance processes as well as enhanced communications throughout the organization will improve the efficiency and effectiveness of data collection and compliance reporting for the Schedule of Expenditures of Federal Awards. Staff believes the measures put in place at the end of 2008 will produce the necessary results in 2009 to address this 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, 2008, which collectively comprise the basic financial statements of the City of Westminster, and have issued our report thereon dated June 9, 2009. 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*

June 9, 2009

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**CITY OF WESTMINSTER, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2008**

<u>Grant Program</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<u>Department of Housing and Urban Development</u>		
Community Development Block Grant	14.218	\$ 1,113,084
Lower Income Housing Assistance Program	14.856	478,442
Subtotal		<u>1,591,526</u>
<u>Department of the Interior</u>		
Passed through the Colorado Department of Natural Resources Sport Fish Restoration Program	15.605	40,000
Subtotal		<u>40,000</u>
<u>Department of Justice</u>		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	60,411
Passed through the City and County of Broomfield, Organized Crime Drug Enforcement Task Force	16.000	8,759
Subtotal		<u>69,170</u>
<u>Executive Office of the President</u>		
Pass through the City and County of Broomfield, High Intensity Drug Trafficking Area	07.9999	16,164
Subtotal		<u>16,164</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	48,776
Emergency Management Performance Grants	97.042	35,000
Assistance to Firefighters	97.044	92,257
Staffing for Adequate Fire and Emergency Response	97.083	32,519
Subtotal		<u>208,552</u>
<u>Department of Transportation</u>		
Passed through the Colorado Department of Transportation, Highway Planning and Construction	20.205	1,138,906
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	24,900
State and Community Highway Safety	20.600	9,842
Subtotal		<u>1,173,648</u>
<u>Department of Agriculture</u>		
Passed through Colorado Department of Natural Resources, Cooperative forestry Assistance	10.664	1,901
Subtotal		<u>1,901</u>
TOTAL FEDERAL ASSISTANCE		<u>\$ 3,100,961</u>

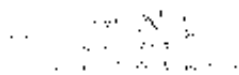
**CITY OF WESTMINSTER, COLORADO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2008**

**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**

\$69,000 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 2008.



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, 2008, which collectively comprise the City of Westminster's basic financial statements, and have issued our report thereon dated June 9, 2009. 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.

A handwritten signature in cursive script, appearing to read "Swanhorst &amp; Company LLC".

June 9, 2009

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 2008			
This Information From The Records Of (example - City of or County of City of Westminster		Prepared By: Phone: Sherri Rickard 303-658-2365			
<b>I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE</b>					
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					
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>		<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>			
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)	5,608,062		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,371,926		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	2,240,735		
2. General fund appropriations	9,593,847	b. Snow and ice removal	809,392		
3. Other local imposts (from page 2)	3,827,818	c. Other	0		
4. Miscellaneous local receipts (from page 2)	3,633,889	d. Total (a. through c.)	3,050,127		
5. Transfers from toll facilities	0	4. General administration & miscellaneous	0		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,214,696		
a. Bonds - Original Issues	0	6. Total (1 through 5)	15,244,812		
b. Bonds - Refunding Issues	0	<b>B. Debt service on local obligations:</b>			
c. Notes	0	1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest	3,134,734		
7. Total (1 through 6)	17,055,554	b. Redemption	3,012,375		
<b>B. Private Contributions</b>	0	c. Total (a. + b.)	6,147,109		
<b>C. Receipts from State government</b> (from page 2)	3,050,519	2. Notes:			
<b>D. Receipts from Federal Government</b> (from page 2)	839,360	a. Interest	1,387,202		
<b>E. Total receipts (A.7 + B + C + D)</b>	20,945,433	b. Redemption	826,000		
		c. Total (a. + b.)	2,213,202		
		3. Total (1.c + 2.c)	8,360,311		
		<b>C. Payments to State for highways</b>	0		
		<b>D. Payments to toll facilities</b>	0		
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	23,605,123		
<b>IV. LOCAL HIGHWAY DEBT STATUS</b> (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
<b>A. Bonds (Total)</b>	80,308,785	0	3,012,375	77,296,410	
1. Bonds (Refunding Portion)		0	0		
<b>B. Notes (Total)</b>	31,779,500	0	826,000	30,953,500	
<b>V. LOCAL ROAD AND STREET FUND BALANCE</b>					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	82,812,266	20,945,433	23,605,123	80,152,576	0
<b>Notes and Comments:</b>					

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
December 2008

**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	0	a. Interest on investments	791,089
b. Other local imposts:		b. Traffic Fines & Penalties	1,759,127
1. Sales Taxes	3,453,863	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	373,956	g. Other Misc. Receipts	0
6. Total (1. through 5.)	3,827,818	h. Other	1,083,673
c. Total (a. + b.)	3,827,818	i. Total (a. through h.)	3,633,889
	(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	2,675,012	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	839,360
c. Motor Vehicle Registrations	338,548	d. Federal Transit Admin	0
d. Other Traffic Signal	36,960	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	375,508	g. Total (a. through f.)	839,360
4. Total (1. + 2. + 3.f)	3,050,519	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	0	131,271	131,271
b. Engineering Costs	6,592	881,791	888,383
c. Construction:			
(1). New Facilities	164,386	0	164,386
(2). Capacity Improvements	0	4,065,981	4,065,981
(3). System Preservation	0	101,599	101,599
(4). System Enhancement & Operation	0	256,443	256,443
(5). Total Construction (1) + (2) + (3) + (4)	164,386	4,424,023	4,588,408
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	170,978	5,437,085	5,608,062
			(Carry forward to page 1)

Notes and Comments:



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*Photo courtesy of Nissa LaPoint/MetroNorth News*



*Photo courtesy of Nissa LaPoint/MetroNorth News*



*Photo courtesy of Ashley Hahn-Severance*



## **SPIRIT of full disclosure...Results that count**

**Service ~ Pride ~ Integrity ~ Responsibility ~ Innovation ~ Teamwork**



**WESTMINSTER**  
City of Westminster  
4800 West 92nd Avenue Westminster, CO 80031  
[www.cityofwestminster.us](http://www.cityofwestminster.us)



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Golf Course Replacement Carts Contract Ratification

**Prepared By:** Ken Watson, Regional Parks & Golf Manager

**Recommended City Council Action**

Ratify the expenditure of \$16,571.87 to the previously approved lease/purchase contract with Colorado Golf & Turf, Inc., and authorize Staff to pay Adams County an additional amount of \$1,406.03 for payment of Adams County sales tax on the purchase price of the golf cart replacement rental fleet, bringing the total amount of this authorization to \$17,977.90

**Summary Statement**

- On May 11, 2009, City Council authorized a lease/purchase of replacement golf carts at Legacy Ridge and The Heritage Golf Courses. Included in the replacement carts are 133 golf carts to be used as rental carts.
- Rental carts are subject to sales tax for each time they are rented. Sales tax is collected from golfers for State, RTD, county (Jefferson and Adams Counties) and the City of Westminster.
- Staff learned recently that if sales tax is paid to Colorado Golf & Turf, Inc. at the time of purchase based on the purchase price of the 133 rental carts, the Golf Courses are not required to make ongoing monthly sales tax payments to the taxing agencies.
- Currently, a portion of the \$14 per person cart rental fee is held in a “non-revenue” City sales tax collected account to be paid out monthly to the taxing agencies. Staff has learned that if sales tax is paid on the purchase price of the equipment at the time of purchase, the portion of the \$14 fee that would have been held as sales tax collected (state, RTD and county) will now be counted as golf course revenue collected. Staff estimates that this will result in an additional \$20,000+ of golf course revenue each full year that the City owns these rental carts.
- Because Colorado Golf and Turf is unable to pay Adams County the sales tax for this purchase, Staff is requesting that City Council ratify the additional amount of \$16,571.87 for Colorado Golf & Turf and \$1,406.03 for Adams County or a total of \$17,997.90 over the original contracted amount of \$439,745.

**Expenditure Required:** \$17,977.90

**Source of Funds:** Golf Course Fund Operating Budget

**Policy Issue**

Should City Council ratify this additional expenditure?

**Alternative**

Council could choose to not authorize this expense. Staff does not recommend this as it would result in lost revenue potential at the City's golf courses.

