



2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WHEAT RIDGE, COLORADO

FINANCIAL STATEMENTS

December 31, 2015

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INTRODUCTORY SECTION

CITY OF WHEAT RIDGE, COLORADO

CITY OFFICIALS

December 31, 2015

MAYOR

Joyce Jay

CITY COUNCIL

District 1

Monica Duran
Janece Hoppe

District 2

Zachary Urban
Kristi Davis

District 3

George Pond
Tim Fitzgerald

District 4

Genevieve Wooden
Larry Mathews

CITY CLERK

Janelle Shaver

MUNICIPAL JUDGE

Christopher Randall

CITY TREASURER

Jerry DiTullio

CITY ATTORNEY

Gerald Dahl

CITY MANAGER

Patrick Goff

ACCOUNTING SUPERVISOR

Linda Stengel

DIRECTOR OF ADMINISTRATIVE SERVICES

Heather Geyer

DIRECTOR OF COMMUNITY DEVELOPMENT

Kenneth Johnstone

DIRECTOR OF PARKS & RECREATION

Joyce Manwaring

DIRECTOR OF PUBLIC WORKS

Scott Brink

CHIEF OF POLICE

Daniel G. Brennan

HUMAN RESOURCE MANAGER

Tamara Dixon

PURCHASING AND CONTRACTING AGENT

Jennifer Nellis

FINANCIAL SECTION



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge, 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.

Auditors' 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 auditors' 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 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 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.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters (Required Supplementary Information)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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 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 Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wheat Ridge's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory section has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2016, on our consideration of the City of Wheat Ridge'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 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 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 of Wheat Ridge's internal control over financial reporting and compliance.



August 25, 2016

Management's Discussion and Analysis

As management of the City of Wheat Ridge, we offer this narrative overview and analysis of the financial activities of the City of Wheat Ridge for the fiscal year ended December 31, 2015. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City of Wheat Ridge exceeded its liabilities at the close of fiscal year 2015 by \$75 million (net position). Of this amount, \$9.1 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- At the close of fiscal year 2015, the City of Wheat Ridge's governmental funds reported combined ending fund balances of \$13.4 million, a decrease of \$1.4 million in comparison with the prior year. Approximately 56%, \$7.5 million, is available for spending at the City's discretion (unrestricted, unassigned fund balance).
- At the end of the fiscal year 2015, unrestricted, unassigned fund balance for the General Fund was \$7.5 million, or 26% of total General Fund expenditures.
- General Fund actual revenues were \$1.8 million more than final budgeted revenue for the fiscal year 2015 and actual expenditures were \$2 million less than final budgeted expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Wheat Ridge's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements report information on all activities of the City and its component unit (Wheat Ridge Urban Renewal Authority). The statement of net position includes all of the City's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The *statement of net position* presents information on all of the City of Wheat Ridge's assets, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Wheat Ridge is improving or deteriorating.

The *statement of activities* presents information showing how the City of Wheat Ridge's net position changed during fiscal year 2015. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items

will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the City itself, but also the legally separate Wheat Ridge Urban Renewal Authority for which the City is financially accountable.

The governmental activities of the City include general government, economic development, community development, police, public works, and parks and recreation.

Fund financial statements. The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law (like the Police Investigation Fund).
- The City Council establishes other funds to control and manage money for particular purposes (like the Recreation Center Operating Fund) or to show that it is properly using certain taxes and grants (like the Conservation Trust Fund).

The City has one type of fund:

Governmental funds – All of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information on the subsequent pages is provided to explain the relationship (or differences) between them.

Financial Analysis of the City as a Whole

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Wheat Ridge, assets exceeded liabilities by \$75,342,037 at the close of the 2015 fiscal year.

By far the largest portion of the City of Wheat Ridge's net position (83%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment). The City of Wheat Ridge uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City of Wheat Ridge's net position (5%) represents resources that are subject to external restrictions on how they may be used (open space and parks,

police investigations, crime prevention activities, government access channel and emergency reserves). The remaining balance of unrestricted net position (\$9,139,573) may be used to meet the City’s obligations to citizens and creditors.

At the end of the current fiscal year, the City of Wheat Ridge is able to report positive balances in net position for the City as a whole. The same situation held true for the prior fiscal year.

City of Wheat Ridge Net Position

	Governmental Activities	
	2015	2014
Current and other assets	\$16,294,603	\$17,445,035
Capital assets	\$63,423,238	\$60,931,448
Total assets	\$79,717,841	\$78,376,483
Long-term liabilities outstanding	\$2,115,656	\$1,215,702
Other liabilities	\$1,405,651	\$1,600,821
Total liabilities	\$3,521,307	\$2,816,523
Deferred Inflows of Resources	\$854,497	\$739,930
Net Position:		
Net Investment in Capital Assets	\$62,642,679	\$60,931,448
Restricted	\$3,559,785	\$3,475,599
Unrestricted	\$9,139,573	\$10,412,983
Total net position	\$75,342,037	\$74,820,030

Changes in Net Position

Governmental activities.

- Current and other assets decreased by 7% primarily due to a reduction in cash and investments.
- Long-term liabilities increased by 74% due to an outstanding lease for solar panels.
- Governmental Activities increased the City’s total net position by \$522,007. This increase is primarily due to a slight increase in net capital assets.
- Unrestricted net position decreased by 12% in 2015 as a result of the completion of major capital improvement projects such as the Kipling Trail project, the Parks Division vehicle storage building and the Clear Creek Trail repair.
- Net investment in capital assets is \$780,559 less than capital assets to account for the outstanding solar panel lease.

City of Wheat Ridge Changes in Net Position

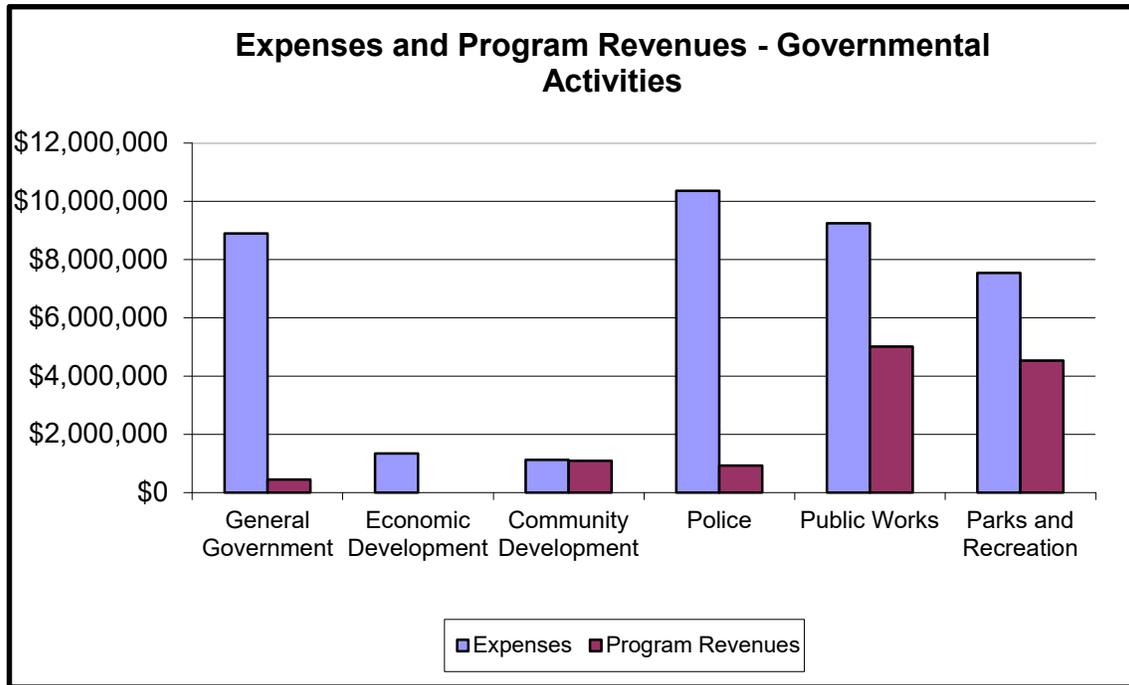
	2015	2014
Revenues		
Program Revenues		
Charges for services	\$5,084,470	\$5,401,043
Operating grants and contributions	\$1,952,672	\$2,112,238
Capital grants and contributions	\$4,972,377	\$2,540,828
General Revenues		
Property taxes	\$739,669	\$735,230
Sales taxes	\$18,458,719	\$16,750,054
Use taxes	\$3,457,442	\$3,543,899
Franchise taxes	\$1,620,891	\$1,718,833
Lodgers taxes	\$1,479,363	\$1,377,945
Other taxes	\$583,763	\$544,837
Investment income	\$99,101	\$239,051
Insurance proceeds	\$195,022	\$239,749
Miscellaneous	<u>\$396,698</u>	<u>\$378,845</u>
Total revenues	\$39,040,187	\$35,582,552
Expenses		
General Government	\$8,887,226	\$8,518,433
Economic Development	\$1,343,539	\$3,775,667
Community Development	\$1,119,108	\$1,013,300
Police	\$10,359,988	\$9,831,634
Public Works	\$9,246,454	\$5,711,831
Parks and Recreation	\$7,534,542	\$8,720,042
Interest on Long-Term Debt	<u>\$27,323</u>	<u>\$0</u>
Total expenses	<u>\$38,518,180</u>	<u>\$37,570,907</u>
Change in net position	\$522,007	-\$1,988,355
Net position, beginning	<u>\$74,820,030</u>	<u>\$76,808,385</u>
Net position, ending	\$75,342,037	\$74,820,030

