



WESTMINSTER

Staff Report

TO: The Mayor and Members of the City Council

DATE: October 1, 2008

SUBJECT: Study Session Agenda for October 6, 2008

PREPARED BY: J. Brent McFall, City Manager

Please Note: Study Sessions and Post City Council meetings are open to the public, and individuals are welcome to attend and observe. However, these meetings are not intended to be interactive with the audience, as this time is set aside for City Council to receive information, make inquiries, and provide Staff with policy direction.

Looking ahead to next Monday night's Study Session, the following schedule has been prepared:

A light dinner will be served in the Council Family Room 6:00 P.M.

CITY COUNCIL REPORTS

1. Report from Mayor (5 minutes)
2. Reports from City Councillors (10 minutes)

PRESENTATIONS

6:30 P.M.

1. WEDA – 2009/2010 Proposed Budget and 2008 Financial Update – Attach1 – Attach2

EXECUTIVE SESSION

1. Discussion of Personnel Matter pursuant to WMC Section 1-11-3(C)(1) and CRS 24-6-402(4)(f)

INFORMATION ONLY ITEMS – Does not require action by City Council

None at this time.

Additional items may come up between now and Monday night. City Council will be apprised of any changes to the Study Session meeting schedule.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment – Minutes for the 09/15/08 Study Session



WESTMINSTER

Staff Report

Westminster Economic Development Authority (WEDA) Board Study Session Meeting
October 6, 2008



SUBJECT: WEDA 2009/2010 Proposed Budget and 2008 Financial Update

PREPARED BY: Karen Creager, Special Districts Accountant
Robert Byerhof, Senior Financial Analyst
Bob Smith, Treasury Manager
Rachel Kammerzell, Financial Analyst

Recommended Board Action:

Review the Financial update provided by Staff on WEDA's revenue projections for year-end 2008 and the proposed budgets for 2009 and 2010.

Summary Statement:

A budget review is scheduled for Monday night's Study Session. This document and the materials attached are intended to facilitate the review and discussion at Monday night's meeting.

Expenditure required: 2009 = \$11,313,628; 2010 = \$11,831,483

Source of Funds: Incremental tax revenues and transfers

Policy Issue:

Does the WEDA Board concur with the proposed 2009 and 2010 operating and debt service budgets as presented?

Alternative:

1. The WEDA Board could direct Staff to include additional priorities in the 2009 and 2010 operating budget for WEDA. Staff believes that the proposed budgets presented to the Board are the best options based on revenue forecasts, current contractual obligations and statutory restrictions for the Urban Renewal Areas (URA).

Background Information:

WEDA currently consists of six separate URAs. Below are the proposed 2009 and 2010 budget highlights and the 2008 financial update for each URA including revenue and expenditure information.

Attached are: 1) a spreadsheet for each URA showing 2007 actuals, 2008 budget, 2008 estimates and the proposed budgets for 2009 and 2010, 2) a chart summarizing the financial position as of August 31, 2008 for each of the URAs, and 3) a listing of all current outstanding obligations for the URAs.

As with the City budget, Staff has taken a conservative approach to preparing the WEDA budget. Summarized below are the highlights of the 2009 and 2010 budgets for each of the individual URAs. For all of the URAs that have received bond proceeds, interest earnings on the bond proceeds are not included in the proposed revenues, as the bond covenants restrict how the earnings can be spent. These earnings will be appropriated through quarterly housekeeping supplemental appropriations in order to more easily track their use for Federal Internal Revenue Code arbitrage purposes and to ensure compliance with bond covenants. Additionally, pooled interest earnings are not included in the proposed revenues. Due to the fluctuations in the monthly balances of the pooled cash, the interest earnings are difficult to forecast. The fluctuations result from the timing of property tax receipts, the point in time that the sales tax base is met, and the accrual of the Economic Development Agreement (EDA) liabilities to developers and/or commercial entities. Since the interest earnings currently are not needed to meet obligations, the earnings will be appropriated when necessary or will increase fund balance for use at a later date.

No contingency is included in the budgets of URAs that have bonded debt. Instead, any revenue that exceeds expenses will increase fund balance in the URA to be used at a later date. Contingency for unanticipated expenses is budgeted in URAs without bonded debt.

Holly Park URA

2008 Financial Update

- This URA has no bonded debt.
- The URA carries an interfund loan of \$1,245,000 with the General Fund that was used to begin the process of cleaning up the site and obtaining clear title in order to redevelop the area.
- In 2007 and 2008 to-date, there were no incremental revenues. When the redevelopment is completed, it is anticipated that there will be property tax increment in the URA.
- Current year expenditures include contractual services for maintenance and obtaining a legal description of the URA.

- Current year revenues include interest earned on the cash that has not been spent on the interfund loan.
- Reserved fund balance consists of \$60,161 for capital projects.
- Unreserved, designated fund balance is (\$1,214,417) which is the result of interfund borrowing. Staff believes that adequate funds will eventually be available in this URA to meet outstanding obligations over time.

2009 and 2010 Proposed Budget Highlights

- Due to current market conditions, redevelopment within the Holly Park URA is progressing slowly. On July 14, 2008, WEDA entered into a contract with Coldwell Banker to act as listing agent in order to attract more interest in the redevelopment of the remaining property.
- A landscaping contract was signed with American Civil Constructors for services on the property.
- In response to resident complaints, fumigation services are being sought from Rocky Mountain Wildlife Services for the prairie dogs located on the property.
- The balance of the interfund loan resides in the capital project for Holly Park and will be used to meet these contractual obligations.
- Based on the current status of the property, no operating budget is proposed for 2009 or 2010. When the property status changes, a supplemental appropriation will be brought to the Board to amend the budget as necessary.

