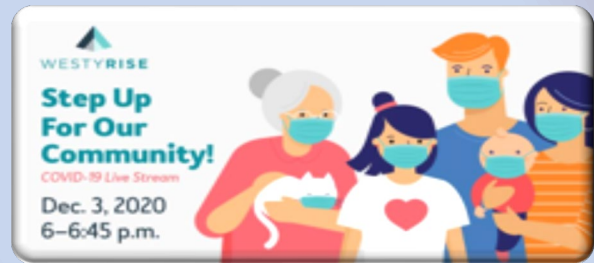
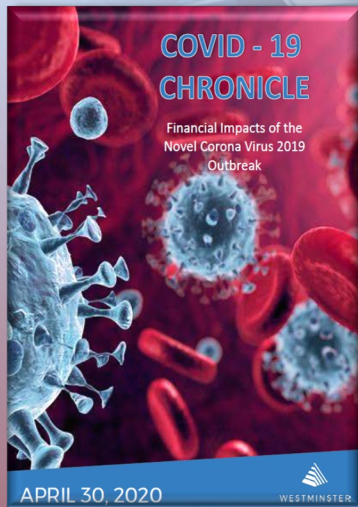


City of Westminster

COLORADO



Stepping up to care for our community



WESTMINSTER
COLORADO

Comprehensive Annual Financial Report
For the Year Ended December 31, 2020



WESTMINSTER

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended December 31, 2020

Prepared by:

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

www.cityofwestminster.us

On the Cover - ***Stepping Up to Care for Our Community:***

Few things have the power to change the course of humankind as disease. Since its onset in early 2020, the COVID-19 pandemic has left an indelible mark in time. Never has the global population banded together to defeat a disease through simple coordinated acts of self-quarantine, social distancing, masking and cleanliness. It is quite remarkable. The cover of this report includes iconic reminders of the past year, and is a tribute to the fact that we are all in this together.

- The City's response to COVID-19 included emergency operations, facility modifications, communication & engagement, business assistance, community/social recovery programs and continuity of City operations.
- Thanks to the internet, people are connected as never before. Online meetings enabled us to see each other's faces as we worked remotely.
- Library books and other resources were made available online and for curbside pickup.
- Golf courses provided golf cart seating and social distancing for outdoor movies.
- Essential employees continued to provide public safety and utility services.
- An online COVID-19 Chronicle was published monthly for much of 2020, advising the public of the financial impacts of the pandemic on the City.
- Westminster City Council passed a resolution to procure and distribute cloth face coverings to Westminster businesses for free. A total of 30,000 masks and "open for business" signs were distributed to 164 City of Westminster businesses.
- To help stop the rise in COVID-19 cases, the City started the Public Health Order Ambassador program to personally deliver education and community resources to residents.
- The WestyRISE initiative helped the Westminster community recover from the COVID-19 crisis by providing resources and programs specifically targeted toward Westminster economic resilience, including business grants, housing grants, outreach and supplies.
- The Utility Bill Assistance Grant was expanded with funds from the Federal CARES Act, increasing available water bill subsidies from \$50 to \$100.
- The WestyRISE Restaurant and Food Security program facilitated delivery of 9,102 restaurant-prepared meals to residents over the age of 60 struggling to put food on their tables. Weekly food boxes were also distributed at a "Market Night" for families in need.
- The City's first autonomous, self-driving vehicle delivered food from the City's MAC Recreation Center to local food pantry, Growing Home.
- Many City assistance programs were operated by employees whose facilities were forced to close down due to public health orders. The repurposing of City staff was significant measure in avoiding furloughs or layoffs

CITY OF WESTMINSTER, COLORADO

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**INTRODUCTORY
SECTION**



May 26, 2021

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

We are pleased to present to you the 2020 Comprehensive Annual Financial Report for the City of Westminster. The report demonstrates the City's operations and financial position.

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

The Past Year

The City of Westminster delivers exceptional value and quality of life through SPIRIT. SPIRIT – Service, Pride, Integrity, Responsibility, Innovation and Teamwork. Those values were thoroughly tested as the City took on the challenges of a 100-year pandemic in 2020.

The Covid-19 pandemic played havoc on the City's Finances. The City managed through the crisis by implementing a strategic hiring and spending freeze, utilizing 2019 savings, making program changes to reflect a virtual world and utilizing Federal relief dollars. The City is very proud of not having any layoffs or furloughs by innovatively repurposing those employees whose jobs changed dramatically. Of course, much of the City's work is a 24/7 operation and we are thankful for those employees who were on the front lines taking care of the community's needs. In the course of their duties, many employees became ill with Covid-19, further impacting the delivery of services to the community. Staff managed new revenues coming in as well as tracked expenses that could be reimbursable from different grant opportunities. The most significant grants awarded were through the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and its Coronavirus Relief Fund (CRF), which were passed through from the Counties. These are Federal dollars that have been accounted for in the City's annual financial report. While slightly different, intergovernmental agreements (IGA's) were entered into with both Adams County and Jefferson County. The Adams County grant provided for \$5,507,090 and Jefferson County provided \$3,471,358. The City focused on the following:

- Economic Recovery: Aid in the recovery of our local economy by providing businesses with grants and other support. (\$4,000,000)
- Social Recovery: Aid in recovery of the quality of life in Westminster by providing programs that rebuild community connections and promote wellness. (\$728,448)
- People and Programs Serving People: Provide and help partners supply housing and food security to vulnerable and impacted populations. (\$750,000)
- Local Government Recovery: Help City employees and visitors respond to changing work environments in an innovative way that ensures the health and safety of all. (\$3,500,000)

The City utilized the opportunity to use Public Safety Salaries to meet the Federal Grant requirements which freed up non-federal money to meet the objectives of the focus areas mentioned above.

In addition to the significant items highlighted above, many other meaningful achievements were accomplished. The City Manager championed the WestyRISE COVID-19 Recovery initiative which, with significant community engagement, assessed and guided the city's future strategic direction with a time horizon of 12 months and beyond. Ultimately, this initiative co-created, with Council and staff, new forms of revenue and addressed issues of inequity to rebuild the economy and achieve greater equity in the community.

- WestyRISE Recover/Resiliency Community Advisory Group drew together 34 community volunteers and facilitators to form six teams, which developed strategic recommendations across six focus areas. The volunteers were engaged through word-of-mouth connections. Throughout the process, the participants reached out to and engaged with over 90 additional stakeholders throughout Westminster, deepening their understanding of the issues at hand, and leading them to the thoughtful creation of 27 strategic recommendations.

Innovation and Communications hosted eighteen All-Employee livestream webinars averaging well over 400 employees per webinar.

The draft Sustainability plan was released for community comment in November.

Due to the unique challenges of COVID-19, Community Development Department staff pivoted to a remote work environment and stayed "open to business" while providing critical support to our local businesses and residents in 2020. Staff worked in short order to consolidate numerous business project needs, commercial needs, permit applications and much more to the online eTRAKiT platform. Much of what Community Development does, and requires of the public or businesses, now funnels through this convenient eTRAKiT platform.

In an effort to increase public awareness in underserved areas of the community, the City partnered with Tri-County Health and Adams County in launching a Public Health Ambassador program. The City transitioned a number of workers from other roles, into this task so as to increase awareness of public health restrictions on private gatherings.

In partnership with Economic Development, Community Development's Planning team spearheaded the Expanded Food & Beverage Program, allowing for much-needed business support during the COVID-19 pandemic. This program provided guidance for exterior, tented, or otherwise modified areas to allow for restaurants and other locations to safely continue serving customers. Staff also worked on an expedited remodel of Centura Health's Neighborhood Health Center. The facility was redesigned to serve as a COVID-19 emergency care center at the height of the pandemic, which was accomplished by expediting plan reviews and permit issuance to meet the desired completion date.

The Finance Department provided a special report during the pandemic called the Covid Chronicle. This report took a deeper look at the revenues and expenses as a result of the pandemic. In particular, Sales and Use Tax revenues were analyzed at a level that really told the story about spending trends during the pandemic.

During COVID, the Fire Department used social media platforms to provide information to the public in many areas. The public education program and school programs were continued on a virtual basis and received excellent responses from the schools and parents. Community programs (such as Rotary) were also conducted virtually.

The Police Department continued to focus on community engagement:

- "COP TALK" program offered 4 informational and engagement sessions with the community (virtually) on issues of hiring, training, use of force, and co-responders.
- Over half a dozen community meetings were held focusing on neighborhoods who have experienced violent criminal events or other criminal trends (real or perceived).
- The Chief created a Community Advisory Panel.
- Promotional processes included citizen panels drawn from community members who have expressed interest in participating with the Police Department in a variety of ways.
- Line level officers, supervisors, managers and Command Staff continue to reach out on a day to day and interactive way with community members.

The Big Dry Creek Waste Water Treatment Facility's solids dewatering facility earned a bronze award officially acknowledging the City's first Envision verified, sustainable capital improvement project. Envision is a verification tool to foster a dramatic and necessary improvement in the sustainable performance and resiliency of infrastructure. The project improves the handling of treated solids by creating a dewatered cake material that is more desirable as a fertilizer, reduces the number of hauling trips to the farm sites, and increases the capacity of the City's Strasburg Natural Resource Farm.

Under the sponsorship of the Policy and Budget Department and to increase transparency and understanding of City financial information, the City released its first Popular Annual Financial Report (PAFR). This report outlined the City's financial position as of December 31, 2019 and is less technical than the Comprehensive Annual Financial Reports produced by the City. The PAFR highlights progress toward the City's strategic plan and describes decisions in 2019 to reorganize staff to support financial sustainability, innovation, communication and improved business practices. In 2019 the City improved its net position and grew its financial reserves, helping to withstand the economic downturn and reduced revenues in 2020.

Utilities Operations began their inventory management program using the Cityworks Asset Management Program. Barcodes are posted next to each material or part used and scanned when inventory is added or removed. This will greatly reduce the time spent on the year-end inventory as well as better account for parts and materials that are on hand, reducing research time when parts or materials need to be ordered.

Facilities Maintenance did yeoman's work in getting facilities modified to help combat the pandemic.

- Plexiglas barriers, video conferencing, and team rotations for continuity of municipal court operations
- Plexiglass barriers and permanent glass barriers installed at multiple City facilities, including City Council chambers
- Needlepoint ionization installed in HVAC systems of multiple facilities
- Increased air exchange rates within City Hall
- New cleaning protocols for high-touch surfaces
- Weekly disinfectant fogging implemented at multiple City facilities
- Deployed hand sanitization systems across City facilities

Street Operations performed maintenance and resurfacing to 103 City streets in 2020, all while overcoming unique challenges presented by COVID, record-setting heat and unusually smoky conditions from nearby wildfires.

The Information Technology Department supported the infrastructure and equipment to make remote working available to over 200 employees practically overnight.

Looking Forward

The City is looking forward to new opportunities and meeting the challenges of 2021.

The City started off the year on a very strong note. With one of the first in-person meetings, City Council held a Strategic Planning retreat. The Strategic Plan was modified as follows:

Vision: We are a thriving community of safe neighborhoods and beautiful open space that is sustainable and inclusive.

Guiding Principles

- Collaboration, Partnership and Unity
- Stewardship and Sustainability (fiscal, social, environmental – triple bottom line)
- Transparency
- Diversity, Equity, Inclusion and Opportunity for all
- Innovation
- Cause-driven “upstream” solutions

Goal 1: Foster and maintain a beautiful, desirable, safe, and environmentally responsible City.

Goal 2: Cultivate a thriving, inclusive, and engaged community through access to opportunity and a resilient and diverse economy.

Goal 3: Provide visionary, effective, and collaborative government.

Goal 4: Advance the City's long-term fiscal/financial sustainability to provide ongoing excellence in City services and a well-planned community that meets the needs of residents now and in the future.

Independent Audit

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

Government Structure and Types of Services

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

With a population of approximately 118,931, the City is approximately 95% built out, with just over 5% of its remaining area to be developed. The City is a full-service city, providing police, fire and emergency medical service, municipal court, parks, recreation facilities and programs, libraries, planning and development, economic development and redevelopment, water and wastewater treatment, street construction and maintenance and a variety of related services such as human resources, finance, policy and budget, information technology, building maintenance, etc.

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

- Westminster Housing Authority (WHA), which is utilized in housing initiatives;
- The Westminster Economic Development Authority (WEDA), the City's Urban Renewal Authority, which enables the City to employ eminent domain and tax increment financing for needed re-development in the City's blighted sections; and
- Nine General Improvement Districts that were created for infrastructure improvements and maintenance, and are listed below:
 - Amherst General Improvement District
 - Sheridan Crossing General Improvement District
 - 136th Avenue General Improvement District
 - Mandalay Town Center General Improvement District
 - 144th Avenue General Improvement District
 - Orchard Park Place General Improvement District
 - Park 1200 General Improvement District
 - Westminster Station General Improvement District
 - Downtown General Improvement District (1)

(1) Approved by the voters in the November 2015 elections – no financial activity as of December 31, 2020.

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

Internal Controls and Limitations

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

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

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

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster, Colorado, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. In order to be awarded a Certificate of Achievement, a

governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the content of which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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

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

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

Respectfully submitted,

Donald M. Tripp
City Manager

Larry Dorr
Chief Financial Officer

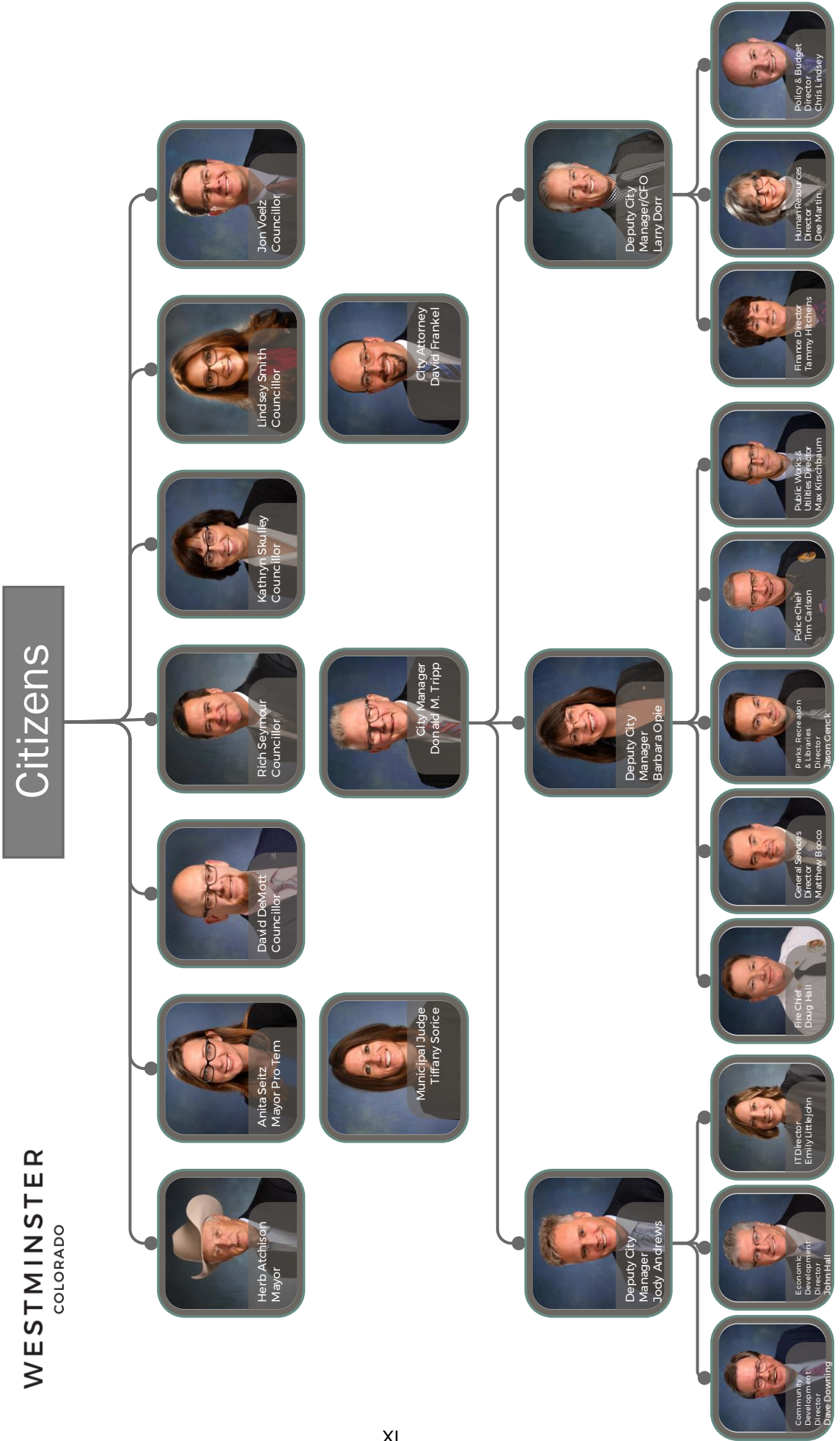
Tammy Hitchens
Director of Finance

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WESTMINSTER
COLORADO

ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Westminster
Colorado**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

The background of the page is a complex marbled paper pattern. It features a mix of colors including deep reds, purples, blues, and gold accents. The patterns are organic and fluid, with some areas showing a dense, cellular texture and others showing more solid, layered bands of color. A semi-transparent blue oval is positioned in the upper right quadrant, containing the text 'FINANCIAL SECTION' in white, bold, uppercase letters.

**FINANCIAL
SECTION**

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3V to the financial statements, in 2020, the City adopted new accounting guidance, paragraphs 4-5 of Governmental Accounting Standards Board Statement No. 97, *Certain Component Unit Criteria*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated May 20, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
May 20, 2021

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**Management's
Discussion &
Analysis**



WESTMINSTER COLORADO

City of Westminster, Colorado

Management's Discussion and Analysis (Unaudited)

This discussion and analysis of Westminster's financial statements for the year ended December 31, 2020 provides a narrative overview of the City's financial activities. Please consider the information here in conjunction with the transmittal letter at the beginning of this Comprehensive Annual Financial Report and the financial statements and notes to the financial statements, which begin on page 19.

THE CITY

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

Centrally located between Denver and Boulder, Colorado, the City of Westminster is known for its exceptional quality of life, and for its innovative and progressive local government services. With a population of approximately 118,931, the City is 95% built out, with just 5% of its remaining area to be developed. The City is a full service City, providing police, fire and emergency medical services, 62 developed parks and 4 undeveloped parks, over 3,100 acres of natural open space, two libraries, two golf courses, several recreation centers, water and wastewater treatment, street construction and maintenance, and a variety of other services.

The primary sources of revenues for cities in Colorado are sales and use taxes, comprising approximately 54.0% of the City's governmental activities revenues. Property taxes comprise approximately 3.5% of the City's governmental activities revenues. Property and sales tax increments contribute an additional 8.0%. The primary sources of revenues for the City's Utility and Golf Course Enterprises are fees and charges.

FINANCIAL HIGHLIGHTS

General Fund sales and use tax revenue was down \$3.9 million, or 3.7% compared to 2019. The decrease is attributed to the COVID-19 pandemic and state-wide emergency health orders that limited non-essential business activity beginning in March 2020. Revenues of the City were critically affected due to the economic shutdown particularly for sales and use tax, and also for accommodations and admissions tax and recreation service fees. Appropriation of reserves and fund balances, a hiring freeze, pause on capital spending and infusion federal financial aid enabled the City to successfully navigate the resulting fiscal challenges, ensure continuity of services, support businesses and the community and avoid layoffs despite the unprecedented economic constraints.

The City received \$11.3 million in federal award reimbursements from various agencies for housing and urban development, public health and human services, public safety and emergency and disaster management. The most significant federal funding was \$9.0 million made available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. \$0.2 million in grant reimbursements was received from State of Colorado agencies for public safety, victim advocacy, library programming and outdoor connection for kids and the community. \$0.6 million in reimbursements was received from Adams County for open space improvements. Other grant reimbursements were received from other agencies for golf programming, public safety and literacy.

The City's Utility Enterprise secured a loan through the Colorado Water Resources and Power Development Authority (CWRPDA) in the amount of \$23.3 million for Big Dry Creek sewer interceptor construction projects and issued \$17.4 million in revenue refunding bonds to refinance the Water and Wastewater Series 2010 revenue bonds that will save more than \$2.0 million over the next 10 years. Additionally, a \$0.6 million loan was entered into for the acquisition of a fire pumper truck. Over \$0.6 million in debt financing was paid off including the 2000 Colorado Water Resources and Power Development Authority note and 2013 fire pumper truck lease purchase.

Capital contributions totaling \$13.6 million primarily from fees for tapping into the water and wastewater utility system and developer lines were received. This is a \$3.4 million, or a 19.8% decrease in developer contributions compared to 2019.

A total of \$69.4 million was expended in relation to the City's Capital Improvement Program (CIP) in 2020. Governmental activities CIP spending totaled \$23.4 million, down \$7.8 million or 25.0% from the prior year. Business-type activities CIP spending totaled \$46.0 million, down \$0.6 million or 1.2% from 2019.

The assets and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources at the close of 2020 by \$1,151.6 million (\$517.5 million in governmental activities and \$634.1 million in business-type activities). Of the governmental activities net position total, \$168.7 million, or 32.6%, is unrestricted and may be used to meet the City's ongoing obligations to the public and creditors. Similarly, \$140.3 million, or 22.1%, of business-type activities net position is unrestricted.

Total net position of the City, increased \$57.9, or 5.3%, compared to 2019. The net position of the City's governmental activities decreased \$4.3 million, which represents a decrease of 0.8% compared to 2019. The net position of the City's business-type activities increased \$62.2 million, an increase of 10.9% over 2019.

The total expenses of all the City's programs increased \$9.6 million, or 4.2%, compared to 2019. The cost of governmental activities program expenses increased \$5.9 million, or 3.5%, to \$175.6 million, while business-type activities expenses increased \$3.7 million, or 6.1%, to \$64.7 million from 2019.

Total revenues, excluding transfers, increased \$3.2 million, or 1.1%, compared to 2019. Governmental activities revenues decreased \$2.4 million, or 1.2%, to \$199.0 million, while revenues of business-type activities increased \$5.6 million, or 6.0%, to \$99.2 million compared to 2019.

As of December 31, 2020, the City's governmental funds reported a combined ending fund balance of \$187.3 million. Approximately 71.4%, or \$133.8 million, is committed, assigned or unassigned fund balance and, therefore, available for spending at the City's discretion within the purposes specified for the City's funds.

The General Fund reported a fund balance of \$47.9 million as of December 31, 2020, of which \$39.2 million was assigned or unassigned.

In 2020, the City established a Parking Management Enterprise Fund to account for the operation and management of parking facilities and services in Downtown Westminster and the Westminster Station Area. Interfund transfers are expected to be the primary funding source for the parking management operation until fees and charges are sufficient to support this new activity. Contributions of capital assets totaling \$26.2 million were received by the Parking Management Fund from the general government to establish the new fund; these contributions include the parking garages in Downtown Westminster and at the Westminster Station.

In addition to the new Parking Management Fund, the City's Fleet Services Fund used to account for the maintenance of fleet vehicles and equipment was disaggregated from the General Fund for financial reporting. The Fleet Services Fund is now reported separately as an internal service fund. The primary source of the Fleet Services Fund revenue is service fees charged to other funds and departments utilizing the fleet on a cost reimbursement, break-even basis.

The City adopted two Governmental Accounting Standards in 2020:

Governmental Accounting Standards Board Statement No. 90, Majority Equity Interests (GASB 90)

GASB 90 addresses accounting and financial reporting for majority equity interests in legally separate organizations either as an investment or a component unit. An evaluation of the standard concluded that as of December 31, 2020, the City had no majority equity interests in legally separate organizations to account for as required by the standard.

Governmental Accounting Standards Board Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans (GASB 97), paragraphs 4 and 5 of paragraphs 1 to 5

GASB 97 modified the applicability of certain component unit criteria related to defined contribution pension plans. A re-evaluation of the General Employee Pension Plan based on these modifications determined the plan no longer met the criteria of a fiduciary component unit. As a result, the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position have been removed from the report. The General Employee Pension Plan continues to be disclosed in the Notes to the Financial Statements.

More information about these accounting standards and their impact to the financial statements can be found on page 76 of the Notes to the Financial Statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

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

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

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

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

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

FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Required Supplementary Information includes budgetary comparison schedules for the General Fund and Westminster Economic Development Authority as well as schedules that provide information on the Other Post Employment Benefits (OPEB)

liability for the City's retiree health care program and information related to the City's firefighter and police pension plans.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,151.6 million at December 31, 2020. Governmental activities make up \$517.5 million (44.9%) of the net position, with business-type activities making up the remaining \$634.1 million (55.1%). Total net position increased by \$57.9 million (5.3%) in 2020. The increase is comprised of the following:

Total assets increased \$65.5 million, or 4.6%, to \$1,477.1 million. This included an increase in current and other assets of \$41.4 million and an increase in capital assets of \$24.1 million.

The increase in current and other assets is primarily due to increases in cash and investments of \$37.5 million, receivables of \$1.0 million and net pension assets of \$2.9 million. The increase in cash and investments is due mostly to the \$23.3 million Water and Wastewater Utility Enterprise loan through the Colorado Water Resources and Power Development Authority. The increase in receivables is due to governmental activities taxes and grants receivables that will be collected in 2021. The increase in net pension assets reflects the City's participation in Fire and Police Pension Association of Colorado (FPPA) pension plans.

The increase in capital assets reflects \$60.4 million in capital asset additions offset by \$36.1 million of depreciation expense and \$0.1 million in capital asset disposals net of depreciation. \$68.0 million previously classified as Construction in Progress was placed in service and reclassified to non-depreciable and depreciable asset classes.

Deferred outflows of resources decreased \$4.2 million and deferred inflows of resources increased \$3.5 million due to FPPA defined benefit pensions. These fluctuations result from changes in actuarial plan assumptions, difference between expected and actual plan experience, differences between projected and actual investment earnings on pension plan investments, changes in the City's proportion in the plan and employer contributions made subsequent to the actuarial measurement date of December 31, 2019. Information about the FPPA retirement plans can be found in the Notes to the Financial Statements beginning on page 60.

Total liabilities decreased \$0.1 million to \$314.0 million. This is primarily due to a decrease of \$0.2 million in current and other liabilities offset by an increase of \$0.1 million in long term liabilities. Current and other liabilities decreased \$2.8 million for governmental activities and increased \$2.6 million for business-type activities due to accounts and other payables. The increase in long term liabilities is due to the CWPRDA loan and fire pumper lease, offset by ongoing debt service payments on outstanding bonds, certificates of participation, loans, and notes as well as amortization of discounts and premiums. Other long term liabilities include obligations relating to compensated absences, other post-employment benefits for the City's retiree health care program and pollution remediation.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 271.3	\$ 256.6	\$ 195.1	\$ 168.4	\$ 466.4	\$ 425.0
Capital assets	422.5	454.0	588.2	532.6	1,010.7	986.6
Total assets	693.8	710.6	783.3	701.0	1,477.1	1,411.6
Deferred outflow of resources	20.1	24.9	0.7	0.1	20.8	25.0
Current and other liabilities	21.2	24.0	9.3	6.7	30.5	30.7
Long-term liabilities	143.0	161.0	140.5	122.4	283.5	283.4
Total liabilities	164.2	185.0	149.8	129.1	314.0	314.1
Deferred inflow of resources	32.2	28.7	0.1	0.1	32.3	28.8
Net Position:						
Net investment in capital assets	293.0	310.8	491.8	455.2	784.8	766.0
Restricted	55.8	47.5	2.0	3.5	57.8	51.0
Unrestricted	168.7	163.5	140.3	113.2	309.0	276.7
Total net position	\$ 517.5	\$ 521.8	\$ 634.1	\$ 571.9	\$ 1,151.6	\$ 1,093.7

By far the largest portion of the City's net position reflects its investment of \$1,010.7 million in capital assets (for example, land, buildings, machinery and equipment, utility plants and parks). Net investment in capital assets is reported less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to the public; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets was \$784.8 million as of December 31, 2020, or 68.1% of total net position.

An additional portion of the City's net position, \$57.8 million, or 5.0% represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$309.0 million, or 26.8% may be used to meet the City's on-going obligations to the public and creditors. It is important to note that the \$140.3 million in unrestricted net position of the City's business-type activities may not be used to fund governmental activities.

Analysis of Changes in Net Position

As can be seen from Table 2, the City's net position increased \$57.9 million during 2020. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities decreased by \$4.3 million during 2020. This was \$36.3 million less than the increase of \$32.0 million in 2019.

Governmental activities revenues decreased \$2.4 million from 2019. The change is attributed to decreases in revenues from Charges for Services (\$2.3 million), Sales Taxes (\$3.1 million), Use Taxes (\$1.1 million), Sales Tax Increment (\$0.4 million), Other Taxes (\$5.0 million), Accommodations Tax (\$2.9 million), Interest (\$0.9 million), and Other revenue (\$3.3 million). These decreases were offset by increases in Operating grants and contributions (\$11.5 million), Capital Grants and Contributions (\$2.0 million), Property Taxes (\$1.0 million), Property tax increment (\$2.4 million) and Gain on the sale of assets (\$0.1 million).

Decreases in Charges for Services, Sales and Use taxes, and Accommodations Tax resulted from the economic downturn caused by the COVID-19 pandemic. The decrease in Other revenue was due to the one time sale of property that had been previously held for resale in WEDA. Operating grants and contributions increased due to significant federal Coronavirus Aid, Relief, and Economic Security Act stimulus funding. Property Tax Increment increased due to an increase in urban renewal area assessed valuations.

Governmental expenses increased \$5.9 million (3.5%) from 2019. The change is attributable to increased expenses in General Government (\$8.4 million), Public Safety (\$4.7 million) and Community Development (\$3.6 million) offset by decreases in Public Works (\$7.3 million), Economic Development (\$1.2 million) and Culture and Recreation (\$2.1 million) and interest and fiscal charges (\$0.2 million).

The increase in General Government was due primarily to the small business assistance emergency mitigation grant programs administered by the City as well as other COVID-19 related local government and social recovery efforts. Increases in Public Safety were due to personnel and contractual services and in Community Development to the repayment of federal funds to the Department of Housing and Urban Development when a Community Development Block Grant program project was cancelled.

Public works decreased due primarily to street and infrastructure repair and maintenance. Economic Development decreased due to inventory adjustments for the sale of land held for resale. Culture and Recreation decreased due to the suspension of services and facility closures that occurred throughout the year as a result of COVID--19 emergency health orders.

As can be seen in Table 2, General Government, which includes all benefits, insurances and lease payments as well as the City Council and six departments (City Manager's Office, City Attorney's Office, General Services, Human Resources, Policy & Budget and Finance) accounted for 39.2% of governmental expenses, Public Safety accounted for 27.1%, Public Works accounted for 5.7%, Community Development accounted for 10.2%, Economic Development accounted for 1.5%, Culture and Recreation accounted for 14.5%, Interest and Fiscal Charges accounted for 1.7% and unallocated depreciation accounted for 0.1%.

Table 2: Changes in Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services	\$ 17.7	\$ 20.0	\$ 81.0	\$ 71.8	\$ 98.7	\$ 91.8
Operating grants and contributions	22.4	10.9	—	—	22.4	10.9
Capital grants and contributions	16.6	14.6	13.7	17.0	30.3	31.6
General revenues						
Property taxes	7.0	6.0	—	—	7.0	6.0
Sales taxes	87.2	90.3	—	—	87.2	90.3
Use taxes	20.2	21.3	—	—	20.2	21.3
Property tax increment	16.0	13.6	—	—	16.0	13.6
Sales tax increment	0.1	0.5	—	—	0.1	0.5
Other taxes	0.6	5.6	—	—	0.6	5.6
Accommodations tax	1.9	4.8	—	—	1.9	4.8
Intergovernmental	0.3	0.3	—	—	0.3	0.3
Interest	4.3	5.2	3.5	3.7	7.8	8.9
Rentals	—	0.4	—	—	—	0.4
Other	4.6	7.9	1.0	1.0	5.6	8.9
Gain on sale of assets	0.1	—	—	0.1	0.1	0.1
Total revenues	199.0	201.4	99.2	93.6	298.2	295.0
Program expenses						
General government	68.9	60.5	—	—	68.9	60.5
Public safety	47.6	42.9	—	—	47.6	42.9
Public works	10.0	17.3	—	—	10.0	17.3
Community development	17.9	14.3	—	—	17.9	14.3
Economic development	2.6	3.8	—	—	2.6	3.8
Culture and recreation	25.4	27.5	—	—	25.4	27.5
Utility	—	—	59.7	56.8	59.7	56.8
Golf	—	—	3.8	4.2	3.8	4.2
Parking Management	—	—	1.2	—	1.2	—
Interest and fiscal charges	3.0	3.2	—	—	3.0	3.2
Unallocated depreciation	0.2	0.2	—	—	0.2	0.2
Total expenses	175.6	169.7	64.7	61.0	240.3	230.7
Excess before transfers	23.4	31.7	34.5	32.6	57.9	64.3
Transfers	(27.7)	0.3	27.7	(0.3)	—	—
Change in net position	(4.3)	32.0	62.2	32.3	57.9	64.3
Net position - beginning	521.8	489.8	571.9	539.6	1,093.7	1,029.4
Net position - ending	\$ 517.5	\$ 521.8	\$ 634.1	\$ 571.9	\$ 1,151.6	\$ 1,093.7

Charts 1 illustrates the City's governmental expenses and revenues by function and Chart 2 illustrates its general revenues by source. General revenues such as sales and use taxes, property and other taxes shown in Chart 2 are used to support City program activities city-wide. For governmental activities overall, without regard to program, Sales and Use Taxes are the largest single source (54.0%), followed by Operating Grants and Contributions (11.3%), Charges for Services (8.9%), Capital Grants and Contributions (8.3%), Property Tax Increment (8.0%) and Property Tax (3.50%).