General Government expenses include budgets for the City Treasurer, Legislative Services, Finance, City Manager, City Attorney, City Clerk's Office, Municipal Court, Administrative Services, Human Resources, Sales Tax, Purchasing and Contracting, Information Technology and Central Charges.

- Overall total revenues increased by 10% compared to 2014. This increase is primarily due to an increase in capital grants and contributions and sales taxes in 2015.
- Capital grants and contributions increased by 96% primarily due to funds received for the Kipling Trail project and dedicated right-of-way and infrastructure from the Kipling Ridge development project.
- Sales taxes increased by 10% compared to 2014 due to an overall improvement in the retail economy, completion of several new sales tax producing businesses (Kipling Ridge, Natural Groceries, remodeled King Soopers) and retail marijuana sales.
- Investment income decreased by 58% over 2014. The Urban Renewal Authority held a loan for property purchased at 44th and Wadsworth. The City provided collateral for the loan in the form of a cash deposit with the bank. Once the loan was repaid by the

Urban Renewal Authority, the cash deposit and interest was released back to the City in 2014 which accounts for the higher amount of interest in 2014 compared to 2015.

- Economic Development expenses decreased by 64% primarily due to large one-time contributions that were made to the Town Center North and Kipling Ridge projects in 2014 that did not occur in 2015.
- Public Works expenditures increased by 62% in 2015 primarily due to a \$2.4 million Kipling Trail project.



Financial Analysis of the City's Funds

The focus of the City of Wheat Ridge's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Wheat Ridge's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2015, the City of Wheat Ridge's governmental funds reported combined ending fund balances of \$13.4 million, a decrease of \$1.4 million in comparison with the prior year. Approximately 56% of this total amount (\$7.5 million) constitutes unrestricted, unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for: 1) Urban Renewal Authority (\$330,299); 2) prepaid expenditures (\$10,094); 3) open space and parks (\$1.7 million); 4) Police Investigations Fund activities (\$92,842); 5) Crime Prevention Activities Fund (\$401,751); 6) government access channel (\$206,783) and 7) State

mandated emergency reserves (\$1.2 million) or committed to: 1) Municipal Court Fund (\$83,731); 2) Recreation Center Fund (\$877,476); and 3) Public Art Fund (\$65,819) or assigned to: 1) Capital Projects Fund (\$471,678); and 2) Capital Equipment Replacement Fund (\$468,527).

The General Fund is the chief operating fund of the City of Wheat Ridge. At the end of fiscal year 2015, unrestricted, unassigned fund balance of the General Fund was \$7.5 million, while total General Fund balance reached approximately \$8.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted, unassigned fund balance and total fund balance to total fund expenditures. Unrestricted, unassigned fund balance represents 26% of total General Fund expenditures, while total fund balance represents 31% of that same amount.

There were notable fund balance changes in several funds at the end of fiscal year 2015:

- The Open Space Fund saw a decrease in fund balance of \$206,695 due to the completion of two major development projects including the construction of a new Parks Division vehicle storage building and repair of the Clear Creek Trail.
- The Conservation Trust Fund saw an increase in fund balance of \$125,982 due to lower than expected expenditures for recreation center maintenance, park maintenance and Stites Park playground replacement.
- In the Capital Projects Fund, ending fund balance decreased by \$902,903 primarily due to a decrease in the amount of grant revenues expected and significant completion of the Kipling Trail project.

General Fund Budgetary Highlights

The original budget was amended by City Council for a total of \$1,999,602 in supplemental budget appropriations throughout the 2015 fiscal year. These amendments can be briefly summarized as follows:

Supplemental Budget Appropriations

- \$313,634 allocated for prior year encumbrances
- \$ 20,256 allocated for government access channel license renewals
- \$ 27,000 allocated for increased code enforcement activities
- \$170,748 allocated for new and replacement vehicles
- \$150,000 allocated for police department litigation
- \$400,000 allocated for ESTIP and TIF programs
- \$ 20,000 allocated for the Carnation Festival
- \$ 22,500 allocated for to the Seniors' Resource Center expansion project
- \$ 13,733 allocated for website video streaming software
- \$846,765 allocated for purchase of solar panels
- \$ 14,966 allocated for general counsel legal services

During the 2015 fiscal year, unrestricted, unassigned fund balance in the General Fund decreased to \$7.5 million, a decrease of \$563,437 from the previous year. The decrease can be primarily attributed to an increase in transfers to the Capital Improvement Program fund for the Arvada Channel drainage project, Bike and Pedestrian Master Plan and increased street preventative maintenance.

The 2015 General Fund budget was adopted without using any of the fund balance to balance the budget. However, the final budget allocated \$3,249,970 of the fund balance to the Capital Improvement Projects Fund for capital improvements.

Capital Asset and Debt Administration

Capital assets. The City of Wheat Ridge's investment in capital assets for its governmental activities as of December 31, 2015 amounts to \$63.4 million (net of accumulated depreciation). This investment in capital assets includes land, artwork, construction in progress, land improvements, buildings, vehicles, machinery and equipment, infrastructure, software and solar power capacity.

Major capital asset events during the 2015 fiscal year totaled \$7.7 million and included the following:

- Land and Land Improvements in the amount of \$2.3 million
 - Hopper Hollow Park construction
 - Right-of-way for various development projects
 - Kipling Ridge development public improvements
- Construction in Progress in the amount of \$3.1 million
 - Kipling Pedestrian Trail
 - Panorama Park irrigation system
 - Stites Park playground equipment
 - Wadsworth Planning Environmental Linkage (PEL)
 - Gold Line Tabor Street right-of-way
 - Clear Creek Trail design
- Buildings in the amount of \$757,576
 - Parks Division vehicle storage building
- Vehicles in the amount of \$574,417
 - One public works tractor loader
 - One parks utility vehicle with accessories
 - One parks maintenance $\frac{3}{4}$ ton truck with snow plow
 - One parks wood chipper
 - Three mobile speed control devices
 - Two police traffic motorcycles
 - One police investigations hybrid
 - Four police emergency personnel SUVs
 - One building division inspection truck

- Machinery and Equipment in the amount of \$83,541
 - One e-mail server and one police department server
 - Four traffic control cabinets and other traffic control system equipment
- Infrastructure in the amount of \$122,356
 - Kipling Ridge development storm sewer facilities
- Solar Power Capacity in the amount of \$776,628
 - Lease purchase of solar panels

City of Wheat Ridge’s Capital Assets
(net of depreciation)

	2015	2014
Land	\$15,816,713	\$14,861,014
Artwork	\$113,295	\$113,295
Construction in Progress	\$4,213,932	\$2,287,399
Land improvements	\$6,430,934	\$5,688,507
Buildings	\$12,192,787	\$12,094,951
Vehicles	\$1,407,621	\$1,271,171
Machinery and equipment	\$2,863,397	\$3,231,953
Infrastructure	\$19,621,844	\$21,362,115
Software	\$15,211	\$21,043
Solar Power Capacity	<u>\$747,504</u>	<u>\$0</u>
Total Capital Assets	\$63,423,238	\$60,931,448

Long-term debt. At the end of the 2015 fiscal year, the City of Wheat Ridge had total long-term debt outstanding of \$2,115,656. Of this amount, \$263,516 is due within one year. This total debt represents compensated absences, claims payable, and lease payments for solar panels which are expected to be liquidated primarily with revenues of the General Fund.