Mandalay Gardens URA (Shops at Walnut Creek)

2008 Financial Update

- In 2003 variable rate taxable tax increment revenue bonds were issued for the development of the Shops at Walnut Creek located within in the URA. The City pledged the 3% general sales tax as security for the bonds. That pledge was reduced to 1.75% in October 2007.
- These bonds were refunded to variable rate tax exempt tax increment revenue bonds in March 2006, to save an estimated \$6.2 million in interest expense over the life of the bonds. Debt service on the bonds is paid with tax increment revenues. As of December 31, 2007, outstanding principal on the bonds is \$38,205,000.
- Sales tax base is zero; therefore all sales tax collected in the URA is considered tax increment. Sales tax increment was up \$257,226 in 2007 from 2006 and currently is down \$970,676 in 2008 from 2007. The decrease is due to the reduction of the pledged sales tax from 3% to 1.75%.
- The 1.25% sales tax remaining from the reduced pledge is retained by the City.
- Property tax increment was up \$390,890 in 2007 from 2006 and currently is up \$601,093 in 2008 from 2007.
- Reserved fund balance of \$6,525,039 includes \$3,160,000 bond reserve and \$3,365,039 debt service.
- Unreserved, designated fund balance is \$410,930.

2009 and 2010 Proposed Budget Highlights

- Sales tax pledge will continue at the reduced pledge rate of 1.75%. This pledge reduction provides for sales tax to be retained by the City of approximately \$1,150,000 for 2009 and \$1,200,000 for 2010.
- Property assessed valuation and corresponding revenue is expected to stabilize with the completion of the commercial development.
- Existing space and an additional building are expected to be leased by the end of 2010.
- Budgeted “transfers-in” consist of the net revenues of the Mandalay Town Center General Improvement District (District). The transfer assists the Mandalay Gardens URA with the debt service payments on the 2006 bonds. The 2008 estimated assessed valuation for the District

remains stable; however, ownership taxes are increasing. It is anticipated that the transfer from the District to this URA will be \$293,000 in 2009 and \$277,282 in 2010.

- Proposed operating expenses for 2009 and 2010 of \$26,834 and \$27,600, respectively, consist of the County's property tax collection fee.
- Proposed debt service expenses for 2009 and 2010 are \$2,890,211 and \$2,878,615, respectively. This URA's debt is variable rate debt with interest budgeted at 4%.
- Any excess revenues over expenses will increase fund balance. Those funds will be available for future appropriations in the URA when needed.

North Huron URA

2008 Financial Update

- In 2005, variable rate tax exempt tax increment revenue bonds were issued for development in the URA including the interchange at 144th and I-25, Huron Street improvements from approximately 124th Avenue to 150th Avenue and the public improvements at The Orchard. Debt service on the bonds is paid with tax increment revenues. As of December 31, 2007, outstanding principal on the bonds is \$68,300,000.
- One third of the 3% general sales tax collected in this area is shared with the City of Thornton per an Intergovernmental Agreement (IGA) dated November 10, 2004. Per a second IGA, Thornton will use some or all of this revenue as needed to pay their share of the cost of the 144th Avenue Interchange. The sales tax increment figures shown in this report are net of Thornton's share of the 3% sales tax increment. The remaining 2% general sales tax is pledged as security for this URA's bonds.
- The URA has an outstanding EDA maximum remaining obligation of \$685,000 with the Lowe's at 136th Avenue.
- The two major public improvements, the Interchange at I-25 and 144th and the widening of North Huron are now basically completed and The Orchard had its grand opening in April 2008.
- Sales tax base is zero; therefore all sales tax collected in the URA is considered tax increment. Sales tax increment was up \$2,203,571 in 2007 from 2006 (partial year) and currently is up \$190,705 in 2008 from 2007. Most of this increase is due to the opening of The Orchard in April 2008.
- Reserved fund balance of \$26,030,646 includes \$5,101,200 bond reserve, \$6,327,492 for debt service and \$14,601,954 for capital projects.
- Unreserved, designated fund balance is \$229,804.

2009 and 2010 Budget Highlights

- Sales tax revenues are projected to increase in both years as additional commercial development is completed.
- Property assessed valuation and corresponding revenue is also expected to increase with the additional commercial development.
- Proposed operating expenses for 2009 and 2010 are \$519,040 and \$523,732, respectively, for EDA payments, contractual maintenance payable to the City, and the County's property tax collection fee.
- Proposed debt service expenses for 2009 and 2010 are \$5,139,923 and \$5,138,385, respectively. This URA's debt is variable rate debt with interest budgeted at 4%.
- Any excess revenues over expenses will increase fund balance. Those funds will be available for future appropriations in the URA when needed.

South Sheridan URA

2008 Financial Update

- On June 22, 2007, WEDA issued variable rate tax exempt tax increment revenues bonds of \$8,320,000 to finance the construction of public infrastructure improvements in the URA. Debt service on the bonds will be paid with tax increment revenues. As of December 31, 2007 outstanding principal on the bonds is \$8,320,000.
- The May 2008 opening of the new WalMart in the redeveloped Shoenberg Center is boosting the overall incremental revenues in the URA in 2008.
- With the opening of the WalMart, the sales tax revenues in the URA have increased, compensating for the loss of Albertsons. As a result, the City will recover over \$400,000 of base revenue annually.
- The architectural masonry wall project is now complete.
- The 72nd Ave & Sheridan street improvement project is 98% complete with a few cleanup items remaining.
- Reserved fund balance of \$1,213,888 includes \$634,411 bond reserve, \$347,455 for debt service and \$232,022 for capital projects.
- Unreserved, designated fund balance is \$80,859.