CHART 1: EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES

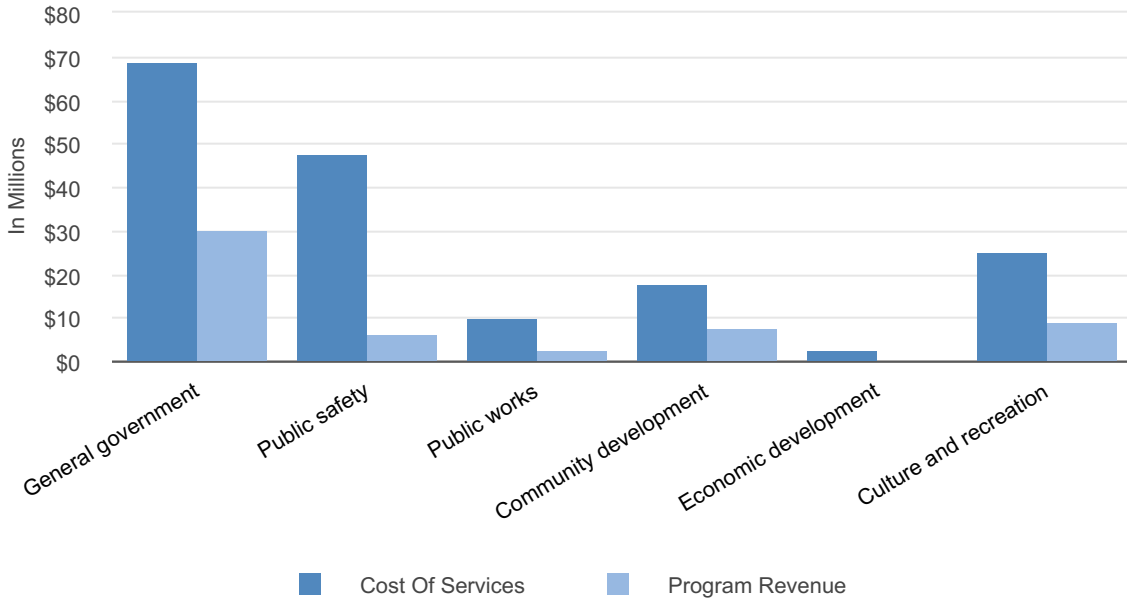
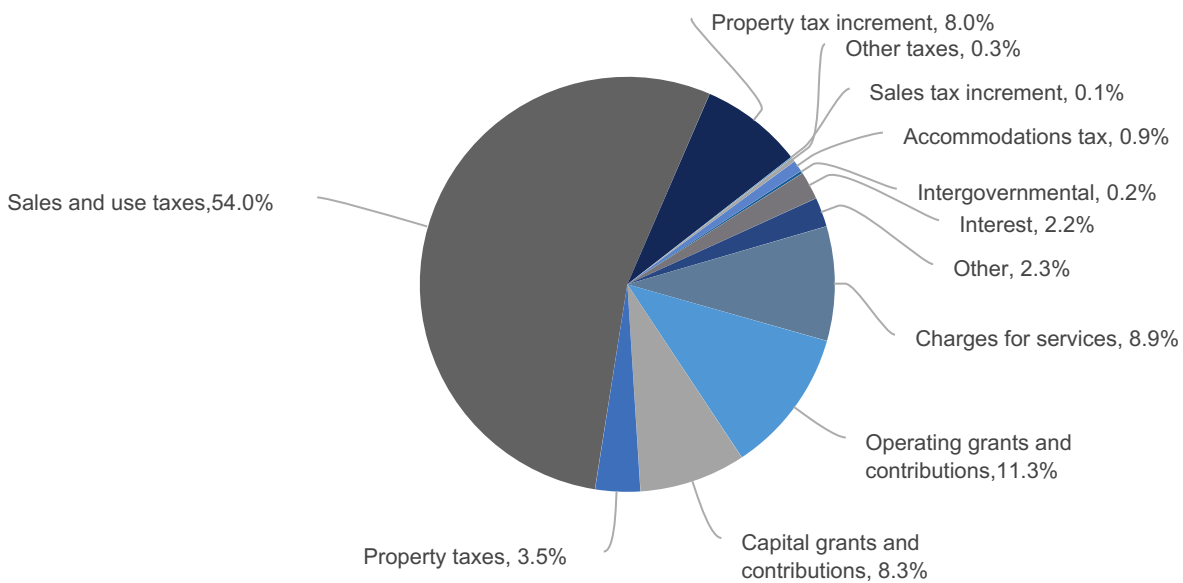


CHART 2: REVENUES BY SOURCE
GOVERNMENTAL ACTIVITIES



Business-type Activities

Net position in business-type activities increased \$62.2 million in 2020. This is \$29.9 million, or 92.6%, more than the \$32.3 million increase in 2019.

As can be seen from Charts 3 and 4, the City's Utility Enterprise accounts for the majority of its business-type activities, representing 92.3% of total business-type expenses. Charges for Services provides the largest share of revenues (81.7%), followed by Capital Grants and Contributions (13.8%).

Total business-type revenues increased \$5.6 million, or 6.0%, compared to 2019. This increase was due primarily to an increase of \$9.2 million, or 12.8% in Charges for Services offset by a decrease of \$3.3 million, or 19.4% in Capital Grants and Contributions.

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

Expenses of business-type activities increased \$3.7 million, or 6.1%, compared to 2019. The increase was due primarily to an increase in costs associated with providing utility services.

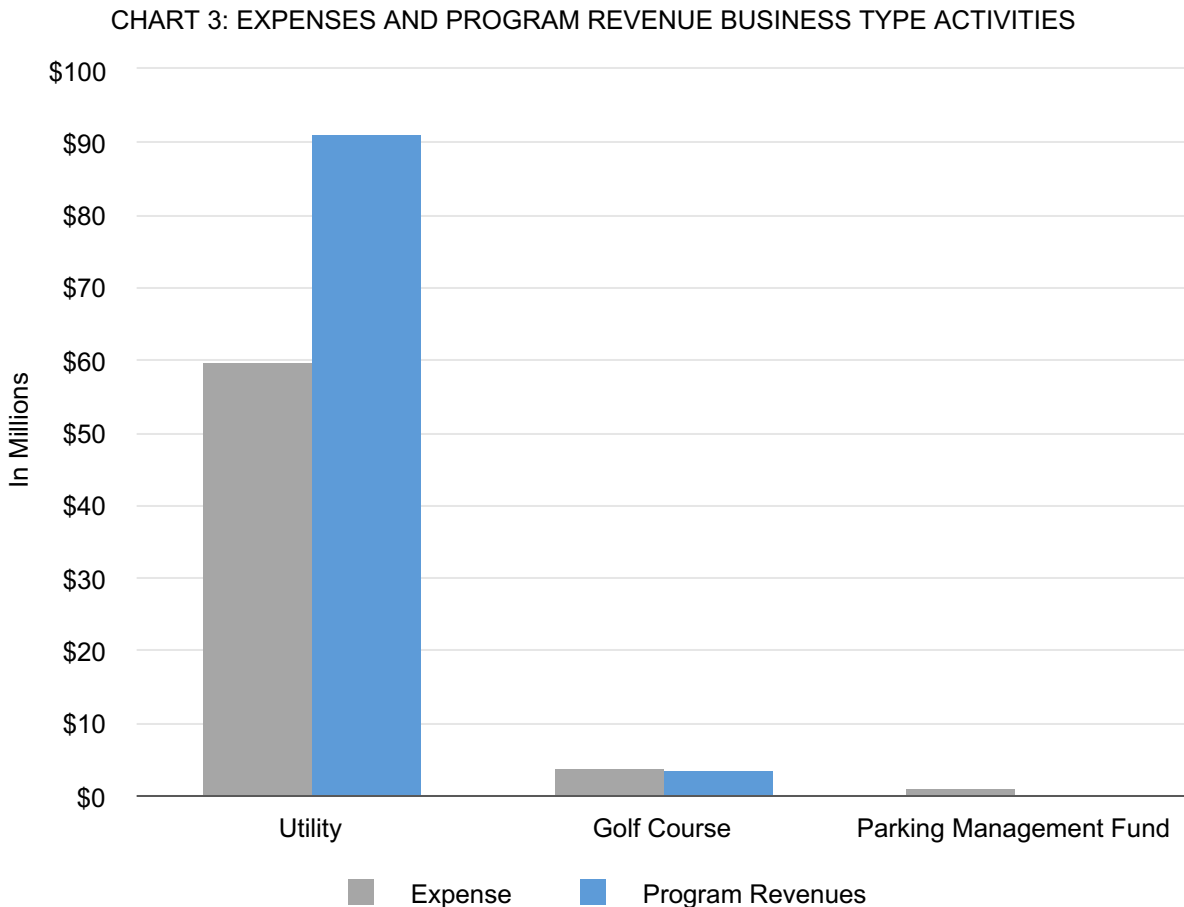
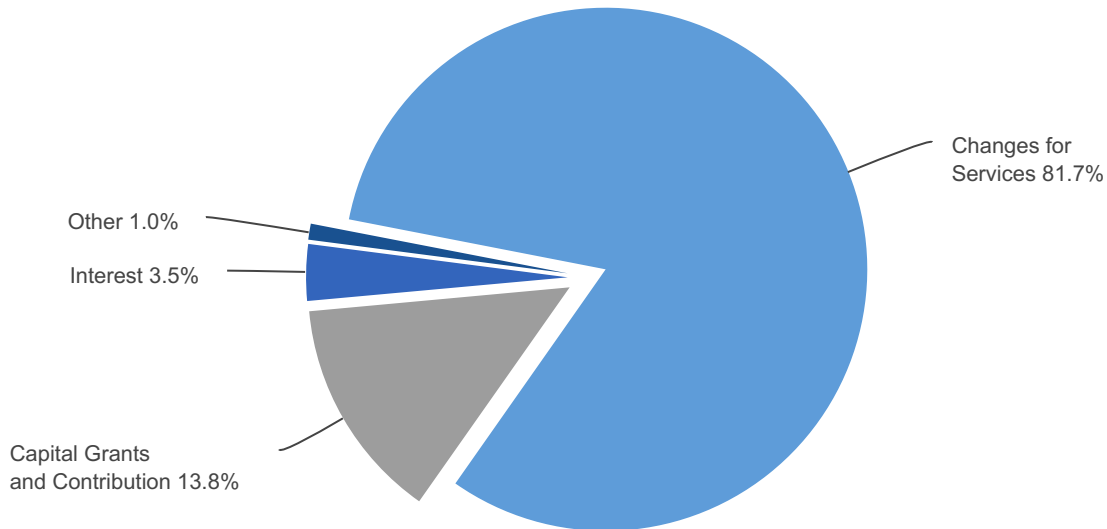


CHART 4: REVENUES BY SOURCE
BUSINESS-TYPE ACTIVITIES



THE CITY'S FUNDS (ANALYSIS OF SPECIFIC FUNDS)

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

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

At December 31, 2020, the City's governmental funds reported a combined ending fund balance of \$187.3 million, an increase of \$12.8 million, or 7.3%, compared to 2019. Based on the level of constraint imposed on the use of financial resources, fund balance is reported as either nonspendable; restricted; or as committed, assigned or unassigned.

- Nonspendable fund balance increased to \$1.1 million due to prepaids and inventories.
- Fund balance restricted for capital additions and improvements increased \$0.2 million.
- Fund balance restricted for debt service increased \$4.2 million, or 16.8%, to \$29.1 million due to tax increment collected by WEDA.
- Fund balance restricted for emergencies as required by TABOR increased \$0.6 million, or 10.2% to \$6.2 million.
- Fund balance restricted for open space conservation and improvements decreased \$0.4 million or 37.1% due to park services operations and capital spending on culture and recreation improvement projects.
- Fund balance restricted for Public Safety decreased \$0.1 million due to activities of the Investigations Recoveries.
- Fund balance restricted for Community Development decreased \$0.2 million due to Community Development Block Grant reimbursements pending at year end.
- Unrestricted but committed fund balance increased for capital additions and improvements to \$70.8 million from \$60.6 million, or 16.9% due to the accumulation of funding for capital construction.
- Unrestricted but committed fund balance decreased for urban renewal \$2.0 million from \$9.9 million, or 19.7%, due to expenditures for development agreements in Downtown Westminster.
- Assigned fund balance increased for urban renewal by \$0.3 million to \$14.0 million due to increases in tax increment revenue, primarily in the Westminster Center East urban renewal area.
- Assigned fund balance increased for emergencies by \$0.1 million to \$8.4 million due to interest earnings.
- Unassigned fund balance decreased \$0.5 million, or 1.6%, to \$30.8 million compared to 2019. Unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds.
- The remainder of unrestricted fund balance is assigned to indicate that it is has been set aside for a specific purpose.

The General Fund is the primary operating fund of the City. At the end of 2020, the unassigned fund balance of the General Fund was \$30.8 million, while total fund balance was \$47.9 million. Total fund balance increased in the General Fund by \$0.4 million, or 0.8%, compared to 2019. The unassigned fund balance represents 20.6% 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 \$147.3 million and final budget was \$163.2 million due to supplemental appropriations, primarily of federal financial awards for COVID-19 response and recovery efforts. Actual General Fund expenditures and transfers out totaled \$149.7 million.

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

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

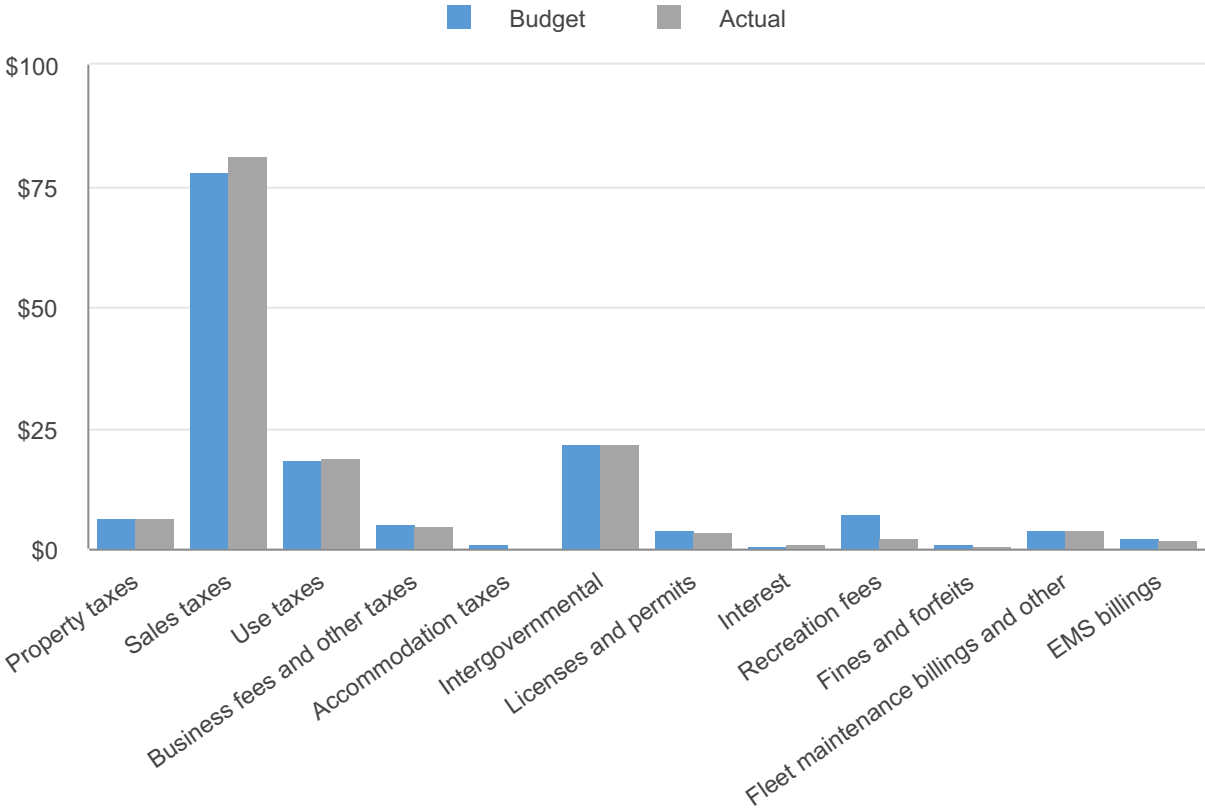
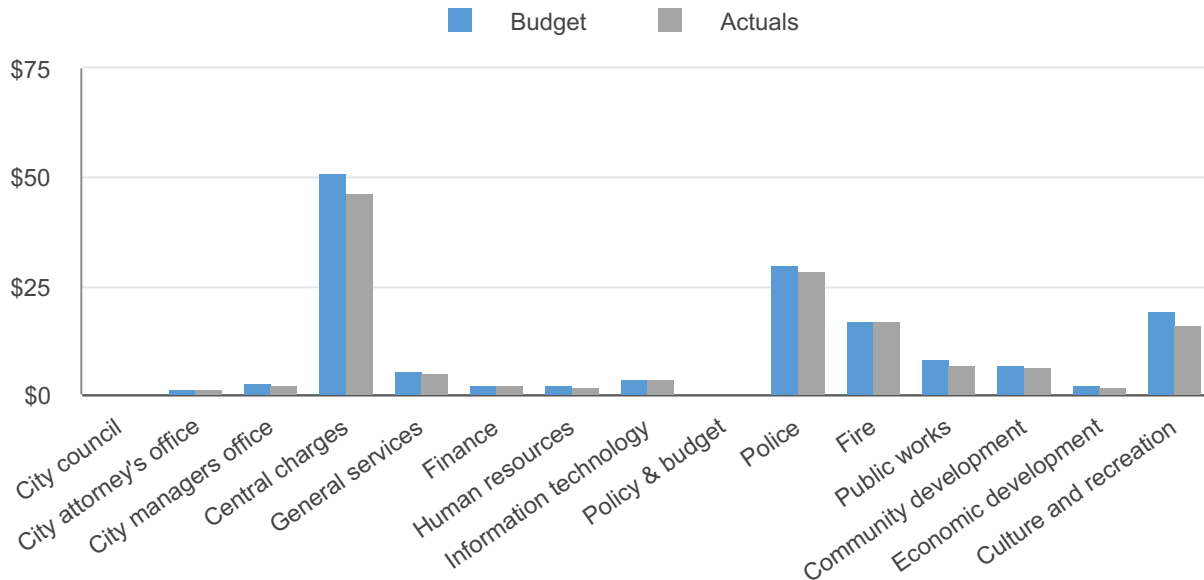


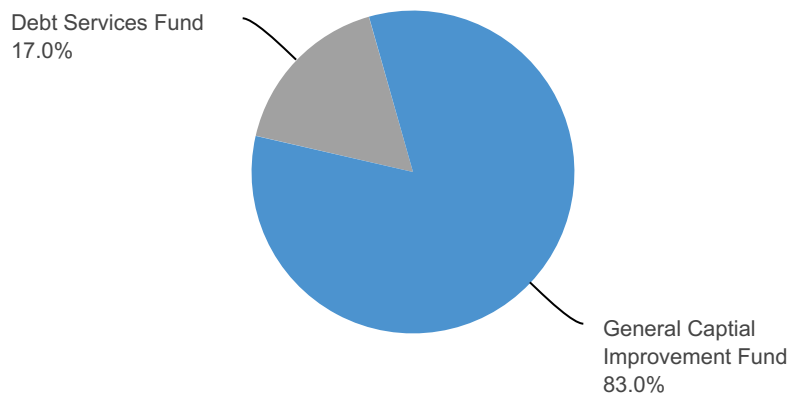
Chart 6: General Fund Budget and Actual Expenditures by Department, less Debt Service and Other Financing Sources and Uses (in millions)



Sales and use taxes are the primary funding source for the City's governmental funds. Once the sales and use tax is collected it is transferred to other funds. As Chart 7 illustrates, 83.0% of the sales and use tax transfers was to the General Capital Improvement Fund for capital construction projects and 17.0% of transfers was to the Debt Service Fund for debt service. \$87.8 million was budgeted in the General Fund for operating purposes.

Sales and use taxes budgeted for General Fund operations decreased 0.9%, or \$0.8 million, compared to 2019.

Chart 7: GENERAL FUND TRANSFERS OF SALES AND USE TAX



The General Capital Improvement Fund is used to account for financial resources used for the acquisition and construction of major capital facilities and improvements of the City, except those financed by the Enterprise Funds. At December 31, 2020, the fund had a fund balance of \$80.8 million.

The General Capital Improvement Fund revenues include accommodations taxes, revenues from other governments, contributions, interest, other miscellaneous revenue and transfers from other funds. The fund's operating revenues decreased by \$1.7 million due to decreases in accommodations tax of \$2.3 million, intergovernmental of \$1.1 million and interest of \$0.1 million. These decreases were offset by increases in Contributions of \$1.8 million and other revenue.

Net transfer funding totaled \$12.7 million, a decrease of \$8.8 million compared to 2019 due to reductions of transfer revenue from the General Fund and increases in transfer expense to the Utility Fund to provide funding for the construction of a sanitary sewer system and Community Development Block Grant Fund to provide pay-go funding for prior funding returned after a federally funded capital project was cancelled.

The decrease in accommodations tax reflects the impact of State-wide COVID-19 health orders on the economy, and in intergovernmental revenue, the typical year to year fluctuation in grant funding reimbursements. The increase in contributions is the result of land and park development fees for new developments.

Expenditures totaling \$19.7 million were \$6.0 million less than 2019 due to a decrease in capital project spending of \$6.8 million offset by a \$0.8 million increase in economic assistance provided to developers.

The Westminster Economic Development Authority is the City's urban renewal authority. The fund balance increased \$2.5 million from 2019 primarily due to Property Tax increment. As of December 31, 2020, fund balance was \$49.9 million.

Revenue for the Westminster Economic Development Authority increased by \$2.1 million, or 11.5%, compared to 2019. The increase was due primarily to an increase of \$2.4 million in property tax increment from urban renewal areas and the sale of property held for resale totaling \$3.2 million as part of continued redevelopment efforts in 2020.

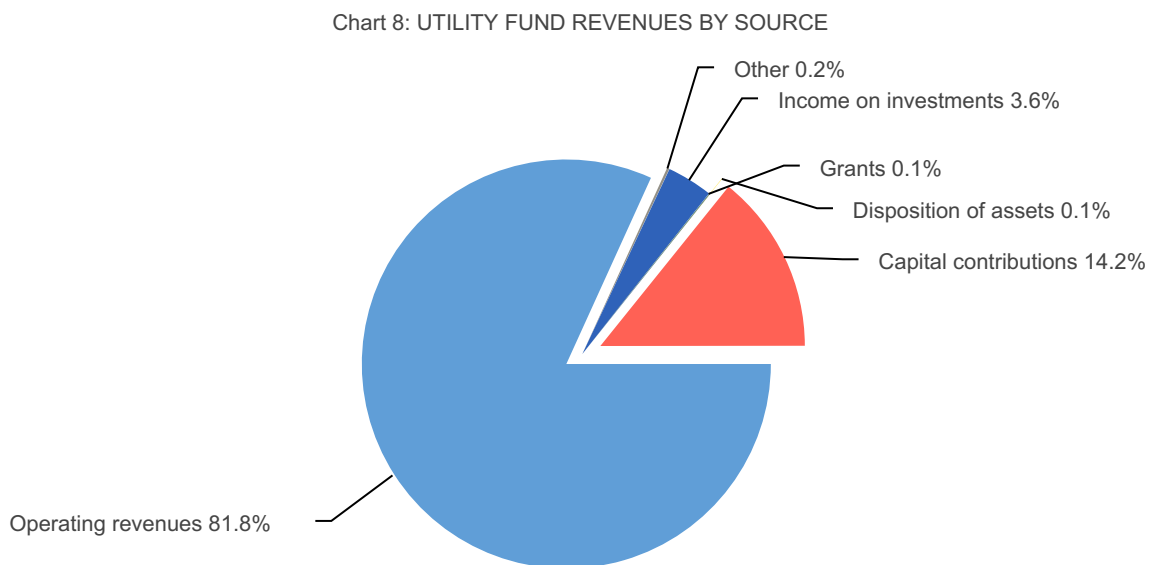
Expenditures for the Westminster Economic Development Authority decreased by \$0.9 million, or 5.9% compared to 2019. Economic Development decreased \$1.3 million (63.5%) due to inventory adjustments for the sale of land held for resale. This decrease was offset by increases in General Government of \$0.2 million (15.5%) and capital project spending of \$0.2 million (3.2%) as well.

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

The Utility Fund, which accounts for the City's water, wastewater and storm drainage activities, ended 2020 with net position equal to \$590.7 million. Of that amount, \$137.4 million is unrestricted. Net position increased \$36.2 million, or 6.5%, compared to 2019.

Operating revenues increased \$10.2 million, or 15.0% compared to 2019. Chart 8 illustrates both operating and non-operating revenues by source. The primary reason for the increase in operating revenues was due to increased demand and billing rates.

Utility Fund operating expenses increased \$2.1 million, or 4.0%, compared to 2019. The primary reason is due to increases in contractual services and depreciation of capital assets that make up the utility system, and to a lesser extent, commodity purchases and capital outlay as well.



The new Parking Management Fund ended the year with a net position of \$25.7 million. Of that amount, \$25.7 million was investments in capital assets and unavailable for spending. Operating expenditures totaled \$1.2 million mostly due to contractual services of \$0.5 million and depreciation expense of \$0.6 million. Capital contributions of \$26.2 million were received from the general government to establish the fund. These contributions included parking garages in Downtown Westminster and at the Westminster Station. Interfund transfers from the General Fund of \$0.6 million funded the operation. Dependent upon development activity in Downtown Westminster, fees and fines are expected to eventually support the parking management function.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Asset Administration

As can be seen from Table 3, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to \$1,010.7 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 \$24.1 million, or 2.4%. Net capital assets of governmental activities decreased \$31.5 million, or 6.9%, and business-type activities increased \$55.6 million, or 10.4%. This was in large part due to transfers of capital assets between activity types, primarily from governmental activities to business-type activities to establish the Parking Management Fund.

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

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land and property rights	\$ 160.3	\$ 159.0	\$ 131.9	\$ 122.9	\$ 292.2	\$ 281.9
Construction in progress	7.9	3.9	28.7	45.7	36.6	49.6
Buildings and plants	29.9	31.8	136.4	121.4	166.3	153.2
Improvements other than buildings	17.0	18.9	284.3	235.3	301.3	254.2
Parks	17.3	19.8	—	—	17.3	19.8
Ice Center	3.8	3.9	—	—	3.8	3.9
Infrastructure	170.3	201.9	—	—	170.3	201.9
Machinery and equipment	16.0	14.8	6.9	7.3	22.9	22.1
Totals	\$ 422.5	\$ 454.0	\$ 588.2	\$ 532.6	\$ 1,010.7	\$ 986.6

Major capital asset activity during 2020 included the following:

Governmental activities

- \$1.9 million in general government projects, including \$1.2 million for Downtown Westminster roadway improvements and \$0.7 million for system software improvements
- \$3.8 million in culture and recreation projects, including \$2.6 million for recreation facilities; \$0.9 million for Downtown Westminster parks and streetscapes; and \$0.3 million for trail development
- \$0.2 million in community development projects for traffic and mobility improvements
- \$0.1 million for public safety projects for facility improvements

Business-type activities

- \$10.2 million for Water 2025 water treatment facility
- \$9.2 million for improvements to the high service pump station
- \$9.0 million for replacement of residential water meters
- \$4.3 million for Big Dry Creek wastewater treatment facility biosolids project
- \$2.7 million for Big Dry Creek interceptor sewer improvements
- \$2.0 million in pressure zone 3 expansion and improvements
- \$1.7 million for City wide sewer improvements
- \$1.6 million for replacement of water treatment facility chemical storage
- \$1.3 million in Storm Water drainage related projects
- \$1.0 million for Wattenberg water storage facility
- \$0.1 million in Golf Course related projects

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

Debt Administration

At December 31, 2020 the City's bond ratings carry investment grade ratings as follows:

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

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

The State of Colorado limits the amount of general obligation debt that cities can issue to 3% of the actual value of all taxable property within the City's corporate limits (CRS 31-15-302). The City's outstanding general obligation debt is significantly below this \$550.6 million state-imposed limit. See page 151 for the City's legal debt margin information.

Table 4 illustrates the City's total indebtedness:

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

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenue Bonds (backed by specific tax and fee revenues)	\$ 18.0	\$ 20.5	\$ 93.4	\$ 99.5	\$ 111.4	\$ 120.0
Tax Increment Revenue Bonds	15.6	17.3	—	—	15.6	17.3
Tax Increment Loans from Direct Placements	37.7	41.6	—	—	37.7	41.6
Notes from Direct Borrowings and Direct Placements	2.1	2.2	27.3	6.0	29.4	8.2
Certificates of Participation	52.8	58.4	1.4	1.8	54.2	60.2
Total	\$ 126.2	\$ 140.0	\$ 122.1	\$ 107.3	\$ 248.3	\$ 247.3

Further information on the City's debt can be found in Note 2H on pages 49-59.

PLANS AND BUDGET FOR 2021

In a Spring 2021 strategic planning retreat, the City Council affirmed the City's Strategic Plan Goals that reinforce long-term planning of City operations and capital programs:

- **Goal 1:** Foster and maintain a beautiful, desirable, safe, and environmentally responsible City.
- **Goal 2:** Cultivate a thriving, inclusive, and engaged community through access to opportunity and a resilient and diverse economy.
- **Goal 3:** Provide visionary, effective, and collaborative government.
- **Goal 4:** Advance the City's long-term fiscal/financial sustainability to provide ongoing excellence in City services and a well-planned community that meets the needs of residents now and in the future.

City Council adopted the 2021 budget on November 9, 2020. While the City typically adopts a two-year budget, City Council approved a one-year budget given the uncertainties caused by the COVID-19 pandemic and economic challenges that have accompanied the public health crisis. While the General Fund and Sales Tax Fund are consolidated for year-end financial reporting purposes, they are still separate for budgeting, legal and administrative purposes. Highlights of the 2021 budget include the following:

- The 2021 General Fund operating expenditures are budgeted at \$141.7 million (including contingencies).
- The 2021 General Fund budget is predicated on receiving a transfer payment from the Sales and Use Tax Fund totaling \$89.3 million, which is a 1.7% increase over the 2020 transfer payment of \$87.8 million.
- In 2021, the contingency amount is \$1.0 million in the General Fund. The 2021 General Reserve Fund is projected to be \$14.6 million and the General Fund Stabilization Reserve is projected to be \$4.0 million after transfers of \$5.3 million to the General Fund. Because of the financial impact of COVID-19, the City made a strategic decision to utilize a portion of the General Fund Stabilization Reserve to mitigate reductions in expenditure appropriations and service levels.
- The Utility Capital Project Reserve Fund is projected to be \$48.5 million and the Utility Rate Stabilization Reserve is projected to be \$19.9 million.
- The total number of full-time equivalent (FTE) staffing in 2021 is 1,062.966 FTE, a net increase of 1.0 FTE.

In order to ensure reliable infrastructure and equipment throughout the City that accommodates continued growth, a proactive Capital Improvement Program (CIP) is included as a key component of the 2021 budget. The 2021 CIP will be funded by Governmental and Business-type Activities with “pay-as-you-go” funding, revenue bonds and loans. For 2021, new capital project appropriations total \$45.8 million, \$15.1 million for Governmental Activities and \$30.7 million for Business-type Activities.

2021 Adopted Capital Improvement Program Budget (in millions)			
Fund	Governmental-type Activities	Business-type Activities	Total
General Capital Improvement	\$ 7.5	\$ —	\$ 7.5
Parks, Open Space and Trails	4.2	—	4.2
General Capital Outlay Replacement	2.4	—	2.4
Conservation Trust	1.0	—	1.0
Water	—	14.5	14.5
Wastewater	—	13.7	13.7
Storm Drainage	—	2.4	2.4
Golf	—	0.1	0.1
TOTAL	\$ 15.1	\$ 30.7	\$ 45.8

CONTACTING THE CITY'S FINANCIAL MANAGEMENT


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

City of Westminster, 4800 West 92nd Avenue, Westminster, CO 80031
 303-658-2036
thitchens@cityofwestminster.us



W E S T M I N S T E R

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The background of the slide is a complex marbled paper pattern. It features a mix of colors including deep reds, purples, blues, and gold accents. The patterns are organic and fluid, with some areas showing a dense, cellular texture and others showing more solid, wavy bands of color. A semi-transparent, light-colored oval is positioned in the upper right quadrant, containing the title text.