Economic Factors and Next Year’s Budgets and Rates

The City’s sales and use tax rate for 2015 was 3%. The mill levy was 1.830 mills. Both rates are among the lowest in the Denver metro area. The City continues to struggle to fund large capital improvement projects with these current tax rates. City Council is referring a ballot measure to the November 2016 election to temporarily increase the sales and use tax rate to 3.5% for 12 years for four large capital improvement projects including 1) Anderson Park improvements; 2) Wadsworth Boulevard reconstruction; 3) Wheat Ridge – Ward commuter rail station area improvements; and 4) Clear Creek Crossing infrastructure improvements.

The adopted 2016 fiscal year budget is \$42 million. It includes a \$31 million operating budget, a \$6 million CIP budget and \$5 million for special revenue budgets.

Requests for Information

This financial report is designed to provide a general overview of the City of Wheat Ridge's finances for those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Administrative Services Director
City of Wheat Ridge
7500 W. 29th Avenue
Wheat Ridge, Colorado 80033

BASIC FINANCIAL STATEMENTS

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF NET POSITION

December 31, 2015

	<u>PRIMARY GOVERNMENTAL ACTIVITIES</u>	<u>COMPONENT UNIT URBAN RENEWAL AUTHORITY</u>
ASSETS		
Cash and Investments	\$ 9,394,070	\$ 705,386
Accounts Receivable	2,736,755	-
Property Taxes Receivable	854,497	90,999
Intergovernmental Receivables	2,956,729	-
Accrued Interest Receivable	12,159	-
Prepaid Expenses	10,094	-
Due from Component Unit/Primary Government	330,299	206,399
Property Held for Resale	-	330,299
Capital Assets, Not Being Depreciated	20,143,940	-
Capital Assets, Net of Accumulated Depreciation	<u>43,279,298</u>	<u>-</u>
TOTAL ASSETS	<u>79,717,841</u>	<u>1,333,083</u>
LIABILITIES		
Accounts Payable	778,968	3,128
Retainage Payable	242,145	-
Refundable Deposits	136,394	-
Unearned Revenues	41,745	-
Due to Component Unit/Primary Government	206,399	330,299
Noncurrent Liabilities		
Due Within One Year	263,516	265,000
Due in More Than One Year	<u>1,852,140</u>	<u>2,080,000</u>
TOTAL LIABILITIES	<u>3,521,307</u>	<u>2,678,427</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	<u>854,497</u>	<u>90,999</u>
NET POSITION		
Net Investment in Capital Assets	62,642,679	-
Restricted for Open Space and Parks	1,677,409	-
Restricted for Police Investigations	92,842	-
Restricted for Crime Prevention Activities	401,751	-
Restricted for Government Access Channel	206,783	-
Restricted for Emergencies	1,181,000	-
Unrestricted	<u>9,139,573</u>	<u>(1,436,343)</u>
TOTAL NET POSITION	<u>\$ 75,342,037</u>	<u>\$ (1,436,343)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2015

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 8,887,226	\$ 269,473	\$ 181,888	\$ -
Economic Development	1,343,539	-	-	-
Community Development	1,119,108	1,089,507	-	-
Police	10,359,988	697,245	225,918	-
Public Works	9,246,454	227,587	1,544,866	3,241,065
Parks and Recreation	7,534,542	2,800,658	-	1,731,312
Interest on Long-Term Debt	27,323	-	-	-
Total Primary Government	\$ <u>38,518,180</u>	\$ <u>5,084,470</u>	\$ <u>1,952,672</u>	\$ <u>4,972,377</u>
COMPONENT UNIT				
Urban Renewal Authority	\$ <u>1,115,347</u>	\$ <u>-</u>	\$ <u>641,673</u>	\$ <u>-</u>

GENERAL REVENUES

Property Taxes
 Sales Taxes
 Use Taxes
 Franchise Taxes
 Lodgers Taxes
 Other Taxes
 Investment Income
 Insurance Proceeds
 Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

<u>PRIMARY</u> <u>GOVERNMENT</u> <u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>COMPONENT</u> <u>UNIT</u> <u>URBAN RENEWAL</u> <u>AUTHORITY</u>
\$ (8,435,865)	\$ -
(1,343,539)	-
(29,601)	-
(9,436,825)	-
(4,232,936)	-
(3,002,572)	-
(27,323)	-
<u>(26,508,661)</u>	<u>-</u>
<u>-</u>	<u>(473,674)</u>
739,669	10,882
18,458,719	-
3,457,442	-
1,620,891	-
1,479,363	-
583,763	-
99,101	780
195,022	-
396,698	-
<u>27,030,668</u>	<u>11,662</u>
522,007	(462,012)
<u>74,820,030</u>	<u>(974,331)</u>
<u>\$ 75,342,037</u>	<u>\$ (1,436,343)</u>

CITY OF WHEAT RIDGE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
ASSETS				
Cash and Investments	\$ 4,384,735	\$ 1,725,297	\$ 3,284,038	\$ 9,394,070
Accounts Receivable	2,687,301	19,472	29,982	2,736,755
Property Taxes Receivable	854,497	-	-	854,497
Intergovernmental Receivables	493,639	1,962,855	500,235	2,956,729
Accrued Interest Receivable	3,011	5,358	3,790	12,159
Prepaid Expenditures	10,094	-	-	10,094
Interfund Receivables	2,124,778	-	-	2,124,778
Due from Component Unit	20,000	310,299	-	330,299
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 10,578,055	\$ 4,023,281	\$ 3,818,045	\$ 18,419,381
LIABILITIES				
Accounts Payable	\$ 428,768	\$ 239,685	\$ 110,515	\$ 778,968
Retainage Payable	-	242,145	-	242,145
Due to Component Unit	206,399	-	-	206,399
Refundable Deposits	136,394	-	-	136,394
Unearned Revenues	41,745	-	-	41,745
Interfund Payables	-	2,124,778	-	2,124,778
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	813,306	2,606,608	110,515	3,530,429
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	854,497	-	-	854,497
Unavailable Revenues	-	634,696	39,975	674,671
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	854,497	634,696	39,975	1,529,168
FUND BALANCES				
Nonspendable Due from Component Unit	20,000	310,299	-	330,299
Nonpendable Prepaid Expenditures	10,094	-	-	10,094
Restricted for Open Space and Parks	-	-	1,677,409	1,677,409
Restricted for Police Investigations	-	-	92,842	92,842
Restricted for Crime Prevention Activities	-	-	401,751	401,751
Restricted for Government Access Channel	206,783	-	-	206,783
Restricted for Emergencies	1,181,000	-	-	1,181,000
Committed to Municipal Court	-	-	83,731	83,731
Committed to Recreation Center	-	-	877,476	877,476
Committed to Public Art	-	-	65,819	65,819
Assigned to Capital Projects	-	471,678	-	471,678
Assigned to Equipment Replacement	-	-	468,527	468,527
Unrestricted, Unassigned	7,492,375	-	-	7,492,375
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	8,910,252	781,977	3,667,555	13,359,784
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 10,578,055	\$ 4,023,281	\$ 3,818,045	\$ 18,419,381

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2015

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances of Governmental Funds	\$ 13,359,784
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	63,423,238
Long-term liabilities, including capital lease (\$780,559), compensated absences (\$1,188,480), and claims payable (\$146,617), are not due payable in the current year and, therefore, are not reported in governmental funds.	(2,115,656)
Certain long-term assets are not available to pay current expenditures and, therefore, are deferred in governmental funds.	<u>674,671</u>
Total Net Position of Governmental Activities	\$ <u><u>75,342,037</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Year Ended December 31, 2015