2009 and 2010 Proposed Budget Highlights

- Proposed revenues for 2009 include 1) a full year of sales tax increment from the redevelopment of the Shoenberg Center and 2) first year of property tax increment due to redevelopment projects in the South Sheridan URA. It is anticipated that revenues in 2010 will increase slightly from 2009.
- Proposed expenses for 2009 and 2010 of \$1,129,666 and \$1,201,186 respectively, include EDA payments, contractual maintenance payable to the City, and the County's property tax collection fee.
- Proposed debt service expenses for 2009 and 2010 are \$417,168 and \$612,140, respectively. Capitalized interest will be exhausted in mid-2009. This URA's debt is variable rate debt with interest budgeted at 4%.
- Property assessed valuation and corresponding revenue for the URA is expected to increase significantly as a result of the new development.
- Any excess revenues over expenses will increase fund balance. Those funds will be available for future appropriations in the URA when needed.

South Westminster URA

2008 Financial Update

- WEDA issued \$6,460,000 in variable rate tax exempt tax increment revenue bonds in 1997 for the redevelopment of the Westminster Plaza. Debt service on the bonds will be paid with tax increment revenues. As of December 31, 2007, outstanding principal on the bonds is \$5,660,000.
- Additionally, the URA borrowed \$3,600,000 from the Utility Fund that was also used for the Westminster Plaza redevelopment. The outstanding balance at December 31, 2007 of the interfund loan is \$2,600,000 with a \$200,000 payment planned in the 4th quarter 2008.
- Sales tax increment was down \$40,635 in 2007 from 2006 and currently is up \$37,086 in 2008 from 2007 as a result of business relocations within the URA.
- Property tax increment was up \$51,969 in 2007 from 2006 and currently is up \$11,462 in 2008 from 2007 as a result of changes in the assessed valuations.
- It is anticipated that total 2008 incremental revenues will not be sufficient to cover debt service and other obligations. On August 11, 2008, City Council approved the transfer of General Fund

carryover of \$200,000 to WEDA, South Westminster, to assist the URA in meeting its obligations for 2008. Existing fund balance will be used to cover any additional shortfall.

- With the anticipated opening of the Liborio Market, a boost to the overall tax increment revenues in the URA is expected in 2009. There is an EDA liability to rebate a portion of incremental sales tax to the developer. The City will fund the rebate initially with repayment by WEDA, if and when revenues are available.
- In May, 2008, Colorado Rural Housing Authority drew down the \$334,000 loan that was previously approved by the Board, which further reduced fund balance. As the loan is repaid, fund balance will improve.
- Reserved fund balance of \$1,559,105 includes \$646,000 bond reserve and \$913,105 debt service reserve.
- Unreserved, designated fund balance is (\$1,043,928) which is the result of interfund borrowing and will further decline until the tax increment is sufficient to meet annual obligations.

2009 and 2010 Proposed Budget Highlights

- Proposed tax increment revenues for 2009 and 2010 are expected to increase as a result of the Northgate redevelopment and are estimated to be \$523,412 and \$706,652, respectively.
- Proposed expenses for 2009 and 2010 of \$134,586 and \$278,661, respectively, include EDA payments, contractual maintenance payable to the City, and the County's property tax collection fee.
- Proposed debt service expenses for 2009 and 2010 are \$656,564 and \$707,020, respectively. This URA's debt is variable rate debt with interest budgeted at 4%.
- Since revenues are not sufficient to meet obligations in 2009 and 2010, fund balance is expected to decline.

Westminster Center URA

2008 Financial Update

- This URA has no bonded debt.
- The URA has outstanding EDA maximum remaining obligations with Lowes on 88th Avenue and Pappadeaux's of \$460,685 and \$238,598, respectively.
- An Intergovernmental Cooperation Agreement (ICA) with Hyland Village Metropolitan District provides for the return of incremental revenues attributable to the Hyland Village's mill levy.
- Incremental revenues are expected to meet budgeted amounts and will cover current year plus accrued prior year obligations in the URA.
- An ICA with the City dated December 11, 2006 provided for the transfer of incremental revenue sufficient to meet the obligations in the URA.
- It is anticipated that 2008 estimated incremental sales tax revenues of \$1,217,459 will not be needed to meet obligations; therefore, those revenues will be retained by the City.
- Unreserved, designated fund balance is \$171,457.

2009 and 2010 Proposed Budget Highlights

- For 2009 and 2010 it is anticipated that property tax increment and interest earnings received by the URA will be sufficient to fully cover obligations of the URA. Therefore, estimated sales tax increment of approximately \$1,087,000 will be retained by the City in each of the two budget years.
- Proposed expenses for 2009 and 2010 including EDA and ICA payments, contractual maintenance payable to the City, and the County's property tax collection fees are \$112,047 and \$140,637, respectively.

- Property assessed valuations and corresponding revenue are projected to remain stable for 2009 and 2010.
- Contingency of \$287,589 and \$323,507 for 2009 and 2010, respectively, is budgeted for unanticipated expenses because the URA has no bonded debt.