**Background Information**

City Council approved the lease/purchase of the Legacy Ridge and The Heritage at Westmoor Golf Course's golf carts on May 11, 2009. The approved contract amount to the Colorado Turf & Golf, Inc. was "not to exceed \$439,745." This purchase includes 133 rental carts that are subject to collection of State, county, RTD and City sales tax on the rental fee. Staff learned that it is possible to pay State, County and RTD sales tax at the time of purchase and then, not have to make monthly sales tax collected payments to those agencies for the entire time of ownership of the rental carts. Paying the sales tax on the purchase price will provide approximately \$20,000+ increased revenue per full year in the cart rental accounts without changing the existing cart fees, as well as saving staff time to process the monthly payments.

Because the May 11, 2009, Council agenda memo stated "not to exceed \$439,745" verbiage, it is necessary for Staff to gain City Council approval to increase the amount to be paid to Colorado Golf & Turf, Inc. for the sales tax payments excluding Adams County. The additional expenditure amount requested is \$17,977.90 for sales tax on the purchase price of the 133 rental carts. This sales tax payment will not be a part of the lease/purchase amount that is to be financed for the next four years.

Staff therefore requests City Council to ratify an additional expenditure amount of \$17,977.90 beyond the originally approved \$439,745 to cover the sales tax payment to Colorado Golf & Turf, Inc. for State, Jefferson County and RTD sales tax and to Adams County for Adams County sales tax on the golf courses' 133 rental carts.

This purchase supports City Council's Strategic Plan Goal of "Financially Sustainable City Government Providing Exceptional Services."

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Public Safety Ruggedized Laptop Extended Warranty Purchase

**Prepared By:** David Puntenney, Information Technology Director  
Scott Rope, Information Systems Manager

**Recommended City Council Action**

Authorize the City Manager to enter into a one year extended warranty contract with Itronix to provide maintenance and repair services on 79 ruggedized laptops in an amount not to exceed \$60,688.

**Summary Statement**

- The recommended action will extend the “no questions asked” maintenance warranty on 79 Itronix GoBook III ruggedized mobile laptop computers purchased in 2005.
- The cost of the extended warranty is \$60,688 for one year.
- The mobile laptops are in relatively good condition due to the “no questions asked” warranty services provided by Itronix during that last four years.
- Staff anticipated the need to decommission and replace the mobile computers at the end of four years of use, and City Council authorized replacement of the mobile computers in the 2009 budget at a total lease cost of \$479,168.
- Extending the warranty will delay the cost associated with replacement of these units until 2010.
- Under the extended warranty, all parts, including the battery replacement, are covered at no cost to the City.
- Funds for the extended warranty are available in the lease purchase payments account within the 2009 Police and Fire Department’s operating budgets.

**Expenditure Required:** \$60,688

**Source of Funds:** General Fund - Police and Fire Department’s Operating Budgets

**Policy Issue**

Should the City of Westminster enter into a one year warranty extension, with a second year extension option, for the ruggedized mobile laptop computers?

**Alternatives**

1. Continue to utilize the current computers and repair them on a time and materials basis.

While Itronix is a leader in mobile computing technology and reliability, the costs to repair a failed unit is estimated at \$1,200 per incident. With an average failure rate of six units per month, the cost of the extended warranty is less than the estimated cost to repair the computers on a time and material basis.

Additionally, soft dollar costs associated with a time and materials repair would increase as additional work would be required to be performed by the Information Technology Staff. Therefore, staff does not recommend this alternative.

2. Authorize the City Manager to purchase 79 new Itronix GoBook XR-1 ruggedized mobile laptop computers to replace existing four plus year old Police and Fire Department mobile laptop computers at a cost of \$479,168.

This alternative is not recommended due to economic conditions. Staff is confident that the City can extend the useful life of the current units by one year with the purchase of the recommended extended warranty.

**Background Information**

On July 10, 2000, City Council authorized the purchase, installation and implementation of a new CAD/RMS in the Police and Fire Departments. Staff selected Intergraph Public Safety Systems as the best system for the City. The capabilities of this system allow a police officer or a firefighter to perform the majority of his/her duties in the field. The use of ruggedized mobile laptop computers is essential, and allows officers to: receive calls for service; access interactive maps to aid in locating addresses; prepare and route incident reports to the Intergraph Records Management System; and access the Colorado Bureau of Investigation crime database to check for wants and warrants on individuals and vehicles. Additionally, with the mobile laptop integrated GPS capabilities, Police Dispatch staff can constantly monitor the physical location of all Police and Code Enforcement officers, allowing dispatch staff to send immediate help to an exact location should an officer declare an emergency situation.

The use of ruggedized laptop computer and interactive map functions enable firefighters to create a plan of attack for structure fires and aids paramedics in quickly locating obscure addresses to provide faster medical attention.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Water Treatment Facility Site Fencing Purchase Contract Change Order Approval

**Prepared By:** Tim Woodard, Big Dry Creek Wastewater Treatment Facility Plant Superintendent  
Christine Gray, Management Analyst

**Recommended City Council Action**

Authorize the City Manager to execute a change order with Greater Western Fence & Supply, Inc. in the amount of \$90,651 plus a contingency of \$5,000 for a total project budget of \$306,611 for the addition of fencing at the Big Dry Creek Wastewater Treatment Facility. In addition, authorize a transfer of \$95,651 from the 94<sup>th</sup> and Quitman Lift Station Elimination account into the newly created Big Dry Creek Wastewater Treatment Facility Fencing project to fund the change order.

**Summary Statement**

- The construction of the fencing around the Reclaimed Water Treatment Facility, Northwest Water Treatment Facility and Semper Water Treatment Facility Clearwell was recently completed under a contract with Greater Western Fence & Supply, Inc. approved by City Council on December 8, 2008, Item 8A.
- The project was completed using a straight-picket ornamental iron product that was chosen to blend architecturally with the neighborhoods at each site, while providing the necessary security.
- Staff is requesting a change order to the original contract to replace the fencing and the actuated gate along Huron Street at the Big Dry Creek Wastewater Treatment Facility with identical materials used at the water treatment sites. This project will provide a higher quality, secure fence with a visually pleasing design along Huron Street.
- This fence replacement was not included in the Big Dry Creek Wastewater Plant expansion project.
- Additional pricing information was requested to ensure cost competitiveness. Greater Western Fence & Supply, Inc. again provided the lowest estimate.
- Contingency of \$5,000 has been included.
- Surplus funds are available in the 94<sup>th</sup> and Quitman Lift Station Elimination project for transfer into a newly created capital project account to pay for the expense. The 94<sup>th</sup> and Quitman project account has funds available due to lower bids received during a favorable construction environment.

**Expenditure Required:** \$95,651

**Source of Funds:** Utility Fund Capital Improvement Program  
– 94<sup>th</sup> and Quitman Lift Station Elimination project

**Policy Issues**

1. Should the City replace the existing fence along Huron Street at the Big Dry Creek Wastewater Treatment Facility?
2. Should City Council approve the transfer of \$95,651 from the 94<sup>th</sup> and Quitman Lift Station Elimination account into the newly created Big Dry Creek Wastewater Treatment Facility Fencing project account to fund the change order?

**Alternatives**

1. The City could choose not to replace the portion of fence along Huron Street at the Big Dry Creek Wastewater Treatment Facility. Staff does not recommend this alternative as the replacement materials will provide the required level of security and a consistent appearance at the City’s water and wastewater treatment facilities.
2. The City could choose to reject the funding source. Staff does not recommend this alternative as surplus funds in the 94<sup>th</sup> and Quitman Lift Station Elimination project are available for use at this time.

**Background Information**

The construction of fencing around the City’s water treatment facilities was completed in spring 2009 under a contract with Greater Western Fence & Supply, Inc. approved by City Council on December 8, 2008, Item 8A. A straight-picket ornamental iron product was chosen to blend architecturally with the neighborhoods at each site while providing the necessary security.

Staff is requesting a change order to the original contract to replace the existing chain link fence along Huron Street at the Big Dry Creek Wastewater Treatment Facility with a more visually pleasing, ornamental fence that matches the recently installed product at the water treatment facility sites. This fencing will provide the necessary security for the facility as well as replace a portion of fence that requires repair. The existing site fencing along Huron Street did not require replacement at the time of the Big Dry Creek Wastewater Treatment Facility Expansion and Upgrade project. As the facility is located in a developing neighborhood of the City, Staff would like to replace the existing material with a product that is secure and attractive.

Staff obtained additional price estimates for this portion of the project to ensure cost competitiveness, and Greater Western again provided the lowest bid for the Huron Street section of the site.