Basic Financial Statements

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 29,547,269	\$ 23,951,161	\$ 53,498,430
Cash and cash equivalents with fiscal agent	326,091	—	326,091
Investments	132,751,063	107,608,172	240,359,235
Receivables:			
Taxes	36,036,222	—	36,036,222
Accounts	5,635,355	8,394,086	14,029,441
Notes and leases	9,997,694	—	9,997,694
Grants	1,491,937	—	1,491,937
Interest	533,381	429,574	962,955
Internal balances	(1,135,196)	1,135,196	—
Inventories	995,181	1,739,886	2,735,067
Property held for resale	13,632,766	—	13,632,766
Bond insurance and other prepaid items	935,280	32,431	967,711
Restricted assets:			
Cash and cash equivalents	526,608	281,008	807,616
Cash and cash equivalents with fiscal agent	25,883,815	48,254,441	74,138,256
Investments	2,366,840	1,730,422	4,097,262
Investments with fiscal agent	5,456,010	—	5,456,010
Notes receivable	—	9,923	9,923
Other assets	—	1,576,785	1,576,785
Investment in joint venture	823,363	—	823,363
Net pension asset	5,469,960	—	5,469,960
Capital assets:			
Non-depreciable assets	168,195,279	160,619,506	328,814,785
Depreciable assets, net	254,294,800	427,623,185	681,917,985
Total assets	<u>693,763,718</u>	<u>783,385,776</u>	<u>1,477,149,494</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>20,098,666</u>	<u>670,067</u>	<u>20,768,733</u>
LIABILITIES			
Accounts payable and other	13,613,489	8,513,840	22,127,329
Accrued liabilities	2,384,702	353,258	2,737,960
Unearned revenue	546,297	54,924	601,221
Accrued interest	2,137,692	376,526	2,514,218
Estimated claims	2,491,521	—	2,491,521
Noncurrent liabilities:			
Due within one year	15,426,823	4,227,238	19,654,061
Due in more than one year	127,635,482	136,314,660	263,950,142
Total liabilities	<u>164,236,006</u>	<u>149,840,446</u>	<u>314,076,452</u>
DEFERRED INFLOWS OF RESOURCES	<u>32,172,436</u>	<u>108,371</u>	<u>32,280,807</u>
NET POSITION			
Net investment in capital assets	293,006,176	491,753,788	784,759,964
Restricted for:			
Emergencies	6,246,176	—	6,246,176
Capital projects	8,937,417	—	8,937,417
Community development	999,475	—	999,475
Improvements and open space conservation	6,008,965	—	6,008,965
Debt service	28,057,704	2,011,430	30,069,134
Pension	5,469,960	—	5,469,960
Other purposes	43,803	—	43,803
Unrestricted	168,684,266	140,341,808	309,026,074
Total net position	<u>\$ 517,453,942</u>	<u>\$ 634,107,026</u>	<u>\$ 1,151,560,968</u>

**CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Function/Program Activities				
Governmental activities:				
General government	\$ 68,922,318	\$ 8,752,107	\$ 18,724,595	\$ 2,955,239
Public safety	47,640,463	3,191,828	3,254,335	—
Public works	10,021,168	2,662,461	29,524	—
Community development	17,894,840	253,762	43,560	7,593,660
Economic development	2,579,468	—	—	—
Culture and recreation	25,439,359	2,864,075	384,298	6,058,981
Interest and fiscal charges	2,959,178	—	—	—
Unallocated depreciation (excludes direct depreciation of various programs)	195,761	—	—	—
Total governmental activities	175,652,555	17,724,233	22,436,312	16,607,880
Business-type activities:				
Utility	59,658,316	77,561,514	—	13,691,078
Golf	3,844,431	3,459,592	1,425	—
Parking Management	1,232,430	16,919	—	—
Total business-type activities	64,735,177	81,038,025	1,425	13,691,078
Total	\$ 240,387,732	\$ 98,762,258	\$ 22,437,737	\$ 30,298,958

GENERAL REVENUES

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

TRANSFERS

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

CITY OF WESTMINSTER, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (38,490,377)	\$ —	\$ (38,490,377)
(41,194,300)	—	(41,194,300)
(7,329,183)	—	(7,329,183)
(10,003,858)	—	(10,003,858)
(2,579,468)	—	(2,579,468)
(16,132,005)	—	(16,132,005)
(2,959,178)	—	(2,959,178)
(195,761)	—	(195,761)
(118,884,130)	—	(118,884,130)
—	31,594,276	31,594,276
—	(383,414)	(383,414)
—	(1,215,511)	(1,215,511)
—	29,995,351	29,995,351
(118,884,130)	29,995,351	(88,888,779)
7,018,643	—	7,018,643
87,180,590	—	87,180,590
20,216,479	—	20,216,479
16,024,186	—	16,024,186
89,626	—	89,626
607,722	—	607,722
1,848,750	—	1,848,750
329,012	—	329,012
4,247,094	3,516,881	7,763,975
4,557,064	984,169	5,541,233
124,130	55,100	179,230
(27,694,218)	27,694,218	—
114,549,078	32,250,368	146,799,446
(4,335,052)	62,245,719	57,910,667
521,788,994	571,861,307	1,093,650,301
<u>\$ 517,453,942</u>	<u>\$ 634,107,026</u>	<u>\$ 1,151,560,968</u>

**CITY OF WESTMINSTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General	General Capital Improvement	Westminster Economic Development Authority	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 7,808,215	\$ 14,348,420	\$ 1,991,075	\$ 851,419	\$ 24,999,129
Cash and cash equivalents with fiscal agent	16,570	—	—	—	16,570
Investments	35,038,715	64,489,052	8,948,900	3,832,754	112,309,421
Receivables:					
Taxes	18,140,799	—	16,584,617	1,310,806	36,036,222
Accounts	3,464,934	1,910,967	3,203	15,256	5,394,360
Notes and leases	1,834,822	963,169	6,802,826	396,877	9,997,694
Grants	624,408	656,778	—	210,751	1,491,937
Interest	147,236	246,999	35,918	22,436	452,589
Inventories	880,413	—	—	—	880,413
Property held for resale	31,474	271,529	12,119,540	1,210,223	13,632,766
Prepaid items	185,339	—	—	—	185,339
Restricted assets:					
Cash and cash equivalents	—	—	27,988	498,620	526,608
Cash and cash equivalents with fiscal agent	8,163	1,241,151	24,634,501	—	25,883,815
Investments	—	—	125,790	2,241,050	2,366,840
Investments with fiscal agent	1,369,938	2,998	4,083,074	—	5,456,010
Loans to other funds	—	602,500	—	—	602,500
Total assets	<u>\$ 69,551,026</u>	<u>\$ 84,733,563</u>	<u>\$ 75,357,432</u>	<u>\$ 10,590,192</u>	<u>\$ 240,232,213</u>
LIABILITIES					
Accounts payable and other	\$ 9,151,415	\$ 2,173,842	\$ 1,411,893	\$ 258,144	\$ 12,995,294
Accrued liabilities	2,222,018	36,804	—	47,550	2,306,372
Unearned revenue	39,042	—	9,200	498,055	546,297
Loans from other funds	—	—	602,500	—	602,500
Total liabilities	<u>11,412,475</u>	<u>2,210,646</u>	<u>2,023,593</u>	<u>803,749</u>	<u>16,450,463</u>
DEFERRED INFLOWS OF RESOURCES	<u>10,225,788</u>	<u>1,702,867</u>	<u>23,387,443</u>	<u>1,135,264</u>	<u>36,451,362</u>
FUND BALANCES					
Nonspendable:					
Prepays and inventories	1,065,751	—	—	—	1,065,751
Property held for resale	31,474	—	—	—	31,474
Restricted for:					
Capital additions and improvements	—	9,681,359	—	5,394,510	15,075,869
Contractual obligations	299,291	—	—	14,126	313,417
Debt service	1,078,810	22,289	28,017,573	—	29,118,672
Community development	—	—	—	999,475	999,475
Emergencies - TABOR	6,214,724	—	—	31,452	6,246,176
Open space conservation and improvements	—	—	—	614,804	614,804
Public safety	—	—	—	29,328	29,328
Committed for:					
Capital additions and improvements	—	70,844,873	—	—	70,844,873
Urban renewal	—	—	7,957,161	—	7,957,161
Assigned to:					
Community development	—	271,529	—	1,288,591	1,560,120
Debt service	—	—	—	278,893	278,893
Other	8,437,802	—	—	—	8,437,802
Urban renewal	—	—	13,971,662	—	13,971,662
Unassigned	30,784,911	—	—	—	30,784,911
Total fund balances	<u>47,912,763</u>	<u>80,820,050</u>	<u>49,946,396</u>	<u>8,651,179</u>	<u>187,330,388</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 69,551,026</u>	<u>\$ 84,733,563</u>	<u>\$ 75,357,432</u>	<u>\$ 10,590,192</u>	<u>\$ 240,232,213</u>

CITY OF WESTMINSTER, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

Fund balances - total government funds		\$187,330,388
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities excluding internal service fund capital assets of \$8,269,880 are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	829,088,894	
Less accumulated depreciation	(414,868,695)	
		414,220,199
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Prepaid bond insurance costs	36,553	
Investment in joint venture	823,363	
Net pension asset	5,469,960	
		6,329,876
Deferred outflows of resources reflecting the future consumption of net position are not financial resources and therefore are not reported in the governmental funds.		
Deferred loss on refunding of long-term debt	2,356,114	
Deferred outflows of resources related to pension plans	17,128,295	
Deferred outflows of resources related to other post employment benefits	614,257	
		20,098,666
Long-term liabilities, excluding internal service funds, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental long-term debt payable	(124,207,567)	
(Premiums)/discounts on long-term debt payable	(5,974,732)	
Compensated absences	(7,846,123)	
Postemployment benefits	(2,773,415)	
		(140,801,837)
Short-term liabilities that are not payable with current financial resources in the current period are not reported in the governmental funds.		
Comp time	(37,205)	
Accrued interest	(2,101,647)	
Pollution remediation	(153,000)	
		(2,291,852)
Deferred inflows of resources reflecting the future acquisition of net position are not financial resources and therefore are not reported in the governmental funds.		
Revenues earned, but not available during the reporting year	12,316,043	
Deferred inflows of resources related to pension plans	(7,496,108)	
Deferred inflows of resources related to other post employment benefits	(541,009)	
		4,278,926
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		
Internal Service Funds, net position	29,424,772	
Internal Service Funds, activity related to enterprise funds	(1,135,196)	
		28,289,576
Net position of governmental activities		\$517,453,942

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	General Capital Improvement	Westminster Economic Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 6,638,075	\$ —	\$ —	\$ 380,568	\$ 7,018,643
Sales taxes	81,546,451	—	—	5,634,139	87,180,590
Use taxes	18,904,516	—	—	1,311,963	20,216,479
Property tax increment	—	—	16,024,186	—	16,024,186
Sales tax increment	—	—	89,626	—	89,626
Business fees and other taxes	4,924,113	—	—	—	4,924,113
Accommodations taxes	403,202	1,445,548	—	—	1,848,750
Intergovernmental	21,729,639	5,882,222	—	1,576,757	29,188,618
Licenses and permits	3,540,558	—	—	—	3,540,558
Interest	1,193,488	1,874,156	442,902	187,307	3,697,853
Rentals	—	—	245,021	—	245,021
Contributions	—	8,365,618	—	—	8,365,618
Recreation fees	2,587,271	—	—	—	2,587,271
Fines and forfeitures	866,287	—	—	112,471	978,758
Fleet maintenance billings and other	3,976,378	—	—	—	3,976,378
EMS billings	2,100,166	—	—	—	2,100,166
Other	—	17,377	3,197,166	13,786	3,228,329
Total revenues	148,410,144	17,584,921	19,998,901	9,216,991	195,210,957
EXPENDITURES					
General government	63,058,081	3,078,442	1,324,804	257,803	67,719,130
Public safety	45,698,360	—	—	166,740	45,865,100
Public works	6,849,480	—	—	—	6,849,480
Community development	6,605,216	—	—	2,932,592	9,537,808
Economic development	1,655,500	—	734,964	—	2,390,464
Culture and recreation	16,013,025	—	—	—	16,013,025
Capital projects	—	16,640,779	5,123,538	1,631,129	23,395,446
Debt service:					
Principal	—	—	5,649,000	2,495,000	8,144,000
Interest and fiscal charges	—	—	2,132,036	851,719	2,983,755
Total expenditures	139,879,662	19,719,221	14,964,342	8,334,983	182,898,208
Excess of revenues over (under) expenditures	8,530,482	(2,134,300)	5,034,559	882,008	12,312,749
OTHER FINANCING SOURCES (USES)					
Sale of capital asset	70,164	—	—	—	70,164
Insurance recoveries	784,152	32,474	—	19,298	835,924
Transfers in	848,122	13,482,887	64,100	3,856,382	18,251,491
Transfers (out)	(9,854,773)	(798,055)	(2,623,684)	(5,435,573)	(18,712,085)
Total other financing sources (uses)	(8,152,335)	12,717,306	(2,559,584)	(1,559,893)	445,494
Net change in fund balance	378,147	10,583,006	2,474,975	(677,885)	12,758,243
Fund balance, beginning, as adjusted	47,534,616	70,237,044	47,471,421	9,329,064	174,572,145
Fund balance, ending	\$ 47,912,763	\$ 80,820,050	\$ 49,946,396	\$ 8,651,179	\$ 187,330,388

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, 2020

Net changes in fund balances - total government funds \$ 12,758,243

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

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

Expenditures for capital assets	10,771,313	
Transfers of capital assets to enterprise funds	(26,821,012)	
Current year depreciation	<u>(16,945,110)</u>	(32,994,809)

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

Proceeds from sale of capital assets	(70,164)	
Loss on sale of capital assets	<u>(33,218)</u>	(103,382)

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

Principal payments		14,093,224
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of bond discount/premium, deferred loss on refunding and prepaid bond insurance costs	291,100	
Accrual of interest expense	(228,031)	
Accrual of pollution remediation liability	(153,000)	
Adjustment to long-term compensated absences liability	(1,528,051)	
Adjustment to net postemployment benefit other than pension expense	(316,906)	
Adjustment to net pension expense	<u>844,751</u>	(1,090,137)

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

Capital contributions		1,147,288
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements until they become available. As a result, some revenues recognized in governmental funds may have been recognized in the statement of activities in prior years. These amounts are the difference in the treatment of revenue recognition.

Investment in Joint Venture	23,910	
Intergovernmental revenue	409,499	
Fines and forfeitures	(81,452)	
Other	<u>674,669</u>	1,026,626

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

Change in net position, Internal Service Funds		681,892
Internal allocation to Business-type activities		146,003

Change in net position of governmental activities \$ (4,335,052)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utility	Parking Management	Nonmajor Fund Golf Course		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 23,598,219	\$ 12,330	\$ 340,612	\$ 23,951,161	\$ 4,548,140
Cash and cash equivalents with fiscal agent	—	—	—	—	309,521
Investments	106,062,324	55,416	1,490,432	107,608,172	20,441,642
Receivables:					
Accounts	8,287,288	10,986	95,812	8,394,086	240,995
Interest	423,412	192	5,970	429,574	80,792
Inventories	1,491,142	—	248,744	1,739,886	114,768
Bond insurance and other prepaid items	25,179	—	7,252	32,431	713,388
Total current assets	<u>139,887,564</u>	<u>78,924</u>	<u>2,188,822</u>	<u>142,155,310</u>	<u>26,449,246</u>
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	281,008	—	—	281,008	—
Cash and cash equivalents with fiscal agent	48,254,441	—	—	48,254,441	—
Investments	1,730,422	—	—	1,730,422	—
Notes receivable	9,923	—	—	9,923	—
Other assets	1,576,785	—	—	1,576,785	—
Capital assets:					
Non-depreciable assets	147,034,002	—	13,585,504	160,619,506	—
Depreciable assets, net	399,306,660	25,659,143	2,657,382	427,623,185	8,269,880
Total noncurrent assets	<u>598,193,241</u>	<u>25,659,143</u>	<u>16,242,886</u>	<u>640,095,270</u>	<u>8,269,880</u>
Total assets	<u>738,080,805</u>	<u>25,738,067</u>	<u>18,431,708</u>	<u>782,250,580</u>	<u>34,719,126</u>
DEFERRED OUTFLOWS OF RESOURCES					
	<u>645,088</u>	<u>100</u>	<u>24,879</u>	<u>670,067</u>	<u>—</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other	8,424,075	61,731	28,034	8,513,840	618,195
Accrued liabilities	306,176	2,524	44,558	353,258	41,125
Unearned revenue	—	—	54,924	54,924	—
Bonds payable, current portion	1,735,000	—	—	1,735,000	—
Notes payable and certificates of participation, current portion	1,901,574	—	552,358	2,453,932	378,327
Other liabilities, current portion	30,881	6,010	1,415	38,306	16,085
Accrued interest	371,726	—	4,800	376,526	36,045
Estimated claims	—	—	—	—	2,491,521
Total current liabilities	<u>12,769,432</u>	<u>70,265</u>	<u>686,089</u>	<u>13,525,786</u>	<u>3,581,298</u>
Noncurrent liabilities:					
Bonds payable	107,270,222	—	—	107,270,222	—
Notes payable	26,291,765	—	963,111	27,254,876	1,604,895
Other liabilities payable	1,573,963	324	215,275	1,789,562	108,161
Total noncurrent liabilities	<u>135,135,950</u>	<u>324</u>	<u>1,178,386</u>	<u>136,314,660</u>	<u>1,713,056</u>
Total liabilities	<u>147,905,382</u>	<u>70,589</u>	<u>1,864,475</u>	<u>149,840,446</u>	<u>5,294,354</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>96,176</u>	<u>125</u>	<u>12,070</u>	<u>108,371</u>	<u>—</u>
NET POSITION					
Net investment in capital assets	451,356,184	25,659,143	14,738,461	491,753,788	6,286,658
Restricted for:					
Debt service	2,011,430	—	—	2,011,430	—
Unrestricted	137,356,721	8,310	1,841,581	139,206,612	23,138,114
Total net position	<u>\$ 590,724,335</u>	<u>\$ 25,667,453</u>	<u>\$ 16,580,042</u>	<u>632,971,830</u>	<u>\$ 29,424,772</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				1,135,196	
Net position of business-type activities				<u>\$634,107,026</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF REVENUES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utility	Parking Management	Nonmajor Fund Golf Course		
Operating revenues					
Charges for services	\$ 77,561,514	\$16,919	\$ 3,459,592	\$ 81,038,025	\$ 26,749,733
Other	764,991	—	3,027	768,018	66,731
Total operating revenues	<u>78,326,505</u>	<u>16,919</u>	<u>3,462,619</u>	<u>81,806,043</u>	<u>26,816,464</u>
Operating expenses					
Personnel services	18,073,489	92,122	1,800,747	19,966,358	1,360,040
Contractual services	18,306,604	516,239	943,503	19,766,346	3,880,278
Commodities	2,208,813	—	531,111	2,739,924	1,134,020
Capital expense	1,348,199	—	39,734	1,387,933	1,415,767
Insurance and other expenses	—	—	—	—	16,501,171
Depreciation expense	15,636,619	624,069	474,274	16,734,962	2,433,257
Total operating expenses	<u>55,573,724</u>	<u>1,232,430</u>	<u>3,789,369</u>	<u>60,595,523</u>	<u>26,724,533</u>
Operating income	<u>22,752,781</u>	<u>(1,215,511)</u>	<u>(326,750)</u>	<u>21,210,520</u>	<u>91,931</u>
Nonoperating revenues (expenses)					
Income on investments	3,469,619	2,210	45,052	3,516,881	624,413
Interest expense	(3,598,348)	—	(66,336)	(3,664,684)	(45,820)
Grants	88,455	—	1,425	89,880	—
Gain on disposition of capital assets	55,100	—	—	55,100	124,130
Other	195,675	—	—	195,675	—
Insurance recoveries	19,702	—	774	20,476	292,427
Debt issuance costs	(328,967)	—	—	—	—
Total nonoperating revenues (expenses)	<u>(98,764)</u>	<u>2,210</u>	<u>(19,085)</u>	<u>(115,639)</u>	<u>995,150</u>
Income before contributions and transfers	<u>22,654,017</u>	<u>(1,213,301)</u>	<u>(345,835)</u>	<u>21,094,881</u>	<u>1,087,081</u>
Capital contributions	13,602,623	26,241,548	579,464	40,423,635	7,423
Transfers in	350,000	639,206	250,000	1,239,206	—
Transfers (out)	(366,000)	—	—	(366,000)	(412,612)
Change in net position	<u>36,240,640</u>	<u>25,667,453</u>	<u>483,629</u>	<u>62,391,722</u>	<u>681,892</u>
Net position - beginning, as adjusted	<u>554,483,695</u>	<u>—</u>	<u>16,096,413</u>	<u>—</u>	<u>28,742,880</u>
Net position - ending	<u>\$ 590,724,335</u>	<u>\$25,667,453</u>	<u>\$ 16,580,042</u>	<u>—</u>	<u>\$ 29,424,772</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(146,003)	
Change in net position of business-type activities				<u>\$ 62,245,719</u>	

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utility	Parking Management	Nonmajor Fund Golf Course		
Cash flows from operating activities:					
Receipts from customers	\$ 76,652,955	\$ 16,919	\$ 3,419,057	\$ 80,088,931	\$ —
Receipts from interfund charges for risk management services	—	—	—	—	21,060,255
Receipts from interfund charges for capital outlay	—	—	—	—	3,284,796
Receipts from interfund charges for fleet services	—	—	—	—	2,662,390
Cash payments to employees for services	(10,651,238)	(83,588)	(1,495,576)	(12,230,402)	(1,344,674)
Cash payments for benefits on behalf of employees	(2,923,302)	349	(268,051)	(3,191,004)	—
Cash payments to suppliers for goods and services	(18,729,170)	(516,239)	(1,530,353)	(20,775,762)	(24,417,103)
Payments (to) from other funds	(8,270,505)	50,745	—	(8,219,760)	—
Other operating revenues	764,991	—	—	764,991	66,732
Net cash provided by (used in) operating activities	<u>36,843,731</u>	<u>(531,814)</u>	<u>125,077</u>	<u>36,436,994</u>	<u>1,312,396</u>
Cash flows from noncapital financing activities:					
Transfer in	350,000	639,206	250,000	1,239,206	—
Transfer out	(366,000)	—	—	(366,000)	(412,612)
Grant proceeds not restricted to capital purposes	88,455	—	1,425	89,880	—
Net cash provided by (used in) noncapital financing activities	<u>72,455</u>	<u>639,206</u>	<u>251,425</u>	<u>963,086</u>	<u>(412,612)</u>
Cash flows from capital and related financing activities:					
Principal paid on long-term debt	(3,568,923)	—	(563,223)	(4,132,146)	(350,402)
Interest paid on long-term debt	(4,542,969)	—	(69,971)	(4,612,940)	(43,929)
Deposit to escrow for refunding bond costs	(1,476,442)	—	—	(1,476,442)	—
Acquisition and construction of capital assets	(42,090,074)	(41,664)	(114,475)	(42,246,213)	(2,956,626)
Proceeds from sale of capital assets	15,100	—	—	15,100	116,098
Contributions	13,939,555	—	—	13,939,555	—
Insurance recoveries	19,702	—	774	20,476	292,427
Proceeds from grant/notes	24,049,462	—	—	24,049,462	613,388
Interest subsidy on capital debt	195,675	—	—	195,675	—
Net cash used in capital and related financing activities	<u>(13,458,914)</u>	<u>(41,664)</u>	<u>(746,895)</u>	<u>(14,247,473)</u>	<u>(2,329,044)</u>
Cash flow from investing activities:					
Proceeds from sale of investments	91,177,950	59,236	1,885,690	93,122,876	22,583,351
Purchases of investments	(106,694,883)	(115,575)	(1,558,434)	(108,368,892)	(21,149,467)
Interest received on investments	2,157,964	2,941	61,633	2,222,538	755,109
Net cash provided by (used in) investing activities	<u>(13,358,969)</u>	<u>(53,398)</u>	<u>388,889</u>	<u>(13,023,478)</u>	<u>2,188,993</u>
Net increase in cash and cash equivalents	10,098,303	12,330	18,496	10,129,129	759,733
Cash and cash equivalents - beginning of year	62,035,365	—	322,116	62,357,481	4,097,929 *
Cash and cash equivalents - end of year	<u>\$ 72,133,668</u>	<u>\$ 12,330</u>	<u>\$ 340,612</u>	<u>\$ 72,486,610</u>	<u>\$ 4,857,662</u>
Reconciliation of cash and cash equivalents to Statement of Net Position					
Unrestricted cash and cash equivalents	\$ 23,598,219	\$12,330	\$ 340,612	\$ 23,951,161	\$ 4,548,140
Unrestricted cash and cash equivalents with fiscal agent	—	—	—	—	309,521
Restricted cash and cash equivalents	281,008	—	—	281,008	—
Restricted cash and cash equivalents with fiscal agent	48,254,441	—	—	48,254,441	—
Total Cash and Cash Equivalents	<u>\$ 72,133,668</u>	<u>\$12,330</u>	<u>\$ 340,612</u>	<u>\$ 72,486,610</u>	<u>\$ 4,857,661</u>

*Beginning cash adjusted for change in fund type; see Note 3W in the Notes to the Financial Statements.

(Continued)

CITY OF WESTMINSTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utility	Parking Management	Nonmajor Fund Golf Course		
Reconciliation of operating income (loss) to net cash provided by operating activities					
Operating income (loss)	\$ 22,752,781	\$ (1,215,511)	\$ (326,750)	\$ 21,210,520	\$ 91,931
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	15,636,619	624,069	474,274	16,734,962	2,433,257
(Increase) decrease in accounts receivable	(908,559)	(10,986)	(52,471)	(972,016)	257,708
(Increase) decrease in inventories	89,885	—	(3,057)	86,828	13,484
(Increase) decrease in prepaid items	65,219	—	—	65,219	(710,688)
Increase(decrease) in deferred outflow of resources	6,603	(100)	645	7,148	—
Increase(decrease) in unearned revenue	—	—	8,909	8,909	—
Increase (decrease) in accounts payable and other	(762,778)	68,065	14,864	(679,849)	(1,303)
Increase (decrease) in accrued liabilities	(37,442)	2,524	8,278	(26,640)	5,819
Increase (decrease) in estimated claims	—	—	—	—	(777,812)
Increase (decrease) in deferred inflow of resources	1,403	125	385	1,913	—
Total adjustments	14,090,950	683,697	451,827	15,226,474	1,220,465
Net cash provided by (used in) operating activities	<u>\$ 36,843,731</u>	<u>\$ (531,814)</u>	<u>\$ 125,077</u>	<u>\$ 36,436,994</u>	<u>\$ 1,312,396</u>

Noncash investing, capital, and financing activities Enterprise Funds:

- * Capital assets were disposed of at a gain by the Utility Fund in the amount of \$40,000.
- * A contribution of \$5 was recorded in the Utility Fund to reflect the City's equity interest in the Church Ditch Water Authority.
- * Capital contributions were received by the Utility Fund from developers totaling \$248,063 and by the Golf Course Fund from governmental activities totaling \$579,464. The Parking Management Fund also received capital contributions from governmental activities totaling \$26,241,548.
- * The amount of accounts payable and retainage used to acquire capital assets at December 31, 2020 for the Utility Fund is \$6,574,609 an increase of \$3,079,863 compared to 2019, and for the Golf Course Fund is \$0, a decrease of \$24,964 compared to 2019.
- * The change in unrecognized gain recorded to value the non-cash investments for the Enterprise Funds to fair market value was an increase of \$1,326,483.
- * Net amortization totaling \$952,407 was recognized by the Enterprise Funds through the amortization of bond premiums, discounts, deferred loss on refunding, and bond insurance costs. A deferred loss of \$565,678 was recognized on a debt refunding in the Utility Fund.
- * Accrued interest decreased in total for Enterprise Funds by \$2,247.
- * Utility Fund debt issue proceeds of \$328,967 were used for debt issuance costs and \$20,875,634 for refunding bond costs.

Noncash investing, capital and financing activities Internal Service Funds:

- * The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$8,032.
- * Capital assets contributed from governmental activities to the Internal Service Funds totaled \$7,423.
- * Accounts payable used to acquire capital assets for the General Capital Outlay Replacement Internal Service Fund was \$0, a decrease of \$88,713 compared to 2019.
- * The change in unrecognized gain recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$212,657.
- * Accrued interest increased in total for Internal Service Funds by \$1,891.

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CITY OF WESTMINSTER, COLORADO
INDEX OF NOTES TO FINANCIAL STATEMENTS
DECEMBER 31,2020

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**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component Units

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

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

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

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

General Improvement Districts (GID)

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

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

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Westminster Building Authority (WBA)

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

B. Basic Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

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

Reporting of Internal Service

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

The City reports the following major proprietary funds:

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

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

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 and one internal service fund used for the maintenance of fleet equipment.

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

Deposits and Investments

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

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

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

Receivables

The 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 inflows of resources when liened, and as revenue when available for collection in the following year. The respective counties bill and collect the City's property taxes.

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

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expense/expenditure when consumed, rather than when purchased. Prepaid items reflect payments to vendors applicable to future accounting periods; the associated expense/expenditure is recognized in the period benefited by the prepayment.

Property Held for Resale

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

Restricted Assets

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

Capital Assets

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

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<u>Capital Asset Class</u>	<u>Life Months</u>
Machinery and equipment	36-240
Buildings and plants	360-600
Improvements other than buildings	240-600
Parks	240
Infrastructure	120-1200

Long-Term Debt Insurance and Issuance Costs

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

Deferred Outflows of Resources

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

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

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

Long-Term Debt Premiums and Discounts

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

Other Long-Term Liabilities

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

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

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

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

Deferred Inflows of Resources

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

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

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

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pension liability (asset) and total OPEB liability.

Use of Estimates

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

E. FPPA Pensions

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

F. Other Postemployment Benefits

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

G. Net Position/Fund Balances

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

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

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

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

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

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

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

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

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In 2009, City Council adopted a resolution establishing the General Fund Stabilization Reserve, which is intended to level the ebbs and flows of revenue collections, particularly sales and use tax revenues, and to smooth out any peaks or valleys that result from the unpredictable nature of this primary revenue source. The General Fund Stabilization Reserve is intended to enable continuous delivery of City services despite downturns in the economy. The reserve may be tapped prior to, in conjunction with or as a final step after budget reductions have been made. When not in an economic downturn, the target amount of the General Fund Stabilization Reserve in any given year is between 5% and 10% of the total sales and use tax revenues for that year. Should the reserve fall below the lower threshold of 5%, it will be replenished from various sources once economic conditions allow. At December 31, 2020, the General Fund Stabilization Reserve balance was \$9,325,640. This amount is included in the unassigned fund balance on the balance sheet.

H. Interfund Transactions

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

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

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

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

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NOTE 2 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

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

The total bank balance of the City's cash deposits as of December 31, 2020 was \$45,758,841, of which \$750,000 was covered by Federal Deposit Insurance. An additional \$500,000 in Federal Deposit Insurance covers deposits held separately for the Westminster Economic Development Authority. The carrying amount of deposits and cash on hand at December 31, 2020 was \$43,357,152.

Investments

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

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

The City's principal investment objectives are:

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

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

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

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

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

The City's securities at December 31, 2020, were in compliance with the City's Investment Policy. The City's investment policy follows Colorado Revised Statutes 24-75-602.1(j) and any changes enacted in the statutes.

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

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Cash, cash equivalents and investments as reported on the financial statements at December 31, 2020

Cash and cash equivalents	\$ 53,498,430
Cash and cash equivalents with fiscal agent	326,091
Investments	240,359,235
Restricted cash and cash equivalents	807,616
Restricted cash and cash equivalents with fiscal agent	74,138,256
Restricted investments	4,097,262
Restricted investments with fiscal agent	5,456,010
Total per Statement of Net Position:	\$ 378,682,900

Credit Quality Distribution for Securities as a Percentage of Total Investments

Investment Type	S & P Rating	% of Total Investments
Local Government Investment Pool CSAFE	AAA	14.91%
Local Government Investment Pool COLOTRUST	AAA	6.09%
Local Government Investment Pool CSIP	AAA	4.59%
Corporate US Bancorp	AA-	1.51%
Corporate Microsoft	AAA	0.76%
Corporate Berkshire Hathaway	AA	1.21%
Corporate Apple Inc	AA+	0.61%
Corporate Wal-Mart Stores	AA	1.36%
US Treasury Securities	Exempt	24.85%
Federal Farm Credit Banks	AA+	9.75%
Federal Home Loan Bank System	AA+	12.34%
Freddie Mac (Federal Home Loan Mortgage Corporation)	AA+	9.12%
Fannie Mae (Federal National Mortgage Association)	AA+	11.27%
Money Market First American Government Obligations Fund	AAA	1.22%
Money Market First American Treasury Obligations Fund	AAA	0.41%

Investment Type	Fair Value	Weighted Average Maturity (years)
Local Government Investment Pool	\$ 85,811,188	0.03
US Treasuries	83,315,224	0.35
US Instrumentalities	142,464,552	0.82
Domestic Corporate Securities	18,281,771	0.04
Money Market Funds	5,453,013	—
Total Investments controlled by City	\$ 335,325,748	
Total Portfolio Weighted Average Maturity		1.25

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Fair Value of Assets and Liabilities

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

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

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2020:

Investments by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 5,453,013	\$ 5,453,013	\$ —	\$ —
US Treasuries	83,315,224	—	83,315,224	—
US Instrumentalities	142,464,552	—	142,464,552	—
Domestic Corporate Securities	18,281,771	—	18,281,771	—
Total investments by fair value level	<u>249,514,560</u>	<u>5,453,013</u>	<u>244,061,547</u>	<u>—</u>
Investments measured at net asset value (NAV)				
Colorado Surplus Asset Fund Trust (CSAFE) (external investment pool)	50,015,988			
ColoTrust (external investment pool)	20,419,852			
Colorado Statewide Investment Program (CSIP) (external investment pool)	15,375,348			
Total investments measured at the NAV	<u>85,811,188</u>			
Total investments	<u>\$ 335,325,748</u>			

Investment Valuation Techniques. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The City does not have any level 3 securities as of December 31, 2020.

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

CITY OF WESTMINSTER, COLORADO
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DECEMBER 31, 2020

B. Disaggregation of Receivables

Receivables at December 31, 2020, were as follows:

	Taxes	Accounts	Notes and Leases	Grants	Interest	Total Receivables
Governmental Activities:						
General	\$ 18,140,799	\$ 5,599,095	\$ 1,834,822	\$ 624,408	\$ 147,236	\$ 26,346,360
GCIF	—	1,910,967	963,169	656,778	246,999	3,777,913
WEDA	16,584,617	3,203	6,802,826	—	35,918	23,426,564
Nonmajor governmental	1,310,806	15,256	2,250,000	210,751	22,436	3,809,249
Less: Allowance for Doubtful Accounts	—	(2,134,161)	(1,853,123)	—	—	(3,987,284)
Subtotal	36,036,222	5,394,360	9,997,694	1,491,937	452,589	53,372,802
Reconciliation of balances to government-wide financial statements:						
Internal service funds	—	240,995	—	—	80,792	321,787
Total - Governmental Activities	\$ 36,036,222	\$ 5,635,355	\$ 9,997,694	\$ 1,491,937	\$ 533,381	\$ 53,694,589
Business-type Activities:						
Utilities	\$ —	\$ 8,330,698	\$ 9,923	\$ —	\$ 423,412	\$ 8,764,033
Parking Management	—	10,986	—	—	192	11,178
Nonmajor proprietary	—	95,812	—	—	5,970	101,782
Less: Allowance for Doubtful Accounts	—	(43,410)	—	—	—	(43,410)
Total - Business-type Activities:	\$ —	\$ 8,394,086	\$ 9,923	\$ —	\$ 429,574	\$ 8,833,583

C. Notes Receivable

Governmental Activities

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

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

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

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

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

The Westminster Economic Development Authority entered into a loan with Eaton Street Affordable Housing, LLC in the amount of \$2,124,000 for the capitalized rent for parking spaces lease for the residential portion of the Eaton Street Project. Repayment of the loan is deferred until 17 years following the issuance of the certificate of occupancy discussed above. The note bears simple

CITY OF WESTMINSTER, COLORADO
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interest at the rate of one-tenth of one percent (.10%) per annum from the date of issuance of the certificate of occupancy. Full repayment of the note is required within 30 years following the issuance of the certificate of occupancy for the project. Payments will be made from housing cash flows for the project in accordance with a specific priority of repayment schedule.

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

The Westminster Housing Authority entered into a note with Westminster Commons VOA, LP as part of the sale of the Westminster Commons senior housing complex. Repayment will be made from projected cash flows generated by the project beginning in 2015 with a balloon payment of any unpaid principal and accrued interest in 2052. Interest is compounded annually at the rate of 3.6%. Due to the limited projected cash flows and unsecured subordinate note, an allowance for doubtful accounts has been established in the amount of \$1,853,123 at December 31, 2020. Actual cash flows and updated project cash flows will be reviewed annually with the allowance for doubtful accounts adjusted when necessary.