Staff will be available at the October 6, 2008 Board study session to answer questions. Pending Board direction, Staff will present the proposed 2009/2010 WEDA budget to the Board for approval on October 13, 2008.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachments

Westminster Economic Development Authority
Consolidated Budget for All URAs
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ 1,877,653	\$ 4,143,254	\$ 4,363,773	\$ 6,011,038	\$ 7,168,525
Sales Tax Increment	4,876,683	6,939,809	6,509,811	9,065,075	10,679,837
Total Tax Increment	<u>6,754,336</u>	<u>11,083,063</u>	<u>10,873,584</u>	<u>15,076,113</u>	<u>17,848,362</u>
Investment Interest Earnings	332,058	114,978	264,778	-	-
Pooled Interest Earnings	216,229	50,513	74,200	-	-
Other	-	-	41	57	40
Total Other Revenues	<u>548,287</u>	<u>165,491</u>	<u>339,019</u>	<u>57</u>	<u>40</u>
Total Revenues	<u>7,302,623</u>	<u>11,248,554</u>	<u>11,212,603</u>	<u>15,076,170</u>	<u>17,848,402</u>
Expenditures:					
Operating Activities					
Contractual	373,078	1,153,965	1,359,633	1,832,007	2,064,287
Other	-	200,000	-	-	-
Treasurer Fees	28,776	62,149	65,456	90,166	107,529
Contingency	-	2,417,863	-	287,589	323,507
Total Operating Expenditures	<u>401,854</u>	<u>3,833,977</u>	<u>1,425,089</u>	<u>2,209,762</u>	<u>2,495,323</u>
Debt Service					
Interest Paid	2,892,708	4,473,539	3,215,000	4,347,809	4,376,833
Principal Paid	520,000	3,165,000	3,165,000	4,160,000	4,385,000
Agent Fees	514,212	558,649	575,860	596,057	574,327
Total Debt Service	<u>3,926,920</u>	<u>8,197,188</u>	<u>6,955,860</u>	<u>9,103,866</u>	<u>9,336,160</u>
Total Expenditures	<u>4,328,774</u>	<u>12,031,165</u>	<u>8,380,949</u>	<u>11,313,628</u>	<u>11,831,483</u>
Net Operating Revenue (Expense)	<u>2,973,849</u>	<u>(782,611)</u>	<u>2,831,654</u>	<u>3,762,542</u>	<u>6,016,919</u>
Other Financing Sources					
Sale of capital asset	-	184,466	-	-	-
Transfers In	399,500	264,145	248,611	293,000	277,282
Total Other Financing Sources	<u>399,500</u>	<u>448,611</u>	<u>248,611</u>	<u>293,000</u>	<u>277,282</u>
Excess Revenue over (under) Expenditures	3,373,349	(334,000)	3,080,265	4,055,542	6,294,201
<i>Beginning Balance Operating - January 1</i>	<u>\$ 9,976,829</u>	<u>\$ 4,950,927</u>	<u>\$ 13,489,534</u>	<u>\$ 16,569,799</u>	<u>\$ 20,625,341</u>
<i>Ending Balance Operating - December 31</i>	<u>\$ 13,350,178</u>	<u>\$ 4,616,927</u>	<u>\$ 16,569,799</u>	<u>\$ 20,625,341</u>	<u>\$ 26,919,542</u>

**Westminster Economic Development Authority
Consolidated Budget for All URAs
2009/2010 Proposed Budget**

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
CAPITAL PROJECTS					
<i>For informational purposes only. All capital project funds have been previously appropriated with no additional requests in 2009/2010.</i>					
Revenue	\$ 9,688,523	\$ 281,607	\$ 281,607	\$ -	\$ -
Debt expense	(1,728,771)	-	-	-	-
Project expense	(10,993,344)	(281,607)	(281,607)	-	-
Excess Revenue over (under) Expenditures	(3,033,592)	-	-	-	-
<i>Beginning Balance Capital - January 1</i>	\$ 21,271,628	\$ 46,106,515	\$ 18,238,036	\$ 18,238,036	\$ 18,238,036
<i>Ending Balance Capital - December 31</i>	<u>\$ 18,238,036</u>	<u>\$ 46,106,515</u>	<u>\$ 18,238,036</u>	<u>\$ 18,238,036</u>	<u>\$ 18,238,036</u>
<i>Total Ending Balance</i>	<u>\$ 31,588,214</u>	<u>\$ 50,723,442</u>	<u>\$ 34,807,835</u>	<u>\$ 38,863,377</u>	<u>\$ 45,157,578</u>

Westminster Economic Development Authority
Holly Park URA (0187)
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax Increment	-	-	-	-	-
Total Tax Increment	-	-	-	-	-
Investment Interest Earnings	-	-	-	-	-
Pooled Interest Earnings	8,301	1,700	4,000	-	-
Other	-	-	-	-	-
Total Other Revenues	8,301	1,700	4,000	-	-
<i>Total Operating Revenues</i>	8,301	1,700	4,000	-	-
Expenditures:					
Operating Activities					
Contractual	-	1,700	1,700	-	-
Treasurer Fees	-	-	-	-	-
Total Operating Expenditures	-	1,700	1,700	-	-
Excess Revenue over (under) Expenditures	8,301	-	2,300	-	-
<i>Beginning Balance Operating - January 1</i>	\$ (98,651)	\$ (92,651)	\$ (90,350)	\$ (88,050)	\$ (88,050)
<i>Ending Balance Operating - December 31</i>	\$ (90,350)	\$ (92,651)	\$ (88,050)	\$ (88,050)	\$ (88,050)

CAPITAL PROJECTS

For informational purposes only. All capital project funds have been previously appropriated with no additional requests in 2009/2010.

Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Debt expense	-	-	-	-	-
Project expense	(43,137)	-	-	-	-
Excess Revenue over (under) Expenditures	(43,137)	-	-	-	-
<i>Beginning Balance Capital - January 1</i>	\$ (1,015,675)	\$ (1,049,622)	\$ (1,058,812)	\$ (1,058,812)	\$ (1,058,812)
<i>Ending Balance Capital - December 31</i>	\$ (1,058,812)	\$ (1,049,622)	\$ (1,058,812)	\$ (1,058,812)	\$ (1,058,812)
<i>Total Ending Balance</i>	\$ (1,149,162)	\$ (1,142,273)	\$ (1,146,862)	\$ (1,146,862)	\$ (1,146,862)

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Westminster Economic Development Authority
Mandalay Gardens URA (0182)
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ 937,815	\$ 1,539,805	\$ 1,539,805	\$ 1,788,949	\$ 1,839,980
Sales Tax Increment	1,980,027	1,577,569	1,510,376	1,612,078	1,690,252
Total Tax Increment	2,917,842	3,117,374	3,050,181	3,401,027	3,530,232
Investment Interest Earnings	248,682	-	124,800	-	-
Pooled Interest Earnings	51,853	10,000	23,400	-	-
Total Other Revenues	300,535	10,000	148,200	-	-
Total Revenues	3,218,377	3,127,374	3,198,381	3,401,027	3,530,232
Expenditures:					
Operating Activities					
Treasurer Fees	14,067	23,097	23,097	26,834	27,600
Contingency	-	440,854	-	-	-
Total Operating Expenditures	14,067	463,951	23,097	26,834	27,600
Debt Service					
Interest Paid	1,406,630	1,405,161	1,100,000	1,355,914	1,305,348
Principal Paid	250,000	1,335,000	1,335,000	1,370,000	1,415,000
Agent Fees	203,105	170,173	170,173	164,297	158,267
Total Debt Service	1,859,735	2,910,334	2,605,173	2,890,211	2,878,615
Total Expenditures	1,873,802	3,374,285	2,628,270	2,917,045	2,906,215
Net Operating Revenue (Expense)	1,344,575	(246,911)	570,111	483,982	624,017
Other Financing Sources					
Sale of capital asset	-	184,466	-	-	-
Transfers In	114,000	62,445	246,911	293,000	277,282
Total Other Financing Sources	114,000	246,911	246,911	293,000	277,282
Excess Revenue over (under) Expenditures	1,458,575	-	817,022	776,982	901,299
<i>Beginning Balance Operating - January 1</i>	<i>\$ 3,262,313</i>	<i>\$ 3,390,058</i>	<i>\$ 4,720,888</i>	<i>\$ 5,537,910</i>	<i>\$ 6,314,892</i>
<i>Ending Balance Operating - December 31</i>	<i>\$ 4,720,888</i>	<i>\$ 3,390,058</i>	<i>\$ 5,537,910</i>	<i>\$ 6,314,892</i>	<i>\$ 7,216,191</i>

**Westminster Economic Development Authority
Mandalay Gardens URA (0182)
2009/2010 Proposed Budget**

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
CAPITAL PROJECTS					
<i>For informational purposes only. All capital project funds have been previously appropriated with no additional requests in 2009/2010.</i>					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Debt expense	-	-	-	-	-
Project expense	(2,806)	-	-	-	-
Excess Revenue over (under) Expenditures	(2,806)	-	-	-	-
<i>Beginning Balance Capital - January 1</i>	2,806	-	-	-	-
<i>Ending Balance Capital - December 31</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Total Ending Balance</i>	<u>\$ 4,720,888</u>	<u>\$ 3,390,058</u>	<u>\$ 5,537,910</u>	<u>\$ 6,314,892</u>	<u>\$ 7,216,191</u>

Westminster Economic Development Authority
North Huron URA (0183)
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ 366,121	\$ 1,826,460	\$ 2,092,272	\$ 3,297,780	\$ 4,230,369
Sales Tax Increment	2,740,913	4,258,402	4,107,836	5,385,990	6,470,027
Total Tax Increment	<u>3,107,034</u>	<u>6,084,862</u>	<u>6,200,108</u>	<u>8,683,770</u>	<u>10,700,396</u>
Investment Interest Earnings	-	114,978	114,978	-	-
Pooled Interest Earnings	69,322	-	-	-	-
Total Other Revenues	<u>69,322</u>	<u>114,978</u>	<u>114,978</u>	<u>-</u>	<u>-</u>
<i>Total Operating Revenues</i>	<u>3,176,356</u>	<u>6,199,840</u>	<u>6,315,086</u>	<u>8,683,770</u>	<u>10,700,396</u>
Expenditures:					
<i>Operating Activities</i>					
Contractual	-	187,853	156,544	469,573	460,276
Treasurer Fees	6,103	27,397	31,384	49,467	63,456
Contingency	-	1,313,474	-	-	-
Total Operating Expenditures	<u>6,103</u>	<u>1,528,724</u>	<u>187,928</u>	<u>519,040</u>	<u>523,732</u>
<i>Debt Service</i>					
Interest Paid	1,243,529	2,841,978	1,925,000	2,664,883	2,579,167
Principal Paid	-	1,500,000	1,500,000	2,135,000	2,230,000
Agent Fees	240,278	330,838	347,882	340,040	329,218
Total Debt Service	<u>1,483,807</u>	<u>4,672,816</u>	<u>3,772,882</u>	<u>5,139,923</u>	<u>5,138,385</u>
<i>Total Expenditures</i>	<u>1,489,910</u>	<u>6,201,540</u>	<u>3,960,810</u>	<u>5,658,963</u>	<u>5,662,117</u>
Net Operating Revenue (Expense)	<u>1,686,446</u>	<u>(1,700)</u>	<u>2,354,276</u>	<u>3,024,807</u>	<u>5,038,279</u>
Other Financing Sources					
Transfers In	-	1,700	1,700	-	-
Total Other Financing Sources	<u>-</u>	<u>1,700</u>	<u>1,700</u>	<u>-</u>	<u>-</u>
Excess Revenue over (under) Expenditures	1,686,446	-	2,355,976	3,024,807	5,038,279
<i>Beginning Balance Operating - January 1</i>	<u>\$ 6,326,410</u>	<u>\$ 6,326,410</u>	<u>\$ 8,152,212</u>	<u>\$ 10,508,188</u>	<u>\$ 13,532,995</u>
<i>Ending Balance Operating - December 31</i>	<u>\$ 8,152,212</u>	<u>\$ 6,326,410</u>	<u>\$ 10,508,188</u>	<u>\$ 13,532,995</u>	<u>\$ 18,571,274</u>