<u>Vendor</u>	<u>Fence Bids</u>
Greater Western	\$77,781
R&P Fence	\$82,867
Elite Fence	\$84,525

In addition to the fencing, the change order includes construction of a new actuated double drive gate with similar materials for security and consistency at a cost of \$12,870. The actuated gate is used by the biosolids tankers and commercial delivery vehicles. Staff is proposing the transfer of surplus funds from the 94<sup>th</sup> and Quitman Lift Station Elimination project into a new capital project account titled the Big Dry Creek Wastewater Treatment Facility Fencing account to complete this project. The 94<sup>th</sup> and Quitman project account has funds available due to lower bids received during a favorable construction environment.



<u>Description</u>	<u>Cost</u>
Construction Contract	\$210,960
Change Order	
Fencing: \$77,781	\$90,651
Gate: \$12,870	
Contingency	<u>\$5,000</u>
<b>Total</b>	\$306,611

This project achieves City Council’s Strategic Plan Goals of “Financially Sustainable City Government Providing Exceptional Services” by providing well-maintained City infrastructure and facilities. It also contributes to the City achieving a “Safe and Secure Community” by ensuring the security of this wastewater treatment facility site.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Photovoltaic Solar Installation Pilot Program, Power Purchase Agreement with Mainstreet Power

**Prepared By:** Jerry Cinkosky, Facilities Manager

**Recommended City Council Action**

Authorize the City Manager to sign a Power Purchase Agreement with Mainstreet Power Company for providing the installation of photovoltaic solar panels having a total maximum power of 300 kilowatt hours (kWh) and the purchase of the renewable energy generated directly from the solar PV systems.

**Summary Statement**

- During the recent strategic planning retreat, City Council expressed interest in the possible use of renewable energy, specifically PV solar power generating systems. Council's interest coincides with work already completed by Staff over the last year while working with Mainstreet Power and Simple Solar.
- In recent years, the cost effectiveness of installing solar systems has improved substantially due to advances in the technology and the availability of Xcel Energy rebates and Federal and State tax incentives.
- Since December of 2008, Staff has been working in good faith with Simple Solar (presently operating as Mainstreet Power) reviewing facility utility invoices, electrical consumption and potential facilities where solar installations could be accomplished.
- In early May 2009, a Letter of Intent was signed with Mainstreet Power to complete in-depth facility site evaluations and to begin structural and electrical engineering required for preparation of the PPA and any future building permits which would be required for the installation of roof mounted solar arrays. This work was completed at no cost to the City.
- With Mainstreet's structural and electrical engineering complete and potential facilities identified, Staff is recommending the installation of up to 300 kWh in total energy from PV solar systems on the roofs of the Municipal Service Center Administration Building, City Park Recreation Center, West View Recreation Center and the Public Safety Building.

**Expenditure Required:** No expenditures required for the first 6 years. In year 7 the City may at its option, stay in the current PPA program with an annual 3.5% escalator or purchase the systems outright at an estimated fair market cost of \$708,000.

**Source of Funds:** Specific funding source to be determined at a later date.

**Policy Issue:**

Should City Council authorize the City Manager to enter into a Power Purchase Agreement with Mainstreet Power for the installation of solar systems on City facilities and subsequent purchase of electricity generated from the solar panel installation?

**Alternatives:**

Do not proceed with Mainstreet solar installations with use of a Power Purchase Agreement and direct Staff to continue investigating other renewable energy opportunities and potential financing options.

Staff is not recommending this action based on the present limited amount of Xcel solar rebates, renewable energy credits and federal tax incentives all of which are needed for providing the City with the lowest possible per kilowatt energy price. In addition, Staff believes Mainstreet Power has negotiated in good faith over the last six months to provide the City with the lowest possible kW cost when comparing other municipality power purchase agreements.

**Background Information:**

As Council is aware, energy costs in Colorado continue to rise and have the potential to strain the City's budget in coming years. Over the last year Staff has been researching the use of solar energy to help offset increases in future electrical rates and as an added benefit, reduction of carbon emissions. With the continued likelihood of future electrical increases, the City has grown increasingly aware of the economic, environmental, and societal benefits of taking a lead role in implementation of renewable energy, particularly distributed photovoltaic (PV) installations. Recently, solar energy's cost premiums have declined as a result of technology improvements and an increase in the cost of traditional energy generation. At the same time, a nationwide public policy focus on carbon-free, renewable energy has created a wide range of financial incentives to lower the costs of installing PV even further. These changes have led to increases in the availability of capital for solar projects, and tremendous creativity in the development of third-party ownership structures or power purchase agreements (PPA).

In November 2008 while investigating solar potential, Staff was asked by a City Green Team member to meet with and review a solar proposal they had received from Simple Solar on a proposed solar installation at Legacy Ridge Golf Course Maintenance Building. Although the facility roof was not aligned correctly for full use of a solar system, Staff from Simple Solar continued working with City Staff on viable options. One of the options proposed by Simple Solar was to erect or build a covered carport for maintenance equipment storage that could be aligned on the property to make full use of sunlight that would then produce enough energy to make the project financially feasible. This project is under review for future solar energy generation potential.

In February 2009 Staff began checking Simple Solar's references for similar completed solar projects. Some of the completed PV solar projects included Mesa Elementary School in Boulder, Colorado Springs School District 11 and Boulder municipal buildings. Staff also contacted the City of Aurora where Mainstreet Power is a finalist to provide solar photovoltaic panel design, installation and Power Purchase financing on a variety of sites. Mainstreet Power is presently working with the City of Lafayette and Colorado University Real Estate Operations on solar installations with use of a PPA. In April 2009 Mainstreet Power announced the partnership with Simple Solar bringing together the experience and innovation for creating Power Purchase Agreements by Mainstreet Power and solar technology and installation services provided by Simple Solar.

In early May 2009, after review by the City Attorney's Office, a Letter of Intent was signed with Mainstreet Power (MSP). Signing the Letter of Intent allowed the City and MSP to work under mutually exclusive good faith negotiations to complete an agreement on general terms until June 30, 2009 under no financial obligation. During this period MSP completed site evaluations, individual facility structural and electrical engineering and preparation of a draft PPA for the City's review. If the agreement was not completed by June 30<sup>th</sup> the Letter of Intent would terminate with no obligation on the City's behalf.

In addition, with the signing of the Letter of Intent, MSP could begin the application process for federal tax incentives, renewable energy credits (REC's) and Xcel Energy rebates through Xcel Energy' Solar Reward Program. All of these will be needed for MSP to pursue a 20 year fixed rate debt financing agreement, and complete the actions required in the final PPA.

In the Letter of Intent, Mainstreet Power proposes a kilowatt cost of \$0.45 which is far less than recent PPAs signed by City and County of Broomfield, Denver International Airport, Boulder County and Denver Convention Center. As can be seen in the attached chart, Westminster's cost for purchasing solar generated from solar systems installed by Mainstreet Power on City facilities is estimated to be far less than the cost for the other four entities.

Using the City's Municipal Service Center as an example; it is estimated the 100 kW solar panel installation will produce between twenty and twenty-five percent of the required electrical load of the building operations. Under the terms of the PPA, the City will still be required to purchase the clean energy generated by the solar system; however, at the reduced kilowatt cost of \$0.450. Staff estimates a first year savings of \$3,000 from power generated by the proposed 100 kWh system installed on the Municipal Service Center roof. In addition, as Xcel energy rates continue to rise, savings will increase over the term of the PPA.

The Mainstreet Power Company's financial incentives model being used to develop the 300 kWh solar system PPA include the following:

- Investment Tax Credit (ITC): This is an immediate tax offset for 30% of the system costs subject to no change in ownership for 5 years.
- Modified Accelerated Cost Recovery System (MACRS): This is a depreciation Schedule that allows the owner of the system to depreciate 85% of the system costs over 6 years.
- Bonus Depreciation: As part of the 2008 Economic Stimulus Act, and as extended per ARRA, solar systems are eligible for 50% bonus depreciation in the first year. This does not change the total depreciation but rather allows greater first year depreciation and lower subsequent years under the MACRS above.
- Xcel Rebate: Per the Xcel midsized rebate program, each installation less than 100 kW is eligible for a \$2.00/watt rebate paid upon system commissioning.
- Renewable Energy Certificate (REC) Sales: Per a twenty year contract with Xcel, the system owner will sell the REC's (one megawatt of clean energy) to Xcel at \$115/REC. If the City chooses to purchase the system they would be the beneficiary of these REC sales.