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

Description of notes and leases receivable

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Catellus Development Corporation	Land SID assessment	\$ 194,847	\$ 194,847	one-time payment	*
Hyland Hills Park and Recreation District	Ice Centre	4,975,000	1,367,500	semi-annually	2022
Eaton Street Affordable Housing LLC	Sale of Land and Building Permit Fee and Taxes	2,028,144	2,028,144	**	2036
Eaton Street Affordable Housing LLC	Affordable Housing Loan	1,650,000	1,695,115	**	2049
Eaton Street Affordable Housing LLC	Parking Space Lease Note	2,124,000	2,127,183	**	2036
Aspire Westminster LLC	Development Assistance Note	2,000,000	2,188,028	***	2029
Westminster Commons VOA, LP	Sale of Westminster Commons	2,250,000 ****	396,877	annually	2052
Total Governmental Activities		<u>\$ 15,221,991</u>	<u>\$ 9,997,694</u>		

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

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

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

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

Business Type Activities

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

Description of notes and leases receivable

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Scheduled Payments	Final Payment
Utility Customers	Water System Connection	\$ 85,663	\$ 9,923	monthly	2021
Total Business-Type Activities		<u>\$ 85,663</u>	<u>\$ 9,923</u>		

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

Notes and Leases Receivable Maturities

Year Ending	Governmental activities						Business-type activities
	Catellus	Hyland Hills	Eaton Street Affordable Housing LLC	Aspire Westminister LLC	Westminister Commons VOA, LP	Total	Utility Customers
2021	\$ 194,847	\$ 427,500	\$ —	\$ —	\$ 16,767	\$ 639,114	\$ 9,923
2022	—	940,000	—	—	17,364	957,364	—
2023	—	—	—	—	17,953	17,953	—
2024	—	—	—	—	18,533	18,533	—
2025	—	—	—	—	19,102	19,102	—
2026-2030	—	—	—	2,188,028	104,057	2,292,085	—
2031-2035	—	—	—	—	118,860	118,860	—
2036-2040	—	—	4,155,327	—	133,710	4,289,037	—
2041-2045	—	—	—	—	148,560	148,560	—
2046-2050	—	—	1,695,115	—	163,410	1,858,525	—
2051-2052	—	—	—	—	69,522	69,522	—
	194,847	1,367,500	5,850,442	2,188,028	827,838	10,428,655	9,923
Net present value/ principal adjustment	—	—	—	—	(430,961)	(430,961)	—
Total	\$ 194,847	\$ 1,367,500	\$ 5,850,442	\$ 2,188,028	\$ 396,877	\$ 9,997,694	\$ 9,923

D. Interfund Receivables and Payables

The composition of loans from and to other funds as of December 31, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
<i>Loans from/to other funds:</i>		
General Capital Improvement	Westminister Economic Development Authority	\$ 602,500
Total interfund receivables and payables		\$ 602,500

The loan of \$602,500 to the WEDA Fund was used to pay for expenses associated with the redevelopment of an abandoned residential project within the Holly Park Urban Renewal Area. This interfund loan is expected to be repaid in the near term.

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

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

E. Capital Assets

Capital Assets at December 31, 2020 were as follows:

	Primary Government				
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities:					
Land & Land Rights	\$ 152,612,214	\$ 1,158,689	\$ 182,197	\$ —	\$ 153,953,100
Water Rights	1,000,000	—	—	—	1,000,000
Joint Venture	5,361,000	—	—	—	5,361,000
Construction in progress	3,937,906	10,177,806	(6,234,533)	—	7,881,179
Total nondepreciable assets	<u>162,911,120</u>	<u>11,336,495</u>	<u>(6,052,336)</u>	<u>—</u>	<u>168,195,279</u>
Buildings	95,713,744	—	203,797	—	95,917,541
Improvements other than buildings	53,400,142	5,151	352,227	—	53,757,520
Parks	67,007,571	—	66,508	(29,198)	67,044,881
Ice Center	6,972,384	—	—	—	6,972,384
Infrastructure	432,945,341	—	(25,547,957)	(80,217)	407,317,167
Machinery and equipment	50,929,564	3,504,292	2,325,850	(754,137)	56,005,569
Total depreciable assets	<u>706,968,746</u>	<u>3,509,443</u>	<u>(22,599,575)</u>	<u>(863,552)</u>	<u>687,015,062</u>
Less accumulated depreciation for:					
Buildings	(63,931,439)	(2,117,900)	—	—	(66,049,339)
Improvements other than buildings	(34,504,596)	(2,213,105)	—	—	(36,717,701)
Parks	(47,202,303)	(2,522,119)	—	—	(49,724,422)
Ice Center	(3,050,418)	(145,258)	—	—	(3,195,676)
Infrastructure	(231,091,086)	(8,112,431)	2,197,632	6,033	(236,999,852)
Machinery and equipment	(36,109,154)	(4,267,554)	(366,733)	710,169	(40,033,272)
Total accumulated depreciation	<u>(415,888,996)</u>	<u>(19,378,367)</u>	<u>1,830,899</u>	<u>716,202</u>	<u>(432,720,262)</u>
Net total depreciable assets	<u>291,079,750</u>	<u>(15,868,924)</u>	<u>(20,768,676)</u>	<u>(147,350)</u>	<u>254,294,800</u>
Governmental activities capital assets, net	<u>\$ 453,990,870</u>	<u>\$ (4,532,429)</u>	<u>\$ (26,821,012)</u>	<u>\$ (147,350)</u>	<u>\$ 422,490,079</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 3,147,969
Public safety	1,361,533
Public works	2,884,281
Community development	5,198,534
Culture and Recreation	6,590,289
Unallocated depreciation-governmental funds	195,761
Total depreciation expense	<u>\$ 19,378,367</u>

	Primary Government (continued)				
	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Business-type activities:					
Land & Land Rights	\$ 27,293,162	\$ —	\$ 9,019,001	\$ —	\$ 36,312,163
Water rights	95,643,731	—	—	—	95,643,731
Construction in progress	45,706,347	44,682,068	(61,724,803)	—	28,663,612
Total nondepreciable assets	<u>168,643,240</u>	<u>44,682,068</u>	<u>(52,705,802)</u>	<u>—</u>	<u>160,619,506</u>
Buildings and plants	253,041,267	—	21,400,456	—	274,441,723
Improvements other than buildings	339,612,311	248,063	58,027,976	(4,263,485)	393,624,865
Parks	1,515,487	—	—	—	1,515,487
Machinery and equipment	27,592,721	658,994	1,929,281	(453,065)	29,727,931
Total depreciable assets	<u>621,761,786</u>	<u>907,057</u>	<u>81,357,713</u>	<u>(4,716,550)</u>	<u>699,310,006</u>
Less accumulated depreciation for:					
Buildings and plants	(131,703,365)	(6,309,260)	—	—	(138,012,625)
Improvements other than buildings	(104,333,069)	(8,450,967)	(793,852)	4,263,485	(109,314,403)
Parks	(1,504,514)	(2,669)	—	—	(1,507,183)
Machinery and equipment	(20,296,562)	(1,972,066)	(1,037,047)	453,065	(22,852,610)
Total accumulated depreciation	<u>(257,837,510)</u>	<u>(16,734,962)</u>	<u>(1,830,899)</u>	<u>4,716,550</u>	<u>(271,686,821)</u>
Net total depreciable assets	<u>363,924,276</u>	<u>(15,827,905)</u>	<u>79,526,814</u>	<u>—</u>	<u>427,623,185</u>
Business-type activities capital assets, net	<u>\$ 532,567,516</u>	<u>\$ 28,854,163</u>	<u>\$ 26,821,012</u>	<u>\$ —</u>	<u>\$ 588,242,691</u>

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

Utility	\$ 15,636,619
Parking Management	624,069
Nonmajor Proprietary	474,274
Total depreciation expense	<u>\$ 16,734,962</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

F. Disaggregation of Payables

Payables at December 31, 2020, were as follows:

	Accounts Payable	Other	Accrued Liabilities	Accrued Interest	Total Payables
Governmental Funds:					
General	\$ 7,619,261	\$ 1,532,154	\$ 2,222,018	\$ —	\$ 11,373,433
GCIF	1,786,842	387,000	36,804	—	2,210,646
WEDA	397,621	1,014,272	—	—	1,411,893
Nonmajor governmental	257,973	171	47,550	—	305,694
Subtotal - Governmental Funds	<u>10,061,697</u>	<u>2,933,597</u>	<u>2,306,372</u>	<u>—</u>	<u>15,301,666</u>
Reconciliation of balances to government-wide financial statements:					
Long-term liabilities susceptible to full accrual reporting	—	—	37,205	2,101,647	2,138,852
Internal service funds	618,195	—	41,125	36,045	695,365
Total - Governmental Activities	<u>\$ 10,679,892</u>	<u>\$ 2,933,597</u>	<u>\$ 2,384,702</u>	<u>\$ 2,137,692</u>	<u>\$ 18,135,883</u>
Business-type Activities:					
Utilities	\$ 7,835,876	\$ 588,199	\$ 306,176	\$ 371,726	\$ 9,101,977
Parking Management	61,731	—	2,524	—	64,255
Nonmajor proprietary	21,456	6,578	44,558	4,800	77,392
Total - Business-type Activities	<u>\$ 7,919,063</u>	<u>\$ 594,777</u>	<u>\$ 353,258</u>	<u>\$ 376,526</u>	<u>\$ 9,243,624</u>

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

G. Interfund Transfers

Transfer activity for the year ended December 31, 2020 was as follows:

TRANSFERS OUT	TRANSFERS IN							
	General Fund	General Capital Improvement Fund	Westminster Economic Development Authority	Nonmajor Governmental Funds	Utility Fund	Parking Management Fund	Nonmajor Proprietary Funds	Grand Total
General Fund	\$ —	\$ 7,869,971	\$ —	\$ 1,345,596	\$ —	\$ 639,206	\$ —	\$ 9,854,773
General Capital Improvement Fund	—	—	—	448,055	350,000	—	—	798,055
WEDA	—	2,623,684	—	—	—	—	—	2,623,684
Nonmajor Governmental Funds	93,300	2,989,232	64,100	2,038,941	—	—	250,000	5,435,573
Internal Service Fund	412,612	—	—	—	—	—	—	412,612
Nonmajor Proprietary Funds	—	—	—	—	—	—	—	—
Parking Management Fund	—	—	—	—	—	—	—	—
Utility Fund	342,210	—	—	23,790	—	—	—	366,000
Grand Totals	\$ 848,122	\$ 13,482,887	\$ 64,100	\$ 3,856,382	\$ 350,000	\$ 639,206	\$ 250,000	\$ 19,490,697

The matrix summarizes the City's interfund transfer activity. Most transfers between the General, General Capital Improvement, WEDA, and Nonmajor Governmental Funds are routinely used to reallocate resources to fund City operations, capital construction, land purchases, debt service and governmental subsidies. In 2020, a transfer of \$1,685,115 from WEDA to the General Capital Improvement Fund transpired to provide funding for an interceptor sewer project. Transfer activity between governmental and business-type funds is detailed below:

Reconciliation of Transfers between Governmental and Proprietary Funds:

From the Utility Fund to the General Fund in lieu of taxes	\$ 342,210
From the Utility Fund to the Nonmajor Governmental Fund (Open Space Fund) in lieu of taxes	23,790
From the General Capital Improvement Fund to the Utility Fund	(350,000)
From Internal Service Fund to General Fund to reduce Sales Tax transfers to General Fund to mitigate impact of COVID 19 on Sales Tax Fund	412,612
From the General Fund to the Parking Fund	(639,206)
From the Nonmajor Governmental Fund (Open Space Fund) to the Golf Course Fund to assist with debt service obligations	(250,000)
Total transfers between Governmental and Business Type Activities Funds	\$ (460,594)

Reconciliation of Transfers between Governmental and Business-type Activities

Transfers between Governmental and Proprietary Funds	\$ (460,594)
Elimination of Internal Service Funds	(412,612)
Reassignment of capital assets between governmental and business-type activities	(26,821,012)
	\$ (27,694,218)

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

H. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, loans, notes and other long-term debt issues:					
Revenue bonds	\$ 20,495,000	\$ —	\$ (2,495,000)	\$ 18,000,000	\$ 2,595,000
Tax increment bonds	17,315,000	—	(1,665,000)	15,650,000	1,715,000
Tax increment loans from direct placements	41,639,000	—	(3,984,000)	37,655,000	4,125,000
Notes from direct borrowings and direct placements	2,167,027	613,388	(644,626)	2,135,789	530,894
Certificates of participation	58,405,000	—	(5,655,000)	52,750,000	5,825,000
	<u>140,021,027</u>	<u>613,388</u>	<u>(14,443,626)</u>	<u>126,190,789</u>	<u>14,790,894</u>
Bond premium	6,923,809	—	(785,935)	6,137,874	—
Bond discount	(184,425)	—	21,283	(163,142)	—
Total bonds, loans and notes payable	<u>146,760,411</u>	<u>613,388</u>	<u>(15,208,278)</u>	<u>132,165,521</u>	<u>14,790,894</u>
Other liabilities:					
Compensated absences	6,418,898	12,090,381	(10,538,910)	7,970,369	482,929
OPEB	2,504,650	386,223	(117,458)	2,773,415	—
Pollution remediation	—	153,000	—	153,000	153,000
Net Pension Liability	5,290,108	—	(5,290,108)	—	—
Total other liabilities	<u>14,213,656</u>	<u>12,629,604</u>	<u>(15,946,476)</u>	<u>10,896,784</u>	<u>635,929</u>
Governmental activities long-term liabilities	<u>\$ 160,974,067</u>	<u>\$ 13,242,992</u>	<u>\$ (31,154,754)</u>	<u>\$ 143,062,305</u>	<u>\$ 15,426,823</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds, notes, loans and other long-term debt issues:					
Revenue bonds	\$ 99,470,000	\$ 17,380,000	\$ (23,450,000)	\$ 93,400,000	\$ 1,735,000
Notes from direct borrowings and direct placements	6,012,068	23,331,532	(2,032,149)	27,311,451	2,008,932
Certificates of participation	1,815,000	—	(430,000)	1,385,000	445,000
	<u>107,297,068</u>	<u>40,711,532</u>	<u>(25,912,149)</u>	<u>122,096,451</u>	<u>4,188,932</u>
Add:					
Bond/Notes premium	13,083,724	4,542,530	(1,001,825)	16,624,429	—
Bond discount	(10,577)	—	3,727	(6,850)	—
Total bonds, notes and loans payable	<u>120,370,215</u>	<u>45,254,062</u>	<u>(26,910,247)</u>	<u>138,714,030</u>	<u>4,188,932</u>
Other liabilities:					
Compensated absences	1,187,029	1,366,609	(1,556,803)	996,835	18,306
OPEB	525,271	61,892	(18,725)	568,438	—
Pollution remediation	316,646	—	(54,051)	262,595	20,000
Total other liabilities	<u>2,028,946</u>	<u>1,428,501</u>	<u>(1,629,579)</u>	<u>1,827,868</u>	<u>38,306</u>
Business-type activities long-term liabilities	<u>\$ 122,399,161</u>	<u>\$ 46,682,563</u>	<u>\$ (28,539,826)</u>	<u>\$ 140,541,898</u>	<u>\$ 4,227,238</u>

CITY OF WESTMINSTER, COLORADO
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Long-term liability outstanding at December 31, 2020 was as follows:

Revenue Bonds	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Sales and Use Tax Refunding Series 2001	Refunding/112th Ave Improvements	\$ 13,275,000	\$ 215,000	5%	12/01/21
Sales and Use Tax Refunding Series 2010	Refunding/Street Improvements	10,545,000	2,470,000	5%	12/01/22
Sales and Use Tax POST Refunding Series 2015	Refunding/POST 2007D	18,500,000	15,315,000	2.0% - 5.0%	12/01/31
Total Governmental Activities			<u>18,000,000</u>		
Water/Wastewater Revenue Series 2016	Water and Wastewater Bonds	42,830,000	37,995,000	1.5-5.0%	12/01/36
Water/Wastewater Revenue Series 2019	Water and Wastewater Bonds	38,025,000	38,025,000	3.0-5.0%	12/01/39
Water/Wastewater Refunding Series 2020	Refunding Water/Wastewater 2010	17,380,000	17,380,000	2.0-5.0%	12/01/30
Total Business-type Activities			<u>93,400,000</u>		
Total Revenue bonds			<u>\$ 111,400,000</u>		

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

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2021	\$ 2,595,000	\$ 757,819	\$ 3,352,819	2021	\$ 1,735,000	\$ 3,910,975	\$ 5,645,975
2022	2,370,000	650,569	3,020,569	2022	3,405,000	3,884,950	7,289,950
2023	1,190,000	555,169	1,745,169	2023	3,575,000	3,714,700	7,289,700
2024	1,250,000	495,669	1,745,669	2024	3,650,000	3,633,950	7,283,950
2025	1,315,000	433,169	1,748,169	2025	3,780,000	3,505,500	7,285,500
2026-2030	7,585,000	1,144,494	8,729,494	2026-2030	21,730,000	14,696,000	36,426,000
2031	1,695,000	52,969	1,747,969	2031-2035	28,250,000	8,690,500	36,940,500
Total	<u>\$ 18,000,000</u>	<u>\$ 4,089,858</u>	<u>\$ 22,089,858</u>	2036-2039	27,275,000	2,281,050	29,556,050
				Total	<u>\$ 93,400,000</u>	<u>\$ 44,317,625</u>	<u>\$ 137,717,625</u>

Tax Increment Bonds and Loans

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Tax Increment Bonds					
WEDA Revenue Refunding Bonds Series 2012	Mandalay Gardens Urban Renewal	\$ 28,900,000	\$ 15,650,000	4%	12/01/28
Total Tax Increment Bonds			<u>15,650,000</u>		
Tax Increment Loans - Direct Placement					
WEDA Revenue Loan Series 2012	North Huron Urban Renewal	59,000,000	33,545,000	3.51%	12/01/28
WEDA Revenue Loan Series 2012	South Sheridan Urban Renewal	7,420,000	4,110,000	(1)	12/01/28
Total Increment Loans - Direct Placement			<u>37,655,000</u>		
Total Governmental Activities			<u>\$ 53,305,000</u>		

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

Year	Bonds		Direct Placement Loans		Total
	Principal	Interest	Principal	Interest	
2021	\$ 1,715,000	\$ 614,875	\$ 4,125,000	\$ 1,322,784	\$ 7,777,659
2022	1,765,000	563,425	4,270,000	1,141,479	7,739,904
2023	1,840,000	492,825	4,419,000	995,779	7,747,604
2024	1,910,000	419,225	4,574,000	844,992	7,748,217
2025	1,970,000	361,925	4,733,000	688,908	7,753,833
2026-2028	6,450,000	536,875	15,534,000	1,074,942	23,595,817
Total	<u>\$ 15,650,000</u>	<u>\$ 2,989,150</u>	<u>\$ 37,655,000</u>	<u>\$ 6,068,884</u>	<u>\$ 62,363,034</u>

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

CITY OF WESTMINSTER, COLORADO
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Certificates of Participation (2)

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	\$ 12,825,000	\$ 2,795,000	3.25% - 4.25%	12/01/22
Certificates of Participation 10	Ice Centre Refunding	9,950,000	2,735,000	3.0% - 4.5%	12/01/22
Certificates of Participation 13	144th & I-25 Interchange Refunding	11,095,000	5,850,000	2.0% - 4.0%	12/01/25
Certificates of Participation 15 A	Westminster Downtown Nontaxable	30,000,000	30,000,000	4.0% - 5.0%	12/01/38
Certificates of Participation 15 B	Westminster Downtown Taxable	10,000,000	5,020,000	1.54% - 3.72%	12/01/24
Certificates of Participation 16	Refunding/Capital Facilities & Streets	14,995,000	6,350,000	1.25% - 5.00%	12/01/25
Total Governmental Activities			<u>52,750,000</u>		
Certificates of Participation 10	Refunding/Public Safety & Golf Course Revenue	4,820,000	1,385,000	3.25% - 4.25%	12/01/23
Total Business-type Activities			<u>1,385,000</u>		
Total Certificate of Participation			<u>\$ 54,135,000</u>		

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

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

Year	Governmental Activities			Year	Business-type Activities		
	Principal	Interest	Total		Principal	Interest	Total
2021	\$ 5,825,000	\$ 2,266,410	\$ 8,091,410	2021	\$ 445,000	\$ 52,013	\$ 497,013
2022	7,005,000	2,091,830	9,096,830	2022	460,000	37,550	497,550
2023	3,835,000	1,815,385	5,650,385	2023	480,000	18,000	498,000
2024	3,980,000	1,668,701	5,648,701	Total	<u>\$ 1,385,000</u>	<u>\$ 107,563</u>	<u>\$ 1,492,563</u>
2025	4,130,000	1,512,100	5,642,100				
2026-2030	8,755,000	5,758,000	14,513,000				
2031-2035	11,165,000	3,340,250	14,505,250				
2036-2038	8,055,000	652,800	8,707,800				
Total	<u>\$ 52,750,000</u>	<u>\$ 19,105,476</u>	<u>\$ 71,855,476</u>				

Notes from Direct Borrowings and Placements

Outstanding	Purpose of Issue	Amount Issued	Amount Outstanding	Coupon Interest Rate	Final Maturity
Note	10 Energy Saving Equipment	\$ 2,517,094	\$ 152,567	4.10%	04/01/21
Note	16 Fire Pumper	1,040,859	466,989	2.36%	06/28/23
Note	19 Fire Ladder	1,039,835	902,845	2.95%	01/15/26
Note	20 Fire Pumper	613,388	613,388	1.30%	01/22/27
Total Notes from Direct Borrowings - Governmental Activities			<u>2,135,789</u>		
Colorado Water Power Authority Note 05	Big Dry Creek Wastewater Treatment Plant	15,440,000	4,315,000	3.32%	06/01/25
Colorado Water Resources and Power Development Authority Note 20	Big Dry Creek Interceptor Sewer Repair/ Replacement and Capacity Increase	23,331,532	22,844,166	1.28%	06/01/40
Rehfeld Note	Purchase of water shares	180,000	44,927	4.00%	03/31/23
Golf Course Note	17 Golf Cart Joint Lease	492,064	107,358	2.33%	02/25/21
Total Notes from Direct Borrowings and Placements - Business-type Activities			<u>27,311,451</u>		
Total Notes from Direct Borrowings and Placements			<u>\$ 29,447,240</u>		

**CITY OF WESTMINSTER, COLORADO
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Annual debt service requirements to maturity for notes from direct borrowings and placements are as follows:

Governmental Activities				Business-type Activities			
Notes from Direct Borrowings				Notes from Direct Borrowings and Placements			
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2021	\$ 530,894	\$ 45,388	\$ 576,282	2021	\$ 2,008,932	\$ 513,883	\$ 2,522,815
2022	384,511	36,797	421,308	2022	1,955,312	460,853	2,416,165
2023	393,538	27,771	421,309	2023	2,021,394	403,059	2,424,453
2024	239,712	18,519	258,231	2024	2,086,453	311,736	2,398,189
2025	245,344	12,887	258,231	2025	1,606,252	283,056	1,889,308
2026-2027	341,790	8,286	350,076	2026-2030	5,658,552	1,168,781	6,827,333
				2031-2035	6,059,631	764,371	6,824,002
				2036-2040	5,914,925	224,270	6,139,195
Total	<u>\$ 2,135,789</u>	<u>\$ 149,648</u>	<u>\$ 2,285,437</u>	Total	<u>\$ 27,311,451</u>	<u>\$ 4,130,009</u>	<u>\$ 31,441,460</u>

Summary of Significant Terms with Finance-Related Consequences.

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

Government Activities

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

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

Business Activities

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

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

CITY OF WESTMINSTER, COLORADO
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I. Net Position

The government-wide and business-type financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted Net Position is liquid assets which have third-party limitations on their use. Restricted net position is reported by major category, which includes emergencies; capital projects; open space conservation and improvements; and debt service. Nonmajor categories have been aggregated as restricted for other purposes. Unrestricted Net Position represents assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions. Net Investment in Capital Assets at December 31, 2020 was as follows:

Governmental activities:

Capital Assets, net of accumulated depreciation: \$ 422,490,079

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Sales and Use Tax Refunding Series 2001	\$ 215,000	\$ (377)	\$ 214,623	\$ —	\$ 214,623
Sales and Use Tax Refunding Series 2010	2,470,000	26,847	2,496,847	—	2,496,847
Sales and Use Tax Refunding Series 2010 "B interest coupons"	—	(603)	(603)	—	(603)
Sales and Use Tax Refunding Series 2015	15,315,000	614,486	15,929,486	—	15,929,486
WEDA Revenue Refunding Bonds Series 2012 (Mandalay Gardens)	15,650,000	403,874	16,053,874	—	16,053,874
WEDA Revenue Loan Series 2012 (North Huron)	33,545,000	—	33,545,000	—	33,545,000
WEDA Revenue Loan Series 2012 (South Sheridan)	4,110,000	(114,208)	3,995,792	—	3,995,792
Notes payable	2,135,789	—	2,135,789	—	2,135,789
Certificates of Participation	52,750,000	2,688,599	55,438,599	2,104,201	53,334,398
Accounts payable and retainage incurred for capital asset purchases	1,778,697	—	1,778,697	—	1,778,697
Total Governmental Activities	\$ 127,969,486	\$ 3,618,618	\$ 131,588,104	\$ 2,104,201	129,483,903

Net investment in capital assets, governmental activities

\$ 293,006,176

Business-type activities:

Capital Assets, net of accumulated depreciation: \$ 588,242,691

Related Debt and payables:

Issue	Amount Outstanding	Premiums (Discounts and Deferred Loss on Refunding)	Total Capital Related Debt	Less Unspent Proceeds	Net Capital Related Debt
Water/Wastewater Revenue Series 2016	\$ 37,995,000	\$ 6,541,472	\$ 44,536,472	\$ —	\$ 44,536,472
Water/Wastewater Revenue Series 2019	38,025,000	5,557,855	43,582,855	24,212,411	19,370,444
Water/Wastewater Refunding Series 2020	17,380,000	3,505,895	20,885,895	24,042,030	(3,156,135)
Certificates of Participation 10 (Golf Course Portion)	1,385,000	12,067	1,397,067	—	1,397,067
Water Notes	27,204,093	454,995	27,659,088	—	27,659,088
Notes payable	107,358	—	107,358	—	107,358
Accounts payable and retainage incurred for capital asset purchases	6,574,609	—	6,574,609	—	6,574,609
Total Business Type Activities	\$ 128,671,060	\$ 16,072,284	\$ 144,743,344	\$ 48,254,441	96,488,903

Net investment in capital assets, business-type activities

491,753,788

Total net investment in capital assets

\$ 784,759,964

CITY OF WESTMINSTER, COLORADO
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J. Pledged Revenues

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

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

These bonds are payable solely from sales and use tax revenue collections. Current year, principal and interest of \$1,599,000 for the general sales and use tax revenue bonds and \$1,745,569 for the Parks Open Space Tax (POST) revenue bonds. They were paid using 2.1% of the general sales tax net pledged revenues totaling \$76,855,666 and 25.5% of the POST net pledged revenues totaling \$6,858,280 respectively. Total principal and interest payments remaining on the general sales and use tax bonds is \$2,880,000 payable through December 2022 and \$19,209,858 for the POST bonds payable through December 2031.

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

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

Tax increment revenue bonds and loans are payable from incremental sales taxes and property taxes generated by increases above the base value of retail sales and assessed valuation in the urban renewal area plus interest earnings. Principal, interest and fees of \$7,781,036 reported in the WEDA statements were paid using 56.2% of incremental net pledged revenues and prior year pledged revenues for a total of \$13,841,553. Total principal and interest remaining on the bonds and loans is \$62,363,034, payable through December 2028.

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

Colorado Water Resource and Power Development Authority Notes:

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

Revenue Bonds:

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

The revenue bonds and notes are payable from water, waste water and storm water pledged net revenues. Principal, interest and fees of \$8,102,100 reported in the Utility statements were paid using 14.7% of pledged net revenues totaling \$54,952,638. Total principal and interest remaining on the revenue bonds and loans is \$169,003,159, payable through June 2040.

K. Moral Obligation Pledge

The City has entered into moral obligations with the following WEDA borrowings: Revenue Refunding Bonds Series 2012 (Mandalay Gardens Urban Renewal), Revenue Loan Series 2012 (North Huron), and Revenue Loan Series 2012 (South Sheridan) with an aggregate balance of \$53,305,000 outstanding as of December 31, 2020. A moral obligation is a pledge by the City Manager to request of Council that the City replenish the Reserve Fund associated with this debt to the minimum required per the bond indenture or loan document should it become necessary. Council will consider, but is not obligated to fulfill this request.

CITY OF WESTMINSTER, COLORADO
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L. Disaggregation of Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources	Loss on refunding debt	Pension	OPEB	Total
Governmental Fund Activities:	\$ —	\$ —	\$ —	\$ —
Reconciliation of balances in fund financial statements to government-wide financial statements	2,356,114	17,128,295	614,257	20,098,666
Total - Governmental Activities	2,356,114	17,128,295	614,257	20,098,666
Business-type Activities:				
Utility Fund	534,251	—	110,837	645,088
Parking Management	—	—	100	100
Nonmajor proprietary funds	11,044	—	13,835	24,879
Total - Business-type Activities:	545,295	—	124,772	670,067
Total Government-wide Activities	\$ 2,901,409	\$ 17,128,295	\$ 739,029	\$ 20,768,733

Deferred Inflows of Resources	Property taxes	Pensions	OPEB	Grants	Assessments, Notes and Leases	Other	Total
Governmental Fund Activities:							
General	\$ 6,828,219	\$ —	\$ —	\$ 717,923	\$ 2,284,989	\$ 394,657	\$ 10,225,788
GCIF	—	—	—	656,778	963,169	82,920	1,702,867
WEDA	16,584,617	—	—	—	6,802,826	—	23,387,443
Other Governmental	527,636	—	—	210,751	396,877	—	1,135,264
Subtotal	23,940,472	—	—	1,585,452	10,447,861	477,577	36,451,362
Reconciliation of balances in fund financial statements to government-wide financial statements	—	7,496,108	541,009	(1,585,452)	(10,253,014)	(477,577)	(4,278,926)
Total - Governmental Activities	\$ 23,940,472	\$ 7,496,108	\$ 541,009	\$ —	\$ 194,847	\$ —	\$ 32,172,436
Business-type Activities:							
Utility Fund	\$ —	\$ —	\$ 96,176	\$ —	\$ —	\$ —	\$ 96,176
Parking Management	—	—	125	—	—	—	125
Nonmajor Proprietary funds	—	—	12,070	—	—	—	12,070
Total - Business-type Activities:	—	—	108,371	—	—	—	108,371
Total Government-wide Activities	\$ 23,940,472	\$ 7,496,108	\$ 649,380	\$ —	\$ 194,847	\$ —	\$ 32,280,807

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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 2019 to 2020. The City has not had any settlements during the last three fiscal years that exceeded insurance coverage.

Medical and Dental Self-Insurance Internal Service Fund

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

The City has an Administrative Service Only plan with Aetna, whereby the City pays Aetna a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City provides a specific stop loss of \$175,000 per individual per year. Both Aetna plans have an unlimited lifetime benefit. The City has recorded a liability in this fund totaling \$1,084,924 for open and estimated claims not yet reported at December 31, 2020 and a receivable of \$150,039 for claims in excess of the stop loss.

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

Workers' Compensation Self-Insurance Internal Service Fund

The City established a self-insured program for workers' compensation claims effective January 1, 1986. The purpose of this program is to pay workers' compensation claims of City employees and to reduce total annual workers' compensation costs to the City. As of April 1, 2017, the program covers individual losses up to \$550,000 per claim. Greater individual losses are covered by an excess insurance policy with statutory limits per occurrence purchased from an outside company. The City has recorded a liability totaling \$259,923 for open claims and estimated claims not yet reported at December 31, 2020.

Property and Liability Self-Insurance Internal Service Fund

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

Liabilities are reported when a claim is made against the City. The City has recorded a liability totaling \$1,146,674 for open claims at December 31, 2020.

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

Year	Beginning Balance Unpaid Claims	Incurred Claims	Cumulative Claim Payments	Ending Balance Unpaid Claims
2019	\$ 2,822,218	\$ 14,950,339	\$ 14,503,224	\$ 3,269,333
2020	\$ 3,269,333	\$ 16,596,141	\$ 17,373,953	\$ 2,491,521

CITY OF WESTMINSTER, COLORADO
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B. Public Entity Risk Pools

The Colorado Intergovernmental Risk Sharing Agency ("CIRSA") was formed by an intergovernmental agreement by member municipalities pursuant to the provisions of regulation 24-10-115.5, C.R.S. (1982 Repl. Vol.), as amended, 29-1-201 et seq., C.R.S. (1977 Repl. Vol.), as amended, 29-13-102, C.R.S. (1977 Repl. Vol.), as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is restricted to Colorado municipalities, which are members of the Colorado Municipal League. The City only participates in the property and liability coverage of the pool and does not participate in the worker's compensation coverage. As of December 31, 2020, there were 270 member municipalities and 42 Affiliated Public Entities, including the City of Westminster, in the property and casualty pool.

The purpose of CIRSA is to provide members defined liability and property coverage and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property that might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for property, liability, fiduciary, crime, police professional, and errors and omissions. The deductible amount paid by the City per each incident in 2020 was \$250,000 for property and \$250,000 for liability. Coverages are as follows:

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

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

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

C. Contingent Liabilities

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

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

Various suits and claims are pending against the City as of December 31, 2020. 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.

Current Economic Uncertainties. As a result of the spread of SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the fiduciary net position and changes in fiduciary net position of CSAFE. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

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D. Construction and Other Significant Commitments

At December 31, 2020, the City had commitments for the acquisition and construction of various major capital projects and facilities in the capital projects and enterprise funds as shown below.