Westminster Economic Development Authority
 North Huron URA (0183)
 2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
CAPITAL PROJECTS					
<i>For informational purposes only. All capital project funds have been previously appropriated with no additional requests in 2009/2010.</i>					
Revenue	\$ 1,218,678	\$ 227,647	\$ 227,647	\$ -	\$ -
Debt expense	(1,384,833)	-	-	-	-
Project expense	(6,321,462)	(227,647)	(227,647)	-	-
Excess revenue over (under) expenditures	(6,487,617)	-	-	-	-
<i>Beginning Balance Capital - January 1</i>	22,284,497	13,875,201	15,796,880	15,796,880	15,796,880
<i>Ending Balance Capital - December 31</i>	<u>\$ 15,796,880</u>	<u>\$ 13,875,201</u>	<u>\$ 15,796,880</u>	<u>\$ 15,796,880</u>	<u>\$ 15,796,880</u>
<i>Total Ending Balance</i>	<u>\$ 23,949,092</u>	<u>\$ 20,201,611</u>	<u>\$ 26,305,068</u>	<u>\$ 29,329,875</u>	<u>\$ 34,368,154</u>

Westminster Economic Development Authority
South Sheridan URA (0190)
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ -	\$ -	\$ -	\$ 187,687	\$ 268,464
Sales Tax Increment	-	825,580	762,583	1,880,638	2,178,514
Total Tax Increment	-	825,580	762,583	2,068,325	2,446,978
Investment Interest Earnings	-	-	-	-	-
Pooled Interest Earnings	(841)	100	9,000	-	-
Other	-	-	-	-	-
Total Other Revenues	(841)	100	9,000	-	-
<i>Total Operating Revenues</i>	(841)	825,680	771,583	2,068,325	2,446,978
Expenditures:					
Operating Activities					
Contractual	-	498,556	471,100	1,126,851	1,197,159
Treasurer Fees	-	-	-	2,815	4,027
Contingency	-	327,124	-	-	-
Total Operating Expenditures	-	825,680	471,100	1,129,666	1,201,186
Debt Service					
Interest Paid	-	-	-	115,112	296,251
Principal Paid	-	-	-	265,000	280,000
Agent Fees	-	-	-	37,056	35,889
Total Debt Service	-	-	-	417,168	612,140
<i>Total Expenditures</i>	-	825,680	471,100	1,546,834	1,813,326
Net Operating Revenue (Expense)	(841)	-	300,483	521,491	633,652
Other Financing Sources					
Transfers In	285,500	-	-	-	-
Total Other Financing Sources	285,500	-	-	-	-
Excess Revenue over (under) Expenditures	284,659	-	300,483	521,491	633,652
<i>Beginning Balance Operating - January 1</i>	\$ 2,908	\$ 2,909	\$ 287,567	\$ 588,050	\$ 1,109,541
<i>Ending Balance Operating - December 31</i>	\$ 287,567	\$ 2,909	\$ 588,050	\$ 1,109,541	\$ 1,743,193

Westminster Economic Development Authority
 South Sheridan URA (0190)
 2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
CAPITAL PROJECTS					
<i>For informational purposes only. All capital project funds have been previously appropriated with no additional requests in 2009/2010.</i>					
Revenue	\$ 8,469,845	\$ 53,960	\$ 53,960	\$ -	\$ -
Debt expense	(343,938)	-	-	-	-
Project expense	(4,625,939)	(53,960)	(53,960)	-	-
Excess Revenue over (under) Expenditures	<u>3,499,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Beginning Balance Capital - January 1</i>	\$ -	\$ 6,173,088	\$ 3,499,968	\$ 3,499,968	\$ 3,499,968
<i>Ending Balance Capital - December 31</i>	<u>\$ 3,499,968</u>	<u>\$ 6,173,088</u>	<u>\$ 3,499,968</u>	<u>\$ 3,499,968</u>	<u>\$ 3,499,968</u>
<i>Total Ending Balance</i>	<u>\$ 3,787,535</u>	<u>\$ 6,175,997</u>	<u>\$ 4,088,018</u>	<u>\$ 4,609,509</u>	<u>\$ 5,243,161</u>