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
REVENUES				
Taxes	\$ 25,599,105	\$ 305,509	\$ 435,233	\$ 26,339,847
Licenses and Permits	1,056,535	-	-	1,056,535
Intergovernmental	1,950,966	1,786,717	1,693,043	5,430,726
Charges for Services	1,177,244	-	2,212,224	3,389,468
Fines and Forfeitures	581,196	-	57,271	638,467
Investment Income	50,656	15,701	32,744	99,101
Miscellaneous	393,698	-	3,000	396,698
TOTAL REVENUES	<u>30,809,400</u>	<u>2,107,927</u>	<u>4,433,515</u>	<u>37,350,842</u>
EXPENDITURES				
Current				
General Government	8,343,186	-	15,191	8,358,377
Economic Development	1,343,539	-	-	1,343,539
Community Development	1,116,032	-	-	1,116,032
Police	9,665,096	-	407,746	10,072,842
Public Works	4,222,442	-	-	4,222,442
Parks and Recreation	3,486,821	-	4,084,705	7,571,526
Capital Outlay	776,628	6,260,800	9,727	7,047,155
Debt Service				
Principal	19,441	-	-	19,441
Interest	27,323	-	-	27,323
TOTAL EXPENDITURES	<u>29,000,508</u>	<u>6,260,800</u>	<u>4,517,369</u>	<u>39,778,677</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,808,892</u>	<u>(4,152,873)</u>	<u>(83,854)</u>	<u>(2,427,835)</u>
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	800,000	-	-	800,000
Insurance Proceeds	195,022	-	-	195,022
Transfers In	-	3,249,970	-	3,249,970
Transfers Out	(3,249,970)	-	-	(3,249,970)
TOTAL OTHER FINANCING SOURCE (USES)	<u>(2,254,948)</u>	<u>3,249,970</u>	<u>-</u>	<u>995,022</u>
NET CHANGE IN FUND BALANCES	<u>(446,056)</u>	<u>(902,903)</u>	<u>(83,854)</u>	<u>(1,432,813)</u>
FUND BALANCES, Beginning	<u>9,356,308</u>	<u>1,684,880</u>	<u>3,751,409</u>	<u>14,792,597</u>
FUND BALANCES, Ending	<u>\$ 8,910,252</u>	<u>\$ 781,977</u>	<u>\$ 3,667,555</u>	<u>\$ 13,359,784</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2015

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances of Governmental Funds	\$ (1,432,813)
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlay \$5,395,169 and contributed assets \$1,131,339 exceeded depreciation expense (\$3,917,634) and loss on disposals (\$117,084) in the current year.	2,491,790
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. This is the amount by which capital lease proceeds (\$800,000) exceeded lease payments \$19,441 in the current year.	(780,559)
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. This includes the changes in compensated absences (\$118,337) and in claims payable (\$1,058).	(119,395)
Revenues in the statement of activities that do not provide current financial resources are deferred in the governmental funds.	<u>362,984</u>
Change in Net Position of Governmental Activities	<u>\$ 522,007</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wheat Ridge, Colorado (the “City”) was incorporated in August, 1969, and became a home rule city in 1976, as defined by State statutes. The City is governed by a Mayor and eight-member Council elected by the residents.

The accounting policies of the City conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the City. Based on the application of these criteria, the City includes the following organization in its reporting entity.

The *Wheat Ridge Urban Renewal Authority* (the “Authority”) was created to redevelop or rehabilitate certain blighted areas within the City. The Authority board members are appointed by the Mayor and City Council. Although the Authority is legally separate from the City, the Authority’s primary revenue source, tax increment financing, can only be established by the City. The Authority is discretely presented in the financial statements, and does not issue separate financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City and its component unit. 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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported in a single column. The *primary government* is reported separately from the legally separate *component unit* for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

Separate financial statements are provided for the governmental funds. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for a specific 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:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

The *Capital Projects Fund* accounts for the accumulation of resources from a lodging tax, intergovernmental revenues and General Fund transfers for the acquisition or construction of major capital assets.

Assets, Liabilities and Net Position/Fund Balances

Cash and Investments - Investments are reported at fair value.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Receivables - Accounts receivable include sales, use and lodging taxes. Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses - Payments to vendors for services that will benefit subsequent years are reported as prepaid expenses.

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any balances outstanding between the primary government and the discretely presented component unit are reported on the statement of activities as *due from* and *due to*.

Property Held for Resale - Property that is held with the intent to sell is reported at the lower of cost or estimated fair market value.

Capital Assets - Capital assets, which include property, equipment, and infrastructure acquired or constructed since 1980, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Intangible assets are recognized at cost if they are identifiable.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives.

Land Improvements	10 - 40 years
Buildings	10 - 40 years
Vehicles, Machinery and Equipment	3 - 40 years
Infrastructure	20 - 50 years
Software	5 years
Solar Power Capacity	20 years

Unearned Revenues - Unearned revenues include business license fees collected in advance.

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year. In addition, revenues not available as current financial resources are deferred in the governmental fund financial statements.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Compensated Absences - Employees of the City are allowed to accumulate unused vacation and sick time up to a maximum based on years of service. Upon termination of employment from the City, an employee will be compensated for all accrued vacation time at their current pay rate.

A long-term liability has been reported in the government-wide financial statements for the accrued vacation time.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Governmental funds recognize long-term liabilities only when payment is due. Payments of long-term debt are reported as current expenditures.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. As reported in the fund financial statements, the City Council establishes a fund balance commitment through passage of a resolution. In addition, by resolution the City Council has delegated to the City Manager or his designee the authority to assign fund balances for specific purposes.

As adopted by City Council policy, the City will maintain a minimum unrestricted fund balance of at least two months, or approximately 17%, of its General Fund operating expenditures.

When expenditures are incurred for a specific purpose for which both restricted and unrestricted fund balances are available, the City's policy is to use restricted amounts first, followed by committed, assigned and unassigned amounts.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

Contraband Forfeitures

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. These transactions are reported in the Police Investigation Special Revenue Fund.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2015, follows:

Petty Cash	\$ 3,150
Cash Deposits	5,470,569
Investments	<u>4,625,737</u>
Total	<u>\$ 10,099,456</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments - Primary Government	\$ 9,394,070
Cash and Investments - Component Unit	<u>705,386</u>
Total	<u>\$ 10,099,456</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2015, the City and the Authority had bank deposits of \$4,925,938 and \$261,144, respectively, collateralized with securities held by the financial institutions' agents but not in their name.

Investments

The City and the Authority are required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk. Through its investment policy, the City has further restricted allowable investments to the following.

- Obligations of the United States and U.S. Agency securities
- Corporate debt
- Commercial paper
- Bankers' acceptances
- Repurchase agreements collateralized by authorized securities
- General obligations of U.S. local government entities
- Guaranteed investment contracts
- Money market funds
- Local government investment pools

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

The City and the Authority had the following investments at December 31, 2015:

<u>Investment Type</u>	<u>S&P Rating</u>	<u>Investment Maturities (in years)</u>		<u>Fair Value</u>
		<u>Less Than 1</u>	<u>1 - 5</u>	
Brokered Certificates of Deposit	NA	\$ 739,443	\$ 2,887,457	\$ 3,626,900
U.S. Agency Securities	NA	-	498,622	498,622
Municipal Securities	AAA	-	500,215	500,215
Total		<u>\$ 739,443</u>	<u>\$ 3,886,294</u>	<u>\$ 4,625,737</u>

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit investments in municipal securities to those rated A or its equivalent by at least two nationally recognized statistical rating organizations. If the investment is issued by a Colorado municipality, the ratings must be at or above AA or its equivalent.

Concentration of Credit Risk - State statutes do not limit the amount the City may invest in one issuer, except for corporate securities. At December 31, 2015, the City's investments in the Federal National Mortgage Association and the Nassau County New York Revenue Bonds were 11% and 11%, respectively, of total investments.

Legal Compliance

At December 31, 2015, the City owned certificates of deposits with a balance of \$3,378,649 issued by banks not registered under the PDPA and not in the City's name. This may be a violation of State statutes and the City's investment policy.

NOTE 3: COMPONENT UNIT LOAN

During 2013, the City loaned \$330,299 to the Authority to acquire a property for redevelopment. The loan is non-interest bearing. The loan balance is due upon sale of the redevelopment property.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, is summarized below.