Economic benefits realized by installing 300 kWh PV solar systems with use of a Power Purchase Agreement:

- No capital outlay requirements for the City of Westminster
- Immediate savings off the Xcel Energy billing rate \$0.45/kW vs. \$0.65/kW
- Savings of over 30% compared to other metro area solar installations.
- No escalator for 5-years and opportunity for no escalator for future years with purchase option.
- Savings to City of Westminster of approximately \$15,000 over 7 years and over \$500,000 over the future life of the Photovoltaic system with exercise of purchase option.
- If purchase option is exercised, there is currently in place a financing system where systems can be 100% financed with tax exempt bonds at 4.5% interest through remaining REC sales with Xcel and continuation of initial \$0.45/kW energy rate.

Social/Environmental Benefits:

- Placement of educational web based real-time environmental and economic benefits monitoring kiosks/displays at each facility's lobby.
- Carbon reductions of over 600,000 lbs per year and 10,000 tons during the system life.
- Equivalent to 750,000 vehicle miles eliminated per year or planting 30,000 tree seedlings.
- Production of 400,000 kilowatts per year of clean, renewable energy.

The recommended City Council action addresses Council's strategic plan goal of a Financial Sustainable City Government with the installation of solar energy systems resulting in significant, long term energy cost savings. In addition, the proposed actions coincide with the City's goal of Beautiful and Environmentally Sensitive City by facilitating the installation of an alternative, renewable energy source in four City owned locations throughout the community.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment – Colorado PPA Comparison Chart

**Colorado Power Purchase Agreements Comparison Chart**

<u>Project</u>	<u>Energy Price</u>	<u>Escalator over 20 years</u>	<u>Buyout price/Watt</u>	<u>Equivalent for Buyout on 300kW</u>
Denver International Airport	\$0.0600	6.00%	\$4.08	\$1,224,000.00
Boulder County Buildings	\$0.0635	3.73%	\$2.55	\$764,380.25
Denver Convention Center	\$0.0900	3.00%	\$3.84	\$1,151,000.00
City of Broomfield	\$0.0580	2.00%	\$3.14	\$942,000.00
<b>Average</b>	\$0.0679	3.68%	\$3.40	\$1,020,500.00
			40% Discount	
Westminster - Proposed	\$0.0450	3.50%	\$2.36	\$708,000.00
Westminster - Savings	34%	5%	31%	\$312,500.00



## Agenda Item 8 G

WESTMINSTER

COLORADO

Agenda Memorandum

City Council Meeting  
June 22, 2009



**SUBJECT:** Second Reading of Councillor's Bill No. 15 re the Rezoning of the Holy Trinity Catholic Church Property from R-1 District to Planned Unit Development

**Prepared By:** Michele McLoughlin, Planner III

### Recommended City Council Action

Pass Councillor's Bill No. 15 on second reading for the rezoning of the Holy Trinity Catholic Church property from R-1 (Single Family Residential) to Planned Unit Development. This recommendation is based on a finding that the criteria set forth in Section 11-5-14 of the Westminster Municipal Code have been met.

### Summary Statement

- This Councillor's Bill was approved on first reading by City Council on June 8, 2009.
- The 11.328 acre Holy Trinity Church site is located at the southwest corner of West 76<sup>th</sup> Avenue and Turnpike Drive. The property consists of 4 parcels: A, B, C, and D. Currently there are a convent, sanctuary, school, gymnasium, and rectory on the site.
- The development standards in a traditional single-family neighborhood (R-1) are not conducive to traditional church development. The church members are interested in making improvements to their facilities. Some of the proposed improvements, including a bell tower that exceeds the 25 ft. height limitation, are in conflict with the existing R-1 zoning and would not be allowed with the current zoning standards.
- The proposed rezoning will change the currently designated zone from Single Family Residential (R-1) to Planned Unit Development (PUD).
- The City's Comprehensive Land Use Plan (CLUP) designation of Public/Quasi-Public is consistent with the existing church/school use.

**Expenditure Required:** \$ 0

**Source of Funds:** N/A

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachments -Zoning Ordinance (Exhibit A Legal Description/Exhibit B Zoning Map)

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **15**

SERIES OF 2009

INTRODUCED BY COUNCILLORS  
**Major - Briggs**

**A BILL**

**FOR AN ORDINANCE AMENDING THE ZONING OF  
THE 11.328 ACRE HOLY TRINITY CATHOLIC CHURCH PROPERTY  
(Lot 1, Block 1, Parcels A, B, C, and D) LOCATED AT THE SOUTHWEST CORNER OF  
W. 76<sup>TH</sup> AVENUE AND TURNPIKE DR, ADAMS COUNTY, COLORADO FROM R-1 TO PUD**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

- a. That an application for the rezoning of the property generally located at the southwest corner of W. 76<sup>th</sup> Ave and Turnpike Drive, as described below, from the R-1 zone to the PUD zone has been submitted to the City for its approval pursuant to W.M.C. §11-5-2.
- b. That the notice requirements of W.M.C. §11-5-13 have been met.
- c. That such application has been referred to the Planning Commission, which body held a public hearing thereon on May 26, 2009 and has recommended approval of the requested amendments.
- d. That Council has completed a public hearing on the requested zoning pursuant to the provisions of Chapter 5 of Title XI of the Westminster Municipal Code and has considered the criteria in W.M.C. § 11-5-14.
- e. That based on the evidence produced at the public hearing, a rezoning to the proposed PUD zoning complies with all requirements of City Code, including, but not limited to, the provisions of W.M.C §11-5-14, regarding standards for approval of planned unit developments and §11-4-3, requiring compliance with the Comprehensive Land Use Plan.

Section 2. The Zoning District Map of the City is hereby amended by reclassification of the property, described in Exhibit A, attached hereto and incorporated herein by reference, from the R-1 zoning district to the PUD zoning district, as depicted on the map marked Exhibit B, attached hereto.

Section 3. This ordinance shall take effect upon its passage after second reading.

Section 4. 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.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 2009.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 22nd day of June, 2009.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

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

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



“EXHIBIT A”

(Excepting R.O.W. Dedicated to Westminster along Federal Blvd. Frontage Road)  
Holy Trinity Catholic Parish, Westminster, Colorado

A parcel of land being a portion of the Northeast Quarter of the Southwest Quarter of Section 32, Township 2 South, Range 68 West of the 6th Principal Meridian, County of Adams, State of Colorado, described as follows (the following bearings based on the East Line of said Southwest Quarter being N 00 06'02" W):

Beginning at the point of intersection of the south line of that parcel of land described in Book 715 at Page 112 with the westerly right-of-way line of Federal Boulevard as described in Book 428 at Page 369 from which the Northeast Corner of said Southwest Quarter of Section 32 bears N 6ø42'20" E at a distance of 866.17 feet; thence S 89ø45'17" W along the south line of said parcel described in Book 715 at Page 112, 587.35 feet to the southwest corner thereof; thence N 00ø06'02" W along the west line of said parcel, 199.23 feet to the south line of the East Half of the Northwest Quarter of the Northeast Quarter of the Southwest Quarter of said Section 32; thence S 89ø46'24" W along said south line, 0.92 feet to the southwest corner of the East 30 Feet of said East Half; thence N 00ø06'34" W along the west line of said East 30 Feet, 475.15 feet to the northeast corner of that parcel of land described in Book 5266 at Page 899; thence S 89ø48'31" W along the north line of said parcel, 270.49 feet to a point on the east line of Outlot "A" of the Westminster Housing Authority Subdivision, Filing No. 1, recorded in File 14 at Map 447 of Adams County Records; thence N 00ø06'49" W along said east line, 156.08 feet to a point on the southerly right-of-way line of West 76th Avenue, said southerly right-of-way line being 30 feet south of and parallel with the north line of the Northeast Quarter of the Southwest Quarter of said Section 32; thence N 89ø48'31" E along said southerly right-of-way line, 842.04 feet to the point of intersection with the westerly right-of-way line of Federal Boulevard as described in Book 6048 at Page 789; thence southerly along said westerly right-of-way line of Federal Boulevard, the following two (2) courses:

- 1.) S 50ø22'46" E, 8.43 feet to a Colorado Department of Transportation (CDOT) Brass Cap corner monument;
- 2.) S 00ø16'09" E, 5.90 feet to the northerly corner of a parcel of land conveyed to the City of Westminster and described at Reception Number 2008000037690:

thence along the westerly and southerly lines of said parcel of land, the following twelve (12) courses:

- 1.) S 12ø06'39" W, 147.46 feet to a point of tangent curvature right;
- 2.) along said curve, having a central angle of 28ø32'46" and a radius of 103.14 feet, an arc length of 51.39 feet to a point of tangency;
- 3.) S 40ø39'25" W, 96.88 feet to a point of tangent curvature left;
- 4.) along said curve, having a central angle of 49ø13'28" and a radius of 109.09 feet, an arc length of 93.72 feet to a point of non-tangency;
- 5.) S 41ø40'47" W, 8.93 feet; 6.) S 76ø30'10" W, 30.52 feet; 7.) N 89ø47'44" W, 50.92 feet;
- 8.) S 00ø00'00" E, 24.89 feet; 9.) S 57ø19'25" E, 39.35 feet; 10.) N 90ø00'00" E, 29.83 feet;
- 11.) S 82ø23'03" E, 91.10 feet; 12.) S 89ø59'42" E, 84.99 feet to a point of intersection with said westerly right-of-way line of Federal Boulevard as described in Book 6048 at Page 789;

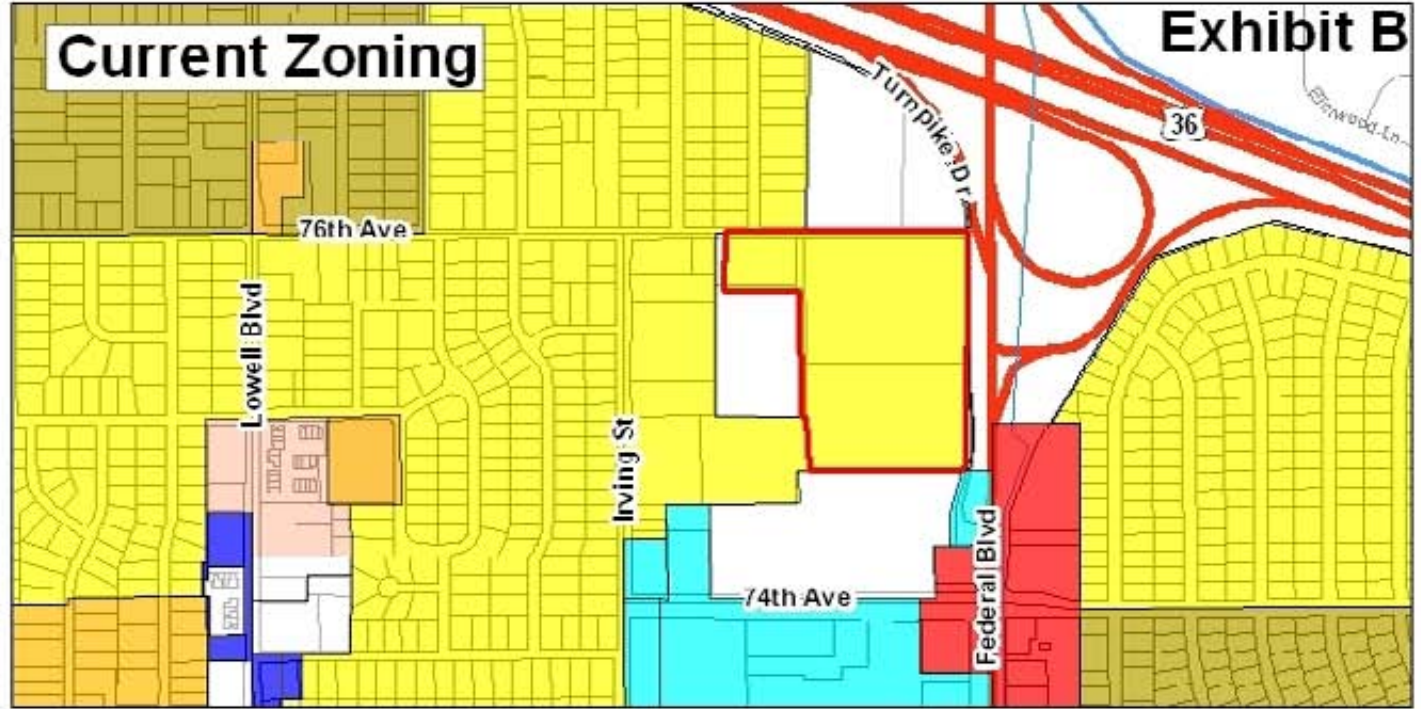
thence southerly along said westerly right-of-way line as described in Book 6048 at Page 789 and in Book 428 at Page 369, the following three (3) courses:

- 1.) S 04ø25'28" E, 186.10 feet to a CDOT Brass Cap monument; 2.) S 00ø07'40" E, 174.27 feet;
- 3.) S 19ø33'22" W, 38.59 feet to the Point of Beginning.

The above description was prepared by James W. Rogers,  
L.S. No. 9655, of Aegis Surveying, 3395 Yates St.,  
Denver, CO, 80212, (303) 477-9319.

# Exhibit B

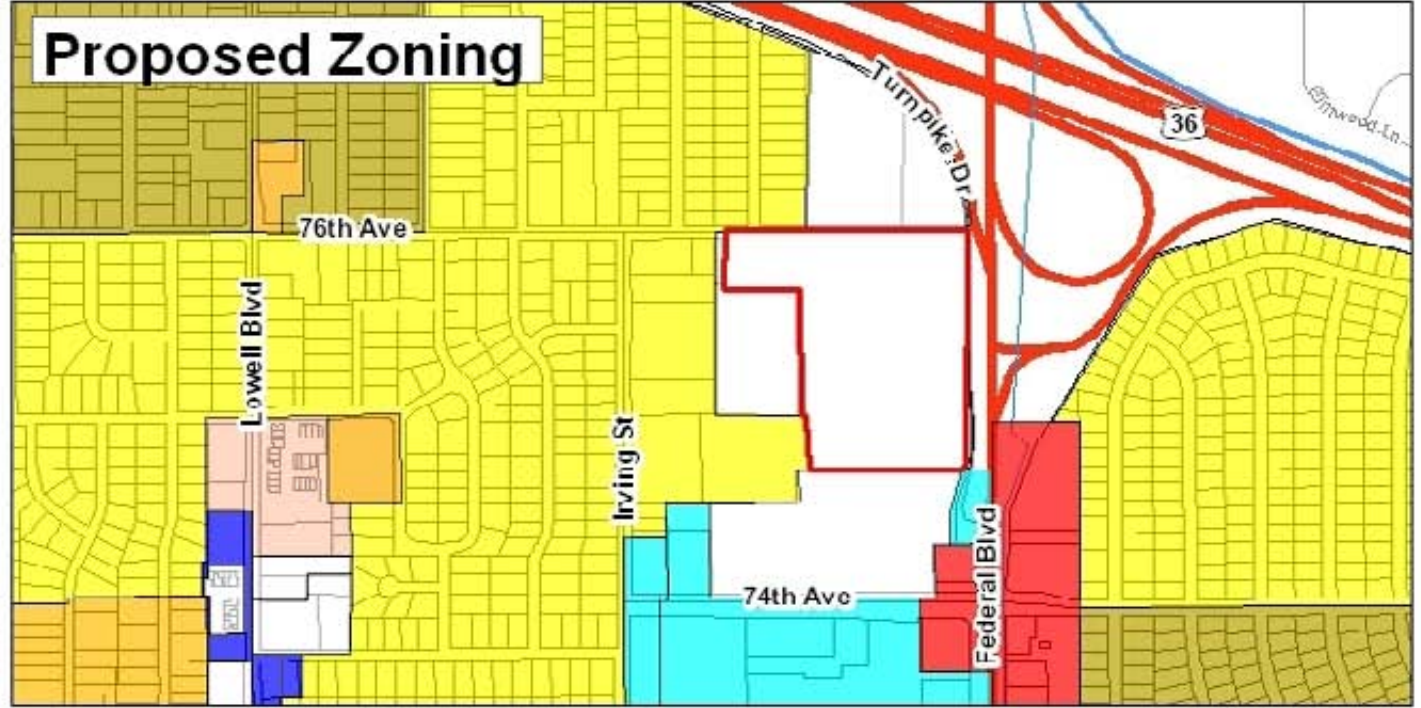
## Current Zoning



**Legend**

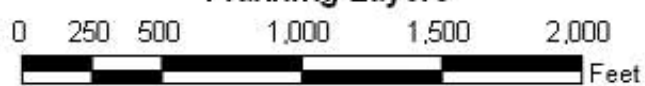
<span style="color: cyan;">■</span> B-1	<span style="color: green;">■</span> O-1	<span style="color: yellow;">■</span> R-1	<span style="color: brown;">■</span> R-5	<span style="color: blue;">■</span> I-1
<span style="color: red;">■</span> C-1	<span style="color: white;">■</span> PUD	<span style="color: orange;">■</span> R-2	<span style="color: olive;">■</span> R-A	
<span style="color: gray;">■</span> M-1	<span style="color: lightorange;">■</span> R-3	<span style="color: pink;">■</span> R-4	<span style="color: lightgreen;">■</span> R-E	

## Proposed Zoning



City of Westminster  
Planning Layers

10:\apps\GIS-Appl\West\010\_ArcGIS\03\_Template\Westminster\_Basic\_03.mxd





**WESTMINSTER  
COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Second Reading of Councillor's Bill No. 16 re Lease/Purchase of City Hall Office Equipment

**Prepared By:** Linda Yeager, City Clerk  
Jeff Brotzman, Print Shop Coordinator

**Recommended City Council Action**

Pass Councillor's Bill No. 16 on second reading appropriating \$34,990 in the General Fund for the lease/purchase of three City Hall copiers equipped with fax machines.