**Westminster Economic Development Authority
South Westminster URA (0184)
2009/2010 Proposed Budget**

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ 340,852	\$ 356,470	\$ 356,470	\$ 337,043	\$ 365,608
Sales Tax Increment	91,930	278,258	129,016	186,369	341,044
Total Tax Increment	<u>432,782</u>	<u>634,728</u>	<u>485,486</u>	<u>523,412</u>	<u>706,652</u>
Investment Interest Earnings	83,376	-	25,000	-	-
Pooled Interest Earnings	80,083	37,713	33,000	-	-
Other	-	-	-	-	-
Total Other Revenues	<u>163,459</u>	<u>37,713</u>	<u>58,000</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>596,241</u>	<u>672,441</u>	<u>543,486</u>	<u>523,412</u>	<u>706,652</u>
Expenditures:					
Operating Activities					
Contractual	75,000	359,000	359,000	129,530	273,177
Other	-	200,000	-	-	-
Treasurer Fees	5,113	5,347	5,347	5,056	5,484
Contingency	-	28,056	-	-	-
Total Operating Expenditures	<u>80,113</u>	<u>592,403</u>	<u>364,347</u>	<u>134,586</u>	<u>278,661</u>
Debt Service					
Interest Paid	242,549	226,400	190,000	211,900	196,067
Principal Paid	270,000	330,000	330,000	390,000	460,000
Agent Fees	70,829	57,638	57,805	54,664	50,953
Total Debt Service	<u>583,378</u>	<u>614,038</u>	<u>577,805</u>	<u>656,564</u>	<u>707,020</u>
Total Expenditures	<u>663,491</u>	<u>1,206,441</u>	<u>942,152</u>	<u>791,150</u>	<u>985,681</u>
Net Operating Revenue (Expense)	(67,250)	(534,000)	(398,666)	(267,738)	(279,029)
Other Financing Sources					
Transfers In	-	200,000	-	-	-
Total Other Financing Sources	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess Revenue over (under) Expenditures	(67,250)	(334,000)	(398,666)	(267,738)	(279,029)
<i>Beginning Balance Operating - January 1</i>	\$ 475,330	\$ 322,361	\$ 408,080	\$ 9,414	\$ (258,324)
<i>Ending Balance Operating - December 31</i>	<u>\$ 408,080</u>	<u>\$ (11,639)</u>	<u>\$ 9,414</u>	<u>\$ (258,324)</u>	<u>\$ (537,353)</u>

Westminster Economic Development Authority
Westminster Center East URA (0189)
2009/2010 Proposed Budget

	2007 Actual	2008 Budget	2008 Actual Estimated	2009 Proposed	2010 Proposed
OPERATING					
<i>Operating Activities</i>					
Revenues					
Property Tax Increment	\$ 232,865	\$ 420,519	\$ 375,226	\$ 399,579	\$ 464,104
Sales Tax Increment	63,813	-	-	-	-
Total Tax Increment	296,678	420,519	375,226	399,579	464,104
Pooled Interest Earnings	7,511	1,000	4,800	-	-
Other	-	-	41	57	40
Total Other Revenues	7,511	1,000	4,841	57	40
<i>Total Operating Revenues</i>	304,189	421,519	380,067	399,636	464,144
Expenditures:					
Operating Activities					
Contractual	298,078	106,856	371,289	106,053	133,675
Treasurer Fees	3,493	6,308	5,628	5,994	6,962
Contingency	-	308,355	-	287,589	323,507
Total Operating Expenditures	301,571	421,519	376,917	399,636	464,144
Excess Revenue over (under) Expenditures	2,618	-	3,150	-	-
<i>Beginning Balance Operating - January 1</i>	\$ 8,519	\$ 302,785	\$ 11,137	\$ 14,287	\$ 14,287
<i>Ending Balance Operating - December 31</i>	\$ 11,137	\$ 302,785	\$ 14,287	\$ 14,287	\$ 14,287

Westminster Economic Development Authority
Unaudited Financial Statements
For the period ending August 31, 2008

	Holly Park	Mandalay Gardens	North Huron	South Sheridan	South Westminster	Westminster Center East	Total
Revenues							
<i>Property Tax</i>	\$ -	\$ 1,538,908	\$ 1,966,348	\$ -	\$ 352,314	\$ 375,226	\$ 4,232,796
<i>Sales Tax</i>	-	1,009,351	2,550,208	-	129,016	-	3,688,575
<i>Interest</i>	2,634	97,673	435,073	62,284	57,069	5,031	659,764
<i>Miscellaneous</i>	-	-	-	-	-	42	42
<i>Sale of Asset</i>	-	184,466	-	-	-	-	184,466
Total Revenues	2,634	2,830,398	4,951,629	62,284	538,399	380,299	8,765,643
Expenses							
<i>Operating</i>	1,700	23,084	85,329	212,626	339,285	219,979	882,003
<i>Capital Project -proj exp</i>	6,028	-	1,358,871	2,210,272	-	-	3,575,171
<i>Principal</i>	-	-	-	-	-	-	-
<i>Interest & Fees</i>	-	592,233	1,056,715	132,174	92,017	-	1,873,139
Total Expenses	7,728	615,317	2,500,915	2,555,072	431,302	219,979	6,330,313
<i>Revenues Over(under) Exp</i>	(5,094)	2,215,081	2,450,714	(2,492,788)	107,097	160,320	2,435,330
Beginning Fund Balance	(1,149,162)	4,720,888	23,809,736	3,787,535	408,080	11,137	31,588,214
Ending Fund Balance*	\$ (1,154,256)	\$ 6,935,969	\$ 26,260,450	\$ 1,294,747	\$ 515,177	\$ 171,457	\$ 34,023,544

* Ending fund balance includes the following reserved amounts that can be spent only as indicated in the line description:

Bond Reserve	\$ -	\$ 3,160,000	\$ 5,101,200	\$ 634,411	\$ 646,000	\$ -	\$ 9,541,611
Debt Service Reserve	-	3,365,039	6,327,492	347,455	913,105	-	10,953,091
Capital Project Reserve	60,161	-	14,601,954	232,022	-	-	14,894,137
Total Reserved Fund Balance	\$ 60,161	\$ 6,525,039	\$ 26,030,646	\$ 1,213,888	\$ 1,559,105	\$ -	\$ 35,388,839