	Balances 12/31/14	Additions	Deletions	Balances 12/31/15
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 14,861,014	\$ 955,699	\$ -	\$ 15,816,713
Artwork	113,295	-	-	113,295
Construction in Progress	<u>2,287,399</u>	<u>3,120,170</u>	<u>1,193,637</u>	<u>4,213,932</u>
Total Capital Assets, Not Being Depreciated	<u>17,261,708</u>	<u>4,075,869</u>	<u>1,193,637</u>	<u>20,143,940</u>
Capital Assets, Being Depreciated				
Land Improvements	10,383,088	1,329,758	-	11,712,846
Buildings	22,240,402	757,576	-	22,997,978
Vehicles	4,625,998	574,417	399,182	4,801,233
Machinery and Equipment	6,888,107	83,541	48,925	6,922,723
Infrastructure	70,974,407	122,356	-	71,096,763
Software	224,120	-	-	224,120
Solar Power Capacity	<u>-</u>	<u>776,628</u>	<u>-</u>	<u>776,628</u>
Total Capital Assets, Being Depreciated	<u>115,336,122</u>	<u>3,644,276</u>	<u>448,107</u>	<u>118,532,291</u>
Less Accumulated Depreciation/Amortization				
Land Improvements	4,694,581	587,331	-	5,281,912
Buildings	10,145,451	659,740	-	10,805,191
Vehicles	3,354,827	340,620	301,835	3,393,612
Machinery and Equipment	3,656,154	432,360	29,188	4,059,326
Infrastructure	49,612,292	1,862,627	-	51,474,919
Software	203,077	5,832	-	208,909
Solar Power Capacity	<u>-</u>	<u>29,124</u>	<u>-</u>	<u>29,124</u>
Total Accumulated Depreciation/Amortization	<u>71,666,382</u>	<u>3,917,634</u>	<u>331,023</u>	<u>75,252,993</u>
Total Capital Assets, Being Depreciated, Net	<u>43,669,740</u>	<u>(273,358)</u>	<u>117,084</u>	<u>43,279,298</u>
Governmental Activities Capital Assets, Net	<u>\$ 60,931,448</u>	<u>\$ 3,802,511</u>	<u>\$ 1,310,721</u>	<u>\$ 63,423,238</u>

Depreciation expense was charged to programs of the City as follows:

General Government	\$ 305,692
Community Development	3,076
Police	287,146
Public Works	2,098,334
Parks and Recreation	<u>1,223,386</u>
Total	<u>\$ 3,917,634</u>

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 5: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the year ended December 31, 2015.

	Balances <u>12/31/14</u>	Additions	Payments	Balances <u>12/31/15</u>	Due Within <u>One Year</u>
Governmental Activities					
Solar Power Capacity Lease	\$ -	\$ 800,000	\$ 19,441	\$ 780,559	\$ 35,606
Compensated Absences	1,070,143	206,362	88,025	1,188,480	81,293
Claims Payable	<u>145,559</u>	<u>50,876</u>	<u>49,818</u>	<u>146,617</u>	<u>146,617</u>
Total	<u>\$ 1,215,702</u>	<u>\$ 1,057,238</u>	<u>\$ 157,284</u>	<u>\$ 2,115,656</u>	<u>\$ 263,516</u>
Urban Renewal Authority					
Loan Payable	<u>\$ 2,455,000</u>	<u>\$ -</u>	<u>\$ 110,000</u>	<u>\$ 2,345,000</u>	<u>\$ 265,000</u>

Solar Power Capacity Lease

On March 23, 2015, the City entered into an agreement to purchase solar power capacity in a community solar garden. The purchase was financed in April, 2015, with a lease agreement in the amount of \$800,000. Monthly payments of \$6,681, including principal and interest accruing at 5.75% per annum, are due under the agreement, beginning June 1, 2015, through May 1, 2030. The solar power capacity was recorded as a capital asset in the amount of \$776,628.

Following is a schedule of the future minimum lease payments at December 31, 2015.

Year Ended December 31,

2016	\$ 80,167
2017	80,167
2018	80,167
2019	80,167
2020	80,167
2021 - 2025	400,835
2026 - 2030	<u>354,071</u>
Total Minimum Lease Payments	1,155,741
Less: Interest Portion	<u>(375,182)</u>
Present Value of Minimum Lease Payments	<u>\$ 780,559</u>

Compensated Absences

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 5: LONG-TERM DEBT (Continued)

Urban Renewal Authority Loan

On May 14, 2014, the Authority approved a loan agreement with Colorado State Bank and Trust for \$2,455,000 to finance infrastructure improvements associated with redevelopment property. The loan accrues interest at 3.16% per annum. Interest payments are due semi-annually beginning December 1, 2014. Principal payments are due annually beginning December 1, 2015, through 2023.

Future debt service to maturity is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 265,000	\$ 74,102	\$ 339,102
2017	275,000	65,728	340,728
2018	280,000	57,038	337,038
2019	285,000	48,190	333,190
2020	295,000	39,184	334,184
2021 - 2023	<u>945,000</u>	<u>60,356</u>	<u>1,005,356</u>
Total	<u>\$ 2,345,000</u>	<u>\$ 344,598</u>	<u>\$ 2,689,598</u>

NOTE 6: INTERFUND BALANCES AND TRANSACTIONS

At December 31, 2015, the General Fund had temporarily financed projects in the Capital Projects Fund in the amount of \$2,124,778. This interfund loan will be repaid once grant receivables are collected.

During the year ended December 31, 2015, the General Fund transferred \$3,249,970 to the Capital Projects Fund to finance capital projects.

NOTE 7: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Accountability

At December 31, 2015, the Authority had a negative net position of \$1,436,343. Management expects this deficit to be eliminated with future tax increment revenues.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

NOTE 8: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has agreed to self-insure for general liability claims to a maximum of \$150,000; automobile, property and physical damage claims to a maximum of \$10,000; and workers compensation claims to a maximum of \$5,000 per occurrence. The City accounts for its risk management activities in the General Fund.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims payable for the years ended December 31, 2015 and 2014, were as follows:

	<u>2015</u>	<u>2014</u>
Claims Payable, January 1	\$ 145,559	\$ 49,443
Incurred Claims	50,876	198,795
Claims Paid	<u>(49,818)</u>	<u>(102,679)</u>
Claims Payable, December 31	<u>\$ 146,617</u>	<u>\$ 145,559</u>

For excess liability, property and workers compensation claims, the City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

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 defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of 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 coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

NOTE 9: RETIREMENT COMMITMENTS

Police Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of sworn police officers. The Plan is administered by the International City/County Management Association (ICMA). Employees are required to contribute 10% of their compensation to the Plan, and the City contributes 10%. Employees become vested in City contributions to the Plan at 20% annually, beginning in the third year of employment. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2015, the City and employee contributions to the Plan were \$576,564 each, equal to the required contributions.

Department Head Pension Plan

City department heads participate in a multiple-employer defined contribution pension plan upon employment with the City. The Plan is administered by ICMA. Department heads are required to contribute 4% of their compensation to the Plan and the City contributes 5%, except for the City Manager for which the City contributes 10%. Employees become vested in all contributions to the Plan immediately. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2015, the City and employee contributions to the Plan were \$51,142 and \$34,321, respectively, equal to the required contributions.

Employee Pension Plan

The City contributes to a multiple-employer defined contribution pension plan on behalf of all employees, except sworn police officers and department heads. The Plan is administered by ICMA. Employees are required to contribute 4% of their compensation to the Plan, and the City contributes 4%. Employees become vested in City contributions to the Plan at 20% annually after one year of employment. The contribution requirements of Plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2015, the City and employee contributions to the Plan were \$330,183 each, equal to the required contributions. Forfeitures in the amount of \$10,209 were used by the City for contributions during the year.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

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 requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the City. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

NOTE 10: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

The City's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

In November, 2006, voters agreed to allow the City to spend all revenues generated during 2006 and each subsequent year for police protection, street construction - repair and maintenance, parks and recreation - trails and open space, capital projects, and other basic municipal services, without limitation. The Authority is not subject to the Tabor Amendment. See: *Marian L. Olson v. City of Golden, et. al.*, 53 P.3d 747 (Co. App.), certiorari denied.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2015, the emergency reserve of \$1,181,000 was reported as restricted fund balance in the General Fund.