**Summary Statement**

- Approval of the lease/purchase will:
  - Fund the lease/purchase and financing costs for replacement copiers equipped for color copying and fax capability;
  - Replace aging office equipment that require increased maintenance costs and have limited parts availability to keep operations running efficiently; and
  - Provide essential office equipment necessary for efficient operations.
- The lease/purchase and financing cost is estimated to be \$51,500 and the associated quarterly lease payments of \$6,063 are included in the adopted 2009 and 2010 budgets of all departments located within City Hall. The lease term is 18 months and the interest rate is anticipated to be between 4.45 and 4.60 percent. The interest rate will be determined on the date of commitment by the City as defined in the master lease agreement approved by City Council in 2001.
- This Councillor's Bill was passed on first reading June 8, 2009.

**Expenditure Required:** \$51,500

**Source of Funds:** Proceeds from Master Lease in the General Fund

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **16**

SERIES OF 2009

INTRODUCED BY COUNCILLORS  
**Kaiser - Major**

**A BILL  
FOR AN ORDINANCE INCREASING THE 2009 BUDGET OF THE GENERAL FUND  
AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM  
THE 2009 ESTIMATED REVENUES IN THIS FUND**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2009 appropriation for the General Fund, initially appropriated by Ordinance No. 3432 is hereby increased by \$34,990. This appropriation is due to an increase in the master lease for the General Fund.

Section 2. The \$34,990 increase in the General Fund shall be allocated to City revenue and expense accounts as described in the City Council Agenda Item 10 M-O dated June 8, 2009 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Fund	<u>\$34,990</u>
Total	<u>\$34,990</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 8<sup>th</sup> day of June, 2009.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 22<sup>nd</sup> day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mayor

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



**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Second Reading of Councillor's Bill No. 17 re Westminster Center Park Supplemental Appropriation and Award of Grant Funds

**Prepared By:** Kathy Piper, Landscape Architect II  
Richard Dahl, Park Services Manager

**Recommended City Council Action**

Pass Councillor's Bill No. 17 on second reading authorizing a supplemental appropriation in the amount of \$543,592 reflecting the City's receipt of an Adams County Open Space Grant for Westminster Center Park.

**Summary Statement**

- In January of 2008, Staff received City Council's approval to submit a request to Adams County Open Space to help fund the development of Westminster Center Park. Staff presented the grant request on April 27, 2009, and the City was awarded the full request of \$543,592 on May 27, 2009.
- The Department of Parks, Recreation and Libraries has the appropriate matching funds available in the City Center Park CIP budget.
- Bids were solicited from six reputable construction companies. AJI was the lowest bid and was awarded the construction bid May 11, 2009. Construction of the project has begun and is anticipated to be completed in December 2009.
- With the grant award, Staff will be purchasing the remaining items to complete the park. These items included playground equipment and safety surfacing, pedestrian lighting, tables, benches and trash receptacles for the site. Staff will bring selections back to City Council for authorization after bids or quotes have been received.
- This Councillor's Bill was passed on first reading June 8, 2009.

**Expenditure Required:** \$543,592

**Source of Funds:** Adams County Open Space Grant

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **17**

SERIES OF 2009

INTRODUCED BY COUNCILLORS

**Lindsey - Major**

**A BILL**

**FOR AN ORDINANCE INCREASING THE 2009 BUDGET OF THE GENERAL CAPITAL IMPROVEMENT FUND AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2009 ESTIMATED REVENUES IN THIS FUND**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2009 appropriation for the General Capital Improvement Fund, initially appropriated by Ordinance No. 3432 is hereby increased by \$543,592. This appropriation is due to the receipt of an Adams County Open Space Grant.

Section 2. The \$543,592 increase in the General Capital Improvement Fund shall be allocated to City revenue and expense accounts as described in the City Council Agenda Item 10 P dated June 8, 2009 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Capital Improvement Fund	<u>\$543,592</u>
Total	<u>\$543,592</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 8<sup>th</sup> day of June, 2009.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 22<sup>nd</sup> day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mayor

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



## Agenda Item 8 J

**WESTMINSTER**  
**COLORADO**

### Agenda Memorandum

City Council Meeting  
June 22, 2009



**SUBJECT:** Second Reading of Councillor's Bill No. 18 re EECBG Project Supplemental Appropriation

**Prepared By:** Barbara Opie, Budget & Special Projects Manager  
Phil Jones, Management Analyst

### Recommended City Council Action

Pass Councillors Bill No. 18 on second reading appropriating \$952,800 to the Energy Efficiency and Conservation Block Grant Project, funded by the American Recovery and Reinvestment Act.

### Summary Statement

- City Council action is requested to pass the attached Councillors Bill on second reading appropriating the Energy Efficiency and Conservation Block Grants (EECBG) Program funded by the American Recovery and Reinvestment Act (ARRA) of 2009. In the EECBG, the City of Westminster was identified as an entitlement community within the State of Colorado with a grant award of \$952,800.
- This Councillor's Bill was passed on first reading on June 8, 2009.

**Expenditure Required:** \$ 0

**Source of Funds:** N/A

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **18**

SERIES OF 2009

INTRODUCED BY COUNCILLORS  
**Winter - Lindsey**

**A BILL**

**FOR AN ORDINANCE AMENDING THE 2009 BUDGET OF THE GENERAL CAPITAL  
IMPROVEMENT FUND AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM  
THE 2009 ESTIMATED REVENUES IN THE FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2009 appropriation for the General Capital Improvement Fund, initially appropriated by Ordinance No. 3432 are hereby increased by \$952,800. This appropriation is due to the receipt of Federal Grant funds.

Section 2. The \$952,800 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item 10 Q&R dated June 8, 2009 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Capital Improvement Fund	<u>\$952,800</u>
Total	<u>\$952,800</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 8<sup>th</sup> day of June, 2009.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED  
this 22<sup>nd</sup> day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mayor

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





## Agenda Item 10 A

**WESTMINSTER**  
**COLORADO**

**Agenda Memorandum**

City Council Meeting  
June 22, 2009



**SUBJECT:** Resolution No. 34 re Hyland Village Service Commitment Awards Extension

**Prepared By:** Terri Hamilton, Planner III

**Recommended City Council Action**

Adopt Resolution No. 34 extending the Category A-4 Service Commitment Award to the Hyland Village Traditional Mixed Use Neighborhood Development project based on a finding that the Hyland Village project meets the Westminster Municipal Code Section 11-3-2(A) 2 criteria of the City's Growth Management Program.

**Summary Statement**

- Hyland Village is a partially developed 71 acre Traditional Mixed Use Neighborhood Development located on the southwest corner of Sheridan Boulevard and 98<sup>th</sup> Avenue. The project was approved in January of 2007 for 426 dwelling units. Two six-plex townhome buildings and four single family buildings have been constructed. The last building permit issued was June 27, 2008.
- Attached are requests from the property owners within Hyland Village requesting an extension of the Service Commitments awarded in 2004 for this development.
- The City's Growth Management Program allows City Council to extend the Service Commitment time frame based upon specific criteria. City staff believes the criteria are applicable in this situation. (Please see the Background section for the specific extension criteria.)

**Expenditure Required:** \$ 0

**Source of Funds:** N/A

**Policy Issue**

Should City Council approve an extension of Service Commitments necessary to build out this partially constructed development?

**Alternative**

Do not adopt the attached Resolution extending the award of Service Commitments for this project. This alternative is not recommended by City staff because the owners of the development are not responsible for the circumstances resulting in the delay in development of the project, and without an extension in Service Commitments would not be able to proceed in a timely manner with continued development of the project.