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

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

	Appropriation 12/31/2020	Cumulative Expenditures 12/31/2020	Authorized Available 12/31/2020
Governmental activities:			
General Capital Improvement Fund	\$ 101,470,329	\$ 7,543,754	\$ 93,926,575
Westminster Economic Development Authority	24,393,203	22,890	24,370,313
Nonmajor Governmental activities	4,840,462	314,535	4,525,927
General Capital Outlay Replacement Fund	7,756,392	—	7,756,392
Total Governmental activities	<u>\$ 138,460,386</u>	<u>\$ 7,881,179</u>	<u>\$ 130,579,207</u>
Business-type activities			
Utility Fund	\$ 119,873,061	\$ 28,533,782	\$ 91,339,279
Nonmajor Business-type activities	1,498,092	129,830	1,368,262
Total Business-type activities	<u>\$ 121,371,153</u>	<u>\$ 28,663,612</u>	<u>\$ 92,707,541</u>

E. Denver Water Raw Water Contract

The City has the right to perpetually purchase up to 4,500 acre-feet of Moffat Collection System raw water annually from Denver Water. Permitted deliveries vary from month-to-month and peak during the summer months. By contract the City is obligated to take or pay for 1,750 acre-feet of water during the contract period, which runs from July 1 to June 30. The 2020 rate charged by Denver Water was \$1.11 per thousand gallons, or \$361.69 per acre-foot (there are 325,851 gallons in one acre-foot). For the fiscal period of July 1, 2019 through June 30, 2020 the City did not take any water from January, 2020 through June 30, 2020. For the fiscal period of July 1, 2019 through June 30, 2020, the City paid Denver Water \$632,931 for approximately 1,750 acre-feet of water delivered between August, 2020 and October, 2020. Thus, the 2020 calendar year total cost for the contract was \$632,931.

F. Perpetual Agreement

In December 2003, the City amended its perpetual water rights lease exchange contract dated January 7, 1982 with the City of Thornton. The amended contract provides that Westminster could perpetually lease from Thornton 2.0 million gallons per day of treated water with the option to increase or decrease this amount by 10%. The rate from January 1, 2020 through December 31, 2020 was \$5.54 per thousand gallons, for a total lease cost of \$3,896,325. In 2009, the City of Westminster signed an agreement with the City of Brighton that states Brighton will take the full amount of water, up to 2.2 million gallons, and reimburse the City of Westminster its payment to Thornton. All future rate increases will be passed through in a similar fashion, and Brighton will have all responsibility for the lease.

G. Employee Defined Contribution Retirement Plans

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

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

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

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

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

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

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

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

Summary of Contributions For the year ended December 31, 2020, contributions made to the plan equaled required contributions and were as follows:

	2020
401(a) Defined Contribution Plan	
City Contributions	\$ 4,558,410
Mandatory employee contributions	5,260,158
Voluntary employee contributions	43,237
Rollover contribution	73,830
Total	\$ 9,935,635

General Information about the Statewide Money Purchase Plan

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

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

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

Total contributions to the Statewide Money Purchase Plan from the City were \$45,226 and \$43,766 for the Fire and Police Plans respectively for the year ended December 31, 2020.

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General Information about the Deferred Compensation Plans

Plan Description Employees may voluntarily participate in the 457(b) Deferred Compensation Plan. The Plan permits participants to defer a portion of their salary until future years or contribute on an after-tax basis. A wide array of investment options are available through the Plan. The Plan uses a third-party administrator, Empower Retirement, and all costs of administration are borne by the Plan participants. The Deferred Compensation Committee is responsible for the formation, adoption, and enforcement of the rules and regulations pertinent to the operation of the Plan. Amounts deferred under the Plan are not available to employees until termination, retirement, death or unforeseeable emergency.

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

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

Contributions into the 457(b) plans are funded by participant contributions of up to a maximum limit set by the IRS of \$19,500 for the calendar year 2020. Catch-up contributions up to \$6,500 for calendar year 2020 were allowed for participants who had attained age 50 before the end of the year, subject to the limitation of IRC §414(v). Total participant contributions into the 457(b) Deferred Compensation Plan were \$4,703,361 and into the 457(b) FICA Alternative Deferred Compensation Plan were \$217,423. The City matches up to 12.5% for City Council members only. City Council is required to contribute at least 7.5%. The expense recorded by the City for the match of City Council members was \$9,793.

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

H. Employee Defined Benefit Retirement Plans

Fire and Police Pension Plans (FPPA)

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

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

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

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

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

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

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

Plan	Net Pension Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Fire Plan	\$ 883,250	\$ 6,378,104	\$ 1,405,779	\$ 881,137
FPPA SWDB - Police Plan	1,280,911	8,665,693	4,586,608	799,111
FPPA SWH - Fire Plan	723,582	820,459	147,064	141,494
FPPA SWH - Police Plan	1,595,553	1,264,039	1,274,854	(52,957)
Volunteer Firefighter	986,664	—	81,803	(39,329)
Totals	<u>\$ 5,469,960</u>	<u>\$ 17,128,295</u>	<u>\$ 7,496,108</u>	<u>\$ 1,729,456</u>

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

General Information about the Statewide Defined Benefit Pension Plan

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

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

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

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

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

Members of the SWDB plan and the City are contributing at the rate of 11 and 8 percent, respectively, of base salary for a total contribution rate of 19 percent for 2020. Member contribution rates are scheduled to increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by

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the FPPA Board of Directors. The re-entry group has a combined contribution rate of 23 percent of base salary for 2020. The re-entry group is scheduled to have their required member contribution rate increase 0.5 percent annually through 2022. Beginning January 1, 2021, the required additional 4 percent contribution reduces to 0.2 percent. It is a local decision as to whether the member or employer pays the additional 0.2 percent contribution. Employer contributions will remain at 10 percent and increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings. The member contribution rate will remain at 14% in 2022.

Total contributions to the SWDB Fire Plan and SWDB Police Plan from the City were \$962,128 and \$1,426,509 respectively for the year ended December 31, 2020.

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

At December 31, 2020, the City reported assets for the SWDB Fire Plan and SWDB Police Plan of \$883,250 and \$1,280,911 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020, which was unchanged from December 31, 2019. The City's proportion of the net pension asset was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2019, the City's proportion for the SWDB Fire Plan and SWDB Police Plan was 1.562 percent and 2.265 percent respectively, which was a decrease of 0.170 percent for the SWDB Fire Plan and a decrease of 0.187 percent for the SWDB Police Plan from the proportions measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$881,137 for the SWDB Fire Plan and pension expense of \$799,111 for the SWDB Police Plan. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,989,079	\$ 17,289	\$ 4,334,837	\$ 25,073
Changes of assumptions	1,677,104	—	2,432,177	—
Net difference between projected and actual earnings on pension plan investments	—	1,388,490	—	2,013,623
Changes in proportion	749,793	—	472,170	2,547,912
City contributions subsequent to the measurement date	962,128	—	1,426,509	—
Total	\$ 6,378,104	\$ 1,405,779	\$ 8,665,693	\$ 4,586,608

The SWDB Fire Plan and SWDB Police Plan respectively reported \$962,128 and \$1,426,509 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2021.

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2021	\$ 412,727	\$ 119,810
2022	292,480	(54,574)
2023	744,185	600,499
2024	158,290	(249,180)
2025	749,699	610,052
Thereafter	1,652,816	1,625,969
Total	\$ 4,010,197	\$ 2,652,576

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Actuarial assumptions. The January 1, 2020 actuarial valuation used the following actuarial assumption and other inputs:

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	38%	7.00%
Equity Long/Short	8%	6.00%
Private Markets	25%	9.20%
Fixed Income	15%	5.20%
Absolute Return	8%	5.50%
Managed Futures	4%	5.00%
Cash	2%	2.52%
Total	100%	

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

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

	1% Decrease (6.00)%	Discount Rate (7.00)%	1% Increase (8.00)%
City's proportionate share of the net pension liability (asset) - Fire Plan	\$ 5,355,334	\$ (883,250)	\$ (6,057,329)
City's proportionate share of the net pension liability (asset) - Police Plan	7,766,438	(1,280,911)	(8,784,488)

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

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Changes Between the Measurement Date of the Net Pension Asset and December 31, 2020. House Bill 20-1044 was signed into law on April 1, 2020. Included in the bill is a provision to increase the benefits of the members of the Statewide Defined Benefit Plan through a Rule of 80 provision effective January 1, 2021. This provision provides for a normal retirement as early as age 50 if the member's age combined with years of service totals at least 80. The impact of this change was not included in the Total Pension Liability or the collective Pension Expense as of the December 31, 2019 measurement period. This will be reflected in the December 31, 2020 measurement period.

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

General Information about the Statewide Hybrid Plan

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

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

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

Contributions. The Plan sets minimum contribution rates at a level that enable all benefits to be fully funded at the retirement date of all members based upon current actuarial assumptions. The members of the SWH and the City are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2019 through June 30, 2020 is 13.8 percent. The Defined Benefit Component contribution rate from July 1, 2018 through June 30, 2019 was 13.40 percent.

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

Members of the SWH plan and the City are contributing at the rate of 10 and 10 percent, respectively, of base salary for a total contribution rate of 20 percent for 2020. Beginning January 1, 2021 member contribution rates are scheduled to increase 0.5 percent annually through 2024 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually beginning in 2025 through 2030 to a total of 13 percent of pensionable earnings.

Total contributions to the SWH Fire Plan and Police Plan from the City were \$46,891 and \$138,677 respectively for the year ended December 31, 2020.

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

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At December 31, 2020, the City reported assets for the SWH Fire Plan and SWH Police Plan of \$723,582 and \$1,595,553 respectively for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020, which was unchanged from December 31, 2019. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers and the State. At December 31, 2019, the City's proportion for the SWH Fire Plan and SWH Police Plan was 3.716 percent and 8.193 percent respectively, which was a decrease of 0.351 percent and a decrease of 0.484 percent for the SWH Fire Plan and SWH Police Plan respectively from the proportions measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$141,494 for the SWH Fire Plan and a reduction of pension expense of \$52,957 for the SWH Police Plan. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	Fire Plan		Police Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 343,289	\$ —	\$ 756,977	\$ —
Changes of assumptions	61,333	—	135,244	—
Net difference between projected and actual earnings on pension plan investments	—	88,790	—	195,788
Changes in proportion	368,946	58,274	233,141	1,079,066
City contributions subsequent to the measurement date	46,891	—	138,677	—
Total	\$ 820,459	\$ 147,064	\$ 1,264,039	\$ 1,274,854

The SWH Fire Plan and SWH Police Plan respectively reported \$46,891 and \$138,677 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ending December 31, 2021.

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

Year Ended December 31	Fire Plan Net Deferred Outflows (Inflows) of Resources	Police Plan Net Deferred Outflows (Inflows) of Resources
2021	\$ 138,157	\$ (60,316)
2022	130,943	(76,223)
2023	159,304	(13,684)
2024	109,008	(127,868)
2025	76,879	107,811
Thereafter	12,213	20,788
Total	\$ 626,504	\$ (149,492)

Actuarial assumptions. The January 1, 2020 actuarial valuation used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial Valuation Date	January 1, 2020
Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

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

Changes in Assumptions. There were no changes in assumptions from the prior valuation. The actuarial assumptions were set by

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the FPPA Board based on a regularly scheduled experience study in 2018.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	38%	7.00%
Equity Long/Short	8%	6.00%
Private Markets	25%	9.20%
Fixed Income	15%	5.20%
Absolute Return	8%	5.50%
Managed Futures	4%	5.00%
Cash	2%	2.52%
Total	100%	

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension asset - Fire Plan	\$ (440,092)	\$ (723,582)	\$ (960,743)
City's proportionate share of the net pension asset - Police Plan	(970,435)	(1,595,553)	(2,118,512)

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

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Westminster Volunteer Firefighter Pension Plan

General Information about the Volunteer Firefighter Pension Plan

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

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

Benefits provided. The plan provides retirement and death benefits. Participants become fully vested after 20 years of active service. Retirement benefits are payable upon vesting for any volunteer who terminates after 10 years but prior to 20 years of active service allowed by State Statutes. The benefit is equal to the full retirement benefit at the date of termination prorated by the number of years of service accrued. Surviving spouses of deceased retirees may receive up to 50% of the retirement benefit until remarriage and a one-time funeral benefit. Benefits do not provide for annual cost-of-living adjustments.

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

Volunteers covered by benefit terms. At December 31, 2020, membership in the plan consisted of:

Retirees and beneficiaries receiving benefits	26
Terminated volunteers entitled to benefits but not receiving benefits	—
Active plan members	—
Total	<u>26</u>

Contributions. Contributions are determined on an actuarial basis. An actuarial study performed as of January 1, 2017, states that the current level of assets in the fund are in excess of the amount needed to pay the capped maximum of \$700 per month and all prorated amounts by \$986,664. Therefore, no additional contributions are required at this time by the City and none were required in 2020. State statutes govern contribution requirements. The required contribution for 2020 was determined as part of the 2019 actuarial valuation using the entry age actuarial cost method.

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

Net Pension Asset

The plan's net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019. The liability was rolled forward from January 1, 2019 to December 31, 2019 using standard actuarial methods. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019, determines the contribution amounts for 2020 and 2021. The actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023.

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Actuarial assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Long-term expected return on plan assets. The long-term expected rate of return on the plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return, for each major asset class included in the plan's target asset allocation as of December 31, 2019, is summarized in the table below.

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	38%	7.00%
Equity Long/Short	8%	6.00%
Private Markets	25%	9.20%
Fixed Income	15%	5.20%
Absolute Return	8%	5.50%
Managed Futures	4%	5.00%
Cash	2%	2.52%
Total	<u>100%</u>	

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

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Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 1/1/2020	\$ 1,580,492	\$ 2,351,824	\$ (771,332)
Changes for the year:			
Interest on the total pension liability	104,907	—	104,907
Net investment income	—	327,047	(327,047)
Benefit payments	(166,460)	(166,460)	—
Pension plan administrative expense	—	(6,808)	6,808
Net Changes	(61,553)	153,779	(215,332)
Balances at 12/31/2020	<u>\$ 1,518,939</u>	<u>\$ 2,505,603</u>	<u>\$ (986,664)</u>

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

	1% Decrease (6.00%)	Current Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
Plan's net pension asset	(\$871,399)	(\$986,664)	(\$1,087,609)

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

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

For the year ended December 31, 2020, the plan recognized a reduction of pension expense of \$39,329. At December 31, 2020, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ —	\$ 81,803
Total	<u>\$ —</u>	<u>\$ 81,803</u>

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

Year Ended December 31	Net Deferred Outflows (Inflows) of Resources
2021	\$ (20,204)
2022	(30,340)
2023	2,418
2024	(33,677)
Total	<u>\$ (81,803)</u>

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I. Retiree Health Program

The City offers other postemployment benefits (OPEB) through its Retiree Health Care Program. The following provides a summary of the total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense by governmental activities and business-type activities as of December 31, 2020. The liability is allocated based upon the number of employees paid by the respective fund.

	Total OPEB Asset (Liability)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Reduction)
Governmental activities	\$ (2,773,415)	\$ 614,257	\$ 541,009	\$ 316,906
Business-type activities	(568,438)	124,772	108,371	52,228
Totals	<u>\$ (3,341,853)</u>	<u>\$ 739,029</u>	<u>\$ 649,380</u>	<u>\$ 369,134</u>

Program Description. The Retiree Health Care Program (Program) is a single employer defined benefit healthcare plan administered by the City of Westminster. The Program provisions and requirements are established and may be amended by Council policy. The number of active and retired employees covered by the program as the last actuarial valuation date of December 31, 2020, was 961 and 33, respectively, for a total of 994.

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

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

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

Total OPEB Liability. The City's total OPEB liability of \$3,341,853 as of December 31, 2020 was determined by actuarial valuation as of December 31, 2020.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal, determined as a level percent of projected pay								
Inflation	3.0% per year								
Payroll growth	3.5% per year								
Discount rate	1.93% (3.26% in prior year)								
Healthcare cost trend rates are assumed to increase at the following rates:									
Year	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027+</u>	
Trend Rate	6.4%	6.3%	6.2%	6.1%	6.0%	5.9%	5.8%	5.7%	

The discount rate reflects a 20 year tax exempt municipal bond yield or index rate. (S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2020)

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

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Changes in Assumptions

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

Assumption	Description	Source/Reason	Impact on Liability
Discount Rate	Reduced from 3.26% to 1.93%	S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2020	\$ 370,928
Participation Rate	Retirees taking the benefit decreased from 32% to 25%; percent of retirees covering spouse increased for 14% to 20%	Based on study of last four years of City retirements.	(479,787)
Medical Trend	Increased slightly and modified so ultimate trend is 5.7%, increased from ultimate of 5.0%	Based on PriceWaterhouseCoopers 2020 OPEB Assumption and Disclosure Survey	217,504
Total Impact			<u>\$ 108,645</u>

Changes in Total OPEB Liability

	OPEB Liability
Total OPEB Liability – December 31, 2019	\$ 3,029,921
Changes for the year	
Service cost	227,909
Interest	58,477
Differences between expected and actual experience	(136,325)
Changes of assumptions or other inputs	108,645
Employer benefit payments	53,226
Net changes for the year	<u>311,932</u>
Total OPEB Liability – December 31, 2020	<u>\$ 3,341,853</u>

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

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate				
	1% Decrease	Discount Rate	1% Increase	
	0.93%	1.93%	2.93%	
Total OPEB Liability	\$ 3,643,883	\$ 3,341,853	\$ 3,061,733	

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

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

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates				
	1% Decrease	Discount Rate	1% Increase	
	5.40%	6.40%	7.40%	
Total OPEB Liability	\$ 2,946,302	\$ 3,341,853	\$ 3,813,154	

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2020, the City recognized OPEB expense of \$369,134. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 75,675	\$ 235,715
Changes of assumptions and inputs	663,354	413,665
	<u>\$ 739,029</u>	<u>\$ 649,380</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the

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City's OPEB expense as follows:

Year	Net Deferred Outflows (Inflows) of Resources
2020	\$ 29,522
2021	29,522
2022	29,522
2023	29,522
2024	29,522
Thereafter	(57,961)
	<u>\$ 89,649</u>

J. Tax Spending and Debt Limitations

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

In November 2002, Westminster voters approved a ballot measure that exempts the City from the spending and revenue limits of the amendment. The Amendment requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

At December 31, 2020, amounts required as Emergency Reserves in compliance with the Amendment total \$6,214,724 for the general government and an aggregate of \$31,452 for applicable component units. These amounts are shown as restrictions of fund balance in the General and respective nonmajor funds as well as a restriction of Net Position on the Statement of Net Position.

K. Jointly Governed Organization

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

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

L. Joint Ventures

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

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

The City receives one-half of the net revenues from operations of the Ice Centre and the Hyland Hills Ice Arena and Carroll Butts Park. The City's share of net operating revenues in 2020 was \$483,424. At December 31, 2020, the net book value of the Ice Centre joint venture was \$3,776,708 and Carroll Butts Park was \$441,000, which are included in the City's capital assets. There are not separate financial statements for the joint venture.

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Broomfield-Westminster Open Space Foundation. The City entered into an intergovernmental agreement with The City and County of Broomfield on December 12, 2005, to create the Broomfield-Westminster Open Space Foundation (Foundation), a nonprofit corporation qualifying under section 501 (c) (3) of the Internal Revenue Code, to function as a public foundation. The sole purpose of the nonprofit corporation is to acquire, finance, own, and operate approximately 150 acres of undeveloped land known as the Metzger Property. The board of directors for the Foundation is comprised of an equal number of directors appointed by each City, and one additional impartial director selected by Broomfield and Westminster. Acquisition of the property was financed in 2006 from grants, donations, gifts, contributions from public and private entities, and issuance of financial obligations by the Foundation. The City's annual lease rental payment obligation as set forth in the financing documents was fulfilled in 2016, thereby satisfying the requirement of one-half ownership interest in the property. The City records its investment in the Metzger Farm as Joint Venture Land valued at \$4,920,000. At December 31, 2020, the City's fifty percent equity interest in the Foundation is \$823,363.

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

M. Component Unit of Another Government with Joint Venture Characteristics

The City of Westminster entered into an intergovernmental agreement with the City of Northglenn to establish the Church Ditch Water Authority (the Authority) on October 29, 2004. The Authority is responsible for the operation, maintenance, and continued development of Church Ditch. The effects of water resource development by the Authority benefit both cities and other contractual users of the Church Ditch. The Authority (a governmental entity), which replaced the Church Ditch Company (a private carrier ditch company), was created to maximize operating efficiencies, streamline the rate setting process, and provide for management of easement and property ownership issues. The Authority is governed by a Board of Directors consisting of two directors appointed by the City of Northglenn, and one director appointed by the City of Westminster. The City owns one-third of the Church Ditch while Northglenn owns the other two-thirds. The City of Northglenn reports the Church Ditch Authority as a discretely presented component unit; the City of Westminster, as the minority participant in the Authority, reports an equity interest of one-third of the Authority's net position as "Other Assets" in the Utility Fund. At December 31, 2020, the City's equity interest in the Church Ditch Authority was \$1,576,785.

N. Intergovernmental Agreement

In September 1995, the City entered into an intergovernmental agreement with the State of Colorado, Department of Higher Education for the construction and operation of the College Hill Library at Front Range Community College. This agreement called for the City and Front Range College to jointly build, furnish, equip, staff, operate and maintain the College Hill Library. The library has been fully operational since April 7, 1998. The intergovernmental agreement calls for the City to pay Front Range Community College its proportionate share of operating expenses, which totaled \$203,010 in 2020. This agreement allows the City to occupy space in the facility for up to 50 years. After 33 years, either party may terminate this agreement by giving two years' written notice to the other party. Thus, the City would enjoy a minimum of 35 years.

The City initially entered into an intergovernmental agreement (IGA) with the City of Thornton, the Thornton Development Authority and the Westminster Economic Development Authority on January 13, 1986 to set forth the sharing of revenues in the Interstate 25 Corridor area. This IGA was subsequently amended several times with the final amendment dated November 10, 2004. Each City has committed to planned and orderly growth in the area along Interstate 25 between 150th Avenue on the north, Washington Street on the east, 132nd Avenue on the south and Huron Street on the West ("Corridor Area"). Increased coordination and cooperation between the Cities in planning for and regulating growth and development of land in the Corridor area will enhance the ability of the Cities to achieve their respective and common goals. Therefore, the Cities have agreed to share in the revenues received in the Corridor Area with annual payments on April 30th of the following year. The IGA is set to expire on February 1, 2026. For the year ended December 31, 2020, the City incurred a liability to the City of Thornton in the amount of \$3,427,742 and anticipates receiving \$1,762,171 from the City of Thornton in 2021.

O. Arbitrage Compliance

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

P. Tax Abatements

The City of Westminster enters into incentive agreements to encourage economic development, redevelopment, attract new jobs, provide affordable housing, retain growing businesses and sustain its tax base. These agreements are entered into pursuant to Resolution No. 53 adopted by City Council on December 12, 1988 and may be granted to any business located within or relocating within the City. These agreements provide for the City to forgo revenue by waiving or rebating certain taxes. This reduction of revenue meets the definition of a tax abatement under Governmental Accounting Standards Board Statement No. 77, *Tax*

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Abatement Disclosures. The incentive agreements entered into by the City traditionally include clawback provisions should the recipient of the tax abatement fail to fully meet its commitments which typically include new construction, improvements to existing facilities and continuing business operations for a set period of time.

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

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

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

Tax abatements granted for the year ended December 31, 2020 were as follows:

Tax Abatement Program	Amount of Taxes Abated
Development and Redevelopment	
Sales and Use Tax	\$ 301,340
Building Use Tax	662,182
Accommodations Tax	188,236
Admissions Tax	15,375
Affordable Housing	
Building Use Tax	992,603
Total	\$ 2,159,736

Q. Property Held for Resale

The City purchased a 40,000 square foot/.9183 acre parcel located at the southwest corner of 92nd Avenue and Lowell Boulevard which is intended to be sold at a later date for development purposes. At December 31, 2020, the land held for resale was reported as property held for resale in the financial statements of the General Fund at a cost of \$31,474. The City is holding an approximate 96,163 square foot parcel of land in the South Westminster Transportation Oriented District which is intended to be sold at a later date for development purposes. At December 31, 2020, the property held for resale was reported in the General Capital Improvement Fund at a cost of \$271,529.

WEDA has acquired approximately 95% of the 105-acre Westminster Center Urban Reinvestment Project site now known as Downtown Westminster. WEDA has conveyed approximately 40 acres to the City for public green space and right-of-way. Construction of the first phase (and majority) of planned utilities, roads and Central Plaza have been completed. The first three private development projects have opened for business which include the 9-screen Alamo Drafthouse Cinema, 8877 Eaton Street affordable housing and the Ascent at Downtown Westminster, a mixed use residential and retail project. Three other projects are under construction which include the 125 room Origin Hotel, and the 226 mixed use development called Aspire at Downtown Westminster and the 274 unit mixed use project called Westminster Row. At December 31, 2020, the properties still held by WEDA were reported as property held for resale in the financial statements at value of \$12,119,540, which is cost.

The City acquired five properties located in the 7200 block of Lowell Boulevard. The properties were acquired with Section 108 Loan Guarantee Funds with the intention of selling these properties to a developer. In 2020, the City entered into a purchase and sale agreement with a developer for three of the five properties and anticipates completing the sale in 2021. As of December 31, 2020, the properties held for resale were reported as property held for resale in the financial statements of the Community Development Block Grant fund at a cost of \$1,210,223.

R. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by

CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

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, 2020, Industrial Revenue Bonds outstanding aggregated \$30,610,000.

S. Debt Issues

On May 1, 2020 the City of Water and Wastewater Utility Enterprise entered into a loan agreement with Colorado Water Resources and Power Development Authority in the amount of \$23,331,532 at a rate of 1.28% for CIPP lining and replacement of several areas of the Big Dry Creek sewer interceptor, and installing a parallel gravity sewer interceptor along Big Dry Creek.

On May 22, 2020 the City of Westminster entered into a lease purchase agreement with JPMorgan Chase Bank, N.A., in the amount of \$613,388 at the rate of 1.299% for the acquisition of a Fire Pumper Truck.

On June 3, 2020, the City issued \$17,380,000 of Water and Wastewater Revenue Refunding Bonds, Series 2020 with an arbitrage yield of 1.37% to advance refund \$21,780,000 of the City's Taxable Water and Wastewater Revenue Bonds (Direct Pay Build America Bonds), Series 2010. The net proceeds of \$21,044,329 were allocated to cover the cost of issuance fees and underwriter's discount totaling \$216,491. The proceeds of the revenue bonds and an additional \$1,476,442 of Series 2010 Reserve Fund were deposited in an irrevocable trust with an escrow agent used to purchase U.S. Government Obligations sufficient to provide for all future debt service payments on the Series 2010 revenue bonds refunded, which were called December 1, 2020. As a result, the Series 2010 revenue bonds refunded are considered to be defeased and the liability for those bonds has been removed from the City's general long-term debt outstanding.

The City advance refunded the Series 2010 revenue bonds to reduce its total debt service payments over the next 10 years by \$2,159,718 and to obtain the economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,088,436. A deferred amount on refunding of \$565,678 was recorded.

T. Pollution Remediation

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

The consultant provided cost estimates based on well readings and current costs for monitoring, operations and maintenance, and site closure over a 30 year period. At December 31, 2020, the pollution remediation liability was \$262,595, which is recorded in the Utility fund. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

The City of Westminster obligated itself to commence pollution remediation at 3630 W 73rd Avenue and 7287 Lowell Boulevard in Westminster as part of a sale agreement. Cleanup activities and site restoration including asbestos abatement and demolition of a structure, as well as soil remediation for oil and gas leaks from previous operations on the property will be completed in 2021. External government oversight will be performed by the Colorado Department of Public Health & Environment (CDPHE) through its Voluntary Clean-up Program and the U.S. Department of Housing and Urban Development.

At December 31, 2020, the estimated pollution remediation liability was \$153,000, which is recorded in the Statement of Net Position, Governmental Activities. A consultant estimated the value of recovery costs for the cleanup based on past project experience, Department of Labor Prevailing Wages, CDPHE requirements, and construction industry standard methods and assumptions. Changes in cost elements are possible as a result of the effectiveness of remediation efforts and new information.

U. Operating Leases

The City operates as lessor on several short-term lease agreements for the lease of buildings, tenant space, land and site agreements. For the year ended December 31, 2020 revenues of \$241,897, \$87,397, \$129,029, \$81,468, are recorded in the financial statements of the General Fund, Utility Fund, WEDA Fund and Golf Course Fund, respectively.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

V. Implementation of New Accounting Standards

During 2020, the City adopted two Governmental Accounting Standards Board Statements: No. 90, *Majority Equity Interests* (GASB 90) and paragraphs 1-5 of No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (GASB 97).

GASB 90 addresses accounting and financial reporting for majority equity interests in legally separate organizations either as an investment or a component unit. An evaluation of the standard concluded that as of December 31, 2020, the City had no majority equity interests in legally separate organizations to account for as required by standard.

The City adopted GASB 84 in 2019, which required inclusion of the General Employee 401a defined contribution pension plan as a fiduciary component unit in the Basic Financial Statements of the Comprehensive Annual Financial Report . GASB 97 modified the applicability of certain component unit criteria related to defined contribution pension plans. A re-evaluation of the General Employee Pension Plan based on these modifications determined the plan should no longer be reported in the Basic Financial Statements. While the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position have been removed from the report, the General Employee Pension Plan continues to be disclosed in the Notes to the Financial Statements. The City will implement paragraphs 6-9 for fiscal year ending December 31, 2022 as required by the standard.

W. Change in Fund Type of Fleet Fund

The Fleet Fund changed fund types from a governmental fund, previously reported as part of the General Fund, to an internal service fund in 2020. This change required an adjustment of beginning fund balance as reported in a governmental fund, which uses the current financial resources measurement focus and basis of accounting to the beginning net position as reported in an internal service fund, which uses economic resources measurement focus and basis of accounting.

Beginning Fund balance for the Governmental Funds Financial Statement of Revenues, Expenditures and Changes in Fund Balances has been adjusted as follows:

Beginning fund balance, as previously reported, December 31, 2019	\$	175,368,424
Change in fund type		(796,279)
Beginning fund balance, as adjusted for Governmental Funds, December 31, 2019	\$	174,572,145

Beginning net position for the Internal Service Funds Statement of Revenues, Expenditures and Changes in Net Position has been adjusted as follows:

Beginning net position, as previously reported, December 31, 2019	\$	27,870,696
Change in fund type		796,279
Less general leave accrual		(64,044)
Capital assets, net of accumulated depreciation		139,949
Beginning net position, as adjusted for Internal Service Funds, December 31, 2019	\$	28,742,880

Cash reported in the Fleet Fund as of January 1, 2020 was \$114,205. Beginning cash was adjusted by this amount in the Statement of Cash Flows.

X. Subsequent Event

On December 21, 2020, City Council authorized an additional lease purchase agreement with JP Morgan Chase for \$613,388 at a rate of 1.358% in order to acquire a new Fire Engine from Front Range Fire Apparatus. The lease purchase was effective January 15, 2021. The term of the lease is for seven years with the final payment being made on February 1, 2028.

Management has formalized a plan for the City to enter into a lease purchase agreement with ZMFU II, Inc., a wholly owned subsidiary of Zions Bancorporation, N.A., for an amount not to exceed \$2.210 million in May of 2021 to acquire parks and golf maintenance equipment.

The American Rescue Plan Act (ARP), signed into law on March 12, 2021, includes providing \$350 billion of direct emergency funding for state, local, territorial, and Tribal governments across America. The ARP is intended to provide needed relief to state, local, and Tribal governments to enable them to continue to support the public health response to the COVID-19 public health emergency and lay the foundation for a strong and equitable economic recovery. The U.S. Department of Treasury continues to refine the estimates for allocations from the ARP State and Local Fiscal Relief Funds. Based on these initial estimates, the City expects to receive approximately \$15.7 million.

**CITY OF WESTMINSTER, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

Additionally in January 2021, the City was awarded \$501,479 from the third tranche of Community Development Block Grant Funds from the United States Department of Housing and Urban Development. The City plans to allocate \$400,000 to increase the existing Small Business Stabilization Program that was established with funding from the first tranche. An evaluation is currently underway to identify potential community assistance programs for the remaining funds from the third tranche.

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**Required
Supplemental
Information**

CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 6,513,363	\$ 6,513,363	\$ 6,638,075	\$ 124,712
Sales taxes	82,917,509	78,229,350	81,546,451	3,317,101
Use taxes	16,814,591	18,509,179	18,904,516	395,337
Business fees and other taxes	5,411,833	5,427,208	4,924,113	(503,095)
Accommodations taxes	1,220,000	1,220,000	403,202	(816,798)
Intergovernmental	9,006,360	21,825,083	21,729,639	(95,444)
Licenses and permits	2,888,423	3,934,121	3,540,558	(393,563)
Interest	988,601	990,086	1,193,488	203,402
Recreation fees	7,439,870	7,439,870	2,587,271	(4,852,599)
Fines and forfeits	1,400,000	1,400,000	866,287	(533,713)
Fleet maintenance billings and other	4,277,740	4,177,353	3,976,378	(200,975)
EMS billings	2,800,000	2,528,110	2,100,166	(427,944)
Total revenues	<u>141,678,290</u>	<u>152,193,723</u>	<u>148,410,144</u>	<u>(3,783,579)</u>
EXPENDITURES				
General government				—
City council	223,428	223,428	101,513	121,915
City attorney's office	1,351,886	1,351,886	1,231,849	120,037
City manager's office	2,548,535	2,548,535	2,299,058	249,477
Central charges	35,209,981	51,116,005	46,513,876	4,602,129
General services	5,032,098	5,636,289	5,079,818	556,471
Finance	2,373,800	2,373,800	2,244,673	129,127
Human resources	2,102,127	2,116,627	1,680,699	435,928
Information technology	3,611,601	3,664,205	3,480,230	183,975
Policy and budget	559,346	559,346	426,365	132,981
Public safety				
Police	28,883,361	30,047,936	28,698,314	1,349,622
Fire	16,767,405	17,025,778	17,000,046	25,732
Public works	8,043,333	8,054,670	6,849,480	1,205,190
Community development	6,682,482	6,760,594	6,605,216	155,378
Economic development	2,367,034	2,367,034	1,655,500	711,534
Culture and recreation	19,032,776	19,286,062	16,013,025	3,273,037
Total expenditures	<u>134,789,193</u>	<u>153,132,195</u>	<u>139,879,662</u>	<u>13,252,533</u>
Excess of revenues over (under) expenditures	<u>6,889,097</u>	<u>(938,472)</u>	<u>8,530,482</u>	<u>9,468,954</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital asset	48,872	48,872	70,164	21,292
Insurance recoveries	—	784,152	784,152	—
Transfers in	6,404,445	854,822	848,122	(6,700)
Transfers (out)	(12,547,120)	(10,045,856)	(9,854,773)	191,083
Total other financing sources (uses):	<u>(6,093,803)</u>	<u>(8,358,010)</u>	<u>(8,152,335)</u>	<u>205,675</u>
Net change in fund balance	<u>\$ 795,294</u>	<u>\$ (9,296,482)</u>	<u>378,147</u>	<u>\$ 9,674,629</u>
Fund balance, beginning			47,534,616	
Fund balance, ending			<u>\$ 47,912,763</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax increment	\$ 13,378,540	\$ 13,476,483	\$ 16,024,186	\$ 2,547,703
Sales tax increment	455,327	455,327	89,626	(365,701)
Interest	—	—	442,902	442,902
Rentals	—	150,000	245,021	95,021
Other	2,800	3,164,166	3,197,166	33,000
Total revenues	<u>13,836,667</u>	<u>17,245,976</u>	<u>19,998,901</u>	<u>2,752,925</u>
EXPENDITURES				
General government	816,784	1,437,212	1,324,804	112,408
Economic development	—	734,964	734,964	—
Capital projects	11,727,558	29,493,851	5,123,538	24,370,313
Debt service:				
Principal	5,649,000	5,649,000	5,649,000	—
Interest and fiscal charges	2,135,554	2,137,226	2,132,036	5,190
Total expenditures	<u>20,328,896</u>	<u>39,452,253</u>	<u>14,964,342</u>	<u>24,487,911</u>
Excess of revenues (under) expenditures	<u>(6,492,229)</u>	<u>(22,206,277)</u>	<u>5,034,559</u>	<u>27,240,836</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	67,800	67,800	64,100	(3,700)
Transfers (out)	(402,800)	(2,623,685)	(2,623,684)	1
Total other financing sources (uses):	<u>(335,000)</u>	<u>(2,555,885)</u>	<u>(2,559,584)</u>	<u>(3,699)</u>
Net change in fund balance	<u>\$ (6,827,229)</u>	<u>\$ (24,762,162)</u>	<u>2,474,975</u>	<u>\$ 27,237,137</u>
Fund balance, beginning			47,471,421	
Fund balance, ending			<u>\$ 49,946,396</u>	

Budgetary Information

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

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

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

Appropriations lapse at year end for legally adopted operating budgets.