Economic Development Incentive Agreements

The City has approved economic development incentive agreements that require the City to reimburse certain businesses for sales and use taxes generated by the businesses. During the year ended December 31, 2015, the City paid \$234,853 under these agreements and accrued \$12,101 for payment in the subsequent fiscal year.

Grant Programs

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2015, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the City.

Conduit Debt

On August 7, 2015, the City issued a \$1,000,000 Development Revenue Note (Seniors' Resource Center, Inc. Project) Series 2015, to provide financing for facility improvements. The Note matures on August 1, 2030, and is payable solely from revenues of the Seniors' Resource Center, Inc. The City is not obligated in any manner for repayment of the Note. Accordingly, the Note is not reported as a liability in the accompanying financial statements. The outstanding balance of the Note at December 31, 2015, was \$1,000,000.

Litigation

The City is involved in various threatened and pending litigation. The outcome of this litigation cannot be determined at this time.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 23,427,464	\$ 23,792,464	\$ 25,599,105	\$ 1,806,641
Licenses and Permits	1,361,700	996,700	1,056,535	59,835
Intergovernmental	1,973,082	1,973,082	1,950,966	(22,116)
Charges for Services	1,071,636	1,071,636	1,177,244	105,608
Fines and Forfeitures	713,500	713,500	581,196	(132,304)
Investment Income	50,000	50,000	50,656	656
Miscellaneous	393,000	443,504	393,698	(49,806)
TOTAL REVENUES	28,990,382	29,040,886	30,809,400	1,768,514
EXPENDITURES				
Current				
General Government	8,173,606	8,725,262	8,343,186	382,076
Economic Development	1,337,332	1,386,372	1,343,539	42,833
Community Development	1,086,404	1,336,995	1,116,032	220,963
Police	9,656,233	10,125,653	9,665,096	460,557
Public Works	4,361,463	4,567,567	4,222,442	345,125
Parks and Recreation	4,375,344	4,024,743	3,486,821	537,922
Capital Outlay	-	776,628	776,628	-
Debt Service				
Principal	-	19,726	19,441	285
Interest	-	27,038	27,323	(285)
TOTAL EXPENDITURES	28,990,382	30,989,984	29,000,508	1,989,476
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,949,098)	1,808,892	3,757,990
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	800,000	800,000	-
Insurance Proceeds	-	-	195,022	195,022
Transfers Out	(2,570,000)	(3,249,970)	(3,249,970)	-
TOTAL OTHER FINANCING SOURCES (USES)	(2,570,000)	(2,449,970)	(2,254,948)	195,022
NET CHANGE IN FUND BALANCE	(2,570,000)	(4,399,068)	(446,056)	3,953,012
FUND BALANCE, Beginning	8,470,246	9,356,308	9,356,308	-
FUND BALANCE, Ending	\$ 5,900,246	\$ 4,957,240	\$ 8,910,252	\$ 3,953,012

See the accompanying Independent Auditors' Report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

State statutes require that all funds have legally adopted budgets and appropriations. Total expenditures may not exceed the amount appropriated at the fund level. Budgets are adopted for all funds of the City on a basis consistent with generally accepted accounting principles (GAAP).

The City follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Revisions that alter the total expenditures of any fund must be approved by the City Council.
- All appropriations lapse at year end.

Budgetary information presented in the financial statements for the Wheat Ridge Urban Renewal Authority was approved by the governing board of the Wheat Ridge Urban Renewal Authority.

Legal Compliance

For the year ended December 31, 2015, the supplemental budget adopted for the Open Space Fund allowed for expenditures in excess of the resources available. This may be a violation of State statutes.

SUPPLEMENTARY INFORMATION

CITY OF WHEAT RIDGE, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2015

	<u>OPEN SPACE</u>	<u>POLICE INVESTIGATION</u>	<u>MUNICIPAL COURT</u>	<u>CONSERVATION TRUST</u>
ASSETS				
Cash and Investments	\$ 845,326	\$ 92,842	\$ 86,825	\$ 457,417
Accounts Receivable	-	-	-	-
Intergovernmental Receivables	500,235	-	-	-
Accrued Interest Receivable	<u>3,131</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,348,692</u>	<u>\$ 92,842</u>	<u>\$ 86,825</u>	<u>\$ 457,417</u>
LIABILITIES				
Accounts Payable	\$ <u>83,389</u>	\$ <u>-</u>	\$ <u>3,094</u>	\$ <u>5,336</u>
TOTAL LIABILITIES	<u>83,389</u>	<u>-</u>	<u>3,094</u>	<u>5,336</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	<u>39,975</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted for Open Space and Parks	1,225,328	-	-	452,081
Restricted for Police Investigations	-	92,842	-	-
Restricted for Crime Prevention Activities	-	-	-	-
Committed to Municipal Court	-	-	83,731	-
Committed to Recreation Center	-	-	-	-
Committed to Public Art	-	-	-	-
Assigned to Equipment Replacement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES	<u>1,225,328</u>	<u>92,842</u>	<u>83,731</u>	<u>452,081</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,348,692</u>	<u>\$ 92,842</u>	<u>\$ 86,825</u>	<u>\$ 457,417</u>

See the accompanying Independent Auditors' Report.

RECREATION CENTER OPERATING	CRIME PREVENTION	PUBLIC ART	EQUIPMENT REPLACEMENT	TOTALS
\$ 895,695	\$ 372,360	\$ 65,819	\$ 467,754	\$ 3,284,038
-	29,209	-	773	29,982
-	-	-	-	500,235
<u>25</u>	<u>634</u>	<u>-</u>	<u>-</u>	<u>3,790</u>
<u>\$ 895,720</u>	<u>\$ 402,203</u>	<u>\$ 65,819</u>	<u>\$ 468,527</u>	<u>\$ 3,818,045</u>
\$ 18,244	\$ 452	\$ -	\$ -	\$ 110,515
<u>18,244</u>	<u>452</u>	<u>-</u>	<u>-</u>	<u>110,515</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,975</u>
-	-	-	-	1,677,409
-	-	-	-	92,842
-	401,751	-	-	401,751
-	-	-	-	83,731
877,476	-	-	-	877,476
-	-	65,819	-	65,819
<u>-</u>	<u>-</u>	<u>-</u>	<u>468,527</u>	<u>468,527</u>
<u>877,476</u>	<u>401,751</u>	<u>65,819</u>	<u>468,527</u>	<u>3,667,555</u>
<u>\$ 895,720</u>	<u>\$ 402,203</u>	<u>\$ 65,819</u>	<u>\$ 468,527</u>	<u>\$ 3,818,045</u>

CITY OF WHEAT RIDGE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2015

	<u>OPEN SPACE</u>	<u>POLICE INVESTIGATION</u>	<u>MUNICIPAL COURT</u>	<u>CONSERVATION TRUST</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,393,544	1,705	-	297,794
Charges for Services	64,930	-	-	-
Fines and Forfeitures	-	-	21,628	-
Investment Income	12,475	326	272	540
Miscellaneous	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL REVENUES	 <u>1,473,949</u>	 <u>2,031</u>	 <u>21,900</u>	 <u>298,334</u>
EXPENDITURES				
Current				
General Government	-	-	15,191	-
Police	-	-	-	-
Parks and Recreation	1,680,644	-	-	172,352
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL EXPENDITURES	 <u>1,680,644</u>	 <u>-</u>	 <u>15,191</u>	 <u>172,352</u>
 NET CHANGE IN FUND BALANCES	 (206,695)	 2,031	 6,709	 125,982
FUND BALANCES, Beginning	<u>1,432,023</u>	<u>90,811</u>	<u>77,022</u>	<u>326,099</u>
FUND BALANCES, Ending	<u>\$ 1,225,328</u>	<u>\$ 92,842</u>	<u>\$ 83,731</u>	<u>\$ 452,081</u>

See the accompanying Independent Auditors' Report.