**Background Information**

Hyland Village was originally awarded Service Commitments in 2004. A Preliminary Development Plan (PDP) and Official Development Plan (ODP) for the property were approved in 2007. McStain Neighborhoods received approval of an Amended Official Development Plan for in 2007. McStain Neighborhoods has begun construction of the project and completed several residential buildings. Several other development proposals within the overall project limits have been reviewed by City staff within the past 2 years, but withdrawn due to market conditions. Current state wide economic conditions have negatively affected the development potential of the project.

City Code allows an extension of Service Commitments if specifically approved by the City Council based on a finding that:

- (a) The need for the extension is the result of some unusual and unforeseeable circumstance beyond the reasonable control of the developer; and
- (b) The extension is needed to avoid undue or inequitable hardship that would otherwise result if the extension were not granted; and
- (c) There is no reason to believe that the developer will not be able to proceed with the development of the project within the extended time period.

Should the Service Commitment award expire for the project, City Code requires competition for a new Service Commitment award, as well as re-review and approval of an Official Development Plan for the development. Any developer within Hyland Village would not be able to proceed with development until both of these steps have been completed. The extension of the Service Commitment award for this project will provide additional time for developers to proceed with development of Hyland Village.

Respectfully submitted,

Stephen P. Smithers  
Acting City Manager

**Attachments**

- Resolution (Category A-4 Service Commitment Award Extension)
- Vicinity Map
- Letters from Property Owners Requesting Service Commitment Extension
  - McStain Neighborhood
  - DCG
  - Kuhn Law
  - Markel Homes Construction Company

RESOLUTION

RESOLUTION NO. **34**

INTRODUCED BY COUNCILLORS

SERIES OF 2009

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**A RESOLUTION APPROVING A CATEGORY A-4 SERVICE COMMITMENT AWARD  
EXTENSION FOR THE HYLAND VILLAGE PLANNED UNIT DEVELOPMENT  
("PROJECT")**

WHEREAS, the City of Westminster has adopted by Ordinance No. 2848 a Growth Management Program ("GMP") for the period 2000 through 2010; and

WHEREAS, the Project is a Category A-4 Traditional Mixed Use Neighborhood Project with the meaning of the GMP; and

WHEREAS, Resolution No. 25, Series 2004 ("Resolution 25") awarded the Project 483 Service Commitments under the GMP for the year 2004; and

WHEREAS, pursuant to Resolution 25 said Service Commitments expire if no building permit is issued for the Project during any consecutive 12-month period, unless the Service Commitment Award is extended by City Council ; and

WHEREAS, the Project obtained Preliminary and Official Development Plan approval, but, as of June 27, 2009, 12 consecutive months will have passed since the issuance of the Project's last building permits; and

WHEREAS, Westminster Municipal Code Section 11-3-2 (A) 2 establishes the criteria for the extension of Service Commitment Awards for active residential projects that previously received Service Commitment Awards; and

WHEREAS, the proposed extension for the Project is the result of an unusual and unforeseeable circumstance beyond the reasonable control of the developer, is needed to avoid undue hardship that would otherwise result if the extension were not granted, and there is no reason to believe that the developer will not be able to proceed with the development of the Project within the extended time period.

NOW, THEREFORE, be it resolved by the City Council of the City of Westminster, that:

1. The 2004 Category A-4 Service Commitment award for the Hyland Village Project at the southwest corner of Sheridan Boulevard and 98th Avenue, which is scheduled to expire on June 27, 2009, is hereby extended as follows:

**Table 1**

	2004	2005	2006	2007	2008	2009	2010	Total
<b>Original</b>	0	20	102	125	125	0	Not Applicable	483
<b>Used</b>	0	0	0	0	0	12.4	0	12.4
<b>Proposed</b>	-	-	-	-	-	235.0	235.6	470.6

2. The Service Commitment award to the Project is conditional and subject to the following:
- a) Service Commitments for the Project, if approved by the City, may only be used within the Project.
  - b) This extended Service Commitment award shall be subject to all of the provisions specified in the Growth Management Program within Chapter 3 of Title XI of the Westminster Municipal Code.
  - c) This extended Service Commitment award is conditional upon any further City approvals that may be required for the Project, and no such approvals are guaranteed by this extension. The City shall not be required to approve any Comprehensive Land Use Plan amendment, Preliminary Development Plan or amendment, Official Development Plan or amendment, or rezoning action necessary for development of the Project.
  - d) The allocation of Service Commitments shown above in Table 1 for the year 2009 is effective as of the date of this Resolution (June 22, 2009). Future year awards are effective as of January 1 of the specified year and cannot be drawn prior to that date. If fewer Service Commitments are needed for the Project in any given year, the unused amount in that year will be carried over to the following year(s), provided the Service Commitments have not expired.
  - e) In order to demonstrate continued progress on the Project, the following deadline and expiration provision applies:  
All unused Service Commitments for the Project shall expire if no building permit is issued for the Project during any 24 consecutive months, after the effective date of this Resolution.
  - f) If any of the Service Commitments are allowed to expire, or if the applicant chooses not to pursue the development, any unused Service Commitments shall be returned to the water supply figures. The award recipient shall lose all entitlement to such Service Commitments under those conditions.
  - g) This award resolution shall supersede all previous Service Commitment award resolutions for the Project.

3. This Category A-4 Service Commitments award shall be reviewed and updated each year. If it is shown that additional or fewer Service Commitments are needed in the year specified, the City reserves the right to make the necessary modifications.

PASSED and ADOPTED this 22nd day of June, 2009.

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Mayor

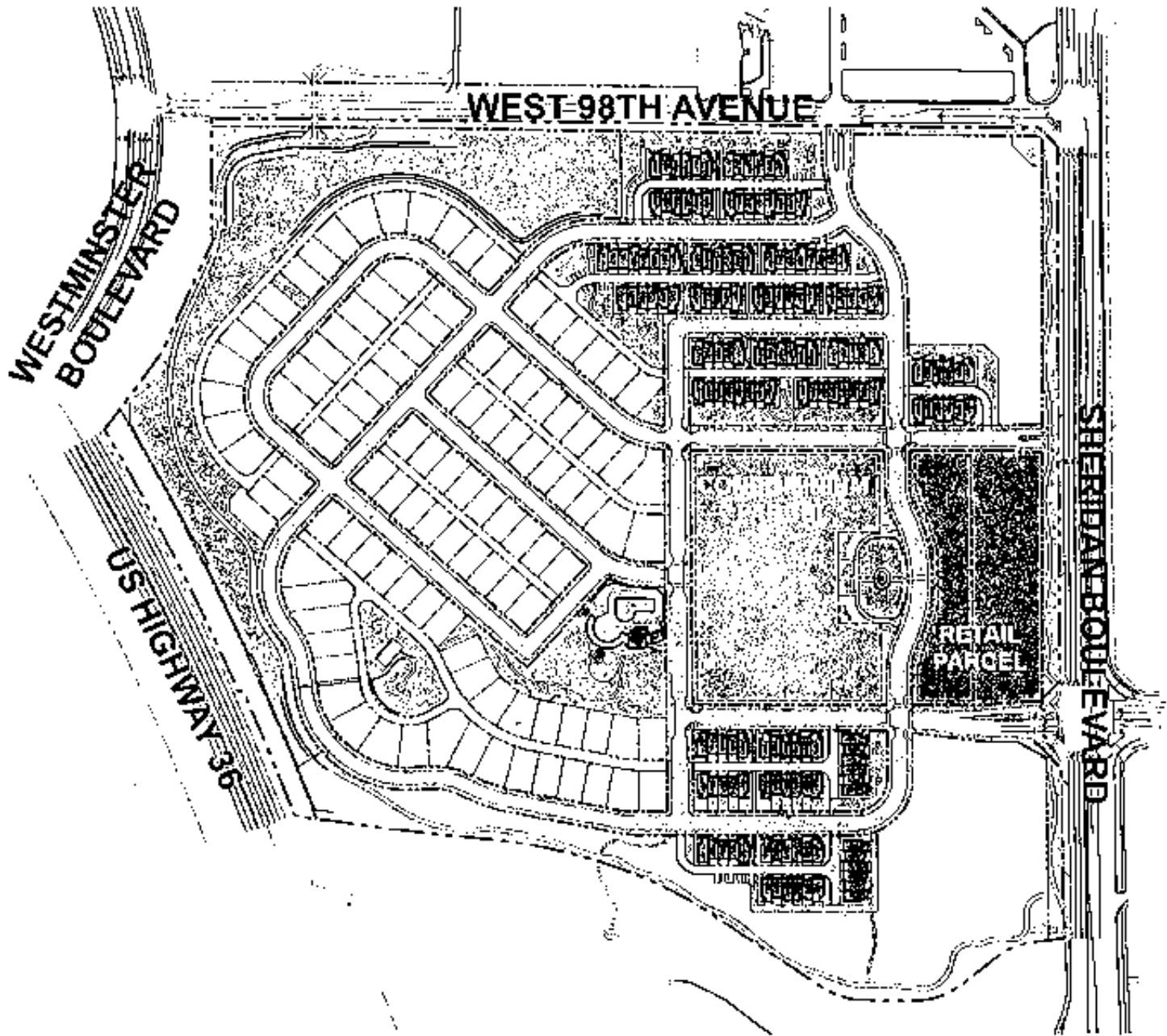
ATTEST:

APPROVED AS TO LEGAL FORM:

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

\_\_\_\_\_  
City Attorney

# HYLAND VILLAGE VICINITY MAP





June 4, 2009

Ms. Teresa L. Hamilton  
Department of Community Development  
City of Westminster  
4800 West 92<sup>nd</sup> Avenue  
Westminster, CO 80031

Re: Hyland Village Service Commitment Extension Request

Dear Teresa,

McStain Enterprises, Inc. (McStain) entered into an agreement with the City of Westminster for water and sewer service commitments on the Hyland Village project located at Sheridan Blvd and 96<sup>th</sup> Avenue. The service commitments issued to the Hyland Village development were a part of Ordinance No. 2848, a Growth Management Program for the period 2000 through 2010, Category B-4. Within the framework of the Growth Management Program, a total of 483 service commitments awards were issued to the Hyland Village development.

The land development and vertical housing construction for the project commenced in summer of 2007. Since that time, the housing industry across the country has been crippled due to the economic conditions facing the world today. McStain and the Hyland Village development have been directly affected by this down turn. McStain made a decision in the fall of 2008 to place the project on a development hold. Sales of the standing homes were not being procured at a sustainable rate or price which was a primary factor resulting in the project's delay. Because of this delay and current state of the development, McStain has not been in a position to purchase additional building permits within the one year period as required by the ordinance.

Based on these factors, McStain is hereby requesting an extension to the existing service commitments issued by the City of Westminster in order to keep all approved entitlements preserved for the development. The extension of the service commitments is critical to operate and construct Hyland Village as prescribed within the existing Official Development Plan and other related entitlement documents.

This service commitment extension requested is executed on behalf of the McStain Enterprises, Inc.'s ownership interest in the Hyland Village development. We have notified the other landowners within the project (or their attorneys) of the need for them to separately send you a letter joining in the requested extension.

Should you have any questions, please feel free to contact us at your earliest convenience.

Sincerely,



Tom Hoyt  
President, McStain Enterprises, Inc.

cc via email: Craig Blockwick (1225 Prospect LLC)  
Stacia Kuhn (Louis Pappageorge and Georgiana Hintz)  
Stephen Donelson ( Pres Minnick and Norma Kay Minnick

Stephen W. Donelson, Esq.  
Gene A. Ciancio, Esq.  
Daniel T. Goodwin, Esq.  
Cynthia L. Ciancio, Esq.  
Christelle C. Beck, Esq., MA  
also licensed in California and  
Solicitor in England and Wales  
Blaine D. Howe, Esq.  
also licensed in Michigan  
Laron M. Brown, Esq.  
Krestin A. Dittus, Esq.  
also licensed in New York  
Kyle C. Kreischer, Esq.  
Kathryn R. Laughlin, Esq.  
Steven L. McIntire, Esq.  
also licensed in Georgia  
Jamie L. Rutten, Esq.  
John M. Vaughn, Esq.

June 10, 2009

Ms. Teresa L. Hamilton  
Department of Community Development  
City of Westminster  
4800 West 92nd Avenue  
Westminster, CO 80031

**Re: Hyland Village Service Commitment Extension Request**

Brian S. Culler, Esq.  
*Special Counsel*

Jonathan C. Oster, Esq.  
also licensed in New York and  
Florida  
*Special Counsel*

June Caldwell Paddison, Esq.  
*Special Counsel*

Patricia S. Riley, Esq.  
*Special Counsel*

Dear Ms. Hamilton:

As you are aware, this firm represents Pres and Norma Kay Minnick and the Minnick Family, L.L.P., (the "Clients") with respect to their ownership interest in a portion of real property which makes up the Hyland Village subdivision located in Westminster, Colorado (the "City").

By this letter, the Clients hereby consent to and join in the Hyland Village Service Commitment Extension Request as set forth in the developer, McStain Enterprises, Inc.'s ("McStain"), June 4, 2009, letter, a copy of which is attached hereto.

The Clients were originally informed by you that their consent to McStain's request could be given as part of the June 15, 2009, meeting, set between the City, the Clients, and the Pappageorge/Hintz property owners. On June 4, 2009, the Clients were informed by McStain that the deadline for their consent was June 12, 2009. The within consent is timely under both previously stated deadlines. Should you require additional action with respect to McStain's Service Commitment Extension Request, please contact McStain.

The Clients still intend to meet with the City as scheduled on June 15, 2009, to discuss the Hyland Village project. We look forward to that meeting. Also attending on behalf of the Clients will be Joseph Talarico, of Talarico and Associates, Inc. Thank you.

Sincerely,

Kyle C. Kreischer  
For Donelson Ciancio & Goodwin, PC

Enclosure: as stated

cc: Stacia Kuhn, Esq.  
Mike Browning, Esq.





**KUHN LAW**  
PROFESSIONAL CORPORATION

STACIA D. KUHN  
ATTORNEY AT LAW

June 10, 2009

*Via Electronic Mail*

Ms. Teresa L. Hamilton  
Department of Community Development  
City of Westminster  
4800 West 92<sup>nd</sup> Avenue  
Westminster, CO 80031

Re: Hyland Village Subdivision/McStain Enterprises, Inc. Service Commitment Extension Request

Dear Ms. Hamilton,

This firm serves as counsel for Louis Pappageorge, Larry Hintz and Georgiana Hintz, who are owners of a portion of the land underlying the Hyland Village Subdivision project, a project for which the City of Westminster previously awarded a total of 483 service commitments pursuant to Resolution No. 25 dated April 17, 2004. On June 4, 2009, McStain Enterprises, Inc., as the developer/subdivider of the Hyland Village Subdivision project submitted to your office a request for extension of the referenced service commitments. The purpose of this letter is to provide the above referenced owners' consent to, and joinder with McStain's request for such extension of service commitments.

By copy of this letter, we are affirming our conversation of yesterday that McStain may need to contact the Planning Manager to ensure that approval for its extension request is included in the June 22<sup>nd</sup> City Council meeting agenda. As you know, McStain had previously been given the deadline of June 12<sup>th</sup> for submitting the extension request, and counsel for the Minnick owners had been told that the extension requests could be discussed at our scheduled June 15<sup>th</sup> meeting *via* your office, so any flexibility your department could provide with regard to submitting the extension request for the upcoming City Council agenda would be appreciated.

Respectfully,

KUHN LAW,  
Professional Corporation

By: 

sdk

CC: Louis Pappageorge  
Larry and Georgiana Hintz  
Stephen W. Donelson, Esq.  
Mike Browning, Esq.

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Markel Homes Construction Company  
5723 Arapahoe Avenue, #2B  
Boulder, CO 80503  
303-440-8069 (office)  
303-444-2798 (fax)

8 June 2009

Terri Hamilton  
Department of Community Development  
City of Westminster  
4800 West 92<sup>nd</sup> Avenue  
Westminster, CO 80031

RE: HYLAND VILLAGE - SERVICE COMMITMENT

Dear Terri:

We purchased Parcel B within the Hyland Village development from McStain last year. Our plan was to let McStain build up the project and begin our site, once there was some momentum. As we all know, McStain has filed for bankruptcy and has not pulled a building permit in the subdivision for almost one year.

Given the current economic times and McStain's bankruptcy, Markel Homes Construction Company requests a 2-year extension of the current Service Commitment for the project. This extension will allow Hyland Village to move forward with new development as the economy recovers. If you need additional information to gain this approval, please call me at 303-339-6116.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad Kipfer".

Chad Kipfer  
Project Manager  
Markel Homes Construction Company