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

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

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

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

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

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

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

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 227,909	\$ 181,349	\$ 213,072
Interest	58,477	109,484	94,506
Differences between expected and actual experience	(136,325)	98,817	(180,393)
Changes of assumptions or other inputs	108,645	(540,169)	885,897
Employer benefit payments	53,226	(177,966)	(250,994)
Net change in total OPEB liability	311,932	(328,485)	762,088
Total OPEB liability - beginning	3,029,921	3,358,406	2,596,318
Total OPEB liability - ending	<u>\$ 3,341,853</u>	<u>\$ 3,029,921</u>	<u>\$ 3,358,406</u>
Covered-employee payroll	\$ 77,324,931	\$ 77,907,783	\$ 75,273,220
Total OPEB liability as a percentage of covered-employee payroll	4.32%	3.89%	4.50%

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

Notes:

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

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

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

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

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

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

*Covered payroll is not applicable for volunteer pension plans.

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

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

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

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Actual Contribution as a % of Covered Payroll
2015	\$ —	\$ —	\$ —	N/A	N/A
2016	—	—	—	N/A	N/A
2017	—	—	—	N/A	N/A
2018	—	—	—	N/A	N/A
2019	—	—	—	N/A	N/A
2020	—	—	—	N/A	N/A

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

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

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

Notes to Schedule of Contributions

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.5%
Salary Increases	N/A
Investment Rate of Return	7.0%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. RP-2014 Mortality Table for Blue Collar Employees, 55% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

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

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

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

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

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

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

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

Information above is presented as of the fiscal year.

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Notes:

Actuarial Valuations done every year.

Actuarial assumptions effective for actuarial valuations as of January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2019, which represents contributions required in 2020.

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

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

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

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

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Notes:

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

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

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

Information above is presented as of the measurement date.

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

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

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

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

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

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

Notes:

Actuarial Valuations done every year.

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

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

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

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

Notes:

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

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

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

Information above is presented as of the measurement date.

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

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

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

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Notes:

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

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

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

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

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

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

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

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Notes:

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The background of the page is a complex marbled paper pattern. It features a mix of colors including deep reds, purples, blues, and gold accents. The patterns are organic and swirling, with some areas showing a dense, cellular texture. A central oval, with a gradient from light blue to white, contains the title text.

**NonMajor Fund Financial
Statements and
Supplementary Budget
Schedules**

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

Debt Service Fund

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

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

Capital Projects Fund

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

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**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 58,815	\$ —	\$ 4,469	\$ 155,301	\$ —
Investments	264,343	—	26,140	698,003	—
Receivables:					
Taxes	783,170	—	—	—	141,136
Accounts	—	—	1,073	—	—
Note and leases	—	—	—	396,877	—
Grants	—	—	—	—	—
Interest	1,059	8,859	96	2,793	—
Property held for resale	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	—	498,620	—	—	—
Investments	—	2,241,050	—	—	—
Total assets	1,107,387	2,748,529	31,778	1,252,974	141,136
LIABILITIES					
Accounts payable and other	\$ 11,988	\$ 60,086	\$ 2,450	\$ 1,613	\$ —
Accrued liabilities	45,655	—	—	—	—
Unearned revenue	—	—	—	—	—
Total liabilities	57,643	60,086	2,450	1,613	—
DEFERRED INFLOWS OF RESOURCES					
	—	—	—	396,877	141,136
FUND BALANCES					
Restricted for:					
Capital additions and improvements	—	2,688,443	—	—	—
Contractual obligations	—	—	—	—	—
Community development	—	—	—	—	—
Emergencies	—	—	—	833	—
Open space conservation and improvements	614,804	—	—	—	—
Public safety	—	—	29,328	—	—
Assigned to:					
Community development	434,940	—	—	853,651	—
Debt service	—	—	—	—	—
Total fund balances	1,049,744	2,688,443	29,328	854,484	—
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,107,387	\$ 2,748,529	\$ 31,778	\$ 1,252,974	\$ 141,136

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

Special Revenue Funds (Continued)

Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Avenue GID	Park 1200 GID	Westminster Station GID
\$ 354,476	\$ 130,681	\$ 2,370	\$ 7,336	\$ 433	\$ 679	\$ 893	\$ 131
1,593,195	587,345	10,650	32,969	1,947	3,050	4,012	590
128,824	94,320	11,696	5,832	31,436	38,432	62,164	13,796
718	674	—	795	4,415	7,172	334	75
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
6,259	2,311	—	96	—	—	96	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>\$ 2,083,472</u>	<u>\$ 815,331</u>	<u>\$ 24,716</u>	<u>\$ 47,028</u>	<u>\$ 38,231</u>	<u>\$ 49,333</u>	<u>\$ 67,499</u>	<u>\$ 14,592</u>
\$ 29	\$ 98	\$ 2,763	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>29</u>	<u>98</u>	<u>2,763</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
128,824	94,320	11,696	5,832	31,436	38,432	62,164	13,796
1,948,955	717,350	—	36,068	—	—	3,345	349
—	—	1,698	454	4,417	7,557	—	—
—	—	—	—	—	—	—	—
5,664	3,563	8,559	4,674	2,378	3,344	1,990	447
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>1,954,619</u>	<u>720,913</u>	<u>10,257</u>	<u>41,196</u>	<u>6,795</u>	<u>10,901</u>	<u>5,335</u>	<u>796</u>
<u>\$ 2,083,472</u>	<u>\$ 815,331</u>	<u>\$ 24,716</u>	<u>\$ 47,028</u>	<u>\$ 38,231</u>	<u>\$ 49,333</u>	<u>\$ 67,499</u>	<u>\$ 14,592</u>

**CITY OF WESTMINSTER, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

(Continued)

		Debt Service Fund	Capital Project Fund	
	Total Special Revenue Funds	Debt Service	Community Development Block Grant	Total Other Governmental Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 715,584	\$ 50,628	\$ 85,207	\$ 851,419
Investments	3,222,244	227,548	382,962	3,832,754
Receivables:				
Taxes	1,310,806	—	—	1,310,806
Accounts	15,256	—	—	15,256
Note and leases	396,877	—	—	396,877
Grants	—	—	210,751	210,751
Interest	21,569	867	—	22,436
Property held for resale	—	—	1,210,223	1,210,223
Restricted assets:				
Cash and cash equivalents	498,620	—	—	498,620
Investments	2,241,050	—	—	2,241,050
Total assets	\$ 8,422,006	\$ 279,043	\$ 1,889,143	\$ 10,590,192
LIABILITIES				
Accounts payable and other	\$ 79,027	\$ 150	\$ 178,967	\$ 258,144
Accrued liabilities	45,655	—	1,895	47,550
Unearned revenue	—	—	498,055	498,055
Total liabilities	124,682	150	678,917	803,749
DEFERRED INFLOWS OF RESOURCES				
	924,513	—	210,751	1,135,264
FUND BALANCES				
Restricted for:				
Capital additions and improvements	5,394,510	—	—	5,394,510
Contractual obligations	14,126	—	—	14,126
Community development	—	—	999,475	999,475
Emergencies	31,452	—	—	31,452
Open space conservation and improvements	614,804	—	—	614,804
Public safety	29,328	—	—	29,328
Assigned to:				
Community development	1,288,591	—	—	1,288,591
Debt service	—	278,893	—	278,893
Total fund balances	7,372,811	278,893	999,475	8,651,179
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,422,006	\$ 279,043	\$ 1,889,143	\$ 10,590,192

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue Funds				
	Parks, Open Space & Trails	Conservation Trust	Investigation Recovery	Westminster Housing Authority	Downtown GID
REVENUES					
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —
Sales taxes	5,634,139	—	—	—	—
Use taxes	1,311,963	—	—	—	—
Intergovernmental	—	855,648	—	—	—
Interest	8,621	65,987	1,857	20,762	—
Fines and forfeitures	—	—	112,471	—	—
Other	6,742	—	—	7,044	—
Total revenues	<u>6,961,465</u>	<u>921,635</u>	<u>114,328</u>	<u>27,806</u>	<u>—</u>
EXPENDITURES					
General government	—	—	—	—	—
Public safety	—	—	166,740	—	—
Community development	2,484,537	—	—	—	—
Capital projects	—	1,275,967	—	7,638	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—
Total expenditures	<u>2,484,537</u>	<u>1,275,967</u>	<u>166,740</u>	<u>7,638</u>	<u>—</u>
Excess of revenues over (under) expenditures	<u>4,476,928</u>	<u>(354,332)</u>	<u>(52,412)</u>	<u>20,168</u>	<u>—</u>
OTHER FINANCING SOURCES (USES)					
Insurance recoveries	19,298	—	—	—	—
Transfers in	23,790	—	—	18,822	—
Transfers (out)	(4,874,007)	—	—	—	—
Total other financing sources (uses):	<u>(4,830,919)</u>	<u>—</u>	<u>—</u>	<u>18,822</u>	<u>—</u>
Net change in fund balance	(353,991)	(354,332)	(52,412)	38,990	—
Fund balance, beginning	1,403,735	3,042,775	81,740	815,494	—
Fund balance, ending	<u>\$ 1,049,744</u>	<u>\$ 2,688,443</u>	<u>\$ 29,328</u>	<u>\$ 854,484</u>	<u>\$ —</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Special Revenue Funds (Continued)

Sheridan Crossing GID	Amherst GID	136th Ave GID	Orchard Park Place GID	Mandalay Town Center GID	144th Ave GID	Park 1200 GID	Westminster Station GID
\$ 131,416	\$ 94,192	\$ 4,649	\$ 5,712	\$ 29,268	\$ 40,580	\$ 60,970	\$ 13,781
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
9,625	6,908	280,407	149,237	49,645	70,421	4,474	1,011
47,770	17,656	237	843	345	461	873	110
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>188,811</u>	<u>118,756</u>	<u>285,293</u>	<u>155,792</u>	<u>79,258</u>	<u>111,462</u>	<u>66,317</u>	<u>14,902</u>
84,494	36,474	10,161	16,186	16,539	16,709	62,183	15,057
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>84,494</u>	<u>36,474</u>	<u>10,161</u>	<u>16,186</u>	<u>16,539</u>	<u>16,709</u>	<u>62,183</u>	<u>15,057</u>
<u>104,317</u>	<u>82,282</u>	<u>275,132</u>	<u>139,606</u>	<u>62,719</u>	<u>94,753</u>	<u>4,134</u>	<u>(155)</u>
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	(274,200)	(111,144)	(64,100)	(93,300)	—	—
—	—	<u>(274,200)</u>	<u>(111,144)</u>	<u>(64,100)</u>	<u>(93,300)</u>	—	—
104,317	82,282	932	28,462	(1,381)	1,453	4,134	(155)
1,850,302	638,631	9,325	12,734	8,176	9,448	1,201	951
<u>\$ 1,954,619</u>	<u>\$ 720,913</u>	<u>\$ 10,257</u>	<u>\$ 41,196</u>	<u>\$ 6,795</u>	<u>\$ 10,901</u>	<u>\$ 5,335</u>	<u>\$ 796</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

(Continued)

	Total Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total Other Governmental Funds
		Debt Service	Community Development Block Grant	
REVENUES				
Property taxes	\$ 380,568	\$ —	\$ —	\$ 380,568
Sales taxes	5,634,139	—	—	5,634,139
Use taxes	1,311,963	—	—	1,311,963
Intergovernmental	1,427,376	—	149,381	1,576,757
Interest	165,522	21,785	—	187,307
Fines and forfeitures	112,471	—	—	112,471
Other	13,786	—	—	13,786
Total revenues	9,045,825	21,785	149,381	9,216,991
EXPENDITURES				
General government	257,803	—	—	257,803
Public safety	166,740	—	—	166,740
Community development	2,484,537	—	448,055	2,932,592
Capital projects	1,283,605	—	347,524	1,631,129
Debt service:				
Principal	—	2,495,000	—	2,495,000
Interest and fiscal charges	—	851,719	—	851,719
Total expenditures	4,192,685	3,346,719	795,579	8,334,983
Excess of revenues over (under) expenditures	4,853,140	(3,324,934)	(646,198)	882,008
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	19,298	—	—	19,298
Transfers in	42,612	3,365,715	448,055	3,856,382
Transfers (out)	(5,416,751)	—	(18,822)	(5,435,573)
Total other financing sources (uses):	(5,354,841)	3,365,715	429,233	(1,559,893)
Net change in fund balance	(501,701)	40,781	(216,965)	(677,885)
Fund balance, beginning	7,874,512	238,112	1,216,440	9,329,064
Fund balance, ending	\$ 7,372,811	\$ 278,893	\$ 999,475	\$ 8,651,179

BUDGETARY COMPARISON SCHEDULES

GOVERNMENTAL FUNDS

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Accommodations taxes	\$ 1,445,548	\$ 1,445,548	\$ —
Intergovernmental	10,707,827	5,882,222	(4,825,605)
Interest	929,656	1,874,156	944,500
Contributions	4,557,206	8,365,618	3,808,412
Other	250,000	17,377	(232,623)
Total revenues	<u>17,890,237</u>	<u>17,584,921</u>	<u>(305,316)</u>
EXPENDITURES			
General government	3,078,442	3,078,442	—
Capital projects	110,567,354	16,640,779	93,926,575
Total expenditures	<u>113,645,796</u>	<u>19,719,221</u>	<u>93,926,575</u>
Excess of revenues under expenditures	<u>(95,755,559)</u>	<u>(2,134,300)</u>	<u>(94,231,891)</u>
OTHER FINANCING SOURCES AND (USES)			
Insurance recoveries	32,474	32,474	—
Transfers in	27,989,876	13,482,887	(14,506,989)
Transfers out	(798,055)	(798,055)	—
Total other financing sources (uses):	<u>27,224,295</u>	<u>12,717,306</u>	<u>(14,506,989)</u>
Net change in fund balance	<u>\$ (68,531,264)</u>	10,583,006	<u>\$ (108,738,880)</u>
Fund balance, beginning		70,237,044	
Fund balance, ending		<u>\$ 80,820,050</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE AND TRAILS SALES AND USE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 5,635,388	\$ 5,634,139	\$ (1,249)
Use taxes	1,264,500	1,311,963	47,463
Interest	24,797	8,621	(16,176)
Other	19,800	6,742	(13,058)
Total revenues	<u>6,944,485</u>	<u>6,961,465</u>	<u>16,980</u>
EXPENDITURES			
Community development	<u>2,721,754</u>	<u>2,484,537</u>	<u>237,217</u>
Total expenditures	<u>2,721,754</u>	<u>2,484,537</u>	<u>237,217</u>
Excess of revenues over expenditures	<u>4,222,731</u>	<u>4,476,928</u>	<u>254,197</u>
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	19,298	19,298	—
Transfers in	23,790	23,790	—
Transfers (out)	<u>(4,874,007)</u>	<u>(4,874,007)</u>	<u>—</u>
Total other financing sources (uses):	<u>(4,830,919)</u>	<u>(4,830,919)</u>	<u>—</u>
Net change in fund balance	<u>\$ (608,188)</u>	<u>(353,991)</u>	<u>\$ 254,197</u>
Fund balance, beginning		<u>1,403,735</u>	
Fund balance, ending		<u>\$ 1,049,744</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 863,000	\$ 855,648	\$ (7,352)
Interest	61,206	65,987	4,781
Total revenues	<u>924,206</u>	<u>921,635</u>	<u>(2,571)</u>
EXPENDITURES			
Capital projects	3,594,783	1,275,967	2,318,816
Total expenditures	<u>3,594,783</u>	<u>1,275,967</u>	<u>2,318,816</u>
Net change in fund balance	<u>\$ (2,670,577)</u>	(354,332)	<u>\$ 2,316,245</u>
Fund balance, beginning		3,042,775	
Fund balance, ending		<u>\$ 2,688,443</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 INVESTIGATION RECOVERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ —	\$ 1,857	\$ 1,857
Fines and forfeitures	101,545	112,471	10,926
Total revenues	101,545	114,328	12,783
EXPENDITURES			
Public safety	182,100	166,740	15,360
Total expenditures	182,100	166,740	15,360
Net change in fund balance	\$ (80,555)	(52,412)	\$ 28,143
Fund balance, beginning		81,740	
Fund balance, ending		\$ 29,328	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ —	\$ 20,762	\$ 20,762
Other	—	7,044	7,044
Total revenues	<u>—</u>	<u>27,806</u>	<u>27,806</u>
EXPENDITURES			
Capital projects	205,029	7,638	197,391
Total expenditures	<u>205,029</u>	<u>7,638</u>	<u>197,391</u>
Excess of revenues over (under) expenditures	<u>(205,029)</u>	<u>20,168</u>	<u>(169,585)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	—	18,822	18,822
Net change in fund balance	<u>\$ (205,029)</u>	<u>38,990</u>	<u>\$ (150,763)</u>
Fund balance, beginning		815,494	
Fund balance, ending		<u>\$ 854,484</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 SHERIDAN CROSSING GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 131,151	\$ 131,416	\$ 265
Intergovernmental	9,000	9,625	625
Interest	31,900	47,770	15,870
Total revenues	<u>172,051</u>	<u>188,811</u>	<u>16,760</u>
EXPENDITURES			
General government	105,267	84,494	20,773
Total expenditures	<u>105,267</u>	<u>84,494</u>	<u>20,773</u>
Net change in fund balance	<u>\$ 66,784</u>	104,317	<u>\$ 37,533</u>
Fund balance, beginning		1,850,302	
Fund balance, ending		<u>\$ 1,954,619</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 AMHERST GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 94,133	\$ 94,192	\$ 59
Intergovernmental	5,000	6,908	1,908
Interest	9,100	17,656	8,556
Total revenues	<u>108,233</u>	<u>118,756</u>	<u>10,523</u>
EXPENDITURES			
General government	72,012	36,474	35,538
Total expenditures	<u>72,012</u>	<u>36,474</u>	<u>35,538</u>
Net change in fund balance	<u>\$ 36,221</u>	82,282	<u>\$ 46,061</u>
Fund balance, beginning		638,631	
Fund balance, ending		<u>\$ 720,913</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
136TH AVENUE GENERAL IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 11,780	\$ 4,649	\$ (7,131)
Intergovernmental	311,487	280,407	(31,080)
Interest	150	237	87
Total revenues	<u>323,417</u>	<u>285,293</u>	<u>(38,124)</u>
EXPENDITURES			
General government	10,277	10,161	116
Total expenditures	<u>10,277</u>	<u>10,161</u>	<u>116</u>
Excess of revenues over (under) expenditures	<u>313,140</u>	<u>275,132</u>	<u>(38,008)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(311,108)	(274,200)	36,908
Net change in fund balance	<u>\$ 2,032</u>	932	<u>\$ (1,100)</u>
Fund balance, beginning		9,325	
Fund balance, ending		<u>\$ 10,257</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 ORCHARD PARK PLACE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 5,721	\$ 5,712	\$ (9)
Intergovernmental	150,237	149,237	(1,000)
Interest	50	843	793
Total revenues	<u>156,008</u>	<u>155,792</u>	<u>(216)</u>
EXPENDITURES			
General government	<u>16,236</u>	<u>16,186</u>	<u>50</u>
Total expenditures	<u>16,236</u>	<u>16,186</u>	<u>50</u>
Excess of revenues over (under) expenditures	<u>139,772</u>	<u>139,606</u>	<u>(166)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(111,229)</u>	<u>(111,144)</u>	<u>85</u>
Net change in fund balance	<u>\$ 28,543</u>	<u>28,462</u>	<u>\$ (81)</u>
Fund balance, beginning		12,734	
Fund balance, ending		<u>\$ 41,196</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 MANDALAY TOWN CENTER GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 30,539	\$ 29,268	\$ (1,271)
Intergovernmental	56,300	49,645	(6,655)
Interest	363	345	(18)
Total revenues	<u>87,202</u>	<u>79,258</u>	<u>(7,944)</u>
EXPENDITURES			
General government	16,658	16,539	119
Total expenditures	<u>16,658</u>	<u>16,539</u>	<u>119</u>
Excess of revenues over (under) expenditures	<u>70,544</u>	<u>62,719</u>	<u>(7,825)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(78,505)	(64,100)	14,405
Net change in fund balance	<u>\$ (7,961)</u>	<u>(1,381)</u>	<u>\$ 6,580</u>
Fund balance, beginning		8,176	
Fund balance, ending		<u>\$ 6,795</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 144th AVENUE GENERAL IMPROVEMENT DISTRICT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 38,164	\$ 40,580	\$ 2,416
Intergovernmental	76,400	70,421	(5,979)
Interest	250	461	211
Total revenues	114,814	111,462	(3,352)
EXPENDITURES			
General government	16,773	16,709	64
Total expenditures	16,773	16,709	64
Excess of revenues over (under) expenditures	98,041	94,753	(3,288)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(102,054)	(93,300)	8,754
Net change in fund balance	\$ (4,013)	1,453	\$ 5,466
Fund balance, beginning		9,448	
Fund balance, ending		\$ 10,901	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 PARK 1200 GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 66,036	\$ 60,970	\$ (5,066)
Intergovernmental	4,000	4,474	474
Interest	230	873	643
Total revenues	<u>70,266</u>	<u>66,317</u>	<u>(3,949)</u>
EXPENDITURES			
General government	<u>68,891</u>	<u>62,183</u>	<u>6,708</u>
Total expenditures	<u>68,891</u>	<u>62,183</u>	<u>6,708</u>
Net change in fund balance	<u>\$ 1,375</u>	4,134	<u>\$ 2,759</u>
Fund balance, beginning		1,201	
Fund balance, ending		<u>\$ 5,335</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 WESTMINSTER STATION GENERAL IMPROVEMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 13,781	\$ 13,781	\$ —
Intergovernmental	2,200	1,011	(1,189)
Interest	20	110	90
Total revenues	<u>16,001</u>	<u>14,902</u>	<u>(1,099)</u>
EXPENDITURES			
General government	<u>16,343</u>	<u>15,057</u>	<u>1,286</u>
Total expenditures	<u>16,343</u>	<u>15,057</u>	<u>1,286</u>
Net change in fund balance	<u>\$ (342)</u>	(155)	<u>\$ 187</u>
Fund balance, beginning		951	
Fund balance, ending		<u>\$ 796</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 14,000	\$ 21,785	\$ 7,785
Total revenues	<u>14,000</u>	<u>21,785</u>	<u>7,785</u>
EXPENDITURES			
Debt service:			
Principal	2,495,000	2,495,000	—
Interest and fiscal charges	854,019	851,719	2,300
Total expenditures	<u>3,349,019</u>	<u>3,346,719</u>	<u>2,300</u>
Excess of revenues (under) expenditures	<u>(3,335,019)</u>	<u>(3,324,934)</u>	<u>10,085</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,327,919	3,365,715	37,796
Net change in fund balance	<u>\$ (7,100)</u>	40,781	<u>\$ 47,881</u>
Fund balance, beginning		238,112	
Fund balance, ending		<u>\$ 278,893</u>	

**CITY OF WESTMINSTER, COLORADO
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,451,589	\$ 149,381	\$ (1,302,208)
Total Revenues	<u>1,451,589</u>	<u>149,381</u>	<u>(1,302,208)</u>
EXPENDITURES			
Community development	448,055	448,055	—
Capital projects	2,357,244	347,524	2,009,720
Total expenditures	<u>2,805,299</u>	<u>795,579</u>	<u>2,009,720</u>
Excess of revenues over (under) expenditures	<u>(1,353,710)</u>	<u>(646,198)</u>	<u>707,512</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers in	448,055	448,055	—
Transfers out	(18,822)	(18,822)	—
Total other financing sources (uses):	<u>429,233</u>	<u>429,233</u>	<u>—</u>
Net change in fund balance	<u>\$ (924,477)</u>	<u>(216,965)</u>	<u>\$ 707,512</u>
Fund balance, beginning		1,216,440	
Fund balance, ending		<u>\$ 999,475</u>	

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BUDGETARY COMPARISON SCHEDULES

PROPRIETARY FUNDS

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CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 81,281,210	\$ 77,561,514	\$ (3,719,696)
Other	565,214	764,991	199,777
Total operating revenues	<u>81,846,424</u>	<u>78,326,505</u>	<u>(3,519,919)</u>
Operating expenses			
Personnel services	19,574,070	18,446,072	1,127,998
Contractual services	20,850,432	18,306,604	2,543,828
Commodities	3,014,466	2,118,928	895,538
Capital expense	144,994,263	46,518,086	98,476,177
Total operating expenses	<u>188,433,231</u>	<u>85,389,690</u>	<u>103,043,541</u>
Operating income (loss)	<u>(106,586,807)</u>	<u>(7,063,185)</u>	<u>99,523,622</u>
Nonoperating revenues (expenses)			
Income on investments	2,230,076	3,469,619	1,239,543
Debt service	(37,043,727)	(30,792,935)	6,250,792
Grants	—	88,455	88,455
Disposition of assets	—	55,100	55,100
Contributions	11,556,611	13,602,623	2,046,012
Other	—	195,675	195,675
Insurance recoveries	19,703	19,702	(1)
Issuance of debt	21,201,062	45,254,062	24,053,000
Total nonoperating revenues (expenses)	<u>(2,036,275)</u>	<u>31,892,301</u>	<u>33,928,576</u>
Income before transfers	<u>(108,623,082)</u>	<u>24,829,116</u>	<u>133,452,198</u>
Transfers in	11,491,818	27,002,329	15,510,511
Transfers (out)	(27,018,329)	(27,018,329)	—
Total other financing	<u>(15,526,511)</u>	<u>(16,000)</u>	<u>15,510,511</u>
Change in net position	<u>\$ (124,149,593)</u>	<u>24,813,116</u>	<u>\$ 148,962,709</u>
Adjustments to GAAP basis			
Debt			
Principal payments		25,348,923	
Issuance of notes		(24,161,938)	
Issuance of bonds		(21,092,124)	
Payment to refunded lease agent		565,678	
Amortization of prepaid bond sale expense		(6,948)	
Amortization of premiums and discounts		988,856	
Amortization of loss on refunding		(31,427)	
Accrued interest adjustment		538	
Capital assets			
Acquisitions		45,169,887	
Net book value of disposals		—	
Depreciation		(15,636,619)	
Inventories		(89,885)	
Personnel services accruals		372,583	
Change in net position, GAAP basis		<u>\$ 36,240,640</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
PARKING MANAGEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 59,445	\$ 16,919	\$ (42,526)
Total operating revenues	<u>59,445</u>	<u>16,919</u>	<u>(42,526)</u>
Operating Expenses			
Personnel services	91,774	89,573	2,201
Contractual services	519,109	516,239	2,870
Capital expense	41,664	—	41,664
Depreciation Expense	—	—	—
Total operating expenses	<u>652,547</u>	<u>605,812</u>	<u>46,735</u>
Operating loss	<u>(593,102)</u>	<u>(588,893)</u>	<u>4,209</u>
Nonoperating revenues (expenses)			
Income on investments	—	2,210	2,210
Total nonoperating revenues (expenses)	<u>—</u>	<u>2,210</u>	<u>2,210</u>
Income before transfers	(593,102)	(586,683)	6,419
Capital contributions	—	—	—
Transfers in	639,206	639,206	—
Total other financing	<u>639,206</u>	<u>639,206</u>	<u>—</u>
Change in net position	<u>\$ 46,104</u>	52,523	<u>\$ 6,419</u>
Adjustments to GAAP basis			
Capital assets			
Acquisitions		(41,664)	
Capital contributions		26,241,548	
Depreciation		(624,069)	
Personnel services accruals		<u>(2,549)</u>	
Change in net position, GAAP basis		<u>\$ 25,625,789</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
Charges for services	\$ 3,320,220	\$ 3,459,592	\$ 139,372
Other	—	3,027	3,027
Total operating revenues	<u>3,320,220</u>	<u>3,462,619</u>	<u>142,399</u>
Operating Expenses			
Personnel services	1,916,375	1,771,905	144,470
Contractual services	987,912	943,502	44,410
Commodities	560,578	534,169	26,409
Capital expense	<u>1,500,504</u>	<u>129,242</u>	<u>1,371,262</u>
Total operating expenses	<u>4,965,369</u>	<u>3,378,818</u>	<u>1,586,551</u>
Operating loss	<u>(1,645,149)</u>	<u>83,801</u>	<u>1,728,950</u>
Nonoperating revenues (expenses)			
Income on investments	33,373	45,052	11,679
Debt service	(635,167)	(633,173)	1,994
Grants	1,425	1,425	—
Insurance recoveries	774	774	—
Total nonoperating revenues (expenses)	<u>(599,595)</u>	<u>(585,922)</u>	<u>13,673</u>
Income before transfers	<u>(2,244,744)</u>	<u>(502,121)</u>	<u>1,742,623</u>
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>—</u>
Total other financing	<u>250,000</u>	<u>250,000</u>	<u>—</u>
Change in net position	<u>\$ (1,994,744)</u>	<u>(252,121)</u>	<u>\$ 1,742,623</u>
Adjustments to GAAP basis			
Debt			
Principal payments		563,225	
Amortization of prepaid bond sale expense		(2,901)	
Amortization of premiums and discounts		9,245	
Amortization of loss on refunding		(4,418)	
Accrued interest adjustment		1,686	
Capital assets			
Acquisitions		89,508	
Capital contributions		579,464	
Depreciation		(474,274)	
Inventories		3,057	
Personnel services accruals		<u>(28,842)</u>	
Change in net position, GAAP basis		<u>\$ 483,629</u>	

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Internal Service Funds

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

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

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

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

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

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CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Internal Service Funds					
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 1,346,813	\$ 1,290,090	\$ 544,939	\$ 1,218,232	\$ 148,066	\$ 4,548,140
Cash and cash equivalents with fiscal agent	309,521	—	—	—	—	309,521
Investments	6,053,259	5,798,315	2,449,235	5,475,348	665,485	20,441,642
Receivables:						
Accounts	150,039	14,372	—	76,584	—	240,995
Interest	23,881	22,918	9,726	21,667	2,600	80,792
Inventories	—	—	—	—	114,768	114,768
Prepaid items	—	—	—	713,388	—	713,388
Total current assets	<u>7,883,513</u>	<u>7,125,695</u>	<u>3,003,900</u>	<u>7,505,219</u>	<u>930,919</u>	<u>26,449,246</u>
Noncurrent assets:						
Capital assets:						
Depreciable assets, net	—	—	—	8,153,496	116,384	8,269,880
Total noncurrent assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>8,153,496</u>	<u>116,384</u>	<u>8,269,880</u>
Total assets	<u>\$ 7,883,513</u>	<u>\$ 7,125,695</u>	<u>\$ 3,003,900</u>	<u>\$ 15,658,715</u>	<u>\$ 1,047,303</u>	<u>\$ 34,719,126</u>
LIABILITIES						
Current liabilities:						
Accounts payable and other	\$ 405,208	\$ 70,817	\$ 51,781	\$ —	\$ 90,389	\$ 618,195
Accrued liabilities	8,082	—	8,266	—	24,777	41,125
Notes payable, current portion	—	—	—	378,327	—	378,327
Other liabilities, current portion	1,168	—	11,422	—	3,495	16,085
Accrued interest	—	—	—	36,045	—	36,045
Estimated claims	1,084,924	259,923	1,146,674	—	—	2,491,521
Total current liabilities	<u>1,499,382</u>	<u>330,740</u>	<u>1,218,143</u>	<u>414,372</u>	<u>118,661</u>	<u>3,581,298</u>
Noncurrent liabilities:						
Notes payable	—	—	—	1,604,895	—	1,604,895
Other liabilities payable	23,467	—	29,458	—	55,236	108,161
Total noncurrent liabilities	<u>23,467</u>	<u>—</u>	<u>29,458</u>	<u>1,604,895</u>	<u>55,236</u>	<u>1,713,056</u>
Total liabilities	<u>1,522,849</u>	<u>330,740</u>	<u>1,247,601</u>	<u>2,019,267</u>	<u>173,897</u>	<u>5,294,354</u>
NET POSITION						
Net investment in capital assets	—	—	—	6,170,274	116,384	6,286,658
Unrestricted	6,360,664	6,794,955	1,756,299	7,469,174	757,022	23,138,114
Total net position	<u>\$ 6,360,664</u>	<u>\$ 6,794,955</u>	<u>\$ 1,756,299</u>	<u>\$ 13,639,448</u>	<u>\$ 873,406</u>	<u>\$ 29,424,772</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Governmental Activities Internal Service Funds					Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	
Operating revenues						
Charges for services	\$ 18,014,100	\$ 465,148	\$ 2,246,715	\$ 3,361,380	\$ 2,662,390	\$ 26,749,733
Other	4,264	663	—	61,804	—	66,731
Total operating revenues	<u>18,018,364</u>	<u>465,811</u>	<u>2,246,715</u>	<u>3,423,184</u>	<u>2,662,390</u>	<u>26,816,464</u>
Operating expenses						
Personnel services	234,573	649	289,224	—	835,594	1,360,040
Contractual services	2,658,110	187,645	743,877	—	290,646	3,880,278
Commodities	1,512	11,191	320	—	1,120,997	1,134,020
Capital expense	—	—	—	1,415,767	—	1,415,767
Insurance and other expenses	13,594,396	941,608	1,965,167	—	—	16,501,171
Depreciation	—	—	—	2,409,692	23,565	2,433,257
Total operating expenses	<u>16,488,591</u>	<u>1,141,093</u>	<u>2,998,588</u>	<u>3,825,459</u>	<u>2,270,802</u>	<u>26,724,533</u>
Operating income (loss)	<u>1,529,773</u>	<u>(675,282)</u>	<u>(751,873)</u>	<u>(402,275)</u>	<u>391,588</u>	<u>91,931</u>
Nonoperating revenues (expenses)						
Income on investments	182,887	176,242	73,371	170,612	21,301	624,413
Interest expense	—	—	—	(45,820)	—	(45,820)
Gain on disposition of capital assets	—	—	—	124,130	—	124,130
Insurance recoveries	—	—	—	291,482	945	292,427
Total nonoperating revenues (expenses)	<u>182,887</u>	<u>176,242</u>	<u>73,371</u>	<u>540,404</u>	<u>22,246</u>	<u>995,150</u>
Capital contributions	—	—	—	7,423	—	7,423
Transfers (out)	—	—	—	—	(412,612)	(412,612)
Change in net position	<u>1,712,660</u>	<u>(499,040)</u>	<u>(678,502)</u>	<u>145,552</u>	<u>1,222</u>	<u>681,892</u>
Net position - beginning, as adjusted	<u>4,648,004</u>	<u>7,293,995</u>	<u>2,434,801</u>	<u>13,493,896</u>	<u>872,184</u>	<u>28,742,880</u>
Net position - ending	<u>\$ 6,360,664</u>	<u>\$ 6,794,955</u>	<u>\$ 1,756,299</u>	<u>\$ 13,639,448</u>	<u>\$ 873,406</u>	<u>\$ 29,424,772</u>