**Westminster Economic Development Authority
Obligations at 8/31/08**

<u>Bonds-Principal only</u>	URA	Outstanding Balance	2008 Estimated Expense	2009 Proposed Expense	2010 Proposed Expense
2005 WEDA Bonds	North Huron	\$ 68,300,000	\$ 1,500,000	\$2,135,000	\$ 2,230,000
2006 WEDA Bonds	Mandalay	38,205,000	1,335,000	1,370,000	1,415,000
2007 WEDA Bonds	South Sheridan	8,320,000	-	265,000	280,000
1997 WEDA Bonds	South Westminster	5,660,000	330,000	390,000	460,000
Total Bonds		<u>\$ 120,485,000</u>	<u>\$ 3,165,000</u>	<u>\$4,160,000</u>	<u>\$ 4,385,000</u>

<u>Economic Development Agreement</u>	URA	Maximum Liability	2008 Estimated Expense	2009 Estimated Expense	2010 Estimated Expense
Lowe's HIW, Inc. - 136th Avenue location	North Huron	\$ 685,000	\$ 156,544	\$ 269,673	\$ 258,784
Shoenberg Ventures	South Sheridan	5,000,000	340,279	1,026,851	1,186,159
LaConte Real Estate Trust	South Westminster	75,000	25,000	25,000	25,000
Parkwood East, LLC (formerly Carlson Associates, Inc.)	South Westminster	2,600,000	-	104,530	248,177
Lowe's HIW, Inc. - 88th Avenue location	Westminster Center	460,685	223,626	-	-
Pappa's Restaurants, Inc.	Westminster Center	238,598	74,163	74,163	49,843
Total Economic Development Agreement		<u>\$ 9,059,283</u>	<u>\$ 819,612</u>	<u>\$1,500,217</u>	<u>\$ 1,767,963</u>

<u>Interfund loans</u>	URA	Outstanding Balance	2008 Estimated Expense	2009 Estimated Expense	2010 Estimated Expense
Gen Capital Improv Fund	Holly Park	\$ 1,125,000	\$ -	\$ -	\$ -
General Fund	Holly Park	120,000	-	-	-
Utility Fund	South Westminster	2,600,000	200,000	200,000	200,000
Total Interfund loans		<u>\$ 3,845,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>

**City of Westminster City Council Study Session Notes
September 15, 2008**

Mayor Nancy McNally called the Study Session to order at 6:35 PM. All Councillors were in attendance.

City Staff in attendance included City Manager Brent McFall, Assistant City Manager Steve Smithers, Assistant City Attorney Jane Greenfield, Senior Public Information Specialist Joe Reid, Director of Parks, Recreation and Libraries Bill Walenczak, Landscape Architect Kathy Piper, Park Services Manager Rich Dahl, Director of Public Works and Utilities Mike Smith, Water Quality Specialist Dave Meyer, and Management Analyst Phil Jones

Guests in attendance included Nissa LaPoint with the Westminster Window and Jeffco Schools Superintendent Dr. Cindy Stevenson

1. Jeffco Superintendent Dr. Cindy Stevenson re upcoming Bond & Mill Levy Ballot Issue

Jeffco Schools Superintendent Cindy Stevenson presented information on proposed ballot issues 3A and 3B. The bond proceeds from 3B will fund infrastructure improvements, renovation and changes to school buildings. The bond proceeds will total \$350 million plus \$60 million in capital (technology) plus interest. Projects include enhancements in the Standley lake neighborhood, Pomona neighborhood, and Moore Middle School neighborhood. The bond program (3B) costs nothing extra to voters because the district has paid off enough bonded indebtedness to allow for extra debt capacity

Ballot issue 3A is a 4.4 mill property tax increase, which equates to an extra \$8.76 per month in property taxes for a \$300,000 home. Projected revenues will increase by \$32 million. The proposed mill increase is a way to stave off cuts in the budget, maintaining and sustaining class size, increasing graduation requirements, and putting more teachers in the high schools. Jeffco Schools requests the City Council's endorsement of the ballot measures.

City Council directed Staff to bring an agenda item with a resolution supporting the Jeffco Schools ballot measures at the next City Council meeting.

2. Dental Mercury Control Program

Water Quality Specialist Dave Meyer presented information on a cooperative effort to control the amount of mercury entering the City's wastewater system. In a cooperative effort, the City is proposing to work with dental offices in the Big Dry Creek basin, and encouraging the offices to install systems to capture mercury before it enters the waste stream. The current proposal is for a voluntary program, whereby dentists voluntarily install amalgam separators (mercury separating devices) in their offices.

A similar program has been successfully implemented in Ft Collins on a mandatory basis. Currently, without the control program in place, the City occasionally exceeds an EPA action level on mercury. City levels exceeded Federal Standards twice in 2007, and zero times in 2008.

Council directed staff to implement a voluntary program, contacting dentists in the Big Dry Creek basin initially, with the option to expand it in the future to cover all dentists within the City.

3. Faversham Dog Park

Parks, Recreation and Libraries Staff presented a proposal for a new off-leash dog park located in Faversham Park. The City gets many requests for new dog parks each year, and Big Dry Creek Park was in use before it was even open.

The proposed dog park is about one acre in size and would be located near a sidewalk for walking ingress and egress between the pond and Tepper Fields. The park will include a 5' vinyl fence, will not be irrigated, and will include an area for dog watering, a place to sit, trees and shade.

Council suggested that Staff pursue park design and look at layout options for best use of the area. Council also suggested that Staff possibly include signage to name the park after a former police canine.

Mayor McNally adjourned the Study Session at 7:45 PM.