RECREATION CENTER OPERATING	CRIME PREVENTION	PUBLIC ART	EQUIPMENT REPLACEMENT	TOTALS
\$ -	\$ 426,970	\$ 8,263	\$ -	\$ 435,233
-	-	-	-	1,693,043
2,142,553	-	4,741	-	2,212,224
-	35,643	-	-	57,271
13,984	714	200	4,233	32,744
-	-	-	-	3,000
<u>2,156,537</u>	<u>463,327</u>	<u>13,204</u>	<u>4,233</u>	<u>4,433,515</u>
-	-	-	-	15,191
-	407,746	-	-	407,746
2,231,709	-	-	-	4,084,705
-	-	-	9,727	9,727
<u>2,231,709</u>	<u>407,746</u>	<u>-</u>	<u>9,727</u>	<u>4,517,369</u>
(75,172)	55,581	13,204	(5,494)	(83,854)
<u>952,648</u>	<u>346,170</u>	<u>52,615</u>	<u>474,021</u>	<u>3,751,409</u>
<u>\$ 877,476</u>	<u>\$ 401,751</u>	<u>\$ 65,819</u>	<u>\$ 468,527</u>	<u>\$ 3,667,555</u>

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

OPEN SPACE FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ 960,000	\$ 960,000	\$ 1,393,544	\$ 433,544
Charges for Services	-	-	64,930	64,930
Investment Income	4,000	4,000	12,475	8,475
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
TOTAL REVENUES	<u>967,000</u>	<u>967,000</u>	<u>1,473,949</u>	<u>506,949</u>
EXPENDITURES				
Current				
Parks and Recreation	<u>1,307,379</u>	<u>2,585,312</u>	<u>1,680,644</u>	<u>904,668</u>
NET CHANGE IN FUND BALANCE	(340,379)	(1,618,312)	(206,695)	1,411,617
FUND BALANCE, Beginning	<u>442,511</u>	<u>1,432,023</u>	<u>1,432,023</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 102,132</u>	<u>\$ (186,289)</u>	<u>\$ 1,225,328</u>	<u>\$ 1,411,617</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

POLICE INVESTIGATION FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,705	\$ 1,705
Investment Income	<u>350</u>	<u>350</u>	<u>326</u>	<u>(24)</u>
TOTAL REVENUES	<u>350</u>	<u>350</u>	<u>2,031</u>	<u>1,681</u>
EXPENDITURES				
Current				
Police	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	(24,650)	(24,650)	2,031	26,681
FUND BALANCE, Beginning	<u>80,725</u>	<u>91,539</u>	<u>90,811</u>	<u>(728)</u>
FUND BALANCE, Ending	<u>\$ 56,075</u>	<u>\$ 66,889</u>	<u>\$ 92,842</u>	<u>\$ 25,953</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

MUNICIPAL COURT FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Positive (Negative)</u>
REVENUES				
Fines and Forfeitures	\$ 27,500	\$ 27,500	\$ 21,628	\$ (5,872)
Investment Income	550	550	272	(278)
TOTAL REVENUES	<u>28,050</u>	<u>28,050</u>	<u>21,900</u>	<u>(6,150)</u>
EXPENDITURES				
Current				
General Government	<u>26,000</u>	<u>26,000</u>	<u>15,191</u>	<u>10,809</u>
NET CHANGE IN FUND BALANCE	2,050	2,050	6,709	4,659
FUND BALANCE, Beginning	<u>30,350</u>	<u>77,022</u>	<u>77,022</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 32,400</u>	<u>\$ 79,072</u>	<u>\$ 83,731</u>	<u>\$ 4,659</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CONSERVATION TRUST FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 297,794	\$ (2,206)
Investment Income	<u>1,000</u>	<u>1,000</u>	<u>540</u>	<u>(460)</u>
TOTAL REVENUES	<u>301,000</u>	<u>301,000</u>	<u>298,334</u>	<u>(2,666)</u>
EXPENDITURES				
Current				
Parks and Recreation	<u>365,000</u>	<u>417,831</u>	<u>172,352</u>	<u>245,479</u>
NET CHANGE IN FUND BALANCE	(64,000)	(116,831)	125,982	242,813
FUND BALANCE, Beginning	<u>315,538</u>	<u>326,099</u>	<u>326,099</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 251,538</u>	<u>\$ 209,268</u>	<u>\$ 452,081</u>	<u>\$ 242,813</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
RECREATION CENTER OPERATING FUND

Year Ended December 31, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Charges for Services	\$ 2,066,642	\$ 2,142,553	\$ 75,911
Investment Income	8,000	13,984	5,984
	<u>2,074,642</u>	<u>2,156,537</u>	<u>81,895</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Parks and Recreation	<u>2,363,101</u>	<u>2,231,709</u>	<u>131,392</u>
NET CHANGE IN FUND BALANCE	(288,459)	(75,172)	213,287
FUND BALANCE, Beginning	<u>1,000,075</u>	<u>952,648</u>	<u>(47,427)</u>
FUND BALANCE, Ending	<u>\$ 711,616</u>	<u>\$ 877,476</u>	<u>\$ 165,860</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CRIME PREVENTION FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 300,000	\$ 300,000	\$ 426,970	\$ 126,970
Fines and Forfeitures	30,000	30,000	35,643	5,643
Investment Income	1,000	1,000	714	(286)
 TOTAL REVENUES	 <u>331,000</u>	 <u>331,000</u>	 <u>463,327</u>	 <u>132,327</u>
EXPENDITURES				
Current				
Police	356,904	407,754	407,746	8
 NET CHANGE IN FUND BALANCE	 (25,904)	 (76,754)	 55,581	 132,335
FUND BALANCE, Beginning	<u>230,275</u>	<u>346,170</u>	<u>346,170</u>	<u>-</u>
FUND BALANCE, Ending	\$ <u><u>204,371</u></u>	\$ <u><u>269,416</u></u>	\$ <u><u>401,751</u></u>	\$ <u><u>132,335</u></u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

PUBLIC ART FUND

Year Ended December 31, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	\$ 4,500	\$ 8,263	\$ 3,763
Charges for Services	5,000	4,741	(259)
Investment Income	100	200	100
Miscellaneous	<u>28,110</u>	<u>-</u>	<u>(28,110)</u>
TOTAL REVENUES	<u>37,710</u>	<u>13,204</u>	<u>(24,506)</u>
EXPENDITURES			
Capital Outlay	<u>20,000</u>	<u>-</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	17,710	13,204	(4,506)
FUND BALANCE, Beginning	<u>47,331</u>	<u>52,615</u>	<u>5,284</u>
FUND BALANCE, Ending	<u>\$ 65,041</u>	<u>\$ 65,819</u>	<u>\$ 778</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE

CAPITAL PROJECTS FUND

Year Ended December 31, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 250,000	\$ 250,000	\$ 305,509	\$ 55,509
Intergovernmental	3,060,228	3,060,228	1,786,717	(1,273,511)
Investment Income	<u>10,000</u>	<u>10,000</u>	<u>15,701</u>	<u>5,701</u>
TOTAL REVENUES	<u>3,320,228</u>	<u>3,320,228</u>	<u>2,107,927</u>	<u>(1,212,301)</u>
EXPENDITURES				
Capital Outlay	<u>7,705,228</u>	<u>8,449,500</u>	<u>6,260,800</u>	<u>2,188,700</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,385,000)	(5,129,272)	(4,152,873)	976,399
OTHER FINANCING SOURCES				
Transfers In	<u>2,570,000</u>	<u>3,249,970</u>	<u>3,249,970</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,815,000)	(1,879,302)	(902,903)	976,399
FUND BALANCE, Beginning	<u>1,879,302</u>	<u>1,879,302</u>	<u>1,684,880</u>	<u>(194,422)</u>
FUND BALANCE, Ending	<u>\$ 64,302</u>	<u>\$ -</u>	<u>\$ 781,977</u>	<u>\$ 781,977</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
EQUIPMENT REPLACEMENT FUND
 Year Ended December 31, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Intergovernmental	\$ 53,000	\$ -	\$ (53,000)
Investment Income	1,000	4,233	3,233
TOTAL REVENUES	<u>54,000</u>	<u>4,233</u>	<u>(49,767)</u>
EXPENDITURES			
Capital Outlay	<u>235,000</u>	<u>9,727</u>	<u>225,273</u>
NET CHANGE IN FUND BALANCE	(181,000)	(5,494)	175,506
FUND BALANCE, Beginning	<u>530,705</u>	<u>474,021</u>	<u>(56,684)</u>
FUND BALANCE, Ending	<u>\$ 349,705</u>	<u>\$ 468,527</u>	<u>\$ 118,822</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BALANCE SHEET
COMPONENT UNIT
 December 31, 2015