CITY OF WESTMINSTER, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Governmental Activities Internal Service Funds					Total
	Medical and Dental Self- Insurance	Workers' Compensation Self-Insurance	Property and Liability Self- Insurance	General Capital Outlay Replacement	Fleet Fund	
Cash flows from operating activities:						
Receipts from interfund charges for risk management services	\$ 18,362,764	\$ 450,776	\$ 2,246,715	\$ —	\$ —	\$ 21,060,255
Receipts from interfund charges for capital outlay replacement	—	—	—	3,284,796	—	3,284,796
Receipts from interfund charges for fleet services	—	—	—	—	2,662,390	2,662,390
Cash payments to employees for services	(234,098)	(649)	(273,944)	—	(835,983)	(1,344,674)
Cash payments to benefits on behalf of employees	—	—	—	—	—	—
Cash payments to suppliers for goods and services	(17,045,211)	(1,127,852)	(2,709,575)	(2,129,155)	(1,405,310)	(24,417,103)
Other operating revenues	4,264	664	—	61,804	—	66,732
Net cash provided by (used in) operating activities	<u>1,087,719</u>	<u>(677,061)</u>	<u>(736,804)</u>	<u>1,217,445</u>	<u>421,097</u>	<u>1,312,396</u>
Cash flows from noncapital financing activities:						
Transfer out	—	—	—	—	(412,612)	(412,612)
Net cash provided by (used in) noncapital financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(412,612)</u>	<u>(412,612)</u>
Cash flows from capital and related financing activities:						
Principal paid on long term debt	—	—	—	(350,402)	—	(350,402)
Interest paid on long term debt	—	—	—	(43,929)	—	(43,929)
Acquisition and construction of capital assets	—	—	—	(2,956,626)	—	(2,956,626)
Proceeds from sale of capital assets	—	—	—	116,098	—	116,098
Insurance recoveries	—	—	—	291,482	945	292,427
Proceeds from grant/notes	—	—	—	613,388	—	613,388
Net cash provided (used in) capital and related financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,329,989)</u>	<u>945</u>	<u>(2,329,044)</u>
Cash flow from investing activities:						
Proceeds from sale of investments	5,363,500	6,520,711	3,190,258	6,800,456	708,426	22,583,351
Purchases of investments	(6,281,414)	(5,902,601)	(2,541,945)	(5,710,568)	(712,939)	(21,149,467)
Interest received on investments	256,542	242,096	100,128	127,399	28,944	755,109
Net cash provided by (used in) investing activities	<u>(661,372)</u>	<u>860,206</u>	<u>748,441</u>	<u>1,217,287</u>	<u>24,431</u>	<u>2,188,993</u>
Net increase (decrease) in cash and cash equivalents	426,347	183,145	11,637	104,743	33,861	759,733
Cash and cash equivalents - beginning of year	1,229,987	1,106,945	533,302	1,113,490	114,205	4,097,929 *
Cash and cash equivalents - end of year	<u>\$ 1,656,334</u>	<u>\$ 1,290,090</u>	<u>\$ 544,939</u>	<u>\$ 1,218,233</u>	<u>\$ 148,066</u>	<u>\$ 4,857,662</u>
Reconciliation of cash and cash equivalents to Statement of Net Position						
Unrestricted cash and cash equivalents	1,346,813	1,290,090	544,939	1,218,232	148,066	4,548,140
Unrestricted cash and cash equivalents with fiscal agent	309,521	—	—	—	—	309,521
Total Cash and Cash Equivalents	<u>\$ 1,656,334</u>	<u>\$ 1,290,090</u>	<u>\$ 544,939</u>	<u>\$ 1,218,232</u>	<u>\$ 148,066</u>	<u>\$ 4,857,661</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 1,529,773	\$ (675,282)	\$ (751,873)	\$ (402,275)	\$ 391,588	\$ 91,931
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	—	—	—	2,409,692	23,565	2,433,257
(Increase) decrease in accounts receivable	348,664	(14,372)	—	(76,584)	—	257,708
(Increase) decrease in inventory	—	—	—	—	13,484	13,484
(Increase) decrease in prepaid items	—	2,700	—	(713,388)	—	(710,688)
Increase (decrease) in accounts payable and other	3,192	19,061	(11,092)	—	(12,464)	(1,303)
Increase (decrease) in accrued liabilities	(1,015)	—	1,910	—	4,924	5,819
Increase (decrease) in estimated claims	(792,895)	(9,168)	24,251	—	—	(777,812)
Total adjustments	<u>(442,054)</u>	<u>(1,779)</u>	<u>15,069</u>	<u>1,619,720</u>	<u>29,509</u>	<u>1,220,465</u>
Net cash provided by (used in) operating activities	<u>\$ 1,087,719</u>	<u>\$ (677,061)</u>	<u>\$ (736,804)</u>	<u>\$ 1,217,445</u>	<u>\$ 421,097</u>	<u>\$ 1,312,396</u>

* Beginning cash adjusted for change in fund type; see Note 3W in the Notes to the Financial Statements.

Noncash investing, capital and financing activities Internal Service Funds:

* The General Capital Outlay Replacement Internal Service Fund disposed of capital assets at a gain of \$8,032.

* Capital assets contributed from governmental activities to the Internal Service Funds totaled \$7,423.

* Accounts payable used to acquire capital assets for the General Capital Outlay Replacement Internal Service Fund was \$0, a decrease of \$88,713 compared to 2019.

* The change in unrecognized gain recorded to value the non-cash investments of the City's internal service funds to fair market value was an increase of \$212,657.

* Accrued interest increased in total for Internal Service Funds by \$1,891.

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*BUDGETARY COMPARISON SCHEDULES
INTERNAL SERVICE FUNDS*

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**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL CAPITAL OUTLAY REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 3,361,380	\$ 3,361,380	\$ —
Other	16,837	61,804	44,967
Total operating revenues	<u>3,378,217</u>	<u>3,423,184</u>	<u>44,967</u>
Operating expenses			
Capital expense	12,040,072	4,283,680	7,756,392
Total operating expenses	<u>12,040,072</u>	<u>4,283,680</u>	<u>7,756,392</u>
Operating income	<u>(8,661,855)</u>	<u>(860,496)</u>	<u>7,801,359</u>
Nonoperating revenues (expenses)			
Income on investments	—	170,612	170,612
Debt service	(394,331)	(394,331)	—
Disposition of assets	—	168,098	168,098
Insurance recoveries	291,481	291,482	1
Issuance of debt	1,226,776	613,388	(613,388)
Total nonoperating revenues (expenses)	<u>1,123,926</u>	<u>849,249</u>	<u>(274,677)</u>
Change in net position	<u>\$ (7,537,929)</u>	<u>(11,247)</u>	<u>\$ 7,526,682</u>
Adjustments to GAAP basis			
Debt			
Principal payments		350,402	
Issuance of notes		(613,388)	
Accrued interest adjustment		(1,891)	
Capital assets			
Acquisitions		2,867,913	
Net book value of disposals		(43,968)	
Capital contributions		7,423	
Depreciation		(2,409,692)	
Change in Net Position, GAAP Basis		<u>\$ 145,552</u>	

**CITY OF WESTMINSTER, COLORADO
BUDGETARY COMPARISON SCHEDULE
FLEET FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Charges for services	\$ 2,660,201	\$ 2,662,390	\$2,189
Total operating revenues	<u>2,660,201</u>	<u>2,662,390</u>	<u>2,189</u>
Operating expenses			
Personnel Services	877,463	830,282	47,181
Contractual Services	308,633	290,646	17,987
Commodities	<u>1,475,050</u>	<u>1,107,513</u>	<u>367,537</u>
Total operating expenses	<u>2,661,146</u>	<u>2,228,441</u>	<u>432,705</u>
Operating income	<u>(945)</u>	<u>433,949</u>	<u>434,894</u>
Nonoperating revenues (expenses)			
Income on investments	—	21,301	21,301
Insurance recoveries	<u>945</u>	<u>945</u>	<u>—</u>
Total nonoperating revenues (expenses)	<u>945</u>	<u>22,246</u>	<u>21,301</u>
Income (loss) before transfers	—	456,195	456,195
Transfers (out)	<u>(412,612)</u>	<u>(412,612)</u>	<u>—</u>
Total other financing	<u>(412,612)</u>	<u>(412,612)</u>	<u>—</u>
Change in net position	<u>\$ (412,612)</u>	43,583	<u>\$ 456,195</u>
Adjustments to GAAP basis			
Capital assets			
Depreciation		(23,565)	
Inventory Adjustment		(13,484)	
Personnel services accruals		<u>(5,312)</u>	
Change in Net Position, GAAP Basis		<u>\$ 1,222</u>	



**STATISTICAL
SECTION**

STATISTICAL SECTION (Unaudited)

	Page No.	Table
Financial Trends Information		
<i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being are changed over time.</i>		
Net Position by Component	141	1
Changes in Net Position	142	2
Fund Balance of Governmental Funds	144	3
Changes in Fund Balances of Governmental Funds	145	4
Revenue Capacity Information		
<i>These schedules contain information to help the reader assess the city's most significant local revenue source, the sales and use tax.</i>		
Sales and Use Tax Revenue	146	5
Direct and Overlapping Sales and Use Tax Rates	147	6
Principal Sales and Use Taxpayers by Industry	148	7
Debt Capacity Information		
<i>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.</i>		
Ratios of Outstanding Debt by Type	149	8
Direct and Overlapping Governmental Activities Debt	150	9
Legal Debt Margin Information	151	10
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Demographic and Economic Information		
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within the city's financial activity take place.</i>		
Demographic and Economic Statistics	157	12
Principal Employers	158	13
Operating Information		
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.</i>		
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Operating Indicators by Function/Program	160	15
Capital Asset Statistics by Function/Program	161	16

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**Table 1
City of Westminster**

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities										
Net Investment in capital assets	\$ 293,006,176	\$ 310,753,100	\$298,581,511	\$284,051,559	\$262,972,719	\$233,726,088	\$203,103,757	\$181,518,179	\$176,064,347	\$167,459,905
Restricted	55,763,500	47,539,906	50,047,232	44,958,563	35,829,766	31,977,574	27,825,584	34,508,098	32,889,201	35,378,439
Unrestricted	168,684,266	163,495,988	141,137,700	129,559,139	125,748,290	118,916,142	118,324,325	107,275,937	96,304,116	91,201,675
Total governmental activities net position	\$ 517,453,942	\$ 521,788,994	\$489,766,443	\$458,569,261	\$424,550,775	\$384,619,804	\$349,253,666	\$323,302,214	\$305,257,664	\$294,040,019
Business-type activities										
Net Investment in capital assets	\$ 491,753,788	\$ 455,230,597	\$422,842,682	\$397,726,132	\$385,909,492	\$375,115,816	\$353,498,654	\$343,060,522	\$336,924,153	\$337,605,101
Restricted	2,011,430	3,487,032	3,476,326	3,427,214	5,135,850	5,133,269	5,132,572	5,207,324	5,206,778	5,484,664
Unrestricted	140,341,808	113,143,678	113,325,081	113,763,592	106,406,204	87,632,673	89,037,701	86,956,838	81,540,256	64,814,804
Total business-type activities net position	\$ 634,107,026	\$ 571,861,307	\$539,644,089	\$514,916,938	\$497,451,546	\$467,881,758	\$447,668,927	\$435,224,684	\$423,671,187	\$407,904,569
Total										
Net Investment in capital assets	\$ 784,759,964	\$ 765,983,697	\$721,424,193	\$681,777,691	\$648,882,211	\$608,841,904	\$556,602,411	\$524,578,701	\$512,988,500	\$505,065,006
Restricted	57,774,930	51,026,938	53,523,558	48,385,777	40,965,616	37,110,843	32,958,156	39,715,422	38,095,979	40,863,103
Unrestricted	309,026,074	276,639,666	254,462,781	243,322,731	232,154,494	206,548,815	207,362,026	194,232,775	177,844,372	156,016,479
Total net position	\$1,151,560,968	\$1,093,650,301	\$1,029,410,533	\$973,486,199	\$922,002,321	\$852,501,562	\$796,922,593	\$758,526,898	\$728,928,851	\$701,944,588

Table 2
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental activities:										
General government	\$ 68,922,318	\$ 60,497,064	\$ 51,245,789	\$ 50,382,503	\$ 49,564,911	\$ 41,265,248	\$ 37,225,374	\$ 38,096,012	\$ 35,878,873	\$ 35,365,276
Public safety	47,640,463	42,902,368	40,662,978	39,908,597	36,274,992	34,620,914	33,917,996	34,701,963	32,690,106	31,572,328
Public works	10,021,168	17,283,356	15,393,799	13,475,717	13,459,466	13,490,199	14,967,446	14,526,130	14,484,672	10,278,949
Community development	17,894,840	14,327,393	13,734,388	15,565,417	14,174,997	13,136,180	9,253,118	10,053,995	10,294,204	14,367,026
Economic development	2,579,468	3,764,393	1,752,565	—	—	—	—	—	—	—
Culture and recreation	25,439,359	27,485,527	25,638,240	24,625,914	24,576,687	21,506,116	23,345,230	20,547,209	21,450,331	17,403,563
Interest and fiscal charges	2,959,178	3,264,280	3,569,427	3,838,725	6,637,408	7,326,033	6,586,443	7,012,596	6,697,736	6,952,116
Refunding issuance costs	—	—	—	—	191,082	—	—	157,626	—	—
Unallocated depreciation	195,761	227,411	230,339	230,867	232,974	271,497	304,769	308,894	309,553	347,847
Total governmental activities expenses	175,652,555	169,751,792	152,227,525	148,027,740	145,112,517	131,616,187	125,600,376	125,404,425	121,805,475	116,287,105
Business-type activities:										
Utility	59,658,316	56,778,210	55,545,014	53,216,225	50,691,118	48,485,130	44,811,783	43,302,750	44,861,022	42,845,082
Golf	3,844,431	4,226,369	4,384,036	4,054,852	3,579,035	3,530,467	3,528,224	3,809,085	3,354,014	3,389,873
Westminster Housing Authority	—	—	—	—	70,770	125,491	84,666	106,956	696,930	792,691
Parking Management	1,232,430	—	—	—	—	—	—	—	—	—
Total business-type activities expenses	64,735,177	61,004,579	59,929,050	57,271,077	54,340,923	52,141,088	48,424,673	47,218,791	48,911,966	47,027,646
Total primary government expenses	240,387,732	230,756,371	212,156,575	205,298,817	199,453,440	183,757,275	174,025,049	172,623,216	170,717,441	163,314,751
Program Revenues										
Governmental activities:										
Charges for services:										
General government	8,752,107	5,761,167	4,797,788	5,237,623	6,105,832	4,856,467	4,150,020	4,883,189	4,055,921	3,737,240
Public safety	3,191,828	3,995,334	4,605,643	3,709,546	3,972,310	4,138,624	4,031,642	4,204,733	4,507,902	4,550,427
Public works	2,662,461	2,523,557	2,756,068	2,824,964	2,548,173	2,439,228	2,026,345	1,630,161	1,810,028	1,744,118
Community development	253,762	287,453	243,737	228,383	801,191	206,671	358,835	190,322	(12,469)	186,524
Culture and recreation	2,864,075	7,479,551	7,948,709	7,506,249	7,746,111	7,476,626	7,368,157	6,765,100	6,747,706	6,550,418
Operating grants and contributions	22,436,312	10,928,246	10,932,984	9,484,810	9,273,135	8,279,617	7,792,918	6,266,173	6,669,118	6,550,602
Capital grants and contributions	16,607,880	14,631,021	14,039,483	10,959,356	26,547,690	15,799,445	14,107,955	15,133,416	9,309,177	9,094,638
Total program revenues	56,768,425	45,606,329	45,324,412	39,950,931	56,994,442	43,196,678	39,835,872	39,073,094	33,087,383	32,413,967
Business-type activities:										
Charges for services:										
Utility	77,561,514	67,548,532	63,758,787	57,918,080	55,326,918	50,580,355	47,890,317	45,097,929	49,243,639	44,227,706
Golf	3,459,592	4,194,475	3,655,051	3,748,446	3,529,970	3,483,098	3,427,107	3,090,119	3,141,318	2,679,816
Westminster Housing Authority	—	—	—	—	—	—	—	—	723,307	944,917
Parking Management	16,919	—	—	—	—	—	—	—	—	—
Operating grants and contributions	1,425	1,500	1,400	1,500	700	—	—	1,695	36,435	—
Capital grants and contributions	13,691,078	16,960,139	14,474,171	12,800,673	24,125,580	16,731,575	7,060,781	9,313,996	5,460,466	7,589,453
Total business-type activities program revenues	94,730,528	88,704,646	81,889,409	74,468,699	82,983,168	70,795,028	58,378,205	57,503,739	58,605,165	55,441,892
Total revenues	151,498,953	134,310,975	127,213,821	114,419,630	139,977,610	113,991,706	98,214,077	96,576,833	91,692,548	87,855,859
Net (expense)/revenue										
Governmental activities	(118,884,130)	(124,145,463)	(106,903,113)	(108,076,809)	(88,118,075)	(88,419,509)	(85,764,504)	(86,331,331)	(88,718,092)	(83,873,138)
Business-type activities	29,995,351	27,700,067	21,960,359	17,197,622	28,642,245	18,653,940	9,953,532	10,284,948	9,693,199	8,414,246
Total primary government net expense	(88,888,779)	(96,445,396)	(84,942,754)	(90,879,187)	(59,475,830)	(69,765,569)	(75,810,972)	(76,046,383)	(79,024,893)	(75,458,892)

Table 2 (continued)
City of Westminster

Changes in Net Position
Last ten fiscal years

	Fiscal year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	23,042,829	19,587,247	17,691,457	15,799,702	15,090,147	13,461,402	13,535,334	12,947,197	12,891,503	13,334,499
Sales taxes	87,270,216	90,810,385	88,708,382	84,790,732	80,283,226	76,576,042	72,699,403	68,712,125	65,544,298	64,746,106
Use taxes	20,216,479	21,312,747	18,590,498	19,861,540	19,824,648	17,498,401	14,797,452	14,110,138	11,946,218	11,614,468
Business fees and other taxes	607,722	5,575,081	5,480,552	5,381,255	5,373,974	5,636,924	5,745,800	5,587,433	5,275,222	5,342,892
Accommodations taxes	1,848,750	4,818,563	4,782,173	4,463,046	4,258,630	4,005,426	3,478,033	2,905,893	2,427,226	2,365,444
Intergovernmental not restricted to a specific purpose	329,012	303,244	285,165	249,184	241,386	393,033	224,580	672,693	672,172	673,423
Assessments	—	—	—	—	—	—	—	2,000	6,000	2,000
Interest	4,247,094	5,231,237	2,423,030	1,018,194	1,298,621	739,407	996,457	139,218	811,117	913,339
Rentals	—	376,318	334,627	443,624	443,074	419,137	409,143	409,789	470,674	569,867
Fleet Maintenance billings and other	—	—	—	—	—	—	—	—	—	—
Other	4,557,064	7,897,485	1,508,051	8,288,774	30,561	6,862	257,781	1,084,214	35,000	273,002
Gain on Sale of Assets	124,130	—	87,142	227,523	156,319	1,651,759	71,130	—	21,879	632,142
Special Item	—	—	—	—	—	—	—	—	—	—
Transfers	(27,694,218)	255,707	71,000	(356,098)	1,028,460	(757)	(499,157)	(774,544)	(165,572)	(350,207)
Total governmental activities	114,549,078	156,168,014	139,962,077	140,167,476	128,029,046	120,387,636	111,715,956	105,796,156	99,935,737	100,116,975
Business-type activities:										
Interest	3,516,881	3,683,434	2,135,610	1,045,374	958,005	634,166	860,924	32,742	840,406	901,668
Rentals	—	—	—	—	10	10	20	587	839	—
Other	984,169	1,003,119	892,376	845,666	931,015	911,961	948,874	883,951	1,190,155	517,259
Gain on Sale of Assets	55,100	86,305	—	345,328	66,973	11,997	181,736	98,245	—	—
Special Item	—	—	—	—	—	—	—	—	3,876,447	—
Transfers	27,694,218	(255,707)	(71,000)	356,098	(1,028,460)	757	499,157	774,544	165,572	350,207
Total business-type activities	32,250,368	4,517,151	2,956,986	2,592,466	927,543	1,558,891	2,490,711	1,790,069	6,073,419	1,769,134
Total	146,799,446	160,685,165	142,919,063	142,759,942	128,956,589	121,946,527	114,206,667	107,586,225	106,009,156	101,886,109
Change in net position										
Governmental activities	(4,335,052)	32,022,551	33,058,964	32,090,667	39,910,971	31,968,127	25,951,452	19,464,825	11,217,645	16,243,837
Adjustment for accounting change	—	—	(1,861,782)	—	—	3,418,011	—	(1,420,275)	—	—
Business-type activities	62,245,719	32,217,218	24,917,345	19,790,088	29,569,788	20,212,831	12,444,243	12,075,017	15,766,618	10,183,380
Adjustment for accounting change	—	—	(190,194)	—	—	—	—	(521,520)	—	—
Total	\$57,910,667	\$64,239,769	\$55,924,333	\$51,880,755	\$69,480,759	\$55,598,969	\$38,395,695	\$29,598,047	\$26,984,263	\$26,427,217

Note: 2013: Adjustment for accounting change due to implementation of GASB 65.
2015: Adjustment for accounting change due to implementation of GASB 68.
2017: Westminster Housing Authority change from a proprietary to a governmental fund.
2018: Adjustment for accounting change due to implementation of GASB 75.

Table 3
City of Westminster

Fund Balances, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved	—	—	—	—	—	—	—	—	—	—
Nonspendable	1,097,225	1,065,811	1,062,036	1,149,356	1,115,952	1,000,834	934,588	887,569	943,056	1,060,299
Restricted	7,592,825	6,872,557	6,306,526	6,205,516	6,227,738	5,699,348	5,145,534	5,177,644	4,849,535	4,822,404
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	8,437,802	8,308,210	8,052,727	6,836,562	6,492,595	5,915,385	6,118,523	5,732,552	5,843,851	5,802,983
Unassigned	30,784,911	32,084,317	35,004,249	33,655,936	29,970,602	31,869,732	25,115,741	18,960,092	17,795,609	15,243,510
Total General Fund	\$ 47,912,763	\$ 48,330,895	\$ 50,425,538	\$ 47,847,370	\$ 43,806,887	\$ 44,485,299	\$ 37,314,386	\$ 30,757,857	\$ 29,432,051	\$ 26,929,196
All other governmental funds										
Reserved	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved, reported in:										
Special revenue funds	—	—	—	—	—	—	—	—	—	—
Capital project funds	—	—	—	—	—	—	—	—	—	—
Nonspendable	—	—	—	16,648,057	20,776,055	20,776,315	31,630,640	31,226,133	32,351,416	27,391,523
Restricted	44,804,916	41,065,022	38,148,501	37,372,256	38,803,425	60,767,096	22,539,782	29,425,771	30,475,367	32,119,519
Committed	78,802,034	70,527,334	57,985,681	52,930,080	41,415,625	37,721,829	36,473,901	34,204,717	29,391,324	24,387,010
Assigned	15,810,675	15,445,173	16,909,975	3,467,415	551,520	398,546	279,822	306,482	460,677	338,688
Unassigned	—	—	(56,924)	(196,189)	1,605,617	(581,144)	(455,532)	(621,910)	(382,694)	(754,471)
Total all other governmental funds	\$ 139,417,625	\$ 127,037,529	\$ 112,987,233	\$ 110,221,619	\$ 103,152,242	\$ 119,082,642	\$ 90,468,613	\$ 94,541,193	\$ 92,296,090	\$ 83,482,269

Note: In 2011 GASB 54 was implemented with new fund balance classifications.

Table 4
City of Westminster

Change in Fund Balance, Governmental Funds
Last ten fiscal years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes and business fees	\$137,302,387	\$142,104,023	\$135,253,062	\$130,296,275	\$124,830,625	\$117,178,195	\$110,256,022	\$104,262,786	\$ 98,084,467	\$ 97,403,409
Intergovernmental	29,188,618	20,339,303	16,710,544	17,197,954	18,835,428	14,621,889	14,666,756	13,444,290	13,363,386	14,690,316
Assessments	—	—	—	—	—	41,662	39,444	41,199	45,935	43,361
Licenses and permits	3,540,558	4,192,596	3,280,098	3,563,800	4,278,584	2,923,276	2,459,437	2,653,281	2,006,610	1,824,264
Interest	3,697,853	4,585,521	2,147,241	906,697	1,135,671	755,385	830,006	139,740	828,450	937,931
Rentals	245,021	376,318	334,627	443,624	443,074	419,137	409,143	425,569	476,399	569,867
Contributions	8,365,618	6,606,716	1,036,410	3,759,405	14,996,774	6,584,703	2,561,733	3,389,088	2,846,572	2,893,030
Recreation fees	2,587,271	7,726,601	7,704,447	7,583,862	7,605,943	7,569,719	7,379,510	6,788,407	6,751,616	6,443,748
Fines and forfeits	978,758	1,601,190	1,685,247	1,239,978	1,377,401	1,657,240	1,587,334	1,868,695	2,010,118	2,251,882
Fleet maintenance billings and other	3,976,378	4,910,359	4,945,591	5,151,565	5,326,371	4,920,307	4,374,067	4,508,886	4,529,238	4,442,594
EMS billings	2,100,166	2,050,593	3,179,449	2,410,270	2,503,787	2,362,530	2,178,911	2,173,899	2,357,911	2,016,677
Miscellaneous and other	3,228,329	2,834,834	1,284,054	4,931,886	589,913	65,761	358,555	810,454	127,277	317,947
Total revenues	195,210,957	197,328,054	177,560,770	177,485,316	181,923,571	159,099,804	147,100,918	140,506,294	133,427,979	133,835,026
Expenditures										
Current:										
General government	67,719,130	61,256,528	54,222,455	54,426,899	49,618,140	45,752,230	42,189,889	42,191,325	41,025,193	40,160,148
Public safety	45,865,100	42,723,342	39,791,231	38,084,423	34,987,444	33,409,984	32,882,207	33,173,549	31,434,925	30,521,418
Public works	6,849,480	9,941,029	8,711,852	8,646,817	8,488,590	7,812,814	7,589,559	7,398,650	7,210,468	3,280,134
Community development	9,537,808	8,302,645	7,036,989	10,241,109	6,077,910	6,007,219	5,442,684	5,746,886	5,416,821	8,948,499
Economic development	2,390,464	3,768,084	1,754,838	—	—	—	—	—	—	—
Culture and recreation	16,013,025	17,899,750	17,314,204	16,374,128	15,930,277	15,741,361	14,964,860	14,186,013	13,674,664	13,047,644
Capital projects	23,395,446	30,378,361	32,357,524	27,422,712	63,965,424	45,074,138	25,199,894	17,487,657	11,361,038	13,070,798
Debt service:										
Principal	8,144,000	8,680,000	7,585,000	8,042,000	12,018,000	11,775,000	10,790,000	14,651,000	11,635,000	12,585,000
Interest and fiscal charges	2,983,755	3,277,508	3,567,493	3,818,063	5,914,294	5,483,247	5,313,893	5,769,157	9,816,176	6,584,681
Issuance costs	—	—	—	—	191,082	532,288	—	157,626	383,516	—
Total expenditures	182,898,208	186,227,247	172,341,586	167,056,151	197,191,161	171,588,281	144,372,986	140,761,863	131,957,801	128,198,322
Excess of revenues over (under) expenditures	12,312,749	11,100,807	5,219,184	10,429,165	(15,267,590)	(12,488,477)	2,727,932	(255,569)	1,470,178	5,636,704
Other financing Sources (Uses)										
Issuance of bonds	—	—	—	—	—	—	—	11,095,000	5,812,724	—
Issuance of notes	—	—	—	—	—	—	—	—	—	3,500,000
Issuance of leases	—	—	—	—	—	40,577,946	—	—	—	—
Issuance of refunding debt	—	—	—	—	14,995,000	18,500,000	—	—	96,366,606	—
Premium on debt	—	—	—	—	1,550,018	5,074,187	—	1,167,165	1,756,197	—
Discount on debt	—	—	—	—	—	(137,068)	—	—	(67,028)	—
Payment to refunded bond escrow agent	—	—	—	—	(18,978,975)	(20,451,328)	—	(12,065,594)	(94,287,102)	—
Sale of capital asset	70,164	58,545	53,598	34,901	32,952	4,678,053	57,990	848,454	43,519	50,770
Insurance Recoveries	835,924	461,301	—	—	—	—	—	—	—	—
Transfers in	18,251,491	26,269,844	31,657,554	31,101,861	35,831,912	23,439,943	19,439,703	23,123,984	15,240,547	21,348,099
Transfers (out)	(18,712,085)	(25,934,844)	(31,586,554)	(31,445,264)	(34,772,129)	(23,408,314)	(19,741,676)	(20,342,531)	(15,018,965)	(21,615,893)
Total other financing sources (uses)	445,494	854,846	124,598	(308,502)	(1,341,222)	48,273,419	(243,983)	3,826,478	9,846,498	3,282,976
Net change in fund balances	\$ 12,758,243	\$ 11,955,653	\$ 5,343,782	\$ 10,120,663	\$ (16,608,812)	\$ 35,784,942	\$ 2,483,949	\$ 3,570,909	\$ 11,316,676	\$ 8,919,680
Debt Service as a percentage of noncapital expenditures	6.5%	7.0%	7.2%	10.1%	11.2%	11.3%	12.3%	15.3%	15.9%	14.1%

Table 5
City of Westminster

Sales and Use Tax Revenue
Last ten fiscal years

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate
2011	59,520,797	11,887,799	4,951,978	3.85%
2012	60,408,927	12,058,508	5,023,081	3.85%
2013	64,567,678	12,886,561	5,368,023	3.85%
2014	68,180,777	13,635,955	5,680,123	3.85%
2015	73,302,649	14,663,545	6,108,251	3.85%
2016	78,019,813	15,590,932	6,497,129	3.85%
2017	81,491,695	16,349,963	6,810,615	3.85%
2018	83,620,682	16,715,283	6,962,914	3.85%
2019	87,377,954	17,468,504	7,276,675	3.85%
2020	83,865,670	16,674,924	6,946,101	3.85%

Source: City Sales Tax Division

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

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

Table 6
City of Westminster

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

Fiscal Year	City Direct Rates				Overlapping Rates ³			
	City Sales and Use Tax	Public Safety Sales and Use Tax ¹	Open Space Sales and Use Tax ²	Total Direct Tax Rate	State of Colorado	Adams County Sales Tax	Jefferson County Sales Tax	RTD/CD/FD Sales Tax
2011	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.20%
2012	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2013	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2014	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2015	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2016	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2017	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2018	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2019	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%
2020	3.00%	0.60%	0.25%	3.85%	2.90%	0.75%	0.50%	1.10%

Source: City Sales Tax Division

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

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

³ Overlapping rates are those of county governments and tax districts within the City of Westminster. Not all overlapping rates apply to all sales transactions

**Table 7
City of Westminster**

**Principal Sales and Use Tax Payers by Category
Current Year and Nine Years Ago**

Category	Fiscal Year 2020			Fiscal Year 2011		
	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax	Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax
Department and Discount Stores	\$ 21,177,938	1	18.9 %	\$ 18,626,160	1	24.4 %
Restaurants	10,848,481	3	10.5 %	8,334,289	3	10.9 %
Utility/Telecommunications	8,872,943	5	7.9 %	8,990,349	2	11.8 %
Building/Home Improvement	11,798,708	2	9.7 %	2,820,295	6	3.7 %
Automobile	9,400,814	4	8.4 %	5,059,529	4	6.6 %
Grocery	6,317,537	6	5.6 %	4,659,149	5	6.1 %

Source: City Sales Tax Division

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

Table 8
City of Westminster

Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year	Governmental Activities					Business- Type Activities					Total Primary Government	Per Capita ²
	Revenue Bonds	Tax Increment Bonds and Loans	Notes ¹	Certificates of Participation ¹	Capital Leases ¹	Revenue Bonds	Notes ¹	Certificates of Participation ¹	Capital Leases ¹			
2011	56,202,915	100,713,157	—	—	—	35,460,361	29,141,172	—	4,989,583	226,507,188	2,715	
2012	51,151,751	97,880,475	1,612,724	—	—	33,558,808	24,123,395	—	4,427,856	212,755,009	2,577	
2013	47,001,480	93,599,570	1,612,724	—	62,880,551	31,577,255	21,077,341	—	4,516,937	262,265,858	2,396	
2014	41,214,039	88,185,621	1,612,724	—	56,474,766	29,505,000	18,374,433	—	5,064,654	240,431,237	2,167	
2015	36,429,070	82,594,672	1,159,724	—	93,027,440	32,291,867	15,581,464	—	4,304,841	265,389,078	2,368	
2016	29,892,252	76,807,723	929,724	—	87,080,858	81,444,004	12,656,181	—	3,631,794	292,442,536	2,585	
2017	27,467,417	70,846,774	817,000	—	79,377,924	77,759,407	9,736,204	—	3,556,337	269,561,063	2,329	
2018	24,934,193	65,457,826	817,000	—	71,515,263	73,125,093	7,908,512	—	2,836,156	246,594,043	2,106	
2019	22,310,968	59,880,877	2,167,027	62,401,539	—	112,287,446	6,235,413	1,847,356	—	267,130,626	2,267	
2020	19,582,743	54,127,928	2,135,789	56,319,061	—	109,005,223	28,300,696	1,408,111	—	246,594,045	2,278	

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

¹In 2019 GASB 88 was implemented with new debt balance classifications.

²Personal income and population data can be found on Table 12.

**Table 9
City of Westminster**

**Direct and Overlapping Governmental Activities Debt
As of December 31, 2020**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Adams County	\$ 76,601,994	10.18 %	\$ 7,798,083
Adams County School District #12	482,680,000	21.50 %	103,776,200
Apex Park & Rec District	22,160,000	7.47 %	1,655,352
Arvada Fire Protection District	3,138,000	0.05 %	1,569
Bradburn Metro #2	36,588,871	95.87 %	35,077,751
Bradburn Metro #3	13,730,075	88.53 %	12,155,235
Country Club Highlands Metro District	2,055,000	89.89 %	1,847,240
Country Club Village Metro District	2,330,000	99.74 %	2,323,942
Countrydale Metropolitan District	19,385,000	100.00 %	19,385,000
Huntington Trails Metro District	5,945,000	88.91 %	5,285,700
Hyland Village Metro District	4,770,000	100.00 %	4,770,000
Jefferson County	44,125,000	5.82 %	2,568,075
Jefferson County School District R-1	847,660,000	5.82 %	49,333,812
NBC Metropolitan District	4,315,000	100.93 %	4,355,130
North Metro Fire and Rescue	11,670,000	0.49 %	57,183
Westglenn Metro District	1,948,000	95.92 %	1,868,522
Westminster Public Schools	45,675,000	0.3716	16,972,830
Subtotal, overlapping debt			269,231,624
City Direct debt			132,165,520
Total direct and overlapping debt			\$ 401,397,144

Source: Assessed value data used to estimate applicable percentages provided by Adams County and Jefferson County Governments. Debt outstanding data provided by each governmental unit. City direct debt details can be found on Table 8.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident. And therefore responsible for repaying the debt, of each overlapping government.

**Table 10
City of Westminster**

**Legal Debt Margin Information
Last ten fiscal years**

Legal Debt Margin Calculation for Fiscal Year 2018

Actual value of taxable property Source ¹	
Adams County portion of the City	\$ 10,601,325,907
Jefferson County portion of the City	<u>7,751,170,517</u>
Total actual value	<u>\$ 18,352,496,424</u>
Debt limit (3% of actual value ²)	\$ 550,574,893
Debt applicable to limit:	
Bonded debt - general obligation only	\$ —
Installment of lease/purchase contracts for purchase of property or equipment	<u>56,378,147</u>
	<u>56,378,147</u>
Less deductions allowed bylaw:	<u>—</u>
Total net debt applicable to limit	<u>56,378,147</u>
Legal debt margin	<u>\$ 494,196,746</u>

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt limit	\$550,574,893	\$548,159,428	\$452,290,584	\$445,262,889.6	\$344,518,254.4	\$344,518,254	\$297,497,248	\$298,199,061	\$294,623,453	\$296,197,301
Total net debt applicable to limit	<u>56,378,147</u>	<u>62,627,610</u>	<u>69,885,802</u>	<u>78,031,919</u>	<u>85,448,873</u>	<u>93,102,037</u>	<u>59,711,741</u>	<u>65,341,824</u>	<u>70,496,233</u>	<u>76,942,093</u>
Legal debt margin	<u>\$494,196,746</u>	<u>\$485,531,818</u>	<u>\$259,069,381</u>	<u>\$367,230,971</u>	<u>\$259,069,381</u>	<u>\$251,416,217</u>	<u>\$237,785,507</u>	<u>\$232,857,237</u>	<u>\$224,127,220</u>	<u>\$219,255,208</u>
Total net debt applicable to the limit as a percentage of debt limit	10.24 %	11.43 %	15.45 %	17.52 %	24.80 %	27.02 %	20.07 %	21.91 %	23.93 %	25.98 %

¹Source Adams County and Jefferson County Assessors' Offices

²CRS 31-15-302 (3% limit)

³Included in general obligation indebtedness per Section 11.1 of City Charter

Table 11
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Utilities Revenue Bonds						
Fiscal Year	Applicable Revenues	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
2011	50,529,479	(27,931,057)	22,598,422	4,190,557	3,006,017	3.14
2012	54,605,982	(29,478,283)	25,127,699	4,337,883	2,852,651	3.49
2013	52,903,911	(27,684,633)	25,219,278	4,501,875	2,690,433	3.51
2014	53,326,893	(29,817,470)	23,509,423	4,678,308	2,509,611	3.27
2015	65,683,761	(33,884,996)	31,798,765	4,652,930	2,352,949	4.54
2016	77,302,486	(35,226,787)	42,075,699	4,779,791	3,045,426	5.38
2017	70,329,299	(37,392,699)	32,936,600	6,054,011	3,682,728	3.38
2018	79,123,434	(38,663,747)	40,459,687	5,999,029	3,533,838	4.24
2019	87,429,291	(38,798,805)	48,630,486	6,165,017	3,308,140	5.13
2020	94,889,742	(39,937,104)	54,952,638	3,555,084	4,547,016	6.78

Sales and Use Tax Revenue Bonds						
Fiscal Year	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
2011	54,419,273	(434,196)	53,985,077	3,345,000	1,348,146.26	11.50
2012	56,057,366	(448,515)	55,608,851	3,435,000	1,211,039	11.97
2013	59,734,283	(454,483)	59,279,800	3,545,000	1,172,826	12.57
2014	63,933,137	(452,233)	63,480,904	3,805,000	904,026	13.48
2015	68,723,743	(448,060)	68,275,683	4,080,000	744,345	14.15
2016	71,194,240	(446,034)	70,748,206	4,255,000	558,845	14.70
2017	74,824,655	(519,697)	74,304,958	1,225,000	374,600	46.45
2018	77,481,002	(549,687)	76,931,315	1,275,000	334,250	47.81
2019	80,622,826	(429,941)	80,192,885	1,330,000	270,500	50.10
2020	77,335,788	(480,122)	76,855,666	1,395,000	204,000	48.06

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.
 In 2018, the 2018 POST Revenue Bonds principal and interest were incorrectly included in the Sales and Use Tax Revenue Bonds Table.

Source: City's Treasury Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

Parks Open Space Trails Sales and Use Tax Revenue Bonds						
	Sales and Use Tax Collections	Less:		Debt Service		Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest	
2011	4,930,898	(36,160)	4,894,738	1,490,000	1,389,438	1.70
2012	5,039,265	(37,352)	5,001,913	1,545,000	1,329,837	1.74
2013	5,346,716	(37,849)	5,308,867	1,610,000	1,268,038	1.84
2014	5,625,403	(37,686)	5,587,717	1,675,000	1,203,638	1.94
2015	6,084,365	(37,338)	6,047,027	1,755,000	1,119,888	2.10
2016	6,453,721	(37,169)	6,416,552	1,850,000	817,676	2.41
2017	6,767,505	(43,308)	6,724,197	960,000	757,119	3.92
2018	6,894,935	(45,778)	6,849,157	1,025,000	718,719	3.93
2019	7,302,260	(35,804)	7,266,455	1,060,000	687,969	4.16
2020	6,898,265	(39,985)	6,858,280	1,100,000	645,569	3.93

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Parks Open Space Sales and Use Tax stated on a cash basis; all other revenues stated on accrual basis.
In 2018, the principal and interest were incorrectly included in the Sales and Use Tax Revenue Bonds Table.

WEDA Tax Increment Revenue Refunding Bond (Westminster Plaza Urban Reinvestment Project) Series 2009									
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service		Total Debt Service	Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees		
2011	408,035	(5,948)	402,087	344,293	746,380	575,000	171,380	746,380	1.00
2012	469,479	(6,081)	463,398	281,132	744,530	595,000	149,530	744,530	1.00
2013	469,946	(6,390)	463,556	283,364	746,920	620,000	126,920	746,920	1.00
2014	286,639	(4,253)	282,386	465,974	748,360	645,000	103,360	748,360	1.00
2015	326,466	(3,594)	322,872	421,813	744,685	665,000	78,850	743,850	1.00
2016	545,321	(4,046)	541,275	202,305	743,580	690,000	53,580	743,580	1.00
2017	716,627	(4,832)	711,795	35,565	747,360	720,000	27,360	747,360	1.00
2018	—	—	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	—	—	-

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

Source: City's Administration Division

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

	Less:		Debt Service			Coverage	
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees		Total Debt Service
2011	2,175,755	(31,752)	2,144,003	1,185,000	589,869	1,774,869	1.21
2012	1,830,823	(27,462)	1,803,361	—	392,699	392,699	4.59
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-

*Bonds were issued in September 2009 to refund the WEDA Series 2006 Revenue Refunding Bonds and were subsequently refunded in 2012.

WEDA Tax Increment Loan Series 2009 (North Huron Project)

	Less:		Debt Service			Coverage	
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees		Total Debt Service
2011	5,352,616	(82,240)	5,270,376	2,215,000	2,664,608	4,879,608	1.08
2012	5,326,071	(82,895)	5,243,176	—	1,627,997	1,627,997	3.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-

*Loan was entered into May 2009 to refund the WEDA Series 2005 Revenue Refunding Bonds and was subsequently refunded in 2012.

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2009 (South Sheridan Project)							
	Gross Pledged Revenues	Less:		Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue	Principal	Interest and Fees	Total Debt Service	
2011	2,087,819	(1,204,614)	883,205	275,000	386,265	661,265	1.34
2012	1,153,846	(845,516)	308,330	—	252,923	252,923	1.22
2013	—	—	—	—	—	—	-
2014	—	—	—	—	—	—	-
2015	—	—	—	—	—	—	-
2016	—	—	—	—	—	—	-
2017	—	—	—	—	—	—	-
2018	—	—	—	—	—	—	-
2019	—	—	—	—	—	—	-
2020	—	—	—	—	—	—	-

*Loan was entered into June 2009 to refund the WEDA Series 2007 Revenue Refunding Bonds and was subsequently refunded in 2012.

WEDA Tax Increment Revenue Refunding Bonds Series 2012 (Mandalay Gardens Project)									
	Gross Pledged Revenues	Less:		Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
		Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	1,795,005	(26,105)	1,768,900	565,075	2,333,975	1,390,000	943,975	2,333,975	1.00
2014	2,062,679	(27,550)	2,035,129	295,096	2,330,225	1,400,000	930,225	2,330,225	1.00
2015	2,371,195	(27,420)	2,343,775	—	2,343,775	1,445,000	888,225	2,333,225	1.00
2016	2,459,290	(27,441)	2,431,849	—	2,431,849	1,490,000	844,875	2,334,875	1.04
2017	2,449,719	(27,298)	2,422,421	—	2,422,421	1,515,000	815,075	2,330,075	1.04
2018	2,596,428	(30,217)	2,566,211	—	2,566,211	1,570,000	762,050	2,332,050	1.10
2019	2,518,666	(30,038)	2,488,628	—	2,488,628	1,625,000	707,100	2,332,100	1.07
2020	2,224,925	(31,068)	2,193,857	137,768	2,331,625	1,665,000	666,625	2,331,625	1.00

*Bonds were issued in August 2012 to refund the WEDA Series 2009 Revenue Refunding Bonds with pledged revenues transferred from 2009 Bond account to meet debt service.

Source: City's Administration Division

Table 11 (continued)
City of Westminster

Pledged Revenue Coverage
Last ten fiscal years

WEDA Tax Increment Loan Series 2012 (North Huron Project)									
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	5,620,846	(301,220)	5,319,626	—	5,319,626	2,811,000	2,071,163	4,882,163	1.09
2014	6,072,318	(425,753)	5,646,565	—	5,646,565	2,910,000	1,972,514	4,882,514	1.16
2015	6,043,551	(388,377)	5,655,174	—	5,655,174	3,012,000	1,870,103	4,882,103	1.16
2016	6,966,179	(291,459)	6,674,720	—	6,674,720	3,118,000	1,764,394	4,882,394	1.37
2017	7,556,140	(484,838)	7,071,302	—	7,071,302	3,227,000	1,654,952	4,881,952	1.45
2018	7,593,615	(528,299)	7,065,316	—	7,065,316	3,340,000	1,541,669	4,881,669	1.45
2019	9,961,451	(814,211)	9,147,240	—	9,147,240	3,458,000	1,424,436	4,882,436	1.87
2020	11,522,599	(898,096)	10,624,503	—	10,624,503	3,579,000	1,303,062	4,882,062	2.18

*Loan was entered into August 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

WEDA Tax Increment Loan Series 2012 (South Sheridan Project)									
	Less:			Prior Year Revenues	Total Revenues Available for Debt Service	Debt Service			Coverage
	Gross Pledged Revenues	Operating Expenses	Net Pledged Revenue			Principal	Interest and Fees	Total Debt Service	
2011	—	—	—	—	—	—	—	—	-
2012	—	—	—	—	—	—	—	—	-
2013	614,018	(90,586)	523,432	29,083	552,515	350,000	202,515	552,515	1.00
2014	510,298	(7,634)	502,664	44,892	547,556	355,000	192,556	547,556	1.00
2015	525,707	(7,868)	517,839	29,651	547,490	365,000	182,490	547,490	1.00
2016	586,198	(8,783)	577,415	—	577,415	385,000	172,612	557,612	1.04
2017	579,970	(8,689)	571,281	—	571,281	395,000	168,307	563,307	1.01
2018	677,673	(10,152)	667,521	—	667,521	375,000	189,404	564,404	1.18
2019	865,670	(12,957)	852,713	—	852,713	390,000	175,889	565,889	1.51
2020	898,895	(13,470)	885,425	—	885,425	405,000	162,349	567,349	1.56

*Loan was entered into September 2012 to refinance the WEDA 2009 loan with pledged revenues transferred from 2009 Loan account to meet debt service.

Source: City's Administration Division

Table 12
City of Westminster

Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population ¹	Total Personal Income ²	Per Capita Personal Income (Weighted Avg.) ³	Unemployment Rate ⁴
2011	109,652	4,475,336,728	40,814	8.9%
2012	107,967	4,477,067,589	41,467	8.0%
2013	109,456	4,511,010,128	41,213	6.0%
2014	110,946	4,630,553,202	41,737	4.1%
2015	112,090	4,941,599,740	44,086	3.4%
2016	113,130	5,092,094,430	45,011	2.8%
2017	115,732	5,384,894,228	46,529	3.0%
2018	117,094	5,657,045,328	48,312	3.9%
2019	117,832	5,985,394,272	50,796	2.4%
2020	118,931	6,378,745,254	53,634	8.7%

Source:

¹ 2020 Population - ESRI Community Analyst, December 2020

² Total Personal Income - Product of Per Capita Personal Income by Population

³ Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Jefferson County figures for 2019.

⁴ Unemployment Rate obtained from the Colorado Department of Labor for December, 2020, and calculated as a weighted average of rates

Table 13
City of Westminster

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

Employer	Fiscal Year 2018			Fiscal Year 2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	1,252	1	2.46 %	896	2	2.03 %
Maxar (formerly DigitalGlobe)	1,071	2	2.18 %	—	—	0.00 %
St. Anthony North Hospital	1,015	3	1.91 %	725	3	1.65 %
Trimble Navigation	733	4	1.69 %	350	8	0.79 %
Alliance Data Systems	677	5	1.25 %	422	6	0.96 %
Tri State Generation	541	6	1.15 %	400	7	0.91 %
Mtech Mechanical Technologies Group	535	7	0.99 %	0	0	0.00 %
Reed Group	496	8		0	0	0.00 %
Epsilon	454	9	0.96 %	0	0	0.00 %
CACI International Research and Technology (formerly LPS Asset Management Solutions)	407	10	0.92 %	500	4	1.13 %
Kaiser Permanente	—	—	0.78 %	340	9	0.77 %
LGS Innovations	—	—		255	10	0.58 %
Avaya	—	—		1,200	1	2.72 %
McKesson Information Systems	—	—		475	5	1.08 %

Note: Total employment in Westminster businesses was 51,089 in 2020 and 44,068 in 2011.
Source: Westminster Economic Development Department

Table 14
City of Westminster

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
City Attorney's Office	15.700	15.700	15.700	15.700	14.700	13.700	13.700	13.700	13.700	13.700
City Manager's Office	25.550	21.550	20.550	29.500	23.000	17.500	15.500	15.500	15.500	14.800
Policy and Budget	6.000	—	—	—	—	—	—	—	—	—
Finance	30.500	30.500	30.000	29.500	28.500	28.500	27.500	27.500	26.750	26.750
General Services	58.716	57.716	56.716	71.466	74.516	71.766	72.766	72.766	71.766	71.766
Human Resources	19.500	19.500	19.500	—	—	—	—	—	—	—
Information and Technology	33.300	—	—	—	—	—	—	—	—	—
Public Safety										
Fire Department	143.000	143.000	143.000	139.500	136.300	135.300	135.300	135.300	135.300	135.300
Police Department	273.800	272.800	265.600	265.600	263.600	263.600	261.600	261.600	262.600	262.600
Public Works										
Street Maintenance	28.000	27.000	26.000	25.000	24.000	24.000	24.000	24.000	24.000	24.000
Community Development										
Administration	4.600	9.850	7.100	7.600	7.600	6.100	6.100	6.100	6.100	6.100
Planning Division	13.000	16.500	17.000	17.000	17.000	14.500	14.200	14.200	14.200	14.200
Building Division	17.900	18.000	18.500	18.500	18.000	16.100	16.100	16.000	16.000	16.000
Engineering Division	16.250	16.250	18.250	17.000	15.750	13.000	13.000	13.000	13.000	13.000
Operations and Community	12.850	—	—	—	—	—	—	—	—	—
Parking Management	1.000	—	—	—	—	—	—	—	—	—
Economic Development										
Administration	14.500	14.500	11.500	—	—	—	—	—	—	—
Culture and Recreation										
Administration	22.000	18.500	19.500	19.000	19.000	17.200	17.200	15.200	15.200	15.200
Parks Services	35.000	35.000	35.000	35.000	34.800	33.800	35.800	35.800	35.800	35.800
Library Services	42.100	42.175	41.975	41.975	41.975	39.275	39.275	40.275	40.275	40.275
Open Space	24.000	24.000	22.000	16.300	12.500	6.500	2.500	2.500	2.500	2.500
Recreation Programs	10.300	10.300	10.300	10.300	14.900	17.300	15.600	15.600	15.000	15.000
Recreation Facilities	57.400	42.300	42.300	42.300	37.000	35.500	35.500	50.300	50.300	50.300
Utilities										
Administration	27.500	55.800	50.500	49.500	45.500	45.300	41.800	41.800	41.800	42.300
Water Resources & Treatment	56.000	57.000	57.500	56.000	56.000	56.000	56.000	54.750	53.750	52.750
Field Operations	56.500	54.500	51.000	50.500	46.500	45.500	42.500	42.500	38.500	38.500
Golf Courses										
Legacy Ridge	8.500	8.500	8.500	8.000	8.000	8.500	9.000	10.000	10.000	9.000
The Heritage	8.500	8.500	8.500	8.000	8.000	8.500	9.000	9.000	9.000	10.000
Total	1,061.966	1,019.441	996.491	933.241	947.141	917.441	903.941	917.391	911.041	909.841

Source: City Annual Pay Plan

Table 15
City of Westminster

Operating Indicators by Function/Program
Last ten fiscal years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Safety										
Total Fire/EMS Incidents	12,431	12,398	11,924	11,559	10,699	10,226	9,968	6,709	9,267	8,834
EMS Transports by fire department	6,175	6,408	6,140	6,019	5,619	5,497	5,314	6,589	5,166	4,804
Police emergency responses	512	468	445	635	870	935	965	1,049	874	964
Traffic Citations (municipal)	3,284	7,374	8,281	5,506	5,454	7,117	7,791	8,325	9,190	11,528
Public Works										
Curb miles swept	2,562	2,380	3,711	4,101	3,430	3,051	3,281	3,258	4,426	3,112
Lane miles rehabilitated	54	83	67	74	80	88	71	103	101	103
Community Development										
Official Development Plans processed	104	134	153	177	142	136	130	129	120	92
Building Permits issued	6,133	8,174	7,672	6,937	6,890	4,976	5,999	4,994	5,456	5,079
Culture and Recreation										
Library circulation	249,050	600,924	672,108	964,606	746,113	844,001	941,256	1,015,864	1,102,660	1,183,780
Facility participants	90,784	1,156,154	1,112,121	1,092,832	1,079,685	1,025,625	986,153	955,079	943,876	918,842
Program registrants	8,730	192,250	214,321	200,206	178,038	172,257	103,704	97,325	91,397	97,447
Utilities										
Water gallons treated (in millions)	6,314	5,740	6,641	5,795	6,128	5,883	5,827	5,873	6,867	6,244
Water customers	33,300	33,112	33,016	32,825	32,587	32,322	32,227	32,163	32,040	31,938
Wastewater gallons treated (in millions)	2,382	2,390	2,409	2,460	2,586	2,683.52	2,488	2,508	2,603	3,681
Wastewater customers	32,558	32,338	31,465	30,347	30,904	30,586	30,803	30,726	30,626	30,526
Golf Courses										
Paid golf rounds played	65,158	59,384	80,354	70,613	76,684	71,750	67,728	61,899	61,439	58,382
Golf course acres maintained	414	414	414	414	414	414	414	414	414	414

Source: City's Performance Measures Team
Note: Library circulation for prior years updated with revised data

Table 16
City of Westminster

Capital Asset Statistics by Function/Program
Last ten fiscal years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Safety										
Fire stations	6	6	6	6	6	6	6	6	6	6
Patrol Units	84	85	89	79	71	71	71	71	71	71
Public Works										
Total Lane Miles	1,135	1,132	1,128	1,126	1,116	1,101	1,101	1,100	1,099	1,099
Community Development										
Traffic Signals	116	115	115	113	113	113	113	111	111	111
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Open Space sites	220	220	220	219	218	215	212	212	200	196
Neighborhood, community & citywide parks	62	64	64	58	54	53	53	53	53	53
Utilities										
Water mains	550	550	550	550	531	544	516	509	508	509
Treatment plants (water & wastewater)	4	4	4	4	4	4	4	4	4	4
Golf Courses										
Golf Courses	2	2	2	2	2	2	2	2	2	2

Source: City's Performance Measures Team

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**COMPLIANCE
SECTION**

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Westminster, Colorado (the City) as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 20, 2021, which contained an Emphasis of Matter paragraph regarding a change in accounting principles.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

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

Compliance and Other Matters

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

The City's Response to Finding

The City's response to the finding identified in our audit are described in the accompanying schedule of findings questioned costs and corrective action plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

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

BKD, LLP

Denver, Colorado
May 20, 2021

Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for the Major Federal Program

We have audited the City of Westminster, Colorado's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2020. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

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

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

BKD, LLP

Denver, Colorado
May 20, 2021

City of Westminster, Colorado
Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)? Yes None reported

Material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)? Yes None reported

Material weakness(es)? Yes No

5. The opinion expressed in the independent auditor's report on compliance for the major federal award program was:

Unmodified Qualified Adverse Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a) Yes No

7. The City's major program was:

Cluster/Program	CFDA Number
Coronavirus Relief Funds	21.019

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The City qualified as low-risk auditee? Yes No

City of Westminster, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2020

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
2020-001	<p>Finding: Incurred but not Reported (IBNR) Liability</p> <p>Criteria: Management is responsible for establishing and maintaining effective internal controls over financial reporting. Effective internal controls are an important component of a system that helps ensure transactions are recorded timely and in the proper reporting period, thereby providing accurate financial data. Specifically, the City should have controls in place to ensure the City’s self-insured medical and dental programs are properly recorded. This would include ensuring that management utilize the information in subsequent lag reports to assess the reasonableness of amounts recorded.</p> <p>Condition: The original IBNR reports provided that were utilized to prepare the estimated liability included all subsequent claims information and was not limited to services incurred in or prior to 2020 but not claimed or submitted for reimbursement until 2021. Comparing this report to the subsequent lag reports, which show the timing differences between when the services are performed and when the claim is filed, indicated that the liability was overstated and identified the need for an audit adjustment to be recorded. The medical IBNR liability required an audit adjustment of \$1,259,306 which was recorded by the City. The dental liability recorded an audit adjustment of \$130,021 which was also recorded by the City.</p> <p>Effect: Approximately \$1.4 million in audit adjustments were proposed and recorded by management to properly state the IBNR liability as of December 31, 2020.</p> <p>Cause: The wrong reports were utilized to prepare the estimated IBNR. In addition, management did not perform any additional analysis utilizing the lag reports to determine if the amount recorded was reasonable.</p> <p>Recommendation: We recommend that internal controls over IBNR be strengthened to include a more thorough review of the claims estimate at year-end to help ensure the reserve amount reported is reasonable.</p> <p>Views of Responsible Officials: The City agrees with the finding. See separate report for planned corrective actions.</p>

City of Westminster, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2020

Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding
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No matters are reportable.

City of Westminster, Colorado
Status of Prior Audit Findings
Year Ended December 31, 2020

Reference Number	Summary of Finding	Status
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No matters are reportable.

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2020

Federal Agency Cluster/Grant Program	Pass-through Entity	Pass-through Identifying Number If Applicable	Federal Number	Passed-through to Subrecipients	Total Federal Program Expenditures
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)			14.218	\$ 35,736	\$ 170,933
Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster) (Note 4)			14.218		(448,055)
COVID-19 Community Development Block Grants/Entitlement Grants (CDBG-Entitlement Grants Cluster)			14.218	176,591	176,591
Subtotal Department of Housing and Urban Development and CDBG - Entitlement Grants Cluster				<u>212,327</u>	<u>(100,531)</u>
<u>Department of Justice</u>					
Crime Victim Assistance	Colorado Department of Public Safety-Division of Criminal Justice	2015-VA-16-013876-17	16.575	—	110,341
Equitable Sharing Program			16.922	—	166,740
COVID-19 Coronavirus Emergency Supplemental Funding Program			16.034	—	81,638
Subtotal Department of Justice				<u>—</u>	<u>358,719</u>
<u>Department of Homeland Security</u>					
Assistance To Firefighters Grant			97.044	—	30,734
Emergency Management Performance Grants	Colorado Division of Homeland Security & Emergency Management	17EM-18-94	97.042	—	45,000
Staffing for Fire and Emergency Response (SAFER)			97.083	—	68,241
National Urban Search and Rescue (US&R) Response System	West Metro Fire Protection District	None Provided	97.025	—	26,503
COVID-19 Disaster Grants-Public Assistance(Presidential Declared Disasters)			97.036	—	467,220
Homeland Security Grant Program	Arapahoe County, Colorado	18SHS19NCR	97.067	—	5,324
Homeland Security Grant Program	City and County of Denver, Colorado	None Provided	97.067	—	80,000
Total Homeland Security Grant Program				<u>—</u>	<u>85,324</u>
Subtotal Department of Homeland Security				<u>—</u>	<u>723,022</u>
<u>Executive Office of the President</u>					
High Intensity Drug Trafficking Areas Program			95.001	92,286	92,286
<u>Department of Transportation</u>					
Highway Planning and Construction (Highway Planning and Construction Cluster)	Regional Air Quality Council	PO 954	20.205	—	18,000
<u>Department of Treasury</u>					
COVID-19 Coronavirus Relief fund	Adams County, Colorado	083203984	21.019	—	5,525,700
COVID-19 Coronavirus Relief fund	Jefferson County, Colorado	083203984	21.019	—	3,472,146
Subtotal Department of Treasury				<u>—</u>	<u>8,997,846</u>
<u>Department of Health and Human Services</u>					
COVID-19 Public Health and Social Services Emergency Fund	Colorado Department of Human Services	None Provided	93.003	—	74,046
COVID-19 Childcare and Development Block Grant(CCDF Cluster)	Colorado Department of Human Services Office of Early Childhood	None Provided	93.575	—	6,750
Subtotal Department of Health and Human Services				<u>—</u>	<u>80,796</u>
TOTAL FEDERAL ASSISTANCE				<u>\$ 304,613</u>	<u>\$ 10,170,138</u>

The accompanying notes are an integral part of this schedule.

CITY OF WESTMINSTER, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position or cash flows of the City.

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

NOTE 2: Recognition of Prior Expenditures

In 2019, the City received donated Urban Area Security Initiative (UASI) cybersecurity equipment with a value of \$5,324 from the Homeland Security Grant Program, Catalog of Federal Domestic Assistance (CFDA) #97.067. This was administered by Arapahoe County Colorado and passed through to the City.

The amount of \$80,000 reported under the Denver Urban Area Security Initiative (UASI) computer aided dispatch (CAD) to CAD grant is the value of equipment and computer interface paid for by the City in 2019, CFDA #97.067. This expense was intended to be paid to the vendor directly by the agency administering the grant. Therefore, the City recovered the \$80,000 expense in 2020.

NOTE 3: CARES Act 2020 Distributions

As part of the March 27, 2020 CARES Act signed by the President of the United States, the City received Coronavirus Relief Fund (CRF) distributions of \$5,507,787 from Adams County and \$3,472,146 from Jefferson County, CFDA #21.019, which includes interest earned of \$697 and \$788, respectively. The CRF expenditures incurred by the City were allocated between the two counties based on the percentage of each county's allocation of funding, 60% Adams County and 40% Jefferson County. Additionally, Adams County provided funding for the City's Public Health Order Ambassador Program in the amount \$17,913, CFDA #21.019. This funding was distributed to the City from Adams County's allocation of CRF.

NOTE 4: Federal Award return of funds

In 2020, a Community Development Block Grant project was discontinued resulting in a \$448,055 payment back to the U.S Department of Housing and Urban Development for costs previously reimbursed under the grant.

NOTE 5: Personal Protective Equipment (PPE) - Unaudited

In 2020, the City received a donation of PPE from the national supply chain with a fair market value of approximately \$500 to aid the responding to the COVID-19 pandemic.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Westminster			
		YEAR ENDING : December 2020			
This Information From The Records Of (example - City of or County of) City of Westminster		Prepared By: Lore Nusser, Accountant Phone: 303.658.2365			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,895,493		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,188,977		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	2,651,428		
2. General fund appropriations	51,077,604	b. Snow and ice removal	1,000,967		
3. Other local imposts (from page 2)	28,766,607	c. Other	2,379,667		
4. Miscellaneous local receipts (from page 2)	963,391	d. Total (a. through c.)	6,032,062		
5. Transfers from toll facilities	—	4. General administration & miscellaneous	—		
6. Proceeds of sale of bonds and notes		5. Highway law enforcement and safety	—		
a. Bonds - Original Issues	—	6. Total (1 through 5)	15,116,532		
b. Bonds - Refunding Issues	—	B. Debt service on local obligations:			
c. Notes	—	1. Bonds:			
d. Total (a. + b. + c.)	—	a. Interest	1,245,756		
7. Total (1 through 6)	80,807,602	b. Redemption	3,840,510		
B. Private Contributions		c. Total (a. + b.)	5,086,266		
C. Receipts from State government (from page 2)	3,899,400	2. Notes:			
D. Receipts from Federal Government (from page 2)	66,910	a. Interest	1,162,861		
E. Total receipts (A.7 + B + C + D)	84,773,912	b. Redemption	1,060,000		
		c. Total (a. + b.)	2,222,861		
		3. Total (1.c + 2.c)	7,309,127		
		C. Payments to State for highways	—		
		D. Payments to toll facilities	—		
		E. Total disbursements (A.6 + B.3 + C + D)	22,425,659		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)	8,316,000	—	1,644,750	6,671,250	
1. Bonds (Refunding Portion)		—	—		
B. Notes (Total)	52,255,350	—	3,255,760	48,999,590	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	184,551,181	84,773,912	22,425,659	246,899,434	—
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2020

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM AMOUNT	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	23,042,830	a. Interest on investments	111,071
b. Other local imposts:		b. Traffic Fines & Penalties	852,320
1. Sales Taxes	4,013,949	c. Parking Garage Fees	—
2. Infrastructure & Impact Fees	—	d. Parking Meter Fees	—
3. Liens	—	e. Sale of Surplus Property	—
4. Licenses	—	f. Charges for Services	—
5. Specific Ownership &/or Other	1,709,828	g. Other Misc. Receipts	—
6. Total (1. through 5.)	5,723,777	h. Other	—
c. Total (a. + b.)	28,766,607	i. Total (a. through h.)	963,391
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,203,246	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	—
a. State bond proceeds		b. FEMA	—
b. Project Match		c. HUD	66,910
c. Motor Vehicle Registrations	373,684	d. Federal Transit Admin	—
d. Other (Specify) - DOLA Grant	278,910	e. U.S. Corps of Engineers	—
e. Other (Specify)	43,560	f. Other Federal	—
f. Total (a. through e.)	696,154	g. Total (a. through f.)	66,910
4. Total (1. + 2. + 3.f)	3,899,400	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	—	—	—
b. Engineering Costs	721,693	306,575	1,028,268
c. Construction:			
(1). New Facilities	—	709,690	709,690
(2). Capacity Improvements	(80,217)	1,237,752	1,157,535
(3). System Preservation	—	—	—
(4). System Enhancement & Operation	—	—	—
(5). Total Construction (1) + (2) + (3) + (4)	(80,217)	1,947,442	1,867,225
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	641,476	2,254,017	2,895,493
			(Carry forward to page 1)

Notes and Comments:

Spirit of Full Disclosure Results That Count