	<u>URBAN RENEWAL AUTHORITY</u>
ASSETS	
Cash and Investments	\$ 705,386
Property Taxes Receivable	90,999
Due From Primary Government	206,399
Property Held for Resale	<u>330,299</u>
TOTAL ASSETS	\$ <u>1,333,083</u>
LIABILITIES	
Accounts Payable	\$ 3,128
Due to Primary Government	<u>330,299</u>
TOTAL LIABILITIES	<u>333,427</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>90,999</u>
FUND BALANCE	
Nonspendable Property Held for Resale	330,299
Unrestricted, Unassigned	<u>578,358</u>
TOTAL FUND BALANCE	<u>908,657</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ <u>1,333,083</u>

Amounts Reported for the Component Unit in the Statement of Net Position are Different Because:

Total Fund Balance of Component Unit	\$ 908,657
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in governmental funds.	<u>(2,345,000)</u>
Total Net Position of Component Unit	\$ <u>(1,436,343)</u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
COMPONENT UNIT

Year Ended December 31, 2015

	<u>URBAN RENEWAL AUTHORITY</u>
REVENUES	
Property Tax Increment	\$ 10,882
Sales Tax Increment	341,673
Intergovernmental	300,000
Investment Income	<u>780</u>
TOTAL REVENUES	<u>653,335</u>
EXPENDITURES	
Current	
Community Development	3,248
Capital Outlay	1,034,521
Debt Service	
Principal	110,000
Interest	<u>77,578</u>
TOTAL EXPENDITURES	<u>1,225,347</u>
NET CHANGE IN FUND BALANCE	(572,012)
FUND BALANCE, Beginning	<u>1,480,669</u>
FUND BALANCE, Ending	\$ <u><u>908,657</u></u>
Amounts Reported for the Component Unit in the Statement of Activities are Different Because:	
Net Change in Fund Balance of Component Unit	\$ (572,012)
Repayments of long-term debt are expenditures in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. This amount represents loan payments in the current year.	<u>110,000</u>
Change in Net Position of Component Unit	\$ <u><u>(462,012)</u></u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

BUDGETARY COMPARISON SCHEDULE
WHEAT RIDGE URBAN RENEWAL AUTHORITY
 Year Ended December 31, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	\$ 41,000	\$ 352,555	\$ 311,555
Contributions	300,000	300,000	-
Investment Income	20,000	780	(19,220)
Proceeds from Sale of Property	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>
TOTAL REVENUES	<u>761,000</u>	<u>653,335</u>	<u>(107,665)</u>
EXPENDITURES			
Current			
Community Development	5,000	3,248	1,752
Capital Outlay	2,232,238	1,034,521	1,197,717
Debt Service			
Principal	110,000	110,000	-
Interest	<u>77,578</u>	<u>77,578</u>	<u>-</u>
TOTAL EXPENDITURES	<u>2,424,816</u>	<u>1,225,347</u>	<u>1,199,469</u>
NET CHANGE IN FUND BALANCE	(1,663,816)	(572,012)	1,091,804
FUND BALANCE, Beginning	<u>2,705,488</u>	<u>1,480,669</u>	<u>(1,224,819)</u>
FUND BALANCE, Ending	\$ <u><u>1,041,672</u></u>	\$ <u><u>908,657</u></u>	\$ <u><u>(133,015)</u></u>

See the accompanying Independent Auditors' Report.

COMPLIANCE SECTION



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

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

We have audited, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge, and have issued our report thereon dated August 25, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Wheat Ridge's internal control over financial reporting to determine the 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 of Wheat Ridge's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Wheat Ridge's internal control over financial reporting.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City of Wheat Ridge's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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 the City of Wheat Ridge's internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wheat Ridge'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Wheat Ridge'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 City of Wheat Ridge's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Erin Lambert" followed by a stylized flourish.

August 25, 2016



Honorable Mayor and Members of the City Council
City of Wheat Ridge
Wheat Ridge, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE,
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Report on Compliance for Each Major Federal Program

We have audited the City of Wheat Ridge's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Wheat Ridge's major federal programs for the year ended December 31, 2015. The City of Wheat Ridge's major federal programs are identified in the summary of auditors' 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 the federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wheat Ridge's major federal programs 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 OMB's *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 of Wheat Ridge'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 each major federal program. However, our audit does not provide a legal determination of the City of Wheat Ridge's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Wheat Ridge complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of the City of Wheat Ridge 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 of Wheat Ridge's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 of Wheat Ridge'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 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 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 the City of Wheat Ridge's 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Wheat Ridge. We issued our report thereon dated August 25, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wheat Ridge's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



August 25, 2016

CITY OF WHEAT RIDGE, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2015

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes x no

- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted?

_____ yes x no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? _____ yes x no

- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of OMB's Uniform Guidance?

_____ yes x no

Identification of major federal program:

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? x yes _____ no

Financial Statement Findings

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, noncompliance, or abuse that were material to those financial statements.

Federal Awards Findings and Questioned Costs

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

CITY OF WHEAT RIDGE, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Disbursements
U.S. Environmental Protection Agency		
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	\$ <u>96,833</u>
Executive Office of the President		
Passed through City of Lakewood		
High Intensity Drug Trafficking Areas Program	95.001	<u>18,538</u>
U.S. Department of Justice		
Edward Byrne Memorial Justice Assistance Grant	16.738	12,215
Bulletproof Vest Partnership Program	16.607	<u>8,646</u>
TOTAL U.S. DEPARTMENT OF JUSTICE		<u>20,861</u>
U.S. Department of Transportation		
Passed through Colorado Department of Transportation		
Federal Transit Cluster		
Federal Transit	20.507	197,745
Highway Planning and Construction Cluster		
Highway Planning and Construction	20.205	1,911,981
Highway Safety Cluster		
State and Community Highway Safety	20.600	4,852
National Priority Safety Programs	20.616	<u>2,500</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>2,117,078</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$ <u>2,253,310</u></u>

See the accompanying Independent Auditors' Report.

CITY OF WHEAT RIDGE, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2015

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Wheat Ridge
	YEAR ENDING : December 2015
This Information From The Records Of (example - City of _ or County of) Prepared By: Linda Stengel, Accounting Supervisor Phone: 303-235-2817	

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	6,950,365
4. Miscellaneous local receipts (from page 2)	252,498
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	7,202,863
B. Private Contributions	
C. Receipts from State government (from page 2)	1,627,786
D. Receipts from Federal Government (from page 2)	1,206,293
E. Total receipts (A.7 + B + C + D)	10,036,942

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	3,061,388
2. Maintenance:	3,681,592
3. Road and street services:	
a. Traffic control operations	43,511
b. Snow and ice removal	186,920
c. Other	
d. Total (a. through c.)	230,431
4. General administration & miscellaneous	867,453
5. Highway law enforcement and safety	2,196,078
6. Total (1 through 5)	10,036,942
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	10,036,942

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		10,036,942	10,036,942		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2015

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	732,272	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	102,622
1. Sales Taxes	6,218,093	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 (street cut permits)	149,876
5. Specific Ownership &/or Other		g. Other Misc. Receipts (Jefferson Cty)	0
6. Total (1. through 5.)	6,218,093	h. Other	
c. Total (a. + b.)	6,950,365	i. Total (a. through h.)	252,498
	(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	1,047,362	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	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (Specify) STATE-DRCOG	353,496	e. U.S. Corps of Engineers	
e. Other (Specify) RDT-GOLD LIN	226,928	f. Other Federal	1,206,293
f. Total (a. through e.)	580,424	g. Total (a. through f.)	1,206,293
4. Total (1. + 2. + 3.f)	1,627,786	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		517,110	517,110
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	0
(3). System Preservation		0	0
(4). System Enhancement & Operation		2,544,278	2,544,278
(5). Total Construction (1) + (2) + (3) + (4)	0	2,544,278	2,544,278
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	3,061,388	3,061,388
			(Carry forward to page 1)

Notes and Comments: